



JPRS Report

Near East & South Asia

DISTRIBUTION STATEMENT A
Approved for public release;
Distribution Unlimited

19980713 036

Near East & South Asia

JPRS-NEA-89-005

CONTENTS

17 JANUARY 1989

NEAR EAST

REGIONAL

Survey Analyzing Status of Arab Banks Discussed [Dubayy GULF NEWS 22 Nov]	1
Kuwait Leads Arab World [Kuwait ARAB TIMES 23 Nov]	2
Success of Iraq-Jordan Transport Company Discussed [Kuwait AL-WATAN 1 Nov]	2

PALESTINIAN AFFAIRS

Nature of Palestinian West Bank 'Strike Force' Described [Nicosia FILASTIN AL-THAWRAH 11 Dec]	3
Plots To Assassinate PLO Leadership Described [Kuwait AL-QABAS 21 Nov]	5
PLO, Jordan Agree on Open University Through Television [Jerusalem AL-FAJR 21 Nov]	6
Shaykh Darwish Defines Islamic Movement Stance on Palestine [Nazareth AL-SINNARAH 16 Dec]	7
Merits of Provisional Government in Exile Discussed [Jerusalem AL-BAYADIR AL-SIYASI 12 Nov]	7
West Bank Farmers Describe Hardships [Jerusalem AL-BAYADIR AL-SIYASI 12 Nov]	10
Economic Circumstances, Future of West Bank Discussed [Kuwait AL-QABAS 14 Nov]	11

ALGERIA

Critique Urges Restructuring of Press System [REVOLUTION AFRICAINE 9 Dec]	18
---	----

BAHRAIN

Japanese-Run Steel Company Nationalized [GULF DAILY NEWS 29 Dec]	22
--	----

EGYPT

New Extremist Religious Organization Investigated [AL-WAFD 27 Dec]	23
Cabinet Discusses Foreign Currency Problems [AL-AKHBAR 15 Nov]	23
Government Blamed for Price Increases [AL-SIYASI 11 Dec]	24
Former Economy Minister Discusses Investment Companies' Origins, Prospects [London AL-HAWADITH 18 Nov]	25
Minister of Electricity Discusses Future Energy-Saving Projects [AKHIR SA'AH 7 Dec]	28
Egypt Officially Rejoins Industrial Development Group [MENA]	34
Suez Canal Authority Chairman on Revenues [AL-AKHBAR 25 Dec]	34
Air Force Chief Discusses First Line of Defense [AL-SIYASI 6 Nov]	34
Military To Obtain Planes From Argentina [Abu Dhabi AL-ITTIHAD 31 Dec]	36
Awqaf Minister Favors Gradual Implementation of Islamic Laws [AL-NUR 30 Nov]	36
Islamic Proselytizer Discusses Social Issues [AL-NUR 23 Nov]	36
Columnist Praises 'New Position' of U.S. Toward Islam [AL-JUMHURIYAH 16 Nov]	37
AL-AHRAM on 'Free Judaea' State in West Bank [MENA]	38
Commentator Sees Support of Uprising as Islamic Mandate [AL-SHA'B 8 Nov]	38
Students Protest Interference in Campus Elections [AL-SHA'B 22 Nov]	40
Columnist Sees Soviets As Threat in Gulf [AL-JUMHURIYAH 21 Nov]	40
Columnist Blames Government, IMF for Investment Company Woes [AL-SHA'B 22 Nov]	41

IRAQ

Reports Claim Kurdish Internees Show Symptoms of Poisoning [Jerusalem THE JERUSALEM POST 23 Nov]	44
New Oil Deposits Discovered in Rumaylah Field [Paris AL-MUSTAQBAL 3 Dec]	45
Minister Describes Reconstruction Projects, Kuwaiti Water Deal [Kuwait AL-WATAN 29 Oct]	45

ISRAEL

Judge Advocate General Interviewed on Uprising, Death Penalty [BAMAHANE 23 Nov] 47

JORDAN

Loan Agreement With Japan Discussed [JORDAN TIMES 24-25 Nov] 48
Japanese Firm To Conduct Oil Exploration in Jordan [JORDAN TIMES 23 Nov] 49
Seminar Urges Better Ways To Manage Water [JORDAN TIMES 28 Nov] 50

MAURITANIA

Mauritanian-Liberian Joint Communique [Nouakchott Radio] 51

OMAN

Efforts Made To Link Electricity Grids in GCC States [UMAN 7 Nov] 52

QATAR

Government Provides Vocational Training for Students [AL-RAYAH 24 Oct] 52
Steps To Develop and Increase Agriculture [AL-RAYAH 27 Oct] 54
Employee Statistics Reported [AL-ARAB 13 Sep] 56

SAUDI ARABIA

New 5-Year Plan To Give Work Force Issue First Priority [Paris AL-MUSTAQBAL 12 Nov] 59
Military Reportedly Considering Purchase of French Submarines
[Paris AL-MUSTAQBAL 12 Nov] 60

SYRIA

Prospects for 1988 Cotton Crop Discussed [AL-THAWRAH 9 Oct] 61

TUNISIA

Ghannouchi Interviewed on Condition of Economy, Greater Maghreb Project
[London AL-HAWADITH 11 Nov] 63

UNITED ARAB EMIRATES

Effects of U.S. Textiles Quota Discussed [KHALEEJ TIMES 27 Nov] 65
Dubayy's Textile Trade Predicted To Peak [GULF NEWS 19 Nov] 66
Study Provides Work Force Statistics [AL-KHALIJ 9 Nov] 67

SOUTH ASIA

AFGHANISTAN

Fall in Prices [THE KABUL TIMES 14 Oct] 70
800 Housing Plots Distributed in Mazar [THE KABUL TIMES 14 Oct] 70
Over 540 Tons of Wheat Arrive in Kabul [THE KABUL TIMES 22 Nov] 70
Youth Join Armed Forces in Badghis [THE KABUL TIMES 6 Nov] 70

IRAN

Role of Women in Islamic Iran 70
Conference Issues Written Declaration [ETTELA'AT 6 Oct] 70
Interview With Khomeyni's Daughter ETTELA'AT 18 Oct 70

REGIONAL

Survey Analyzing Status of Arab Banks Discussed 44000180 *Dubayy GULF NEWS in English* 22 Nov 88 p 13

[Article by Barbara Jones]

[Text] Abu Dhabi—The financial structure of the Arab world's top 100 banks has been proved strong enough to withstand the challenge of the 1990's providing they cooperate and form a pan-Arab front. A survey by the Arab Banking Union [ABU], revealed during a three-day conference in the capital, shows that as regards total assets, capital adequacy and returns on assets, the Arab banks are performing better than their international counterparts and have the finance available to aid a diversification of the region's commerce and industry.

The facts were unveiled at a closing press conference by the ABU's chairman, Anwar al-Khalil. But he warned the survey also highlighted some negative sides to the system and he stressed that unless the bank's developed a unified approach they would not individually survive the pressures of the coming decade. Cooperation between the banks, he said, was vital even if it meant mergers between smaller units.

"Cooperation in some cases also means cross country mergers," he said. "If units are small and cannot compete on a local, regional or international level, mergers should be discussed."

The survey, the first in a phase of ongoing data processing by the ABU, took eight months to complete. It was based on the balance sheets of the top 100 Arab banks which were then compared to those of the first 500 international banks. Central banks, specialized and Islamic banks and development funds were not included.

The results show that the total assets of the Arab banks exceeded U.S. \$370 billion at the end of 1987 compared to an Arab GDP of U.S. \$385 billion.

"This," said al-Khalil, "gives us a very respectable banking dimension of 0.96 on its minimal average. This means we have enough resources to cope with the requirements and the economic demands of production of exchange and distribution."

The capital adequacy ratio of the Arab banks stood at 6.25 percent at the end of last year whilst the international banks surveyed returned a ratio of only 3.85 percent. "Furthermore," added al-Khalil, "the G12 committee is trying to obtain by 1992 a percentage ratio of eight percent. Yet, in a sample of 30 of the top 100 Arab banks we found they already enjoy a capacity of eight percent."

Once again when it comes to returns on total assets, regarded as a key index to profitability, the Arab returns are above those of the international banks. The Arab banks registered profitability ratios of 0.7 percent last year as compared to a ratio of 0.48 percent from the international banks. In addition, last year 47 percent of the Arab banks' total assets were kept liquid.

"This," added al-Kalil, "is a very high ratio and it means we have a great proportion of our assets, to the tune of U.S. \$175 billion, available for the potential of financing the commercial and industrial sectors of the Arab world."

"If these figures are taken as fact, we say the Arab banks can indeed stand on their own two feet and therefore co-operation becomes not a matter of convenience but a necessity to meet competitive standards and new legislation expected in the 1990s, not least of which is the creation of a single European market in 1992."

However, the chairman warned that though the money was in the system to aid the industrial sector of the Arab world, changes in attitude had to be adopted to make use of it. "The money is there," he said, "Undoubtedly there should be greater in-depth attention paid to viable projects and to putting them forward. If a viable project is there, we have the money. We are saying to the private sector, find the projects and let's talk business. At the same time we are telling the banks not to continually look outside of the Arab world for investments but to encourage a more in-depth approach to developing projects within the Arab world."

Al-Khalil highlighted a growing movement within the Arab region for governments to stress the importance of the private sector and encourage further growth. However, he added that more legislation was needed within the region to encourage the easy flow of investment money from one Arab country to another so that more cash stayed within the Arab world. He said the time was now right for the legislation as many who had invested overseas had, in the past, had their fingers burnt.

"The external investment of many," he stressed, "has not been altogether safe. In Latin America for instance we lost our shirts. A portion of any investment money should be kept within the Arab world because it is a guard against extreme conditions of investment and there is the potential for profitability."

The ABU, said the chairman, would act as a pressure lobby to get the right legislation to encourage a climate where money could be moved freely within the Arab world for investment purposes.

He said following the losses in Latin America and Kuwait's experience with its BP holding, there was greater readiness now to invest within the Arab region.

"There is," he said, "a greater awareness that Arab money will be subjected to risks if we go on looking outwardly and this will have positive effects on pan-Arab cooperation.

"Even where external investments are not repatriated into the Arab world, the Arab institutions for handling investments have come a long way and have become capable of administering these external investments. So, even when investments are going to be placed overseas, let us use Arab institutions in managing them and get the benefits of the return on the service given."

The chairman admitted however that the survey had thrown up several drawbacks within the Arab banking system. He said the average size per unit of Arab banks remained small compared to international standards and the competitiveness of the units was behind that of developed countries.

In addition, he said, the average bank in the Arab region did not provide all the necessary outlets of service which could be found in the industrialized world. Once again, he said, cooperation between nations could go some way in solving the problem with banks establishing joint venture schemes and projects.

He highlighted a continued dependence within the Arab banking system on foreign personnel and affiliations. This, he said, was largely due to the historical and colonial background of the region when the banking system had largely been administered from overseas. The Arab banking system, he warned, had not yet "matured sufficiently." Arab management and Arab workers still formed a small percentage of total personnel, he said.

Meanwhile, the ABU has established the framework for a permanent data-bank service to be set up at its Beirut headquarters. The system is to be computerized and brought on-stream early next year. "In the data-bank," said al-Khalil, "we will be going into other fields of study to find out what are the problems and potential dangers lurking in the system."

Kuwait Leads Arab World

*44000174 Kuwait ARAB TIMES in English
23 Nov 88 p 1*

[Text] Tunis, 22 November, (KUNA): Judging by at least three key indicators, Arab countries, except Kuwait, have less than enviable quality of life compared with the advanced nations, according to a statistical study released by the Arab League today.

The study reached the conclusion by comparing the Arab world with the advanced nations in such areas as energy consumption, the population-vehicles ratio, circulation of newspapers, the cultural climate and availability of recreational facilities.

On an average, the study says, there are 10 private cars for each 1,000 people in the Arab world compared with 364 vehicles in West Europe and 131 cars in Eastern Europe.

The exceptions in the Arab world are Kuwait, where there are 172 cars for every 1,000 people; 120 cars in the UAE and 88 vehicles in Libya for the same number of people, the study says.

Arabs also read less, as circulation of daily and periodical papers is 56 copies for each 1,000 people compared with 316 copies in the advanced nations.

Kuwait also emerges as the exception in leading the Arab world with a circulation of 236 publications for each 1,000 people, according to the study.

While the Arab world consumes energy at an annual average of 750 kgs of oil, the rate in the advanced nations is 4,877 kgs.

But oil-rich countries of the United Arab Emirates, Kuwait and Saudi Arabia match the energy per head consumption levels of the advanced nations, with the UAE leading with an average of 5,379 kgs.

Success of Iraq-Jordan Transport Company Discussed

44040085 Kuwait AL-WATAN in Arabic 1 Nov 88 p 11

[Text] Among the companies which exemplify a pioneering and successful experiment in the field of joint Arab endeavors, and which affirm through this experiment the importance and practicality of those endeavors, is the Iraqi-Jordanian Land Transport Company. It has become one of the biggest transport companies in the region and the world with its fleet of more than 900 transport vehicles. In order to shed light on this company's experiment, AL-WATAN met with its general manager, Mr Jamil Ibrahim, who said: The company was established in 1980 by the governments of Iraq and Jordan with capital estimated to be \$25 million. Then the company doubled its capital, and this increase of payments came from the company's profits, which reached 3,264,000 Jordanian dinars this year. This is because the company began to depend on self-service after it had depended on service by foreign companies. Now the company has its own cadres which have increased to 1,500 workers, mostly from Iraq, Jordan, and other Arab countries.

Mr Ibrahim added that the company owns more than 900 trucks and two main garages in al-'Aqabah and Baghdad outfitted with the most modern equipment in addition to office buildings in Amman and Baghdad, and land in both places.

Moreover, the company invested 435,000 Jordanian dinars in the United Jordanian Company for Organizing Land Transport, and invested 35,500 Jordanian dinars

in the Jordanian Company for Capping Tires. As for the company's future plans, Mr Ibrahim said that the company is trying to broaden the base of its operations, so that it will not be confined to land transport operations alone. For this reason, it has begun to expand in accordance with an established plan, setting up a ship repair plant in al-'Aqabah. The company is also trying to obtain a permit to carry out customs-clearance operations now, in addition to its other activities in the areas of maritime agencies and passenger transport.

He affirmed that in addition to the financial profits which the company has realized, and which have reached 3,264,000 Jordanian dinars, as was mentioned, and which the two countries share, the company has had great accomplishments. These accomplishments are exemplified by the company's contribution to the flow of goods between the two countries and overcoming bottlenecks. It also contributed to strengthening the transportation market between the two countries, and has undertaken to provide approximately 1,500 employment opportunities, which helps alleviate the severity of unemployment and utilizes the labor force.

This is in addition to the fact that the company was able to create and develop specialized Arab work cadres in all areas of land transport which contributed to the development of the transport sector via their participation in specialized studies and conferences, or holding special training and qualification sessions. It has also introduced the latest technological methods to the work, so that it is the first company to introduce an electronic computer system to its operations, whether it be for the purpose of work performance, maintainance, administration, cost accounting, or even for storage and warehouses.

In addition to all of this, the company undertook to strengthen the bonds and support cooperation between the two countries before the war and during it, and the company has assured the importance of the role which the Joint Arab Workers Company played in the area of economic growth.

Regarding the possible impact of the end of the Iran-Iraq war on transport movement between Jordan and Iraq, Mr Jamil Ibrahim said: I do not expect any effect at all on the company's work progress because this company is a government company and they will always try to develop it, maintain it, and provide a sufficient amount of work for it, in order to make it possible for it to fulfill its role as well as possible.

Likewise, the need for the existence of this company arose before the beginning of the Iraq-Iran war, and the need will remain in spite of the fact that alternate ports, such as Kuwaiti ports and other Arab ports, are available.

PALESTINIAN AFFAIRS

Nature of Palestinian West Bank 'Strike Force' Described

44040182 Nicosia FILASTIN AL-THAWRAH in Arabic
11 Dec 88 pp 53-54

[Article: "Provisional Constitution of 'Strike Force'; Every Palestinian Citizen Aged 15 Years or Over Is Entitled to Membership"]

[Text] The strike force was formed on 17 September 1987, i.e., 3 months prior to the Intifadah's eruption. Our Israeli enemies who occupy our land do not at all belittle this organization, and they believe that it is playing the role the Jewish (Palmakh) organization had played before the State of Israel was founded. The PLO's central magazine is publishing below the "strike force's" provisional constitution, omitting the paragraphs and phrases that may compromise this brave force's security.

Name and Identification

The strike force is a popular resistance organization that includes in its ranks all the patriotic members of the Palestinian people in the occupied homeland who join the struggle against the Israeli invaders and aggressors and against the troops of fascist settlers to expel the occupation and to wrench the Palestinian people's rights to repatriation, self-determination, and the creation of an independent national state with Jerusalem as its capital and with the PLO, the Palestinian people's sole legitimate representative, as its leader.

The strike force of the occupied homeland's Intifadah is an indivisible part of the forces operating under the banner of the brave popular Intifadah's unified national command—the PLO's political arm and natural extension in the occupied homeland. This organization opens its doors to all patriots to join its popular organizational frameworks, to enlist in its struggle and in all forms of popular resistance against the Israeli occupation which is defiling the homeland's soil and violating the sacredness of the homeland's towns, villages, camps, and sanctities.

Strike Force's Objectives

The force struggles to escalate and to protect the Intifadah so as to achieve the following objectives:

- First, to develop national awareness among the people, especially among the youth, to familiarize them with the Palestinian people's glorious struggle legacy and to train them so that they may enlist in all forms of popular resistance against the Israeli invaders and aggressors and may confront the schemes hostile to the Palestinian people's firm national interests and rights;
- Second, to defend the PLO and to adhere to it as a unified national democratic framework and as the

sole legitimate representative of the Palestinian people, and to fight all forms of intervention in the PLO's internal affairs and all the schemes that seek to fragment, contain, or outflank the Palestinian representation;

- Third, to safeguard and defend the brave popular Intifadah's unified national command, considering that it is the PLO's political arm and an indivisible part of the PLO; to rally behind it strongly; to struggle under the banners of its national program; to adhere to its appeals and instructions; and to urge the occupied homeland's masses to rally behind this command and to support it with all efforts and resources;
- Fourth, to struggle to develop the Palestinian strike force, to enhance the tasks and conditions of this force, and to transform it into a mighty popular resistance army that encompasses within its ranks all members of the Palestinian people in the occupied homeland, to bolster its capability, and to enable it to perform its role in the large-scale popular resistance against the Israeli invaders and aggressors and against the troops of fascist settlers;
- Fifth, to escalate all forms of popular resistance against the practices of the occupation forces and of the troops of fascist settlers, to confront decisively the bloody Israeli violence and terrorism against the Palestinian people's masses, and to paralyze the iron-fisted policy of the occupation authorities and of the civil administration and military ruling agencies so as to build the agencies and institutions of the Palestinian national authority in the occupied homeland;
- Sixth, to escalate all forms of popular resistance against the occupation authorities' policy of plundering the homeland's wealth and resources; to fight the policy aimed at sabotaging the national economy; to firmly confront the policy of land seizure, confiscation, and settlement; and to turn the homeland into an inferno under the feet of the fascist settlers to expel them from the homeland's soil and to return the lands to their legitimate owners;
- Seventh, to protect the national and religious institutions and places of worship and to obstruct the attempts to attack and defile them; and
- Eighth, to protect the citizens' monies and properties and to confront the evil and thieving settlers' attempts to tamper with them, to protect the citizens' security, and to destroy all kinds of sedition incited by the occupation authorities with the aim of weakening the people's united and firm resistance to these authorities.

On Membership

Every Palestinian citizen 15 or over in the occupied homeland is entitled to join the strike force, provided that he agree to its struggle line and objectives and that he adhere by its operational rules and regulations.

Member's Duties

1. To adhere faithfully and practically to the strike force's struggle line and to its internal rules and regulations.

2. To be prepared to join one of the strike force's groups and to take part in the group's activities and in the tasks entrusted to it.

3. To adhere to the instructions issued by the command and to exert efforts to carry out the tasks entrusted to him courageously, rapidly, and carefully under a canopy of complete revolutionary vigilance and of concern for the force's interest.

4. To exert efforts to disseminate the objectives and program of the strike force's struggle among the citizens, to expand the force's ranks, and to turn the force into a popular struggle army that protects the Intifadah and shields the interests and rights of the people in the occupied homeland.

5. To pay the monthly financial subscription and exert efforts to develop the strike force's financial resources.

Member's Rights

1. An active member of one of the strike force's groups is entitled to participate in his group's activities in particular and in the strike force's activities generally.

2. An active member of one of the strike force's groups is entitled to enlist others to join the force. Simultaneously, he shoulders a sacred duty to fight any attempt at infiltrating the force's ranks.

3. An active member of one of the strike force's groups is fully entitled to the preparation and training offered by the force to its members. He is also fully entitled to benefit from the force's resources if he is harmed or injured.

4. An active member of one of the strike force's groups is fully entitled to make suggestions he deems fit for developing the force's position and tasks and to receive a response to his suggestions through his immediate commander. He is also fully entitled to evaluate work plans and accomplishments, to express his opinions to his command, and to receive a response to his positions and suggestions in this regard.

5. An active member of one of the strike force's groups is entitled to shoulder command responsibilities, depending on his capabilities and his struggle activities.

Organizational Principles

The strike force is a popular resistance organization. Each of its members shall adhere to the rules of firm and strict revolutionary discipline and shall carry out all tasks his command asks him to carry out on the basis of vigilant revolutionary discipline. If he is instructed to carry out struggle tasks against the invaders and aggressors and against the troops of fascist settlers, his duty

requires him to obey the instructions and to work to carry them out while reserving his right to discuss the instructions with his command after he has carried them out.

The strike force shall be formed on the following bases: (All parts pertaining to the force's internal organizational structure and to means of financing the force have been omitted—FILASTIN AL-THAWRAH).

Force's Oath

Any Palestinian citizen in the occupied homeland joining the strike force—the shield protecting the Intifadah—shall, upon being accepted as a member of the organization, take the following oath: "I swear to struggle with all my capacity to protect the brave popular Intifadah; to safeguard its gains and victories; to protect the revolution and the PLO, the Palestinian people's sole legitimate representative; to struggle with utter loyalty and devotion to expel the occupation from the homeland's soil and to wrench the Palestinian people's rights to repatriation, self-determination, and to the establishment of an independent national state with Jerusalem as its capital under the PLO's leadership. I swear to defend every citizen and to protect his rights, interests, property, and security and to work to expand the strike force's ranks and to transform it into a mighty, popular resistance army fighting the invaders and aggressors and the troops of fascist settlers."

Disciplinary Measures

Any member committing the following violations shall be deprived of strike force membership:

1. Failing to carry out or rebelling against the command's instructions.
2. Intentionally revealing the force's secrets or committing violations that lead to revealing the force's secrets and that expose the force to security risks.
3. Confessing to the enemy and exposing the strike force or any of its members to security risks.
4. Undermining the strike force's reputation or harming or damaging the force with his actions or his social behavior.
5. Intentionally harming the citizens, their families, their security, or their property.
6. Violating the contents of this general framework of the strike force's constitution.
7. The strike force's command shall be empowered to take any additional measures it may deem fit to protect and safeguard the force's security and tasks.

Force's Program and Operational Constitution

This general framework of the strike force's operational constitution shall be considered a provisional constitution until the force drafts its permanent operational [constitution]. Until this is accomplished, the force shall abide by this general framework of its operational constitution and shall operate with full respect for this constitution and with devotion, loyalty, discipline, and vigilant revolutionary obedience.

Plots To Assassinate PLO Leadership Described

44040119 Kuwait *AL-QABAS* in Arabic 21 Nov 88 p 20

[Article by 'Amid al-Shanti]

[Text] Algiers—It is difficult, rather impossible, for anybody, even for those who are closest to 'Arafat and including his own aides who guard him, to know when the Executive Committee chairman decides to travel, how he decides to travel and where he decides to go. The pilot who flies Abu 'Ammar's plane has become used to not asking about the destination but waits for 'Arafat's instructions personally. He learns of the destination no less than 15 minutes after the plane takes off. Often, Abu 'Ammar changes the course of his trip at the borders of a country over which he has arrived without prior notice and flies to another country.

Abu 'Ammar has a great "sixth sense" of security and he has escaped hundreds of incidents, thanks to this sense.

It is Abu 'Ammar's habit not to keep his aides for a long time. He changes them constantly because of the security concern with which he lives.

Hardly a period passes when Abu 'Ammar doesn't discover that there has been an attempt to assassinate him. He is aware that his name tops the Israeli intelligence's (Mosad's) assassination list, as well as the lists of other groups.

Perhaps the latest attempt to which Abu 'Ammar was exposed took place prior to the PNC's special meeting in Algiers last week.

According to the accounts of people working with the Algerian Airlines, during a flight from Baghdad to Tunis, Abu 'Ammar's plane was intercepted by three aircraft, believed to be Israeli or American. The pilot of one of those military aircraft communicated with the pilot of the plane carrying 'Arafat, which was an Algerian plane and not his private plane. The plane pilot told the intercepting aircraft that he had a prominent Tunisian official, not Abu 'Ammar or any other Palestinian official, aboard his plane.

After critical minutes during which the intercepting aircraft contacted their command, their commander apologized and those aircraft disappeared in the clouds over the Mediterranean Sea.

Consequently, when Abu 'Ammar flew from Tunis to Algiers, three civilian planes, including 'Arafat's private plane which was carrying PNC Official Spokesman Ahmad 'Abd-al-Rahman and his wife, took off from Tunis Airport simultaneously. 'Arafat himself directly boarded a civilian plane from a back door.

Palestinian sources say that Abu 'Ammar has begun to travel with other planes for deception.

Another attempt was made seven weeks ago when 'Arafat's plane was flying over the Mediterranean Sea. It was intercepted by military aircraft which asked it to follow them. 'Arafat's private plane was actually forced to land at a U.S. base in Europe. Upon inspecting the plane, they found no official aboard. They apologized to the plane crew and 'Arafat's plane returned to Tunis.

Numerous suspect attempts have been made near the PLO Office in Tunis and near 'Arafat's residence. This is why Abu 'Ammar rarely sleeps at his residence and why his car and his aide are found in one place while he sleeps elsewhere, arriving in such a place without any prior notice. 'Arafat often sleeps at the homes of ordinary Palestinians or the home of a Tunisian. During the conference which convened in Algiers, 'Arafat slept at various places in the Algerian capital. When any inquiries were made about him, the inquiring party was told that 'Arafat was either busy or holding one of the meetings. Even his closest aides don't know whether he is at home or abroad.

One night during the PNC's latest conference, al-Sanawbar Palace experienced a two-hour power outage and many of those present there left and hid between the pine trees.

AL-QABAS has learned that the radar networks had picked up bodies moving in the direction of the coastline in front of al-Sanawbar Palace.

A night curfew was imposed on movement between al-Sanawbar Palace villas and the Algerian guards were instructed to open fire immediately on whoever violated the instructions, without referring to their command.

In addition to the Algerian security guard, Soviet warships and submarines were visiting Algerian ports. Contacts had also been made through a number of countries with Washington to warn Israel against any direct attempt to raid the site of the PNC conference.

The Mosad has been trying to assassinate 'Arafat for a long time. It once managed to control one of 'Arafat's aides when a woman drugged him in Cyprus and three Mosad agents assaulted him sexually and had the act recorded on video. When the aide recovered from the drug, he was shown the video and, consequently, became captive of the Mosad. The Mosad then instructed him to poison the Executive Committee members during a decisive meeting chaired by Abu 'Ammar. This aide did

actually lace coffee with poison and served it to the Executive Committee members. But he then felt remorseful and shouted at the members, telling them not to drink the coffee. He admitted what he had done and was executed.

Threats Against Abu Iyad

When the date of the PNC conference was announced, Salah Khalaf, alias Abu Iyad, started receiving daily telephone calls from outside of Tunis for a period of two consecutive weeks making death threats against him and warning him that he would never be able to make it to Algiers. Upon investigation by the Tunisian Ministry of Communications, it was found that the calls came from several European countries and that the callers, who included both men and women, used either classical Arabic, broken Arabic, or English.

Abu Iyad's security men began to watch his residential and office area. Abu Iyad also decided to change his daily route, his movements and his contacts.

It has been learned that more than one person have been placed under surveillance in Tunis because of suspicious conduct.

PLO, Jordan Agree on Open University Through Television

44000164 Jerusalem AL-FAJR in English 21 Nov 88 p 6

[Text] The PLO and Jordan have agreed to establish an "open university," according to the Israeli daily 'AL HAMISHMAR.

Jordan TV will air special programs of this university for Palestinian students in the West Bank and Gaza Strip starting the next scholastic year. The decision was taken in light of the continued forced closure of universities and educational institutions in the occupied territories. The paper says that practical measures have already been taken to recruit lecturers to prepare and supervise these programs. The paper notes that it was first suggested to establish this university in Jerusalem but PLO officials feared that the Israeli authorities would not allow such a university to function.

Commenting on the report, Salih 'Abd al-Jawad, professor at Bir Zayt University, said he believes the open university will be a partial substitute needed because of university closures. "There should be extensive coordination between educational institutions in the occupied territories and the administration of this new open university, particularly in unifying the programs of various universities in the occupied territories and defining the educational priorities," he said.

Antun Sansur, head of the Higher Council of Education in the West Bank and Gaza Strip, commented that "there are many difficulties facing this university, like TV airing, postal communications to send books and

publications, finding meeting places for students and teachers. We hope the university will provide a cultural service to those who haven't had the chance to go to university." Sansur agrees that the open university is one of the alternatives to educating Palestinians in the occupied territories in light of the closing of most educational institutions.

Shaykh Darwish Defines Islamic Movement Stance on Palestine

44000227 Nazareth AL-SINNARAH in Arabic
16 Dec 88 p 3

[Article by Shaykh Nimr Darwish]

[Text] Some newspapers and pamphlets have ascribed to the Islamic movement a policy that does not at all correlate with the policy of the Islamic movement in the region. So that the matter will be clear in its entirety, I record the following points:

1. The local Islamic movement does not oppose a political solution to the Palestinian question and the causes for struggle in the world as a whole.
2. The Islamic movement gives its blessing to the announcement by the Palestine National Council [PNC] to establish an independent Palestinian state and to enter into negotiations for a final peaceful solution by way of an international conference which all parties and the five great powers will attend and which all nations who love peace will witness.
3. The Islamic movement sees in the [PNC] proposals a golden opportunity for Palestinian peace, and those who miss this opportunity and do not respond to it will be judged by all generations and human history will judge them through the ages.
4. Any statement, explanation, or speech that conflicts with the policy of the Islamic movement calling for a just, peaceful solution does not represent the Islamic movement regardless of who gave the explanation, statement, or speech. It is not possible to ascribe any political position to the Islamic movement unless it is issued by an official spokesman.
5. The local Islamic movement does not represent the policy of [Hamas] or anyone else just as Hamas or anyone else does not represent the policy of the local Islamic movement.

It is necessary to distinguish between putting forth positions on Palestinian political trends in the Islamic press and supporting or not supporting these positions.

Our press presents the positions of all parties; however, it does not make Islamic movement policy, and the policy of the Islamic movement is clear and unambiguous.

6. The peaceful Palestinian attack from Geneva on Tuesday, 13 December 1988, must fall upon the listening ears of politicians in this country just as it must receive Palestinian, Arab, and Islamic support until this support moves it forward with power, energy, and impetus. It is not enough to discuss some points here or there, and it is not sufficient to have a conflicting opinion here or there. The important and necessary matter which must be effected is to provide an immediate Palestinian consensus on the attack of Palestinian peace.

7. The great powers must assume their total responsibility until a comprehensive peace is secured in all hot spots and until global peace is assured. The peoples of the world refuse to have the great powers preoccupied with their desires in dividing areas of political, military, and economic influence among them.

The reaching of safe haven for the Palestinian ship is the single, basic condition for all ships in the global sea to reach safe haven. If the Palestinian ship is not aided in its safe arrival, the raging storms of war will sink all ships, be they great or small.

[Signed] Shaykh 'Abdallah Darwish, official spokesman for the Islamic movement

Merits of Provisional Government in Exile Discussed

44040095B Jerusalem AL-BAYADIR AL-SIYASI
in Arabic 12 Nov 88 pp 31-32

[Article by 'Awwad al-Astul]

[Text] In the course of a public discussion more than 3 years ago, a certain thinker spoke of the need to formulate definite ideas about the proposal of a government in exile that had been raised in Palestinian circles from time to time since 1973 as a way in which Palestinians might be able to participate in determining their political future.

Many indications show that such ideas have not yet been reached. This has been made clear by the statements, discussions, and reactions accompanying the appearance of this proposal in the last few months—particularly since Jordan announced that it was breaking legal and administrative ties with the West Bank. If one analyzes the content of this discussion, it becomes clear that it expresses a lack of agreement about the concept of a government in exile, the extent to which its formation would be effective, the circumstances that would be suitable for its formation, the political requirements that would accompany it, the extent to which a government in exile would be able to deal with current and future events against the background of the accomplishments of Palestinian activity, and its ability to move these accomplishments a step forward on the way to salvation.

Perhaps this was a fundamental reason why many people have repeated the idea of a government in exile, supporting or opposing it, according to preconceived judgments some of which were out of touch with reality. Furthermore, this may be one of the reasons why the proposal for a government in exile has been held in abeyance in Palestinian circles since the middle of last month and why some Arab and international bodies that supported the project and pushed for its adoption at the time of its appearance early this August have hurried to advise the Palestinian leadership to refrain, at least temporarily, from trying to bring the project into the light of day.

Preliminary Points of Clarification

From the beginning, attention must be called to the following two preliminary points of clarification:

1. Attention to this project must not be understood as proceeding from rejection or support of the idea of a Palestinian government in exile. This is because an evaluation of this project at this time requires knowledge of certain facts and realities that by their nature cannot be read, as the saying goes, from "between the lines." Thus, unless one obtains answers to many questions about the proposal, any evaluation may turn out to be greatly distorted.

2. Two concepts are frequently mentioned: a government in exile and a provisional government. Some people use them as synonyms; others distinguish between them and prefer—even insist—on using the concept of a provisional government in relation to the Palestinian situation, though offering no rational justifications. In reality, if a Palestinian government were formed at this time, it would be headquartered in exile. This would be one of the fundamental conditions controlling its operation. Furthermore, it would necessarily be provisional until the time of independence. That being the case, one might call it (without considering the words inauspicious) "the provisional exile government" or "the provisional government in exile."

A Government in Exile: Between International Common Law and the Mechanics of Political Action

Despite what is sometimes said and published, international common law has never considered the idea of a provisional government in exile. In particular, it has never considered the issue of international recognition of such a government. The only issue it has considered under the term "government" is the international recognition of new governments that come to power in a state already recognized as such after the occurrence of sometimes fundamental constitutional changes either violently or peacefully. Since the rules of international law do not distinguish between republics and monarchies, legitimate and illegitimate governments, they are interested only in who really and truly has supreme authority within the state, in his capacity as the organ that represents the state in its foreign relations. Whoever

loses power loses at the same time the capacity represent. Usually, the government formed after a constitutional change finds no one to contest its authority in certain areas, except for a government in exile formed by leaders of the old government and lacking, in any event, the strength necessary to return matters to their previous state.

When constitutional or governmental change occurs and acquires the attributes of stability and permanence, other countries are usually unable to avoid recognizing it. Such avoidance would under the circumstances be deemed to be a virtual judgment against a state that has already acquired an international identity, or it would be deemed interference in its most private internal matters. Sometimes it takes a long time for certain states to recognize a change of government in other states (as happened in the case of American recognition of People's China from 1950 to 1971). There is no disagreement that each state has the right to evaluate the historical circumstances accompanying a constitutional change that has occurred in a certain state. Each state then has the right either to hasten to recognize or to act with deliberation in light of considerations of interest and policy. Thus, political considerations, more than legal ones, enter into the recognition of new governments.

If this is the case as regards international recognition of new governments that appear in old states, what about international recognition of the governments in exile that appeared in international arena during and after the Second World War as one of the "mechanisms" of politics, to seize control from the hands of another government? Such governments did not have actual power over the region they claimed to represent and did not establish direct rule over the people living there. In this regard, the international arena has seen at least two forms of government in exile.

1. Governments established by movements in exile opposed to the government that had seized power in their country of origin. One of the best known examples is the Free French government that General De Gaulle formed in Britain during the Second World War, after Germany occupied France and set up the puppet Vichy government. Another example is the government that Prince Norodom Sihanouk headed after the Khmer Rouge seized control of Cambodia during the mid-seventies.

2. Governments established by national liberation or revolutionary movements in exile. These movements aim at seizing power in their countries from a ruling group, at liberating their countries from a foreign occupier, or at both goals. Among examples worth mentioning in this area are the provisional revolutionary government of the Republic of South Vietnam that the NLF formed in Hanoi in 1969, the provisional government of Algeria that the FLN formed in Cairo in 1958, and the government that was formed by the Polisario Front working for the independence of Western Sahara (formerly Spanish Sahara) from Moroccan rule.

The international community took a different and separate view of each of these and other cases in which governments in exile were formed. Political considerations and pure considerations of interests became mixed with the question of whether or not to accord recognition to these governments.

The Free French government competed with several other French governments in exile and resistance movements in France. It is said that De Gaulle's efforts in fighting the Germans were unsuccessful in gaining him the support of the Allies in forming a provisional government in France after the war; what enabled him to do it was his hero's welcome in France, which forced the Allies to accept him and make him a partner in the negotiations that led to the political end of the war.

Sihanouk's government achieved almost nothing, until the Vietnamese attack on Cambodia about 10 years ago. Afterwards, Sihanouk led a three-party coalition that is still fighting to drive out the Vietnamese—with Chinese support and against the background of certain regional and, recently, international balances.

As for the provisional revolutionary government of South Vietnam, it was supported and sponsored by Hanoi and its allies (China and the Soviet Union). American intelligence sources estimated the forces fighting under its command at about 330,000 men. This enabled it to achieve its goal of seizing power in South Vietnam and uniting it with North Vietnam.

As for the provisional government of Algeria, in addition to its having previously experienced the same conditions as the provisional government of South Vietnam (i.e., individuals fighting on its land and the support and sponsorship of friendly neighboring states), it was helped by the moves of the French army in Algeria for fear that Prime Minister Pierre Pflimin would conclude a deal with the Algerian rebels ending a war that had gone on since November 1954. In 1958, the army called for De Gaulle to become prime minister, but then moved against De Gaulle for the same reasons in 1960 and 1961. This led De Gaulle to turn to the people in a referendum in which he obtained approval for a plan to give Algeria the right to self-determination.

The case of the provisional government of the Sahara remains. Despite recognition by the African summit conference in 1985, it continues to be subject to all the developments and changes in the North African region.

Significant Points

A number of significant points about governments in exile become clear from the preceding discussion. Among the most important of them are:

1. Although governments in exile, like other new governments, need recognition of their existence and legitimacy by other countries, such recognition is subject to purely

political considerations sometimes not raised in the recognition of new governments. There is nothing to force countries to recognize such governments in exile, as long as they are unable to exercise real control over all or part of the territory they claim to represent, or at least until it appears that they are able to exercise control over the inhabitants, so as to obtain the legitimacy of acceptance from them, and until they have the ability to move these people as they wish. (This is something that may help in the Palestinian case).

2. Governments in exile that were fortunate enough to achieve their desired goal were helped by many factors. Among the most important of these were their acquisition of legitimacy from the people whom they claimed to represent and the existence of sponsorship by one or several countries supporting and aiding them on the basis of ideology or strong interest, allowing them freedom of movement, and possessing weapons enabling them to exert decisive influence on the opponent. They have also possessed a number of political cards that they and the sponsoring country were able to play with great skill.

3. Of the governments in exile able to achieve their goals, some were working to gain power in states previously recognized as such, while others (e.g., Algeria) did not enjoy such recognition. The latter aspect may help in the Palestinian case.

4. Governments in exile usually emerge from organized political movements. In most cases, these movements chose especially favorable circumstances for them to announce their government. In such cases, a government in exile was not formed because it was one political option among others for the movement in question; rather, it was seen as one tool among others to be used in achieving the desired goal and realizing a particular political program. This means that the formation of a government in exile is not necessary for every opposition or revolutionary political movement. The national front in Aden and the South Arabian Protectorates negotiated with Britain for independence, after it led the armed struggle and gained control of most of the area, without hurrying to form a government in exile.

The Palestinian Government in Exile Proposal: Between Justifications and Limitations

The proposed Palestinian government in exile has been connected with a number of reasons justifying it. However, since it was proposed, it has remained tied to certain limitations that seem to have hindered its concrete embodiment to date.

Some of the most important things mentioned in support of the idea are that a government in exile, if formed, might help overcome the difficulty of Palestinian representation in the international conference due to Israeli and American refusal to recognize the PLO. The first to

raise this idea was al-Sadat in 1973. It has been said that a government in exile would help overcome any legal problem that might result from the recent Jordanian actions.

Given these justifications, it appears that the recent proposal of the idea of a provisional Palestinian government in exile was merely a political option open to the Palestinian leadership. This means that the embodiment of the idea in reality is still surrounded by many obstacles. One of the most important is the organizational and ideological relation of the government to the PLO. Next, there is the need for it to have a political program (no agreed-upon formula for it has yet been reached) so that it can work at implementing it. The question also emerges whether specific conditions favor establishing such a government; such conditions can be an obstacle. Obtaining recognition is a case at point; this is especially true at the Arab level. Such recognition is capable of providing a measure of freedom to act and develop. There is also the question of the preliminaries that should precede or at least accompany the formation of the government in exile and that would be able to give it momentum toward achieving such desired Palestinian goals as proclaiming Palestinian independence or intensifying Palestinian action and moves on many integrated levels—these being merely examples, not an exhaustive list.

It appears necessary to reach a solution to the problem of these and perhaps other obstacles, lest the experience of the All Palestine Government be repeated (it began as "provisional" in the Gaza Strip and ended "in exile" in Cairo until it breathed its last), and lest the gains that have been achieved be aborted.

West Bank Farmers Describe Hardships
44040095A Jerusalem AL-BAYADIR AL-SIYASI
in Arabic 12 Nov 88 p 30

[Text] "Farming is like opium; I cannot take up any other work and leave the occupation of my forefathers." "Even if I have to sell my household furnishings and enlist my children and family members, I will not leave the land and farming." "My sweat has been mixed with the soil until they have become like a building; I cannot leave agriculture, whatever the cost."

This is what many farmers are repeating, at a time when agriculture is passing through an unprecedented crisis. The harvest in Jericho and the Jordan Valley has been and is being subjected to yet another blow and setback due to declining prices, unmarketed production, and low demand on the part of merchants. Many farmers have left crops to rot because they cannot afford to gather crops whose subsequent sale will not cover the costs of harvesting.

In past years, the course of agriculture was subjected to setbacks in marketing, prices, and other things. Today, things have gone from bad to worse. The continuing tragedy of the farmers has entered a new episode of painful suffering

for hundreds of farmers and thousands of Palestinian families in the area of Jericho and the Jordan Valley. After they had been optimistic about the season, their hopes quickly turned to disappointment, even disaster, if one may use the word. The farmers were surprised by a slump in the markets and a very strange drop in prices. The price of a 16 kg box of cucumbers reached 1 shekel. Most of the time farmers could not sell their production.

'Abd-al-Salam al-Hazinah, merchant, says:

"It costs the farmer .50 shekels to transport each box of cucumbers from farm to market, .10 shekels in municipal taxes, and .20 shekels in commission. In other words, the cost of a box is 1 shekel in fees, and another shekel in harvesting costs for the workers. Furthermore, there are the costs of the planter, tools, fertilizers, cultivation, electricity, irrigation, etc."

Al-Hazinah adds that a box of cucumbers, for example, sold for 1 shekel. Sometimes it did not sell at all. Farmers were driven to not gathering the crop and leaving it on the ground for fear of even greater loss.

Muhammad Sulayman 'Awad, a farmer who farms 210 dunams, said:

"The great drop in prices led to farmers being unable to continue gathering crops. The farmer's return from sales does not cover the main daily costs—transportation, labor, municipal fees, commission, etc.

"Farmers can no longer pay the bills for electricity to run the irrigation pumps. They cannot ensure payment for fuel, labor, tilling machines, fertilizers, and pesticides.

"The persistence of this situation has led to increased debts. Over the past years these have accumulated, particularly during the last watermelon season.

"Farmers were hoping for a good season to compensate for losses and pay off debts. But it turned out just the opposite; everyone was hit by low prices.

"What is required of everyone involved—and I mean especially the agricultural associations—is to stand beside the farmers and ensure that their products are marketed, so they can emerge from this dilemma."

Regarding the cost of 1 dunam, he said: "Not counting pesticides and labor, the cost of 1 dunam is about 80 dinars. With the remaining costs, it goes up to 100 or 110 dinars."

Musa Muhammad Sa'd Duray'at, farmer (al-Nuway'imah):

"I farm 100 dunams. Because of the drop in prices, I left the crop to rot. Now I am relying primarily on the price of cucumbers and zucchini to pay the costs of this season. I support a family of 25 people who live on farming.

"This situation is leading to the abandonment of crops. Their abandonment means that plants are damaged because they are not cared for or given water, which costs a great deal.

"The most appropriate choice is not to harvest, for fear of greater loss. Despite the setbacks and losses we have suffered, I will not leave farming, even if I have to sell everything I own. I cannot abandon this occupation and work in another area."

Khalid Muhammad Da'abis, farmer, said:

"The new policy that the authorities have been following in an attempt to pressure farmers has had a great effect. On the one hand, this policy has taken the form of raising the price of basic agricultural materials such as plastic, fertilizers, pesticides, seed, disinfectants, and basic materials. On the other hand, local markets have been closed to products from time to time, thus leading to products not selling—an increase of supply and lack of demand. In turn, this led to a very great drop in prices.

"Other factors have led to even further deterioration of the situation. The Jericho area was subjected to a curfew for several days. Farmers were prevented from reaching their farms to tend the crops. The electricity that runs the pumps facilitating irrigation was cut off."

This is a glimpse of the tragedy farmers in the Jericho area are experiencing .

Remedies must be sought to save agriculture and the coming seasons.

Economic Circumstances, Future of West Bank Discussed

44040112 Kuwait AL-QABAS in Arabic 14 Nov 88 p 10

[Article by Dr Fadl Mustafa al-Naqib; "The Independent Palestinian State: Economic Factors"]

[Text] "Does the occupied land, the West Bank and Gaza Strip, have the economic elements it needs to have to become an independent state after the Israeli army withdraws from the area?"

This question has been asked repeatedly since the mid seventies when the PNC decided to establish an independent state on liberated Palestinian territory.

This subject is taking on special significance now, more than 11 months after the outbreak of the Palestinian uprising. It is taking on special significance after Jordan announced that it was severing its legal and administrative ties to the West Bank. That led to an intense dialogue between PLO factions over the nature of the coming stage.

There are those whose answer to this question is negative, and there are those whose answer is positive. Most answers, however, support a previously stated position on the proposed state. And that makes it incumbent upon us to ask what the real implications of the matter are.

1. The Economy and Independence

There is no absolute standard for determining that one country has the economic elements for independence and another does not. At the present time our world has countries where economic conditions are excellent; others where economic conditions are modest; and still others where conditions are poor. There are also countries suffering from famine, and all these countries are independent.

[In saying] what we mean then, we must concentrate on making a distinction between true independence and nominal independence.

The ties between the economy of a truly independent country and the economy of other countries are characterized by mutual dependence. That is why an independent country can pursue independent policies which express its national will. Other countries cannot inflict economic punishments on independent countries to destroy these policies, since such punishments, as long as the relationship between the two countries is governed by mutual benefit, would damage both parties. But the ties between the economy of a country that is independent in name only and the economies of other countries are those of one-sided dependence. Such dependence happens when one country relies heavily on the debts and aid it receives from another. It happens when the economic life of one country depends mainly on the sale of its most important exports in the market of the other country at prices that are higher than world market prices. Such a country cannot adopt an independent policy which is unacceptable to the country or countries upon which it depends.

The subject then has to do with the reasons why the situation in a given country would become so bad that the country would tie its economic life to and become dependent on another country or countries.

It is certain that these reasons are not primarily economic ones. There is a simple reason for that. If we were to review the economic conditions of many Third World countries in Asia, Africa, and Latin America—these are countries whose independence can be described as nominal—we would find that economic conditions there did not improve as a result of their reliance on others. Quite the contrary, what we find in those countries is a decline in the standard of living of the vast majority of the people. We find that sacrifices which were made for independence led to prosperity and riches for a small group which rallies around those who are in power. Thus, poor economic conditions in one country are not the reason why that country relies on another. Poor

economic conditions in one country are rather due to its poor political conditions. Poor political conditions in one country allow the minority to impose a dictatorship on the majority, and that enables the minority to set up economic priorities which serve their own interests at the expense of misery and poverty for the vast majority.

The post-independence experiences of Third World countries affirm that no matter how bad the economic situation is in a given country, it is possible to set economic priorities in a manner that would bring about development and growth and build relations of mutual dependence with other nations. This can be done if the national authority in that country is legitimate and working to serve the interests of the majority of the people. In the fifties and sixties, for example, Egypt under Jamal 'Abd-al-Nasir pursued an independent policy that was the product of its national will. Despite its poverty, Egypt pursued an independent policy and achieved economic growth despite the economic siege which was imposed on it by western countries. Similarly, India managed to pursue a free policy and achieve development simultaneously after independence. India managed to do that despite poor economic conditions.

It can thus be said that if two main factors converge, true independence becomes nominal independence. The first factor is poor economic conditions, and the second factor is the inability of the national will to establish a political system which can deal with those poor conditions based on the interests of the vast majority of the people.

The second section of this article deals with the first factor, which has to do with the nature of economic conditions in the occupied land. The section which follows deals with the second factor, and that has to do with the nature of the national authority. The fourth and final section of this article offers a summary and conclusions on the subject as a whole.

2. Economic Conditions in Occupied Palestinian Lands

The statement that independence for the occupied land will lead to poor economic conditions usually depends on the following rationale:

Economic conditions in the occupied land are difficult because resources there are limited. Thus, the ability of the occupied land to sustain a reasonable standard of living was always dependent upon its economic ties to a larger market: the rest of Palestine before 1948; Jordan until 1967; and Israel after that. Such a large market guarantees two important conditions for the economy of the occupied lands. First, the occupied lands are guaranteed an opportunity to market their agricultural products, which constitute their most important product and their most important export as well. Second, employment is guaranteed for a significant segment of the labor force in the occupied lands: those people who cannot find employment in the local market. Returns to the

occupied lands from these two economic activities play a major role in ensuring a reasonable standard of living for the residents who can thus import essential manufactured goods from abroad. Since independence means that the occupied lands would rely primarily on their own resources, it also means they would be denied access to that market which has been tantamount to their respiratory system. Independence would mean that the occupied lands would not be able to get the benefits from that market which they used to get from it before independence. And that, of course, will lead to economic conditions that would be dangerously poor.

Is this rationale proper?

The statement that the occupied lands were dependent upon the neighboring market and still are is true. This is a geographical fact. What matters here, however, is determining the nature of that dependence. Does this dependence serve the interests of these lands? Is it mutual? Does it serve the interests of the other party? How will this dependence evolve after independence?

The nature of the economic relationship between the West Bank and Jordan is, of course, radically and inherently different from its relationship with Israel. Accordingly, it is essential to define the nature of both relationships.

The trade which took place between the West Bank and the East Bank before 1967 served the interests of both parties. It did not serve the interests of one party at the expense of the other. But the economic development policy which Jordan was pursuing was relatively advantageous to the East Bank because it was the center of political power. In Third World countries the center of political power always gets priority in all development plans. And that explains why between 1948 and 1966 economic conditions on the East Bank advanced much more than they did on the West Bank. It is known that when Jordan annexed the West Bank in 1948, the economy of the West Bank was more advanced than that of the East Bank. But after approximately 20 years of political ties, the West Bank fell behind the East Bank. To be specific, in 1948, average per capita income in the West Bank was approximately \$212, whereas average per capita income in the East Bank was only \$60. In 1966 average per capita income in the West Bank was much less than it was in the East Bank.¹

Once again, this does not mean that the East Bank was exploiting the West Bank. Both areas are inhabited by the same Arab people, but this is the nature of economic development in Third World countries. These facts must be stated so that the nature of economic relations between the occupied lands and neighboring markets is understood.

But the dependence of the occupied lands on the Israeli market after 1967 was a dependence which absolutely

avored Israel's interests. It was against the present and future interests of this territory's economy.

As far as present interests are concerned, Israel realizes three direct benefits from the occupation. These are:

- First, Israel controls the market in the occupied lands: it controls that market's imports and exports. Most imports (90 percent) come from Israel and carry a high price tag, and most exports (73 percent) go to Israel at low prices.²
- Second, Israel employs in its production sectors between 120,000 and 150,000 Palestinian workers, paying them wages that are much lower than those paid to Jews who perform the same jobs.
- Third, Israel appropriates a significant portion of the occupied lands' national revenues in the taxes it levies. These taxes go to the Israeli treasury instead of being put back into the economy and spent on municipal, rural and social activities, which is what should be done with government taxes.

Marion Benveniste, an Israeli scholar, estimated that these three direct benefits to Israel, which he called "the annual occupation tax," were worth over \$800 million in 1985.³

It is estimated that for 1987 this tax was worth up to \$1 billion a year.

As far as future interests are concerned, Israel is planning to follow a schedule to impose a Jewish character on the economy of the occupied lands. Israel is planning to do that by destroying the Palestinian Arab character of that economy and replacing it with the economy of Zionist settlements. Israel is seizing land, controlling water resources, putting a stranglehold on the agricultural and industrial sector, and starving national facilities and institutions. All such practices result in unemployment becoming widespread, and that forces people to emigrate. Palestinians would then be replaced by Jewish immigrants who settle in the new settlements. That explains why the population in the occupied lands has not increased since 1967 even though the population of that area has a 3 percent birth rate, which is one of the highest in the world.⁴

Israel's policy on water resources gives a clear picture of its total economic policy. Throughout the years of the occupation Israel has allowed Palestinians to drill seven wells for drinking water and only two wells for irrigation, even though 12 wells had dried up during the same period. More importantly, Jewish settlements drilled 17 wells during the same period. These settlements consume annually 30 percent of all the water in the occupied lands.⁵

Thus it becomes clear to us that as far as economic conditions are concerned for both the short term and the long term, the occupied lands have nothing to lose by

becoming independent. In fact, they stand to make some gains. An end to the occupation signifies that three immediate gains would be realized. These are:

The drain caused by the occupation tax will stop; destruction of the economy's framework will cease; and seizure of land by Zionists will come to an end.

These benefits will certainly lead to the expansion and growth of the local market where more workers will be able to find employment. For example, most of the workers who work in Israel are farmers who left farming as a result of Israel's policy of controlling water resources and confiscating land. For example, the land which is being cultivated now in the West Bank is less than the area which was cultivated before the occupation. Before the occupation 1,858 donums were cultivated, compared with 1,084 donums in 1983. Also, 69,000 workers were employed in agriculture in 1966, but in 1983 the number of agricultural workers declined to 22,000 workers.⁶

This means that regaining control over land and water resources would be enough to create employment opportunities in agriculture for a large number of workers who now work in Israel.

Ending Israel's control over the occupied lands' imports and exports would also restore their trade with Jordan's markets and with the other markets of the remaining Arab countries.

Naturally, many changes took place in these markets over the past 20 years, especially as far as agricultural products are concerned. This could mean that agricultural products from the occupied lands would not be readily marketable in these markets. On the other hand, there are possibilities for new markets, such as the European market. And that explains why Israel has shown such strong resistance to exporting agricultural products from the West Bank to the European Common Market.

More importantly, independence creates its own dynamic force. The mere establishment of national banks in an independent country means that the flight of savings from the West Bank and Gaza Strip will stop. It also means that Palestinian savings, which are now deposited in all parts of the world, can be pulled in. The establishment of national banks will enable Palestinian banks to accept Arab deposits in savings accounts. The relationship between an independent Palestinian state and the Arab nation will certainly be a special relationship with distinguished national prospects.

This does not mean, however, that there won't be a difficult period of transition during which adjustments to new circumstances will be made. It is certain, however, that for the people of the West Bank and Gaza Strip this will not be a new experience. Making that adjustment will not be more difficult than the two experiences they lived through in 1948 and 1967.

In 1948 when the West Bank was separated from Palestine, it lost the markets of major Palestinian cities, and it lost its outlet to the Mediterranean. That was where the West Bank's agricultural products were marketed and where a significant segment of its population was employed. Moreover, more than a quarter of a million refugees, who make up approximately half of the population, migrated into the area. These tremendous changes naturally led to difficult, if not impossible, circumstances. To get an idea about what we're talking about, suffice it to say that in the early fifties more than 50 percent of the labor force was unemployed. Seasonal unemployment was approximately 20 percent.⁷ In other words, we are talking about a society where only one third of the population had a steady income. And yet, that society managed to meet the challenge it had to face in a manner that kept its economy from collapsing or deteriorating. By the mid fifties excellent rates of growth were being recorded. The average annual rate of growth between 1954 and 1966 was over 10 percent, and that is an excellent rate by any measure.⁸ There is no doubt that the situation for the Gaza Strip was more difficult and the challenge it faced was greater. The disaster of 1948 cost approximately 80 percent of Gaza's population their source of livelihood, and the number of refugees who migrated to Gaza was three times that of its original population.⁹

The West Bank and the Gaza Strip were separated once again from their economic environment during the life of the same generation which lived through the events of 1948. The two areas came under the authority of an occupation which was pursuing a policy and following a schedule to steel these areas' resources and destroy their economy. And yet, once again despite all these difficulties, Palestinians managed to meet the challenge. Despite the atmosphere of terror, murder, and homelessness; despite the demolition of homes; and despite the atmosphere in which scores of thousands of Palestinians were being thrown in prison, Palestinians once again became involved in an economic development process in those areas where such involvement was possible.

Responding to the fact that the occupation had blocked the possibility of development in the agricultural and industrial sectors, people turned to the construction sector. They invested in home construction as a way of expressing their attachment to the land and establishing their ties with Palestine. Thus, that sector's contribution to the West Bank's GNP rose in 1983 to 16 percent; before the occupation it was no more than 7 percent.¹⁰ In the Gaza Strip the construction sector was responsible for 55 percent of Gaza's GNP even though its contribution to the GNP before the occupation did not exceed 5 percent.¹¹

Reacting to the occupation's policy of starving education and health facilities and municipal and rural affairs agencies, the people established financially self-supporting national institutions in all areas. The establishment of six national universities in an atmosphere of

terror and occupation is no small accomplishment. In addition, the people established other social institutions which promote agriculture, assist farmers during the harvest, care for the family, wipe out illiteracy, and oversee youth activities and workers' affairs. One western correspondent estimated that more than 500 national societies and institutions were established to look after all areas of the civilian community's life under the occupation.

3. The National Authority

We said at the outset that there were two factors which stripped political independence of its substance and turned it into a worthless empty shell. These factors are poor economic conditions and a national will that is incapable of establishing a democratic system to deal with these poor conditions. It became clear to us that independence for the occupied lands will not lead to a decline in economic conditions except in so far as such a decline is part of a normal transition period occurring under such circumstances. This does not guarantee, however, that there will be a legitimate authority which can represent the majority's interests. The fact that economic conditions do not decline does not mean that all conditions will be good and stable. That is why the elements which are essential and appropriate for an independent state's political climate must be defined. That political climate must help establish a legitimate, national authority to represent the majority's interests and pursue an economic policy in accordance with those interests. The dangers which would help establish an opposite political climate must also be defined. And that political climate would only allow the establishment of a minority government which would pursue a policy that favored the interests of a foreign state and helped that minority stay in power.

Finding out what these elements and these dangers are requires, first, defining the economic interests of the vast majority of the population in the occupied land.

Living conditions for the population of the occupied lands are poor and disparate in general. In other words, average per capita income is relatively small, and there are big differences in income between individuals. Serious studies on the subject indicate that most of the population live in poverty and some live below the poverty line. At the same time a minority enjoys average living conditions, and a smaller minority enjoys a high or good standard of living. According to one study only 7 percent of families have a good or high income (over 400 Jordanian dinars a month); 18 percent have an average income (201 to 400 dinars); and 75 percent, or most families, live in poverty (between 101 and 200 dinars a month) or below the poverty line (less than 100 dinars a month). Income disparity becomes evident when we realize that people receiving good and average incomes, and those make up approximately 25 percent of families, enjoy approximately 55 percent of the national revenue.¹²

What matters here is that the reason for poverty and income disparity is not class-based. There is no minority that owns the capitalist means of production and exploits the working class. Nor is there a class of feudalists who own large areas of land and exploit peasants.

The principal reason for income disparity is that most of the unemployed are poor (76 percent of the unemployed on the West Bank and 89 percent of the unemployed in the Gaza Strip are low income people).¹³

This means that two families could have the same educational and social level but not the same income level. One family could have an average income and the other a low income because the number of employed individuals in the first is larger than that in the second. We may also find one family that owns land but is poorer than another which does not. This is because the first family cannot make full use of the land it owns because the occupation army controls life's resources and because members of the second family are employed in Israel or in Arab countries.

It thus becomes clear that the weakness of the agricultural and industrial sectors of production is the reason why most people are poor. These sectors are weak because of the occupation's policy. According to that policy land is confiscated, water sources are controlled, the freedom to trade with foreign countries is controlled, and the establishment of national banks and financial institutions is prohibited. This means that stopping the Zionist plan is in the economic interests of the vast majority of the population of the occupied lands. Accordingly, a national authority that represents that majority's interests becomes legitimate if the independent state where it is established opposes the Zionist plan.

This is actually the reason why Palestinian and Arab masses are apprehensive about an independent Palestinian state. Since that subject was set forth in the mid seventies, it has been closely associated with proposals for a political settlement to the Middle East crisis. This means that the Palestinian state would be born as a result of Arab-Israeli negotiations, and the masses are convinced that such a state would not be opposed to the Zionist plan. In fact, they are convinced that such a state will not resist the plan but will become instrumental in implementing its expansionist objectives. There are realistic justifications for such convictions. Any settlement that is reached through political negotiations will reflect the actual balance of power. And as long as that balance favors Israel, all prospects for a settlement will favor Israel. The "independent" state that will be born will be bound by agreements with Israel guaranteeing the continuation of Israel's control over its economy. In other words, "the state" will merely replace direct occupation with indirect occupation.

Actually, no discussion of this conviction is required, especially since most Israeli moderates discussing a settlement don't go beyond the autonomy which would

maintain Israel's control over the occupied lands and enable it to pursue the Zionist plan. It is being said that Palestinian masses are apprehensive about a state because they are not prepared to understand the world. It is being said that the only thing they understand is all or nothing at all. That statement is not true. Palestinian and Arab masses are actually willing to support an independent Palestinian state that is established in one village. They are willing to support the establishment of such a state if its independence is seized from Israel and if the state constitutes a base for opposing the Zionist plan.

We said that opposition to the Zionist plan was the necessary condition that the state had to meet to establish its legitimacy and set up a national authority representing the interests of the majority. But that condition is certainly not enough, since it would be possible to establish a state that opposes the Zionist plan only to have power, after a while, go to a dictatorship that would strike down the interests of the majority and preserve its own interests to stay in power. Ultimately, that means coming to terms with Israeli interests. Therefore, meeting the necessary condition of national legitimacy does not always lead to political legitimacy. The experiences of Third World countries, especially those of Arab countries, provide many examples of that.

Political legitimacy, which means that a democratic climate is available in an independent state, requires that the process of independence itself be democratic. What starts out as a democracy can continue to be a democracy, but it is impossible for something that starts out as a dictatorship to turn into a democracy.

The process of democratic independence means that a broad national front would participate in the achievement of democracy. That broad, national front would include different forces and would guarantee that the essence of that independence is based on pluralism. It would guarantee that the fabric, laws and machinery of the state represent this pluralism in a manner that consolidates political awareness so that attempts to arrogate power are opposed just as harshly as attempts to give up the national soil are.

Having such a beginning for democracy does not depend on how much faith leaders of the factions of the national front have in democracy. Although it is important for them to believe in it, what is even more important is that democracy be in the interests of these factions. And that can happen only if the factions represent real interests in society. It would be difficult for someone who truly represents the working class to accept a regime that does not give this class the democratic right to have an independent, cultural organization. Those who claim to represent the working class, however, would accept almost anything that would serve their immediate interests. And the same applies to society's other groups.

That was certainly another reason why Palestinians and Arabs felt apprehensive about the independent Palestinian state which would be born as a result of political

negotiations that consolidate Israel's superiority. They are apprehensive about such a state because it would not have a democratic climate. It would be impossible for a national consensus that expressed the real interests of the Palestinian community to accept such a state. Such a state can only be accepted by a minority that assumes power in a dictatorial fashion and is also hostile to the interests of the vast majority.

This apprehension about the independent state losing its national and political legitimacy—the two conditions which are necessary and sufficient—began to diminish after the uprising broke out. As the uprising continued to escalate and to grow, feelings of apprehension diminished because the uprising created for the first time the possibility that an independent Palestinian state would be established. That state would be the product of a change in the balance of power that favored the Palestinian Arab side. This hope is justified by the fact that the uprising is building its own strength day in day out with blood, sweat, tears and a rare moral courage. It is consolidating the essence of national legitimacy and political legitimacy because it is opposing the Zionist plan in a democratic fashion.

How Is the Uprising Opposing the Zionist Plan?

It must be clear that the uprising's opposition to the Zionist plan does not take place in the daily clashes. These clashes are merely the means pursued by the uprising to achieve its main objective of interfering with the two principal mechanisms which are employed by this plan in connection with the land and the people. The Zionist plan wants to get the Palestinians out of the land, and it wants to weaken community ties among Palestinians. Constraints on farming cause Palestinian peasants to leave their land and seek employment in Israel, and putting a stranglehold on civilian institutions weakens people's relations with each other. When the uprising succeeds in making the Palestinian peasant leave employment in Israel and return to farm a small plot of land, it is restoring that peasant's relationship to the land. When it succeeds in making the merchant stop paying taxes to Israel and join a people's committee that takes care of one of the community's affairs, such as organizing the distribution of food or ensuring health services, it enhances the people's relationship with each other. Thus, the real strength of the uprising is reinforced and developed in proportion to its ability to restore relationships between Palestinians and the land and between Palestinians and each other. In other words, the success of the uprising is to be measured by its ability to end the employment of Palestinians in Israel and its ability to make the people's committees responsible for managing all the utilities and facilities of civilian life in the Palestinian community.

What Is the Democratic Style of the Uprising?

The democratic character of the uprising is quite evident in the style of struggle which this revolutionary operation introduced on the first day of its birth. That style is till the secret of its strength and the secret of its ability to survive and to grow.

The uprising is not a rebellion in the usual sense of the term, but it is a rebellion in a civilian sense. Those who are involved in the daily conflict are not men who left behind their daily lives, their families, and their businesses to join the rebels or the national liberation army and resist the occupation army with the force of arms. Nor are they a revolutionary vanguard that withdrew from its place in civilian society to set up a military force outside that society. They are quite the opposite of that. Those who are involved in the uprising are entire families and entire neighborhoods with all the families in them. Camps, villages, and all the neighborhoods in cities live their lives in a civilian society in a manner that contradicts the life which is imposed on them by the occupation army. The civilian community with all its institutions, groups and forces is involved in the uprising; its members are the ones who are taking matters into their own hands day in and day out. This civilian community is determining its own destiny according to its own wishes, and it is doing so despite the terror, oppression and tyranny of the occupation army. It is not the aim of the uprising to create a military force that functions outside the civilian community and can conquer the occupation army. Instead, the aim of the uprising is to develop the strength and cohesion of the civilian community in a manner that would render the occupation army impotent.

The democratic significance of that goal is obvious. The ongoing struggle is not one between two forces feuding over who will be able to control the civilian community in the occupied lands. It is a struggle between that entire community and the occupation force. The nature of that struggle, therefore, is different from that of most battles of independence which were fought in most Third World countries during the days of national liberation movements. In those battles the nationalists' force, or the national liberation army, would gain strength every day while the institutions of the civilian community became weaker. Then at the moment of victory that army is essentially the only force in society. And that explains to a large extent why national independence in many Third World countries led to dictatorships.

India's battle for independence was to a large extent similar to the present ongoing struggle in the occupied land. That battle was fought on the basis of the notion that society's civilian institutions were gaining power in the civil rebellion movement. Independence was achieved in such an environment, thus consolidating the presence of many different forces coexisting together in a democracy and opposing dictatorship in a radical manner.

Naturally, that does not imply at all that national liberation movements are less important than they are. Each movement is governed by its own objective circumstances and the circumstances under which it developed. What matters, however, is noting that real victory for the uprising will come about with the victory of an entire society and its various forces.

4. The Real Question

We can summarize all the foregoing in two conclusions:

- First, stopping the further deterioration of economic conditions in the occupied lands depends upon ending Israel's control of economic, material, and human resources. Economic progress in the occupied lands depends upon the rise of a national authority that can set priorities for the economy in favor of the vast majority of the people.
- Second, the rise of such an authority requires that the independent state have national and political legitimacy, and that will not come about as a result of a political settlement which reflects the current balance of power. But it can come about if the uprising succeeds in bringing about a radical change in that balance of power. In other words, that legitimacy can be achieved if the uprising manages to break economic ties with Israel and if its people's committees succeed in getting full control of all areas of the economy so that Israel can be stripped of all the benefits of occupation. The costs of occupation would rise and withdrawal would eventually become a popular Israeli demand that would put an end to disabling losses.

These two conclusions signify that the question we posed at the outset about whether or not the occupied lands had the economic elements for independence was the wrong question to ask because it implicitly assumes that the economic problem is independent of the political one. In other words, it assumes that political independence comes first. Afterwards, the independent state confronts the economy. But as we have seen, what is actually happening is the opposite. The present ongoing conflict is essentially an economic conflict, and the issues which are being disputed—land, water, and freedom of trade—are economic issues. The outcome of this conflict will manifest itself in accordance with the nature of things in a political situation.

We could have pointed out from the outset that the question was the wrong question to ask, but we preferred to deal with the question as it was posed so that a distinction can be made between the allegations that are being promoted by some of the western media, especially the American media, and the legitimate fears that are on the minds of Palestinian and Arab masses concerning the subject. The western media claim that economic capabilities for that independent state are missing. [At any rate] we dealt with those allegations in the second section of the article, and we dealt with the fears in the third section.

Based on all the foregoing we can conclude that the real question concerning the economy is this: How far has the uprising come in its effort to break economic ties with Israel? What is the nature of the next stage?

We said that the method of struggle employed by the uprising differs from that employed by most national liberation movements in the Third World. But although

the methods are different, the stages which battles for independence go through are almost similar. It is possible to see three stages in such battles.

During the first stage occupation authorities evaluate the conflict and determine that it is between them and limited national elements engaged in a provocative operation. That is why their method at this stage is to use force against these elements. They want to get them out of the picture to guarantee the restoration of the status quo ante.

During the second stage occupation authorities realize that the conflict is between them and all the people who are under occupation. This is the most dangerous stage of the conflict because the occupation enters the battle with everything it can muster. At this stage the conflict is being stepped up continuously because stepping up the conflict is the only reaction either party can have to the other's escalation of the conflict. It is almost a historically accepted fact that the party which fears escalation of the conflict is the party that loses the battle.

This stage is a long and arduous one because the occupation government never admits defeat. It always believes that the next escalation of the conflict will ensure its victory, and it does not stop unless it is forced by its people whose political, economic, and moral losses become unbearable. For example, the U.S. decision to withdraw from Vietnam was made in the White House after it was made in every American home. And that decision was made in every American home after the Vietnam issue had turned into "an American disease" that, cancer-like, was eating away at the political, moral, and economic fabric of that society. To a large extent the French decision to withdraw from Algiers was made in a similar manner.

The third and final stage of a battle for independence is that of political negotiations.

Given that perspective, we can say that the first stage of the Palestinian uprising has come to a close and the uprising is now in the early part of the second stage. All of Israel's attempts to end the uprising by using force against its leaders failed. Signs of the second stage began to appear when Israel started using collective punishment, starving people and setting sieges around villages, cities, and camps.

Israel is sending out two messages now: one strives to be conciliatory, and the other threatens. The first message calls for an end to violent acts and asks that talks be held around the negotiating table. The second message calls for the use of force and weapons to put an end to this uprising. In the coming weeks and months the ability of the uprising to remain undaunted by the threat of extremism will be tested. If it passes the test, the uprising can send one unequivocal message and step up its own conflict to the level of total civil disobedience.

So far the masses of the uprising have shown that they possess a rare moral courage and a heroic willingness to make sacrifices. And yet now their survival and their continued ability to step up the conflict needs more than courage and more than a willingness to make sacrifices. These masses need political and economic support.

Political support for the uprising during its early weeks was greater than it is now. During those early weeks world public opinion reacted to daily events there. Now, however, daily massacres committed by Israel go unnoticed and uncondemned, as though they were ordinary events.

It is certain that softening political support for the uprising is due to the absence of a high level of tension among the Arab masses in support of the uprising. Arab masses are not applying daily pressure in favor of the uprising to influence the positions of Arab countries and those of western countries who have interests in the area.

It is obvious that fear that such tension might develop among the masses was the sole motive behind the American political action during the early weeks of the uprising. It is obvious that the visit of U.S. Secretary of State George Shultz and the intense Arab-American communications which followed succeeded in preventing the establishment of an Arab front to support the uprising.

Finally, it is [also] obvious that the task of breaking the deadly inertia of the masses is one that PLO leaders must devote their attention to. The attention they must devote to that must not be less than the attention they devote to the agreement over the political program which the PLO intends to announce these days.

Bibliography

1. Average per capita income in 1948 means, of course, each Palestinian. See the study by Dr Yusuf Sayigh, "The Palestinian Economy under Occupation," JOURNAL OF PALESTINE STUDIES, Vol XV, No 4 Summer 1960 Issue 60.
2. Ibid.
3. See M. Benvenisti, "1986 Report: Demographic, Legal, Social and Cultural Development in the West Bank," Jerusalem, West Bank Data Project.
4. [No information provided in the Arabic text.]
5. Dr Mahmud Shadid, "Israeli Policy toward Economic Development in the West Bank and Gaza." This study is published with a collection of other studies dealing with the economic aspects of the West Bank and Gaza. It appears in a book entitled, "The Palestinian Economy," edited by Dr George 'Abd; Routledge, London and New York, 1988.

6. Dr Antun Mansur, "The West Bank Economy, 1948-1984. This study is published in the previous source.

7. Ibid.

8. "The Palestinian Economy under Occupation," op.cit.

9. Dr Ziyad Abu 'Umar, "The Gaza Economy, 1948-1984." This study is published in "The Palestinian Economy," op. cit.

10. Dr Antun Mansur, "The West Bank Economy, 1948-1984," op. cit.

11. Dr Ziyad Abu 'Umar, "The Gaza Economy, 1948-1984," op. cit.

12. Dr 'Abd-al-Fattah Abu Shukur, "Income Distribution in the Occupied Lands and Its Social Impact," an unpublished study, al-Najah National University, Nablus.

13. Ibid.

ALGERIA

Critique Urges Restructuring of Press System
45190019 Algiers *REVOLUTION AFRICAINE*
in French 9 Dec 88 pp 41-44

[Article by Mohammed Abassa: "The Whole State of the Press"; first paragraph is *REVOLUTION AFRICAINE* introduction]

[Text] Once again, the national information system is being challenged through its press. This time—and the nuance is important—the professional corps that makes it go, the journalists, has not been singled out by the public (and the public only) as responsible for the weaknesses and flaws for which the press is blamed. It is clearly the system itself, and the conception that spawned it, that are most often denounced.

The practice of journalism in Algeria has been undisturbed until now, except for a few initiatives that occurred in a restrictive, repressive climate governed by bills as summary as they were precise, now largely outdated. This article does not intend to criticize the imperfections or current inadequacy of these bills. Rather, it will discuss the divergences of a press which has gradually metamorphosed through the force of circumstances and interests into one that is partisan and mediocre, held in suspicion both by its public and its supposed creators. From the professional and public press that it should have been, based on the republican ideal and right to information that this ideal proclaims,

it has been transformed through each restriction, each instance of editorial oversight, each act of censorship into a press where the art of disguise has supplanted the obligation to inform. Just about every possible comment has been made about this press. That it was bad and absent, courageous and feisty, cowardly and disloyal, patriotic and dedicated to the service of the people, traitorous and a foreign pawn, etc., etc. Nearly everything, then, has been said and written. Those most concerned among the public or officials propose solutions which are sometimes specific and which, paradoxically, are a jumble both of appeals to increase openness and to ban the profession. "But why doesn't the press talk about it!", or, conversely, "Kick out reporters!" There are thousands of details to confirm these tendencies. It would be commonplace and too easy to mark one's preference for one or another side of the same reality. For the risk is great, too great, of pursuing a debate that has already led our press to a war of subjective opinions in which each side believes it has a duty to succeed by denying the existence and legitimacy of the other. The risk is too great of fleeing once again the real terms of the debate, which is already forcing itself on the public, news professionals, and public authorities.

In the context in which we live, it is entirely normal, even understandable, that each social force that is established or in the process of becoming so wants the press under its control, if not actually in its pocket. That explains the occasional, sincere appeals for one or another model for the press: a neoliberal press (if there is such a thing), a militant press, a popular press, an Islamic press, an Arabic-language-only press. Appeals for this or that kind of press. And why not? Why refuse or contest the right of a given viewpoint to be expressed and defended when, on the other hand, some are given the means to establish themselves, to develop, and to influence (as we know they do) the course of life and events? The question is valid for all philosophical currents in our country, even though some of these currents still suffer the interdiction and intolerance of others. And since we have finally come to recognize the existence of diverse national viewpoints, we will have to allow, to avoid a typically Algerian inconsistency, the means by which these viewpoints are expressed and address their audience. But this raises a question. How will our press handle these diverse national viewpoints, often different, opposed, even exclusive of each other; disseminate the news; have an editorial policy of public service; and remain a news organ? Is it possible to create that kind of press without checkering our newspapers with the clashing viewpoints of different groups and organizing a free-for-all among them in our media? Are we going to continue the war of labels and lawsuits that ensues when a journalist or paper is suspected of holding or being close to one or another of these viewpoints? Is it normal or moral to create that kind of press, that is, one in which the arguments of a given viewpoint, even one presumed to be dominant, are defended using taxpayers' money and resources?

What public would passively agree to finance one press only and get another? It is abnormal to use public resources for partisan ends. It is abnormal for an individual or group of individuals to occupy authoritatively a public forum in order to stamp its own vision of things there while receiving a salary and privileges to boot. It is abnormal that the public be deprived of information on the grounds that the common people must not know, and if our news censors had as much intelligence as they do authority, they might realize that rumors wreak much more havoc than silence.

A distinction must be made immediately, therefore, between an information press in the professional sense of the term and a press of viewpoints, in which everyone freely defends his opinions.

Each philosophical current will find its own way to express itself within this pluralistic system, including through publications that are distinct and far-removed from public resources. As it is everywhere else in the world, this so-called "opinion" press will be funded through its own resources (readers, sympathizers, announcers, and perhaps indirect state subsidy). This same press, liberated, relieved of the constraints of clandestinity and of piggybacking on the public sector, may constitute a source of information for the professional press of tomorrow.

If national currents of opinion expressed themselves as freely as the new situation seems to suggest, that is, publicly, explicitly, and independently of public news services, a new and different role could be envisaged for our press. A very simple function in fact: public service. Before continuing, I should make one thing clear: I do not subscribe to the idea that the news press and the opinion press are polar opposites. For each press family thus classified contains elements that seem characteristic of the other: the opinion press chooses its facts carefully and the news press is not free from opinion. A more valid distinction would seem to be one between a public, professional press and a private press in the associative, partisan sense of the word. Once this distinction is made, we can hope for a public press in the image of the great public services, such as the schools, post office, hospitals, roads, etc. Can anyone imagine for a instant these public services operating to the exclusive advantage of one group, one clan, one movement? Why wouldn't we envision a public and republican vocation for our press? This approach would require many breaks with past practices, starting with the most urgent and important: controlling the writings of the public and the public's access to the media. From the start, the professional and public reflex has been sacrificed, even forgotten, in favor of an inflation of writings and commentaries in which everyone tries to impose his own analyses, penchants, and preferences. This has led to a "democracy of the fox in the chicken coop," very rightly cited by a colleague in a forum discussing the possibility of allotting equal space to staff production and to a readership without recourse, supposedly served. Is the reader served? Has there ever

been a single study of scientific interest to learn what the reader (or viewer) thinks of this press dished out to him using, to top it all off, his own money? The greatest contempt is not necessarily one expressed by a refusal to take responsibility for the views of others, but one which is not expressed by denying the very existence of those views.

There is worse. There is the facile tendency to write and speak of good and evil, good and bad, just and unjust, and to write or remain silent in the name of a supra-Algerianism attributed to one's self, of the revolution one supposedly incarnates, of the "average" Algerian (average in what way?) one supposedly represents, of the political administration one claims to defend, of state policy, of...you name it. Dominant journalistic discussion has too often and for too long been indistinguishable from political discourse to claim any sort of professional autonomy bringing it closer to its public. Over the last few years, the editorial line has too often patterned itself on the political discourse of which it became, in fact, the guinea pig, using and abusing to the point of the exhaustion of polemical and reverential tones.

Government policy, chameleon by nature, is too often presented by the press as the best possible one, excluding all others. And since its memory is not short, the public is careful not to subscribe to the political judgements of the press, invariably flattering for some (the heavy-weights of the moment, guarantors of the status quo) and terribly virulent and polemical for others (generally those who are absent and unable to respond). This game also has its share of paradoxes and absurdity, such as hating today what one complimented the day before. And since one complaisance is always followed by another, those being flattered today know what a certain so-called public press has in store for them tomorrow. These practices, too often repeated, have seriously discredited our press by taking away its public and republican vocation. National political news is reduced to those aspects which are supposed to place the government's actions in a good light, and nothing else. Political and social news are reduced to no more than the viewpoints of the political authority of the moment. Contrast this to our sports news, rich in information, reports, and views of various people on all kinds of sports throughout the country. Can anyone imagine a soccer match limited only to the appearances and viewpoints of the referee? Yet this is what occurs daily in our media's coverage of the country's political and social news, essentially reduced to only the acts and gestures of officials. Yet current events are much richer than that.

Since we have just admitted that the government can be changed, mistaken, that its program can be perfected, etc., we should acknowledge that the press cannot be subjected to the government as it often has been. Why should the press be a government tool for informing the masses? Especially since the function of the masses does not change, and, using the same logic, others could imagine the opposite: the press as a public resource

which the government, too, should use to inform itself! In fact, it is less a matter of contrasting one type of press with another, one doctrine with another, than it is of imagining an ordinary relationship between them. That is, of expanding relations between the press and the executive branch, where the critical function could be exercised in the same way it is at other levels of national life. A reporter is just as responsible as a minister for distinguishing good from bad. Certainly there is some risk of error and of drifting off course. There are, as they say, those awful reporters! But are they more numerous (proportionally) or more harmful than bad ministers?

For these reasons, to become credible our national press will have to be public or nothing. It will have to gradually root out this overgrowth of emotions and personal preferences too often expressed at the expense of information and professionalism. The choice of some, even assuming they were the majority, must not obscure and crush the opinion of others. Why, in the name of a public function that calls for and demands restraint, are those Algerians who adopt an electoral attitude not to the journalist's liking made to feel guilty, insulted, and silenced? In the name of what, what moral standard, what code of ethics, would a reporter use the news media, which he does not own, to defend only his personal point of view or that of his friends? This practice is a breach of duty, a misuse of function, and an abuse of social property which the law should penalize as such. Access to the media should also be made more ethical. Why are there so many anonymous and pseudo-anonymous articles, so many communiques of no apparent origin whose contents take too many liberties with simple professional ethics, elsewhere called deontology? Unless they are shameful submittals, we will have to give serious thought to this practice of anonymous writing which is becoming common in our columns. Except for known and understandable special cases, the public must know who writes what. Whether the writer insults or flatters, justifies or challenges, approves or disapproves, a public piece must be explicitly attributed to its real authors whatever their rank, function, or origin. This is the first mark of respect due to a public press. Acronyms and pennames should be forever banished from the public press where explicit knowledge of the opinion of others would become another way of informing. The famous orientation papers from on high should be attributed to their true author; the paper would immediately be enriched by another piece of information instead of being suspected of obeying orders. Newspapers must be the first to encourage openness and limpidity through professional practices that forbid an organized amalgam of outside political discourse dressed up as a staff article and journalistic discussion perverted to partisan ends.

Of course, these types of practices distance the paper, or rather the organ, from public concerns. Naturally, letters from readers, carefully chosen and sometimes fabricated to create or reinforce the idea the editors wish to give the public of the paper, are printed from time to time.

"You see! We were right, readers approve of us." Or, the flip side of this reflex: "Readers disapprove of us in our own columns, that proves we're democrats...."

In both cases, the reader is superlatively perceived as an accessory element that confirms or justifies a tendency which in fact operates outside himself, and quite often against him.

Let us accept (with reservations) readers' letters as a significant indicator of success or failure. Too often this mail is brandished as proof of success, a final sanction of a job well done. Even in these cases, professional rules are not respected. The mail, already skimpily representative of the true opinion of the readership and audience, is in turn selected, modified, paraphrased, fabricated, or simply censored. Reporters and the public know something about this activity which does no honor to our press.

It is important to point out that this mail represents only readers at the two ends of the motivational spectrum (the very discontented and the very satisfied). To this restriction are added the dissuasive effects of mail manipulation, also used to encourage one type of letter over another. These practices, together with others, have progressively alienated the reader from his press, which he often criticizes for lack of interest in his opinion and his major preoccupations. Instead of drawing its force, vitality, and even its credibility from its ties with the public, our press has gradually sunk into a sort of politician's journalism, where the reflex to attack and conquer triumphs over the disposition to inform and convince.

The scales have thus tipped in favor of the side toward which journalism has been leaning the last few years—power, or rather powers, with their usual attributes: the carrot and the stick. Professionalism has been forgotten! The obligation to inform and the public have been forgotten in favor of a tribal and visceral journalism in which an easy tendency to judge and condemn has overwhelmed the obligation to inform and analyze. Our columns and airwaves have thus become a place where one expresses one's own feelings and opinions while being paid to reproduce and report those of others.

As if the act of informing, that is, choosing, ordering, and placing information in a hierarchy, did not give its authors enough power to influence and orient. As if the act of informing and analyzing did not imply enough intellectual, professional, and political commitment on the part of journalists. [paragraph as published]

Inevitably under such circumstances, excess creates its own paradox: in an attempt to usurp another sort of power, one forfeits one's own. Even the media has lost its public and community quality, and has become a soulless, mindless, aberrant place where flattery and complaisance too often replace objective criticism and sincere belief.

Everyone loses by this perversion of function: the public, the profession, and those in power. For lack of any polls on audience characteristics, the public is handed some figures which seem to prove the good health of the press. This is false precisely to the extent that another reading can be done using the same figures. The increase in circulation and titles is cited as proof of progress in the daily press.

In 1988, we had 4 dailies per 100 inhabitants (by UNESCO standards, 30 would be needed); it is one of the lowest figures on the planet. In 1966, we had nearly the same number. The situation is therefore stagnant. As for actual reading of the daily press (a more significant fact), in 1988 we had 10 actual readers for 100 potential ones, while the ratio was 30 percent in 1966. There has been a quantitative decline in reading the press. As for changes in pages actually read, time spent reading them, satisfaction with the quality of information, writing and presentation, readership loyalty, audience ratings, and credibility, there has been no progress on any of these scores. On the contrary, certain signs confirm the trend toward stagnation and regression, except perhaps for the last few months (October and November) which have seen considerable progress due to the fact that the press has begun somewhat to do its job of informing. Deleterious effects on the profession seem just as serious. Despite the distinction the public is more and more apt to make between the system and the men who work within it, the public's negative perception of the profession still seems tenacious. Superficial judgement often attributes the negative quality of the message to the supposed negative qualities of the reporter. In many situations, cause-and-effect relationships are established between the final qualities of the product and the professional qualifications of the author. This has led to hasty and severe condemnations of journalists, unfairly confused with a system of which they are the primary victims. The general public cannot understand that you do not analyze a body or system by combining the analyses of the individuals that make it up, just as war and peace do not depend on the sum of the wills of soldiers, even though some are generals. Situations in which reporters of very modest talents created great newspapers or, conversely, in which pathetic newspapers were produced by talented journalists (the Algerian situation), have in fact been observed. These curiosities mask others: for example, career moves within and outside the profession.

A positive correlation has been noted between the instability of a reporter and his professional qualifications: the more qualified the journalist, the more likely he is to move (transfers within the organ, suspension, migrations between publications, resignations, forced departure, dismissal, etc.). Conversely, the less qualified the journalist, the more stable he is in the organ that employs him, with, as a bonus, a constant rise in his career until he reaches the summit of the professional hierarchy. Over the years this has led to the formation of a stable

executive elite, serious from a certain standpoint, but generally gifted little for the practice of the profession and without much personality in the political and moral sense of the term.

This has allowed the emergence of a curious executive elite, as docile as it is disciplined in applying or making others apply the orientations of the moment. It also explains a certain unconditional loyalty in the art of serving with, as its corollary, a fear of not pleasing and a permanent obsession with being fired. For it must be said: Many high-ranking executives in the profession, without a single qualification, would have a great deal of trouble finding any writing job elsewhere. As a consequence, they are sometimes forced to compensate for professional inadequacy by total allegiance to the man who signs the check. It is what is referred to elsewhere as the advantage of being mediocre. However, this evaluation of unconditional loyalty of chief press executives must be tempered by pointing out that there are here and there superb exceptions (competent managers practicing their profession without accommodation) who confirm the general tendency. As for those in power, I have a question: How can a press with little credibility serve a government? It is not evident that a press which systematically reproduces and justifies only the positions of the government, obscuring all others, can claim to be more credible. Neither is it evident that censorship of other points of view, including those opposed to the government, prevents or lessens their dissemination among the public. It is well established that banned or censored writing reaches a wider audience, predisposed to its message, through rumor and underground circulation.

For these reasons and many others it would be time-consuming to list here, political monolithism as it is now expressed in our media is fatal to the communication that must exist between governments and the governed. Even justificatory, flattering, journalistic discussion is highly prejudicial to political action, which it discredits in the long run.

When a reporter writes today that such and such a political measure is good, or better, that it is the only historic, revolutionary, determining, decisive one, etc., after previously having written the opposite and then writes something else tomorrow; when a newspaper applauds an action it fought yesterday or repeatedly indulges in backstabbing, what kind of credibility does the paper have for speaking the truth to its readers without betraying its leaders tomorrow?

What sense of security or confidence could our press inspire in those who hold a bit of power in our country and who wish above all else to communicate with their people?

In this era of shattered cultural and media frontiers (17 foreign radio stations and 6 foreign TV channels broadcast to Algeria), it is no longer possible to tinker with the news in the hope of obtaining the favor or indifference of

public opinion. For a people humiliated and thwarted in its right to know and its right to be informed may fall into the excesses of rejection. We know something about that now. Our press leaders should draw some lesson from it.

Both the government and the public thus need a credible, effective press at a time when key national and international issues are decisively influenced by the information and communications industries. In this specific context, the shortcomings of some are immediately compensated for by the arrival of others—the others about whom we complain so today. The foreign press, and particularly the French, has been accused rightly or wrongly of all evils and all deviations, including that of having negatively influenced Algerian opinion. But who contributed to the credibility of this foreign press, too often held up as an example, its articles reprinted, when in the past it was as flattering as could be to the very people complaining about it today?

Who created the conditions for chasing away the national audience to the sole profit of foreign media? Could anyone have not known even for an instant that the vacuum left by our press amounted to handing the initiative to this foreign press? Who, during the days of October, contributed to boosting the value of the foreign press by granting it the exclusive interviews we all know about while doing a superb job of ignoring the national media? The foreign press, let's admit it calmly, did its job. As we have always known, it is never a neutral, tender, or disinterested as far as we are concerned. It is high time our press did its own job instead of expounding very poorly on the way others do theirs. This has already been pointed out to us, apparently to little effect, since instead of meeting the challenge of answering one argument with another, we are still printing things along the lines of "slimy rat, etc." in reply to a foreign article which no one in fact read. The very least one can say about this response is that it does not promote the reconciliation of the public with its press.

Note: The manuscript for this article was submitted 25 November, 1988.

BAHRAIN

Japanese-Run Steel Company Nationalized
44000240 Manama GULF DAILY NEWS in English
29 Dec 88 p 13

[Text] The management of the Qatar Steel Company (QASCO) is to be formally taken over by Qatari nationals from Kobe Steel of Japan in the new year.

The major move comes more than 15 years after Qatar decided to diversify its oil-based economy by embarking on a range of non-oil industrial enterprises.

Kobe was due to hand over management control yesterday at a special ceremony, but will continue to provide technical advisory services for another 3 years.

Qasco, which started operations in 1978 with 70 percent of its shares held by the Qatari government, 20 percent by Kobe, and 10 percent by Tokyo Boeki of Japan, has emerged as one of the world's most efficiently-run steel plants.

It has been producing 150 percent above its designed capacity of 330,000 tonnes a year.

In 1987, production reached 500,000 tons and is expected to increase to 503,000 tons this year.

EGYPT

New Extremist Religious Organization Investigated

JN29D162688 Cairo AL-WAFD in Arabic
27 Dec 88 pp 1, 6

[By Majdi Hilmi]

[Text] The officers of the Religious Extremism Bureau of the State Security Intelligence Department [SSID] have completed a report on investigations concerning a new extremist religious organization called "Reconstruction of Al-Jihad Organization" [i'adat tashkil tanzim al-jihad]. The Interior Ministry will hand the suspects and the investigation reports over to the higher office of the state security prosecution within the next 2 weeks.

The investigation reports, which were prepared by a large body of SSID detectives over the past 3 months, stress that the new organization aims to topple the regime and mount political assassinations of certain police officers, senior SSID officers, public figures opposed to the ideology of the Islamic groups, and conservatives who confront these groups. The investigation reports also emphasize that the organization planned terrorist attacks against the state's vital establishments and riots in various areas with the aim of undermining security. The organization is composed of two wings, one military and the other ideological, which brand people and rulers as infidels and demand protection money from entire neighborhoods all over the republic.

The reports invoked the disturbances in universities at the beginning of the current term and the acts of violence in the country's governorates over the past 3 months. The reports include the number of weapons that were impounded during these incidents and the large quantities of bombs and explosives that had been prepared to carry out the organization's plan.

The reports emphasized that the organization established its headquarters in 'Ayn Shams and that the Adam Mosque was its main organizational center, where organizational meetings were held. The organization comprises more than 150 primary suspects and others affiliated with it. Among these are the leaders of the Islamic groups in the countries' governorates, the suspect in the murder of the Central Security Department officer in 'Ayn Shams area last August, and the suspect in the murder of the SSID officer in Al-Minyah last September.

The SSID is expected to present these reports to Interior Minister Zaki Badr to set a date for announcing the capture of the organization and to obtain his approval for presenting the report to the prosecution to begin investigating the matter.

Cabinet Discusses Foreign Currency Problems

45040089b Cairo AL-AKHBAR in Arabic 15 Nov 88 p 4

[Text] Yesterday, the Council of Ministers reviewed some of the negative attitudes of a number of executive leaders in a few locations. These people did not confront the radical minority. They failed to perform their duty in that regard, either by not executing the law or by not talking to that radical minority. The ministers in question will take appropriate measures in that regard.

Safwat al-Sharif, minister of information, said that Dr Yusri Mustafa, minister of the economy, presented to the council a report on the foreign currency situation since the free exchange market was established and a report on the monetary budget situation.

He indicated that in May and June of 1987 the average daily flow of foreign currency into banks amounted to \$7.8 million a day. In 3 months that amount rose to \$8.5 million, and by 9 November 1988 that figure was approximately \$9 million. That reflects confidence in the free exchange market and in its competent operations.

The report showed that the private sector received a bigger share of the market's resources than the public sector did. Since the market was established, private sector remittances from the market's resources amounted to \$2.769 billion. At the same time public sector remittances amounted to \$2.056 billion. In addition, the private sector utilized its own resources to import goods, thereby increasing the volume of private sector imports financed by the exchange market or by private resources to approximately \$5.058 billion.

The report also indicates an improvement in the purchasing of items needed for production, or components used in the production process, or spare parts. Up to 67 percent of the market's resources were utilized in making those purchases., 19 percent of the market's resources were utilized to purchase basic foods, and 3.4 percent were utilized to purchase drugs.

The report also referred to the anticipated shortage in foreign currency resources. This shortage is a result of falling oil prices and rising grain prices, food prices and prices of some goods that are used in the production process.

Regarding the foreign currency budget the report indicated that in the first three months of the current fiscal year, open credit for the government's and the public sector's imported goods amounted to \$1.551 billion.

The Council of Ministers also reviewed a report presented by Dr Jalal Abu al-Dahab, minister of supply. Dr Abu al-Dahab's report dealt with strategic reserves of wheat, flour, sugar, tea, and shortening. The minister reported on the status of negotiations which are being held over deals for these commodities, and he reported on financial arrangements which have been made regarding credit. The minister affirmed that there were no bottlenecks for basic goods, and he presented to the Council schedules showing financial arrangements for these contracts, ensuring that goods would be made available at the proper time without disruptions.

The minister of information concluded his statements by saying that the Council of Ministers had approved several projects, including the following:

- To invest 12.5 million pounds, above and beyond 2 million pounds in citizens' contributions and \$1.5 million from the Gulf Development Fund, to develop the old Abu al-Rish Hospital for Children.
- To build a College of Islamic Shari'ah and Law in Damanhur, in the context of al-Azhar University's projects, at a cost of 3.2 million pounds.
- To invest 40 million pounds, in the context of the development plan's projects, to enable the Sinai Coal Company to reopen and operate al-Manarah Coal Mine.
- To consider the eastern bank of Isma'iliyah Governorate a recreational area. Investment projects are to be incorporated into the area according to the plan for recreational areas. This is to be done in agreement with the Canal Authority and interested ministries, and it is to be coordinated with them.
- To allocate \$15.7 million to defray obligations associated with a contract to supply special airplanes for the Aerial Photography Center.
- To increase investments for the double-tracked railroad line between Asyut and Qina by 316 million pounds to guarantee train traffic.
- To list in the 5-year plan two housing projects for the employees of the Iron and Steel Company and those of al-Nasr Foundry, with investments of 23 million pounds.
- To invest 8.5 million pounds in the Laser Center Project at the College of Science in Cairo University. The project is to be implemented in three stages and completed by 1991.
- To supply and install mechanical equipment for the sanitary drainage purification project in Ra's al-Barr. A grant from Finland was offered for that project.

Government Blamed for Price Increases

45040130a Cairo AL-SIYASI in Arabic 11 Dec 88 p 5

[Article by 'Abd-al-Sattar al-Tawilah: "Sudden High Jumps in Prices"]

[Text] When we say that the government contributes unreasonably to escalating inflation, this is neither exaggeration nor fabrication.

To begin, we do not oppose raising the prices of some commodities. But we do oppose big jumps in prices that create a certain atmosphere in the market, thus inviting a general increase in prices, whether for similar goods or for all goods.

There is an art to raising prices; the movement and reaction of the market and, what is more important, the reaction of the masses must be taken into consideration.

Let us consider a recent example.

Only 4 months ago, the official price of the 128 Car, produced by al-Nasr Car Company, was 13,500 pounds.

A few days ago, the press reported that this official price has been raised to 17,000 pounds, i.e. by 3,000 pounds [as published] or by nearly 25 percent. This is a large sum, as you are well aware.

We will accept the statement that a car is a luxury. A car has become the demand, objective and hope of the Egyptian middle class. This is the sector whose base the July Revolution and the open-door policy tried to broaden, and the sector which includes the majority of professionals, including engineers, physicians, lawyers, teachers, skilled workers, craftsmen and high-ranking public sector and government employees, of which army and police officers are a part.

This sector currently represents nearly one-quarter of the population of every Egyptian city. It is also present in the countryside. This means that it includes 7-10 million people.

If 25 percent of the people use a commodity, then such a commodity cannot be characterized as a luxury. More importantly, let us fathom the reaction of the market and the people to this sudden big leap in the price of the al-Nasr 128 Car.

The prices of all cars have risen suddenly and sharply. Who would believe that a 7-year-old Siat, a popular car which cost 1,850 pounds when new in 1981 and 1982, now costs 4,500 pounds? This car cost just 3,900 pounds only 4 months ago!

Apply the same to the [al-Nasr] 127, the (Fury) and the (Super Fury), all of which are economy cars whose prices ranged from 4,000-5,000 pounds and which now cost

8,000-15,000 pounds. Their prices have been increased as a result of the recent hike which raised the price of the al-Nasr 128 to 17,000 pounds.

The dream which hundreds of thousands of middle-class people had of buying a used car for 4,000 or 5,000 pounds has evaporated.

The problem is that there is nothing to prevent them from needing a car. There are no convenient means of transportation, nothing other than the autobus which is stiflingly overcrowded.

I am compelled to cite my own behavior as an example. Because seats are available on the No 16 autobus in al-'Ajuzah, I often use this autobus for my trips to al-Tahrir Square and avoid the need for a car.

So far, it may be said that increasing the price of cars does not concern the broad base of toiling people. This may sound true initially. But this increase does, in fact, generate an increase in other prices, particularly the prices of services.

Physicians, lawyers, engineers and professionals ordinarily get the difference in car prices from the ordinary citizen by raising the prices of their services. A chain reaction then occurs in society. Each group tries to make up for increased costs at the expense of another group.

Even the tendency toward corruption escalates, because each employee tries to make up for the difference in price by increasing what he earns through graft.

The truth is that the government does not raise just the prices of cars in such large and sudden leaps. It also increases the prices of commodities that concern the people, such as clothing and dairy products whose prices have been raised by 20-24 percent by the public sector. This is an exorbitant increase which, as one can see, affects market activity, generates a negative reaction among the masses, and even affects the prices of other essential goods.

This price explosion leads to the shortage of certain goods for unknown reasons, thus leading to an exorbitant increase in the prices of such goods.

Who would have believed that the price of 1 kg of tomatoes would reach 2 pounds!

Who could believe that the public sector companies did not produce sauce throughout the year as a precaution against a drop in tomato production! Was there an actual drop in production or is it, as rumored, that merchants hoarded the production in big and widespread refrigerators when the price was 20-25 piasters [per kg], and are releasing it these days to be sold at this exorbitant price without any checks or controls?

As a reaction to the high price of tomatoes, people have turned to cooking vegetables that do not require tomatoes, such as mallows. As a result, the prices of these vegetables have risen because everything is interconnected.

We are aware that the prices of goods offered by the public sector shops are cheaper than those of the private sector. A can of fat sold by the private sector for 9.5 pounds is sold by consumer cooperatives at 8.75 pounds. But this difference disappears quickly when the government decides to sharply increase the prices of some goods. This causes great confusion in the market.

We cannot wade now into the causes and justifications of the price increases which, it seems, will not end but will continue. In any case, this situation is proof of the invalidity of the IMF recommendations and of the faultiness of the policy of devaluing the Egyptian pound, and it seems that there has been determination to implement this policy throughout the past 10 years. All we suggest is that prices be raised gradually, by 5 or 10 percent at a time and over relatively long periods, out of concern for the masses and to alleviate the burden upon the masses, to reduce the market shocks and also to preserve social peace.

Former Economy Minister Discusses Investment Companies' Origins, Prospects

*45040065 London AL-HAWADITH in Arabic
18 Nov 88 pp 45-46*

[Interview with Mustafa al-Sa'id, former minister of economy, by Amir al-Zahhar in Cairo; date not specified]

[Text] What can a minister say one more time, years after leaving office? He can say, "I predicted this, and I predicted that." He can say, "My predictions are happening now. I warned about this and the other, but no one listened. It is clear now that what I had warned about was true." When AL-HAWADITH asked Dr Mustafa al-Sa'id, Egypt's former minister of the economy, about his predictions, he spoke at length about investment companies and about currency and foreign currency trading in Egypt. Then he answered the questions that were posed to him by AL-HAWADITH in a lengthy interview about a variety of important questions which have to do with the Egyptian economy. What did Dr al-Sa'id say?

[Al-Zahhar] When the investment phenomenon was in its early days in the early eighties, you were the first Egyptian minister to come face to face with it. The problem has persisted since then, and it is becoming worse. What were the reasons from the outset?

[Dr al-Sa'id] It is certain that, except for al-Sharif Company, investment companies in their present form did not become visible before the decrees of 5 January 1985. These decrees, which were the reason for my resignation,

put the government's declared policy at the time into action. The decrees were to end the illegal trade in foreign currency and abolish the practice of importing goods by relying on exchanging foreign currency outside the banking system. This method was called importing goods without converting currency. The decrees made banks and the banking system the legal and official channels for the free currency market.

At that time the reasons for such measures had to do with the fact that the currency trade had become inflated and had turned into a kind of speculative activity that came quite close to dictating the rate of exchange for foreign currency, especially that of the U.S. dollar and the Egyptian pound. What many people don't know is that trading in currency and speculating on the rate of exchange for the Egyptian pound had become the main business activity of a large number of current owners of investment companies. It is also a confirmed fact that I had issued a decree closing the bank accounts of 55 currency dealers. Current owners of investment companies are among the largest currency dealers. That step marked the birth of an alliance between the interests of currency dealers and those of some bank employees. That alliance became so strong and effective that it caused the government to change its mind about the January 5 decrees, giving currency dealers once again the freedom to buy and sell. However, an important step had been taken, and that step changed the manner in which this unofficial trade was financed. It also changed its sources of financing, and that is how investment companies came into being.

[Al-Zahhar] What was that step?

[Dr al-Sa'id] We had managed to expand the Central Bank's monitoring and oversight role over the rest of the banking system. And that revealed the certain fact that some banks, especially private banks, joint venture banks, and branches of foreign banks were financing the currency trade in Egypt. After the Central Bank's decrees were issued, it was no longer easy for these banks to finance the currency trade. Furthermore, as oil prices started falling, the banks' surpluses declined. There was also the problem of dubious and bad debts. A few cases involving people who fled with the money they had borrowed surfaced after the 5 January decrees. Thus, it became difficult for these banks to provide the loans and the necessary credit for the currency trade. That is when the main source of financing dried up. Currency dealers then started turning to another source: bank depositors and owners of savings accounts who were Egyptians working abroad or in Egypt. Because the cost of borrowing from banks was sometimes as high as 20 percent, currency dealers had to offer a higher return to owners of savings accounts. It was also necessary for this trade to assume forms that exuded confidence and reassured savers. That is when terms like "investment" started appearing in companies' names. Except for al-Sharif Company, most investment companies were registered officially after the decrees of January 1985. Thus, as

minister of the economy at the time, I was certain that most investment companies, which are currently floundering, were created out of the currency trade and out of foreign currency speculations. I am certain that these companies were not founded on the basis of establishing real productive projects for investment. Thus, when the official free foreign currency market was established in Egypt, these companies were no longer able to rely exclusively on trading in currency for their profits. Then they found themselves facing the problem of having large sums of money without having a competent administrative or professional staff to invest those funds. At the same time they had to continue paying high interest rates so they could guarantee that these savings would continue coming in.

[Al-Zahhar] How would you comment on the statement that these companies came into being to fill a vacuum that official economic channels were not able to fill?

[Dr al-Sa'id] Although this statement has often been made, it is not an accurate statement. The companies themselves used to make that statement to give themselves the appearance of legitimacy and to claim that they were operating properly. But no one can claim that other channels, chiefly the banking system, lacked the required competence. The Egyptian banking system is large and competent, but it cannot become involved in competitive and speculative activities, raising interest rates to offset the profits which were being paid by investment companies. If banks did that, competition would be fierce. At any rate, exchange rates and banks' interest rates cannot be left without any restraints, not even in the largest capitalist countries. In fact, it is known that central banks exercise strong supervision and play a major role in setting the interest rate in countries which have a free economy. We don't forget that despite the considerable freedom which exists in Lebanon's economy, Lebanon's central bank is one of the strongest banks.

[Al-Zahhar] What was the main reason for the clash between your ministry, [on the one hand], and currency dealers and investment companies, [on the other]? Was it this deadly competition to attract foreign currency? Was it the increase in exchange rates?

[Dr al-Sa'id] These were the main reasons for our confrontation with currency dealers. Another important reason had to do with the fact that these companies were not set up on a real economic foundation; their profits were not the product of an existing productive activity. I was convinced, and I still am, that the profits paid by these companies which came into being out of the currency trade, were not real. They were rather payments taken out of the capital they were receiving. What kept these companies going was the fact that they continued to receive funds from depositors. I predicted then that these speculators would collapse as soon as they found themselves in a position precluding them from receiving

those deposits. They will collapse unless they had actually invested funds in setting up real productive companies and projects. That was actually revealed by the enactment of a law in June 1988 regulating the acceptance of funds.

[Al-Zahhar] This brings up a logical question. If the stages which investment companies went through are consistent with your predictions, what do you expect for investment companies in the coming period?

[Dr al-Sa'id] The law will distinguish between serious investment companies and those which lost a large amount of deposits. The law will reveal how these nonserious companies lost funds. These may be summarized in three factors:

- These companies, which had no real projects, were dipping into the assets they had on deposit to pay profits.
- They squandered these assets in losing speculations, unsuccessful projects, or large media campaigns.
- Or officials in those companies somehow embezzled the funds.

Naturally, serious companies will continue practicing their activities. They will become like holding companies, making a positive contribution to the national economy. The other companies, however, will most certainly collapse, and depositors will have no other recourse but to write off the funds that were dissipated, however much of the invested capital was squandered.

[Al-Zahhar] Talking about the crisis of investment companies leads us to the subject of the Egyptian economy in general. What are the negative and the positive aspects of that economy?

[Dr al-Sa'id] The Egyptian economy still has several positive attributes despite the problems and crises it has been experiencing. Unfortunately, these attributes are not utilized in an ideal way. [The following] are the economy's most important attributes:

1. The manpower which is available to the Egyptian economy is available only to a very small number of Third World countries like India, for example, Pakistan, or Brazil. Egypt's manpower is distinguished by the fact that the level of specialization in various areas is good; the level of education is good; the standard of communications is good; and standards in other areas are good. Thus, putting people to work becomes possible by adopting sound policies that encourage people, but such policies have not yet been fully adopted. I look upon Egypt's human resources as I would look upon oil wells whose owners let them burn or leave them unexploited. I look upon them as I would look upon the vast agricultural land in Sudan which is still not being utilized. It is my opinion that democracy is the ideal method for making use of this manpower because democracy unleashes the

talents of society's members, allowing them to make positive contributions to building society. That is why democracy is more necessary for Egypt than it is for any other country.

2. Ever since the inception of the economic open-door policy after the October War, the Egyptian economy has had a good surplus of savings. This is a relatively positive attribute which lacks nothing but a mechanism for putting those savings to good use and adopting sound policies to continue attracting savings and investing them in a positive manner for investors and for the entire Egyptian economy.

3. During this period, since the inception of the open-door policy, public utilities and the infrastructure have undergone noticeable improvement and a comprehensive renovation. That is, transportation, telephones, electricity, sanitary drainage, roads and other public facilities have been improved and renovated. But these facilities must be used in an economic manner, that is, production is to be developed in proportion to the benefits that have been derived from these services and facilities. Thus, costs which were incurred for making improvements and renovations would not have been wasted. These funds would not then become a burden on the state budget, especially since the state borrowed funds from abroad to build these facilities.

What is obvious and regrettable is that in many cases those who made decisions lacked a clear vision. This was especially true during the period of the late seventies and early eighties, a period characterized by a financial surplus and an influx of foreign currency.

[Al-Zahhar] What do you think are the problems and negative aspects that are plaguing the Egyptian economy?

[Dr al-Sa'id] It became evident in the early eighties that the fat years during which we had had financial surpluses were on their way out. Oil prices had started to fall, and economic activity in the Gulf had started to decline. In addition, the war which broke out between Iraq and Iran, was eating up a large part of the area's resources. All these indicators should have been taken into account by Egyptian economic thinkers who should have employed sound, radical solutions to deal with the economic drawbacks. Unfortunately, however, more than the available resources were disposed of. When we add that a solution was about to be found to the problem of payments and the interest on the debts which Egypt had incurred during the past 10 years, it becomes evident that all the economic problems which had not been solved were being exacerbated. Among such problems was that of the deficit in the general budget, the imbalance in the balance of payments, and the imbalance in the relationship between production and consumption.

The fact that these problems were growing led the government to employ a deflationary policy to reduce pressure on the general budget and on the balance of payments. Unfortunately also, this policy did not place adequate emphasis on the question of production, and that resulted in the inflationary stagnation which the Egyptian economy is currently afflicted with. This means that society is suffering from inflation and high prices even as the market is shrinking and demand is declining. And that could certainly lead to a vicious cycle of price increases.

[Al-Zahhar] The question of prices deserves special attention. Why are prices rising?

[Dr al-Sa'id] The question of prices is actually the gravest question facing the Egyptian economy and society at the present time. The rise in local prices is the product of several factors, most importantly:

- The rise in world prices, especially with Egypt importing more than it is exporting. In addition, the price of oil, which is a basic commodity exported by Egypt, fell.
- The value of the Egyptian pound against the dollar, which represents the basis for Egyptian transactions, declined. At the same time the value of the dollar fell against other principal currencies.
- The deficit in the general budget persisted. The deficit, which amounts to 17 percent of national revenues, means that the government is spending more than it is taking in.
- There are, moreover, other side factors such as bottlenecks and manifestations of structural defects which occur in a certain sector. These factors came together at one time to make the question of prices in Egypt a pressing question.

[Al-Zahhar] How grave is the question of prices, and how can it be solved?

[Dr al-Sa'id] The gravity of the question of prices lies in the difficulty of finding a solution by employing the traditional methods which are followed in most such cases. Many countries have suffered from inflation. The rate of inflation in Turkey, for example, is 70 percent. In England, it came to 25 percent in the seventies, and in France it was 30 percent. Most of these countries solve this problem by applying an indexation system. That is, when prices rise, they raise wages to maintain standards of living and avoid difficulties or social or political pressures. The problem in Egypt, however, is that this solution would be difficult to apply because of numerous negative factors in the Egyptian economy. Among these negative factors is the inflated size of the labor force in both the public and private sectors. Another one is a decline in productivity. Consequently, any increase in wages would mean more inflation and more high prices without a comparable increase in production.

That is why there is no alternative to the subsidy method which is now being used. What is certain is that any demand to lift the subsidy for any reason whatsoever would be disastrous. It would be tantamount to a suicide attempt because it will simply lead to more price increases which people on fixed incomes cannot afford. What is certainly required, however, is proper use of the subsidy. An effort must also be made to see to it that the subsidy reaches those who deserve to receive it.

Minister of Electricity Discusses Future Energy-Saving Projects

*45040140 Cairo AKHIR SA'AH in Arabic
7 Dec 88 pp 8-10*

[Interview With Engineer Mahir Abazah, Minister of Electricity and Energy, by Muhammad 'Ali al-Sayyid; date and place not given]

[Text] What is the general picture now that water level in the [High] Dam lake has risen as a result of the recent floods after years of drought? What is the situation at the dam and at Aswan electricity plants? What is the possibility of generating power from the weirs built all along the Nile River? What is the potential of Qarun Lake and al-Qattarah Depression? What will be importance of thermal plants in coming years? What are the dimensions of the plants to be operated by coal? What is the availability of coal in Egypt, and how much coal will have to be imported to operate such plants? What will the energy capacity be by the year 2000? What is the comprehensive strategy for using nuclear plants as they are used by the advanced world countries? Where do the Egyptian citizen and the various state sectors now stand vis-a-vis the rationalization slogans raised recently? What is happening regarding the unified Arab energy network?

These and other questions are the focus of the interview with Engineer Mahir Abazah, the minister of electricity and energy, by AKHIR SA'AH to determine what capabilities, plans and present and future aspirations we have to meet the ever-growing demand for electricity.

[AKHIR SA'AH] We will start this interview by discussing the High Dam electricity now that the water level in the dam lake has risen again as a result of the recent floods which followed years of drought. AKHIR SA'AH asked the minister of electricity about the situation in the [High] Dam and Aswan electricity plants and about the situation now that the water level has risen. How critical was the situation before the flood waters flowed into the Nile and what, according to the observations, are the expectations?

[Abazah] God be thanked, the water level in the lake has risen to 168.7 meters, according to what we have been told by the Ministry of Public Works and Water Resources. We expect, or hope, that the level will rise to 169 meters by the end of December. We will thus guarantee that the High Dam power plant will operate at

full capacity for the longest period possible. The plant has been operating at this capacity since last October when the water rose to 165 [meters] above sea level. This is the level at which the High Dam's turbines, both those of Russian and U.S. manufacture, operate. The turbines are again generating 1,750 megawatts and fulfilling their role of generating power for Egypt. Their production is currently estimated at 25 percent of the maximum load.

According to the data supplied to us by the Ministry of Public Works, we do not expect the water level to drop below 165 meters by the end of July, which is the time when the current floods end and the new floods begin. Thus, the plant will operate at full capacity until the end of the hydraulic year. It will even enter the next hydraulic year with the same capacity. This, plus the hope for more high floods, permits us to operate at full capacity not just next year but in years to come.

When the level rose to 165 meters, the new turbines of U.S. manufacture began to operate at full capacity. These turbines will, as usual, be closely observed and studied to determine what extra longevity and new energy will be produced by the renewal and replacement process being carried out at the dam with a U.S. grant totaling \$100 million. This grant has been advanced to replace turbine blades that have developed hairline fractures as a result of nearly a quarter century of use and subjection to water pounding. The conditions are ripe to develop the High Dam plant by installing turbine blades that are technologically more advanced than the original blades which were designed according to the technology of the 1950's and 1960's. Because world technology is developing year after year, the 1980's technology has to be introduced to the dam blades to prolong their life by 30 years and to increase the dam's capacity by nearly 15 percent, or by 85 megawatts, which is equal to adding an additional small plant.

[AKHIR SA'AH] Does the entire turbine have to be disassembled in order to replace the blades? Why is this done?

[Abazah] The entire turbine has to be disassembled in order to get to the innermost part of the blades (the part which is worn down during plant utilization). A plant does not undergo this process frequently during its lifespan. The turbine components have been checked to determine what has happened to them over the course of a quarter of a century; parts needing replacement have been replaced and any existing faults have been corrected. We have thus achieved three objectives through the development plan:

- Replace the turbines;
- Correct any other faults;
- Revitalize the plant.

This is a normal and necessary process undertaken by the electricity sector, considering that when one possesses a treasure like the High Dam, one has to preserve it with all the methods and means available and to update it whenever possible.

[AKHIR SA'AH] Does this rise [in the water level] affect the Aswan 1 and Aswan 2 plants?

[Abazah] The Aswan 1 and Aswan 2 plants were not affected by the drop in the dam lake's water level because their operation depends on the level of the water flowing out of the High Dam electricity plant. This is why they will not be affected by the new rise. The two plants have operated at full capacity throughout the low-flood years and they continue to operate at full capacity and to supply the equivalent of one-third the electricity of the High Dam. This supply flows into Egypt's unified network.

Electricity From Nile Weirs

[AKHIR SA'AH] There are new potential means to generate hydroelectric power in Egypt but none of these has been materialized. Is there any development insofar as Qarun Lake is concerned?

[Abazah] There are, indeed, new potential means to generate electricity from the Nile water and from other sources. This is something to which the electricity sector devotes full attention and which it pursues with ceaseless and detailed studies. One of the sector's definite priorities is to get all the electric power possible from the Nile water by utilizing the Nile weirs. But regarding this particular point, we operate through the Ministry of Public Works and Water Resources. It renews and develops the Nile weirs and we build the power plants. The most significant of these are the Asna weirs where the Ministry of Public Works has taken the steps to build new ones. An electricity plant with a 90-megawatt capacity will be then built at the site. We hope that work on this plant will begin next year.

As for Lake Qarun, a major effort is being made to exploit the nearly 40-meter difference between the lake's water level and the Nile water level to generate electricity. The most significant part of this effort is the effort to renew the already existing plant which will be completed in 6 months. The plant will then produce (4.5 megawatts). A number of mini-hydro plants will be then added, using an \$5-million grant advanced by the Canadian Government to build plants with a capacity of 250, 300 and 500 kilowatts. This plan is under study at present. When the studies are completed, the plan will be implemented to supply more hydroelectric power for Egypt.

Al-Qattarah for Future Generations

[AKHIR SA'AH] The talk has focused so far on the Nile weirs and Lake Qarun. We would like now to find out the potential for generating power from al-Qattarah Depression. This depression was the topic of discussion a few years ago. But the talk about this depression has subsided recently. Now, what are the depression's potentials and why shouldn't we use and exploit it in the coming period?

[Abazah] Al-Qattarah Depression project is very costly because of the enormous civilian work it entails, especially the work to open a canal to carry water from the sea to the depression. This canal will be no less than 70 km long, according to German studies that have estimated the cost of the project at \$6 billion, or no less than 110 km long, according to Swedish studies which have estimated the cost at \$4 billion. When we learn that the constant energy generated by a hydroelectric power plant built on the depression will not exceed 300 megawatts and that this production can be obtained from a thermal plant costing no more than \$150 million, the dimensions of the cost difference become obvious. Moreover, it is not the electricity sector alone that is concerned with implementing this project, especially since it is not just a project to generate electricity but one that is connected with other activities, such as industry, tourism and new communities to exploit the immense lake which will be created by the project. If it is made evident that the project is economically feasible, then all these sides must be involved.

Otherwise, the project can be exploited in the future to generate electricity by the pumping-and-storage method when the price will be more economic and reasonable. There are fundamental points in the project that have not been studied conclusively, especially the geological fissure existing at the site. Water pressure on this fissure may lead to earthquakes in the area which is a calm area basically. Another point is the impact of saltwater on underground water in the northern delta where arable land may be harmed. All these are points that are still being studied. With time, it will be possible to make a decision on them and to serve Egypt's interest.

Al-Jalalah Pumping and Storage Project

[AKHIR SA'AH] The pumping and storage issue raises an important question on the nature and importance of al-Jalalah naval project. The question is: What has been done so far on this project which is adjacent to Suez City?

[Abazah] The concept of the pumping-and-storage projects is founded on the presence of mountainous areas next to the sea. Parts of such areas' peaks can be used as sea water reservoirs from which water is drawn to turn on turbines at periods of peak consumption from sunset until just before midnight, depending on the difference in electricity prices at the two times. One of these projects is Jabal al-Jalalah naval project, located on the gulf next to Suez City. There exists in the area a site which is 550 meters above sea level and is suitable for storing sea water. Studies have been conducted to determine how to level this reservoir, to treat it chemically to prevent water seepage and to install turbines at its base to generate power by exploiting the period from midnight to morning when electricity demand is at its lowest in Egypt to pump water to the reservoir. The water is then allowed to flow after 1700, when the demand for

electricity rises and when electricity prices are higher. We thus take advantage of the difference [in electricity prices] to serve the national economy.

The project specifications are being drawn up. In the initial stage, 4 generators, each with a capacity of 150 megawatts, will be installed and the project will generate 600 megawatts which will be raised to 1,200 megawatts in the second phase and to 1,800 megawatts in the third phase, depending on the electricity consumption needs of Egyptian industry, agriculture and homes.

[AKHIR SA'AH] An important question is raised regarding the two biggest consumers of hydroelectric power, namely the (CEMA) Fertilizer Plant in Aswan and the aluminum complex in Naj' Hammadi, especially regarding supplying the two plants with alternative energy. What is your opinion?

[Abazah] To begin, I must make it clear that these two plants get their energy from the unified network and not from the hydroelectric power plants in particular. No two people disagree that it is a national duty to supply them with energy by virtue of their role in industry. At the same time, the thought of supplying them with other alternatives should not be rejected because, to put it simply, such a step makes more energy available to the unified network, i.e. to all of Egypt. This issue is not, in fact, within the jurisdiction of the Ministry of Electricity but of the Ministries of Industry and of Petroleum.

As for the Cema Plant in Aswan, there were ideas to supply it with natural gas from the Red Sea fields. But no decision was made. It was then said that heavy oil should be supplied to the plant as an alternative. All these are technical issues being examined by the ministries concerned so as to develop the plant itself. The plant equipment is near the end of its theoretical lifespan and the plant is one of few in the world that still use electricity to produce fertilizer. Developing the plant may require such steps. We welcome the steps if the Ministries of Industry and Petroleum decide on them because they will save the unified network the 220 megawatts which the plant consumes at present.

As for the Naj' Hammadi Aluminum Complex, it is the minister of industry's opinion that a power plant should be built in the complex area to increase the supply of electricity produced for the unified network. The electricity sector has no objection to such a step which is being currently discussed and studied.

Utilizing Hydroelectric Power

[AKHIR SA'AH] Does hydroelectric power represent a large part of Egypt's energy? How much can be added to it, how important a role will it play in the coming years, and why?

[Abazah] Hydroelectric power, derived from the High Dam and from Aswan Plant 1 and Aswan Plant 2, currently represents 28 percent of Egypt's maximum load. When the Asna, Naj' Hammadi and Asyut weirs and the Lake Qarun mini-hydro plant are implemented, we will have utilized 90 percent of the hydroelectric power available to Egypt. We are currently utilizing 80 percent. Weir electrification will only add 10 percent more. Despite the increased hydroelectric power we will generate in the future, the percentage of this energy to Egypt's total energy [production] will decrease because of increased demand for electricity. This increase will necessitate the introduction of thermal plants that will increase the percentage of Egypt's thermal energy production. By the year 2000, this percentage will amount to 90 percent of Egypt's energy production, with hydroelectric power amounting to just 10 percent.

[AKHIR SA'AH] Despite the escalating role played by the thermal plants which produce 72 percent of Egypt's energy, there are several important observations concerning these plants, especially the natural gas plants. The most significant observation is that these plants utilize only one-fourth the gas they burn, that their theoretical lifespan is short and that they require comprehensive maintenance over short intervals not exceeding 8 years each. What is your view of all these observations?

[Abazah] These observations are true and sound. But we in the electricity sector have strong justifications for these plants, the most significant of which is that it is a national duty to use natural gas to generate power in order to save oil for exportation. Natural gas is not as exportable as oil and it must be channelled for use in generating energy, in industry, in petrochemicals and in cement production. It must be channelled for home use and for all other possible consumption aspects, including electricity of course, so as to save the state hard currency instead of compelling it to use such currency for imports.

The world has a proven technology for gas plants. We have introduced this technology because of numerous advantages, the most significant of which is the low cost of gas plants when compared with the cost of thermal plants. A (kilowatt) of electricity produced by a gas plant costs \$250 whereas a kilowatt produced by a thermal plant costs \$600.

However, we must say that thermal plants have a longer life than gas plants. But the sum spent every 8 years on the comprehensive maintenance of a gas plant is not large when compared with the electricity we derive from such a plant. Moreover, maintenance is carried out continuously throughout the year, not just every 8 years, for all plants of the electricity sector. We do this because of the special nature of this sector and because we are aware that we are not a rich country and that we must put forth the effort to reduce this country's waste of hard

currency by prolonging the life of these plants through maintenance. This practice is not alien to us and we apply it to all plants, including the old ones.

A gas plant in al-Maks, Alexandria, has been in operation since 1964 and continues to produce 30 megawatts. There are other old gas plants which we continue to renew, develop and maintain, such as al-Tabin plant, the south, west and north Cairo plants and the Talkha, Damanhur, al-Suyuf, Suez and Asyut plants. Some of these plants are more than 40 years old and some of them were completely demolished in the 1967 war.

This is being done through soft-term loans or grants, including a 40-year German loan of DM240 million given at a very low interest rate. This is why in the next 3 years, we will develop all the old plants and extend their life by no less than 20 years.

On the other hand, we get from the world the best technology available. Most of the new plants operate on both gas and heavy fuel, keeping in mind that gas is depletable and that it will be depleted after a certain period of time which has not been determined yet. We use gas now but when it is depleted, the plant using it can be transformed to operate on heavy oil. We have introduced new technology in this area, beginning with the Damietta plant which has a compounded circuit. For the first time in Egypt's history, this plant operates on gas units linked to steam units. We have raised this plant's efficiency from 27 percent to 52 percent, i.e. we have doubled it, thus saving large quantities of the gas needed for operation. The Damietta plant uses one half the volume of the gas used by the other plants to generate the same amount of energy.

New High Dam

[AKHIR SA'AH] Can it be said that with the end of the 1980's and the onset of the 1990's, thermal plants will solve the problem of the critical period in electricity consumption?

[Abazah] The truth is that it is not a critical period. It has been a period during which we have demanded that the planning for the electricity sector be developed by virtue of the sector's special circumstances. It is well known that power plants need a period of no less than 5 years, if not more, to begin production. This is what has dictated development of the planning. I must laud here Dr al-Janazuri's understanding and his implementation in this regard. The first 5-year plan was designed to channel our capacity toward production. In the second plan, we channeled this capacity toward the private sector projects and the Arab and foreign investment projects. But we encountered the problem of time of implementation. As I have already said, the electricity sector plan has been developed into a 10-year plan instead of being a 5-year plan so that this plan and the plants needed to generate electricity for the new projects may be implemented.

As for the emergency plan, it is another issue. We devised it in July 1987 when the flood water was so low that it became possible that the water level of the dam lake would drop so low as to cause stoppage of the turbines. The idea of making up for the dam electricity with thermal electricity was raised and the government responded by providing enough appropriations to complete a number of plants, such as the first phase of the Damietta plant (300 megawatts), the South Cairo plant (300 megawatts), the first phase of the Suez plant (800 megawatts), the Talkha plant (100 megawatts), the Shubra al-Khaymah unit (300 megawatts) and the 'Ataqah plant (300 megawatts).

A total of 2,000 megawatts, which is the equivalent of the High Dam production, will be thus introduced into the network. This has been done by using in 1 and 1/2 years the appropriations allocated for 3 years so as to complete these units speedily. These units will enter the service one after the other to add to Egypt's production.

[AKHIR SA'AH] What signs are there regarding the implementation of the coming 10-year electricity plan?

[Abazah] The most important sign of this plan is the permission given us to conduct studies on the specifications of and to invite bids for 3 giant plants to be built within 5 years and to enter the service at the outset of the third 5-year plan covering the years 1992-97. This is why in January, we will present [for bidding] al-Za'faranah, Sidi Karir and 'Uyun Musa plants, over which we are negotiating with the Russians.

[AKHIR SA'AH] Coal plants give rise to the question of supplying coal, which exists in Egypt in small quantities, and to the subsequent question of importing it with hard currency, not to mention the negative impact of such plants on the environment. Is this correct?

[Abazah] The truth is that coal is found in small quantities in al-Magharah area in Egypt where the production amounts to .75 million tons annually. This is not even enough to operate a single coal plant. A plant with a 1,200-megawatt capacity needs 3 million tons. This is why we have planned the plants to operate on natural gas and coal. They will operate on natural gas until the gas stores are depleted and will then operate on coal. We have also chosen coal to save Egypt hard currency by taking advantage of the difference between coal and oil prices. Even though oil prices are low, we expect them to rise in the 1990's. Even at the current prices, coal is more economical because a ton of coal costs \$40 whereas a ton of oil costs \$85. Moreover, the life expectancy of coal reserves is much longer than that of oil reserves. The life expectancy of oil reserves is no more than 25 years whereas the life expectancy of coal reserves is more than 200 years. Coal is also available in vast quantities in all countries, both eastern and western. Consequently, there are no problems of availability.

New and Renewable Energy

[AKHIR SA'AH] Considering that Egypt has the best conditions for new and renewable energy applications, why is it that there isn't in this area an obvious thrust commensurate with the ever-growing demand for energy?

[Abazah] Egypt does, in fact, have the best conditions for new and renewable energy applications. This is why major steps exist in this area and these steps will become evident shortly. The most important step is for us to embark on the local production of solar equipment in any quantity and to conclude contracts to install these [solar] heaters in all the housing units in the new towns. We will thus open a broad horizon for the use of such equipment and the Egyptian people will, in turn, become aware of this equipment and will demand it. Consequently, its use will spread throughout the republic.

As for wind energy, the United Nations has given us a grant to invite bids and to purchase the best types of fans for generating electricity from wind. An agreement has been concluded with the Ministry of War Production and the Ministry of Industry to have the fans produced by Egyptian factories which will provide 85 percent of the components. The remaining components, consisting of electronic parts, will be imported from abroad because it is difficult to produce them locally at an economic price. This can be accomplished, even if only partially, in the future.

Agreement has been concluded with the military plants to produce 100 fans, each with a 100-kilowatt capacity, to be installed along the Red Sea coastline where the conditions are best for wind-generated electricity. If the experiments are successful, we will increase the number of electricity-generating units and will transform the area into an area similar to California. With time, we may be able to generate 2,000-3,000 megawatts, i.e. we may be able to generate in the future 1.5 times the power generated by the High Dam.

[AKHIR SA'AH] Can you tell us what percentage the new energy will contribute by the year 2000?

[Abazah] New and renewable energy will contribute nearly 5 percent of Egypt's power by the year 2000 when the country's consumption will amount to 100 billion kilowatt-hours. This means that this energy will contribute 5 billion kilowatt-hours or one half the power produced by the High Dam. We also have other potentials in the area of bio-gas and (bio-mass) energy. In this area, gas produced by human and animal waste is used to generate energy. The waste can be then used as a good organic fertilizer. We have conducted practical experiments in this area and we have been able, within a short time, to utilize this energy in developing Egypt's rural and desert communities.

The main thrust will come after the National Center for New and Renewable Energy is completely established and when its applied laboratories, which will deal with the applications of all forms of new and renewed energy, are completed. This center is being founded with an \$15-million grant from the EEC and it will be completed in 2 years. When the center is completed, there may be a major thrust as a result of the outcome of the experiments and this thrust will contribute a lot to Egypt.

Safety of Nuclear Plants

[AKHIR SA'AH] There remains nuclear energy on which we will make several observations. It is an important and recorded part of the Ministry of Electricity's strategy in the 1990's. Moreover, Egypt has exhausted all its energy resources and has even begun to introduce coal plants for which the raw materials are imported from abroad. There is, moreover, the size of the demand for electricity which has become a basic ingredient in any industrial, agricultural or social development processes. All this will make nuclear plants a must 10 years from now. Now, what is the picture concerning these plants as a future source of energy for Egypt?

[Abazah] The use of nuclear energy in peaceful activity is a fundamental part of the ministry's strategy. Egypt is one of the first countries in the area to have research, laboratories, an experimental 1-megawatt nuclear reactor and sophisticated scientific equipment in this field to assist in agricultural, industrial, petroleum and medical research.

What remains is the final link, namely to produce electricity from nuclear energy. We took practical steps in this regard in 1984 by inviting international bids for the purpose. Bids were made by the United States, West Germany and France, all of whom are well known for their capabilities in this field, to build the first nuclear plant in al-Dab'ah. While studies were being conducted on an agreement, the Chernobyl incident occurred in 1986 and it was followed by international concern over nuclear safety. The Egyptian Government then decided to postpone the matter so that better studies may be conducted on plant safety, so that the impact of the incident on all countries of the world may be observed and so that a study may be conducted to determine which are the safest plants. This is what the experts are currently studying in order to draw up a detailed report. This report will be submitted to the government to make its decision in its light and on the basis of a number of technical, economic and political considerations. Therefore, we are acting calmly and cautiously to insure that we have the safest reactors.

Growing Citizen Awareness

[AKHIR SA'AH] What has been done regarding the rationalization instructions calling for saving energy and for refraining from energy waste so that we may put an end to the waste that is currently taking place in all sectors?

[Abazah] Efficient steps are underway in this regard. Cooperation has been established between the Ministry of Electricity and the Ministry of Industry to introduce the best rationalization methods into the factories. This effort is supported by grants from the United States and the United Nations. As for the electricity sector, we install electricity capacitors on the internal cables of the factories to enhance their efficiency and to reduce the loss so that this loss may be used for production. We will thus increase capacity a factor of 1.5. In the plants themselves, the Ministry of Industry is taking steps which will produce results in the near future.

As for home rationalization, I cannot but thank the Egyptian people who have responded to the ministry's instructions on rationalization, thus reducing the electricity consumption growth rate from 12 percent last December to 10 percent at present. We hope that the people will stay with us so that consumption may be reduced even further because this rate is one of the world's biggest growth rates. Officials of the public sector's Engineering Authority have promised to supply us with light bulbs and fluorescent lights that consume less electricity so that they may save energy for Egypt's production. We, as a developing country, must channel all our capacities toward production and investment so that the results may show in the national income and so that we may be then able to supply energy for consumption, as is the case throughout the world.

[AKHIR SA'AH] What level has the country's per capita consumption of energy reached and will electricity prices increase at all next year?

[Abazah] Egypt's per capita consumption is growing at a rate that keeps pace with the individual's social development. But this growth is not similar to the growth in the rest of the world because our circumstances are different from those of the other countries. Egypt's average per capita consumption is 750 kilowatt-hours annually. In the eastern countries it is 1,500 kilowatt-hours and in [West] Europe it is 3,000 kilowatt-hours. But if we look at developing countries like ours, we find that the average per capita consumption in India is 450 kilowatt-hours and in China 250 kilowatt-hours.

Thirty Dams in Zaire

[AKHIR SA'AH] There is an immense African project to generate hydroelectric power in Zaire. What has been done regarding this project?

[Abazah] Zaire does in fact have hydroelectric capacity that goes to waste in the sea and that is not exploited at all. With this capacity, 30 dams can be built to generate 60,000 megawatts. There is an understanding between Egypt and Zaire in this area.

The African Bank has agreed to advance an \$5-million grant for a study on the project and, simultaneously, on the possibility of linking this energy with Europe because

there has to be a big consumer to exploit this energy. (If the study proves that the linkage can be made successfully), a joint Euro-African committee will meet to discuss the project and to provide European financing to implement it. A 3,000-km unified network will then be built from Zaire to Egypt. Through a link between Egypt and Jordan, this energy will be transmitted to Syria, then to Turkey and then to Europe.

There are also European technical studies on this project aimed at providing a resistance-free electricity conductor. European experiments have succeeded in developing such a conductor, but at subzero temperatures. When the same objective is achieved at ordinary temperatures, the material developed can be used to transmit this electricity. Fewer transmission lines will be needed to carry the electricity by virtue of the high efficiency of the material used. All these issues will be clarified by future studies and steps which, we hope, will be successful.

Egypt Officially Rejoins Industrial Development Group

*NC26D183588 Cairo MENA in Arabic
1345 GMT 26 Dec 88*

[Text] Minister of Industry Muhammad 'Abd-al-Wahhab met today with Hatim 'Abd-al-Rashid, director general of the Arab Organization for Industrial Development, who is currently visiting Cairo. 'Abd-al-Rashid officially informed the minister of the organization's decision to restore Egypt's membership in the organization, in implementation of a resolution passed by the Arab Industry Ministers Council at their conference, which was held in Bahrain on 2-3 November.

At their meeting, the two officials reviewed the projects which the organization is currently carrying out in all industrial fields. They also examined ways to enable Egypt and the organization to set up joint Arab ventures as a basic axis of Arab coordination and integration. In addition, they discussed a steel project due to be established in Al-Sadat City as a joint Arab venture, with an annual output capacity of 110,000 tons.

'Abd-al-Rashid arrived in Cairo yesterday for a 5-day visit, during which he will tour a number of Egyptian industrial companies and projects.

Suez Canal Authority Chairman on Revenues

*JN26D213588 Cairo AL-AKHBAR in Arabic
25 Dec 88 p 6*

[Text] Port Said—The revenues of the Suez Canal Authority have exceeded \$1.3 billion this year compared to \$1.18 billion last year. These revenues are expected to reach \$1.4 billion next year, despite the implementation of the increases as of the beginning of next year. [sentence as published] This was stated by Suez Canal Authority Chairman Muhammad 'Izzat 'Adil during a ceremony inaugurating a new ferry route between Port Said and Port Fuad,

which cost 10 million pounds. Two 150-ton ferries will operate on the route. The ceremony was attended by Hasaballah al-Kafrawi, minister of housing, utilities, and new urban communities, and Major General Sami Khudays, governor of the city of Port Said.

The chairman of the authority added that the board of directors of the Arab Development Fund unanimously agreed last week to grant the authority \$2 million to conduct studies of the second phase of development. The board of directors of the fund also agreed to extend a loan of \$700 million to the authority when the second phase is implemented. The amount of money will be repaid with easy terms and low interest rates. The authority has received applications from 13 world expert organizations voicing readiness to conduct these studies. Only five will be chosen. Experts from the authority will also participate in the studies, which will last 1 year. For the first time, Egypt will receive a world expert organization to conduct that study and assess its feasibility.

The second phase is aimed at receiving huge 250,000-ton tankers and increasing the width of the canal by 50 tons [as published] and the draft from 19.5 meters to 24 meters.

Engineer 'Izzat 'Adil affirmed that the atomic energy body is cooperating with us in monitoring ships carrying radioactive materials. This body will not allow any ship carrying such cargo to pass unless the level of radiation is measured and confirmed to be within internationally accepted levels. Ships carrying nuclear wastes will be prevented from entering both the canal and anchorage areas in the Mediterranean and the Red Seas.

The chairman of the authority added that for the first time in Egypt, the authority has negotiated with foreign shipping companies to build ships in Port Said. The negotiations will start with a Norwegian company. An agreement was reached with the Iraqi transport minister, during his recent visit to Egypt, to repair Iraqi ships in the authority's dockyards under easy terms; 25 percent of the repair cost will be paid in advance and the rest in installments of 25 percent every 6 months.

Air Force Chief Discusses First Line of Defense

45040092 Cairo AL-SIYASI in Arabic 6 Nov 88 p 5

[Interview with Air Force Commander Marshal 'Ala' Barakat by Jamal al-Khuli; date and place not given]

[Text] AL-SIYASI interviewed Air Force Commander Marshal 'Ala' Barakat twice within the span of 2 months. The first interview was occasioned by the October War victories. The second was on the occasion of the Air Force anniversary celebrations.

[Al-Khuli] Is there a difference in Air Force readiness in times of war and peace?

[Barakat] Egypt has a modern air force with advanced combat capability. It is always at the peak of readiness to carry out the missions with which it is entrusted. Our Air Force is always cognizant that its role in peacetime is no less important than in wartime, especially in view of Middle East instability, which behooves us to be constantly cautious and always at the ready. The Air Force will always be the first line of defense of our borders. It is the protective shield that discourages the enemies of the Arab nation from threatening its security and stability.

[Al-Khuli] Has the capability of our Air Force increased effectively during the past 15 years—from the end of the war of October 1973 until its 56th anniversary celebration—to be able to repel any aggression?

[Barakat] The growth in the capability of our Air Force assures it success in its mission and in its vanguard role in deterrent strategy. Since 1973, Air Force development has enjoyed the utmost attention from both the political and military leaderships, since it is the main tool and the basic element for implementing Egyptian military strategy based on deterrence. Among the most outstanding elements of power and deterrence is the ample availability of E-2 early warning planes, which can detect very low-flying aerial targets over very long distances. This provides early warning at a suitable time. There are also ample elements of high combat efficiency, including western and eastern planes, in addition to air power capable of taking the battle to enemy territory. The backbone of that power is multimission planes such as F-16s, Mirage 2000's, and F-4's which are very advanced in range, weapon loads, and accuracy on enemy targets. Among the advantages of these planes is that they can carry out a multitude of missions, defensive or offensive.

[Al-Khuli] Has the Egyptian Air Force a developed capability for reconnaissance? How about air transport?

[Barakat] The Air Force has modern reconnaissance craft and equipment, and also has pilotless drones which can effectively and continuously monitor a situation. Let me point out here that our forces are beginning to acquire a new kind of plane, the Beechcraft, which will play a vital role in intelligence gathering and safeguarding reconnaissance by modern electronic means.

As to air transport, we own C-130's and Bafiks [word as published] advanced enough in range and load capability that they can effectively operate with Egyptian borders for supply, evacuation, and maneuvers by our forces. They can also be used for the external transport of cargo and individuals to meet the needs of the armed forces. They can additionally contribute to civilian transport and provide assistance to our Arab brethren, as in the airlift to Sudan in the aftermath of its flood disaster.

There is also an advanced helicopter force composed of craft for the tactical transport of armed forces as well as armed units to assist air and land forces with striking power.

[Al-Khuli] What development plans are there for the Air Force?

[Barakat] Development plans have been cognizant of certain considerations, the most important of which are lessons learned from our previous wars and extrapolated from air battles in other wars. Other considerations are the variables of our region and the rapid and insistent growth of the air forces of our neighbors which mandates that we achieve air parity. We must also keep pace with world aviation developments and focus not merely on quantity but also on the qualitative superiority of armament, human resources, training, and leadership. The Air Force is also eager to conserve our supply of weapons and equipment by improving and modernizing them to prolong their useful life and combat efficiency in order to put them to the longest possible use.

[Al-Khuli] Combat methods and equipment are now in the open and known the world over. What benefit do we gain from joint war maneuvers?

[Barakat] We benefit in many ways, the most important of which is training and exposure to modern materiel, equipment, and technology in aviation and air weaponry used by countries advanced in these fields such as the United States and the countries of Europe.

We also gain by learning the modern combat methods of various countries and by exchanging expertise in air combat techniques and weaponry. Furthermore, the maneuvers are an opportunity to test and try out our combat methods and techniques in a practical way and under actual conditions.

Worth mentioning is that these maneuvers have shown Egyptian pilots and technicians to be of the highest world caliber, as stated by specialists of foreign countries with which we joined in exercises. These joint maneuvers also bolster the spirit of understanding with our Arab brethren and other friendly countries.

[Al-Khuli] To what extent did the Air Force contribute to controlling expenses?

[Barakat] The Air Force attaches a great deal of importance to that effort and strives in all areas of activity, such as procurement and training to achieve its goals in accordance with scientific fundamentals and meticulously drawn plans. The Air Force focuses on the quality of materiel rather than on quantity. It also focuses on modernizing and prolonging the life of current weapons in order to keep them in service for as long as possible. Our Air Force also places a great deal of importance on promoting self-sufficiency in several technical areas in order to save foreign exchange. The methods and means of training are constantly being developed, and feature the increased use of simulators to reduce the cost of training on actual military craft and reduce training accidents and losses. Moreover, the Air Force participates in the national effort and activities of the Armed

Forces, such as survey photography for agricultural and irrigation projects, road construction, tourist projects, aerial spraying, search and rescue operations, and the air transport of goods and passengers during crowded tourist seasons.

Military To Obtain Planes From Argentina
JN0101174889 Abu Dhabi AL-ITTIHAD in Arabic
31 Dec 88 p 1

[Text] AL-ITTIHAD has learned that Egypt is about to obtain 50 light offensive Yukaza [as published] planes from Argentina to be used in tactical operations to support ground forces. These planes proved successful in this mission during the Falklands war. Western military sources told AL-ITTIHAD that the Egyptian and Argentine sides have agreed to barter these planes for Egyptian crude oil.

These sources also disclosed that Egypt recently demanded seven U.S. F-4 Phantom planes to be added to 33 others of the same type currently in service in the Egyptian Air Force. Egypt has succeeded in repairing these planes and improving their combat performance.

Awqaf Minister Favors Gradual Implementation of Islamic Laws
45040130b Cairo AL-NUR in Arabic 30 Nov 88 p 1

[Text] Dr Muhammad 'Ali Mahjub, the minister of awqaf [religious endowments], has asserted that the government seeks to implement the Islamic Shari'ah gradually so that what happened in the Sudan may not recur.

In a symposium organized by the Businessmen's Union last Thursday and attended by Dr Muhammad Sayyid Tantawi, the republic's mufti, Dr Mahjub said that 93 percent of the Shari'ah is applied in Egypt.

He added that the amendment of articles of the law is discussed calmly and gradually so that the laws may be made compatible with the dictates of the Islamic Shari'ah.

Responding to the public's questions, the minister of awqaf noted that a ruler who denies what God has revealed in word and in deed is an infidel, that a ruler who acknowledges the revelations but fails to implement them because of society's conditions is sinful, and that a ruler who applies them unjustly is a tyrant.

His Eminence Dr Muhammad Sayyid Tantawi, the republic's mufti, renewed his call for applying the death penalty to rapists, publicly and in the biggest square, so that it may be a lesson to others.

He added that the responsibility for women who wear revealing clothes at the university falls first on the shoulders of the family, and second on the shoulders of the university that permits such attire.

His Eminence the mufti asserted that investment certificates, excluding Type C certificates, are illicit.

Islamic Proselytizer Discusses Social Issues
45040101 Cairo AL-NUR in Arabic 23 Nov 88 pp 1, 2

[Article: "Islam Does Not Change Colors and Knows No Extremism; Under a Muslim Ruler Common People Can Act on Their Own To Bring About Change; Those Who Exported Usury to Us Are Now Fighting It in Their Own Country; Asking Ruler To Embrace Islamic Ways Must Be Done Privately; Monetary Contributions for Statues of Leaders Are Forbidden"]

[Text] His Eminence al-Shaykh Muhammad Mutwalli al-Sha'rawi, the great Islamic proselytizer, spoke to the editorial staff of AL-NUR about many issues with which public opinion is preoccupied. He also discussed Islam's position on those issues.

Participants in the discussion were Mr al-Hamzah Di'bis, chairman of the board of directors of AL-NUR; Mu'min al-Haba', the newspaper's editor-in-chief; and AL-NUR's editorial staff.

At the outset His Eminence al-Shaykh Mutwalli al-Sha'rawi affirmed that religious extremism did not exist. The actions of a few young Muslims do not constitute extremism. They are rather a departure from the wise course which must be followed in promoting Islam.

His eminence said, "Islam does not change its colors. One can either take it as a whole or leave it alone altogether. One can't pick and choose from it at will."

On the question of repudiating society al-Shaykh al-Sha'rawi said, "To those who repudiate society we say this: 'Who will fight nonbelievers with you if you repudiate society?'"

Al-Shaykh al-Sha'rawi responded to what al-Shaykh Salah Abu Isma'il said in his court testimony [in the case of] Those Delivered From the Fire. Shaykh Salah Abu Isma'il said that a judge who makes judgments which do not conform to what God has revealed is blasphemous, morally depraved, and unjust. Al-Shaykh al-Sha'rawi said, "A different judgment is required for each different case. If a judgment in a case about the deity favors polytheism, for example, that judgment would be blasphemous. If judgment in a case involving a major offense deems that offense permissible, it would be morally depraved. And if judgment in a case involving a minor offense, such as a claim between you and me, [fails to restore justice], that would be unjust."

Al-Shaykh al-Sha'rawi said, "Muslims have the right to act on their own without permission from the ruler to change a situation that is reprehensible and forbidden, but they can only do that under a Muslim ruler first who can protect those who take such action. This is because Muslims who act on their own in this way are helping the

ruler perform his duty. But when Muslims cannot act on their own to change a reprehensible situation, as is the case with us now, for example, they can make such a change verbally or in their hearts. Making a change in the heart means that a person disassociates himself from those who commit an abomination. If everyone were to do that, sinners would become isolated, and that is what is called social deterrence."

Al-Shaykh al-Sha'rawi said, "I told those who say usury is permissible to say that God's condemnation of usury was right, but circumstances do not permit us to execute God's judgment. But all those who talk about usury deny that it is usury. They find scholars who agree with them on that score. Thus, the state believes that this is not usury because it can find those who agree with it and say that it is not."

Al-Shaykh al-Sha'rawi responds to that by saying, "If we separate those who said that usury was sinful from those who said that it was not, we will find that those who said usury is sinful are the majority and those who said it was not are the minority. Even if the numbers of both groups were equal, what does Islam have to say about that? The prophet, may God bless him and grant him salvation, said that what is legal and permissible is evident and what is not is also evident. Between what is permissible and what is not there is a grey area, but he who avoids that grey area absolves his religion and his honor. It follows then that he who does not avoid this grey area does not absolve his religion or his honor."

Al-Shaykh al-Sha'rawi said, "Those who exported usury to us are now fighting it, but we are trying to write rules for it. The economist Keynes says that money does not perform its function unless the interest rate drops to zero, that is, when there is no interest. And that means money performs its function when there is no usury."

"From a legal standpoint a usurious contract is null and void because the law stipulates that a contract should protect the interests of both parties to the contract, but usury protects the interests of the creditor only."

Al-Shaykh al-Sha'rawi affirmed that appeals made to a ruler must be made in private. The prophetic tradition says, "The best service rendered for the cause of God is one word of truth spoken to an unjust ruler. The tradition did not say against an unjust ruler."

"If we publish critical remarks about the ruler in newspapers, we would infuriate him. We would not be endearing ourselves to him."

About attacks from communists and other enemies of Islam and attacks against al-Shaykh al-Sha'rawi himself, his eminence said, "If they do not attack me, then I am not doing anything worth doing. Their attacks against me signify that action is being taken and efforts are being made, and that makes them furious."

He said he would continue doing what he has been doing to infuriate them further.

In answering a question about recognizing the new Palestinian state, al-Shaykh al-Sha'rawi said, "Let us be clear on this. If this state is established according to God's ways, we will welcome it, but if it is established as a secular state, we will not acknowledge it."

On a question about the current status of investment companies, his eminence said, "The subject of these companies is out of our hands—all our hands. Neither the depositors nor the owners of those firms have anything to say about that."

He added that some people blame Islam for the mistakes that are made by Muslims. That is wrong because "prescribed legal punishments were revealed to punish Muslims. This means that Muslims make mistakes and commit sins. These legal punishments were prescribed for them to protect their society from crimes and grave offenses."

His eminence questioned, "Did people consult anyone before depositing their money in the investment companies?"

Al-Shaykh al-Sha'rawi had this to say about another question which dealt with the alms tax on funds deposited in investment companies. "The tradition of the prophet, may God bless him and grant him salvation, stipulates that if the funds are available, that is, if they can be withdrawn any time, a Muslim is obligated to pay the alms tax on them. But if they cannot be withdrawn on demand, one should wait until one withdraws the funds. Then, the alms tax becomes payable."

At the present time, funds deposited in investment companies are not available to investors on demand. In other words, one has to wait to get his money out of these investment companies. [When one withdraws the money], he can then pay the alms tax.

On another subject, His Eminence al-Shaykh al-Sha'rawi affirmed that donations to build two statues for the two late presidents, 'Abd-al-Nasir and al-Sadat were not permissible. This is a question that needs no discussion.

Columnist Praises 'New Position' of U.S. Toward Islam

45040105a Cairo AL-JUMHURIYAH in Arabic
16 Nov 88 p 5

[Commentary by Muhammad al-Hayawan under "A Word of Love" rubric]

[Text] Some circles in America fear Islam, and perhaps they have some excuse, because the behavior of the Iran's rulers has given Islam a very bad name. This belief spread among certain Islamic circles in the Arab region, until they imagined that America was at war with Islam,

and that it asked friendly governments to fight Islam as well. The issue involved nothing more than reports circulating this idea or that. Certain journalistic efforts supported this point of view or that. Some of the accounts were fabricated merely to cause trouble between America and the Muslims. Some of them were fabricated in Moscow, some in Tel Aviv, and nobody knew the truth of the position of the American government, because it did not make it public.

After al-Sadat was assassinated, American delegations spread into the Arab states to explore the roots of the Islamic movement and the extent of its strength. The Muslims assured America that their interests were the same, because the Islamic power is hostile to Communism, just as America is. There is a common interest, so Moscow and Tel Aviv worked hard so that the Muslims would not get together with America.

Last week the American government spoke for the first time. The committee for inter-religious cooperation held a meeting in an American city, and invited Richard Murphy to attend in his capacity as the American foreign policy official for the Middle East and South Asia. The man said that the Islamic resurgence was one of the most powerful and widespread political forces in the world. Adherence to Islam is not limited to extremists, and whoever thinks that has limited judgment and understanding. It is wrong for us—he means America—to imagine that the Islamic current poses a threat to American interests.

New, official words, coming from an official for the first time. Murphy said that relations between America and Saudi Arabia are very successful...and Saudi Arabia professes religion more than any country in the Islamic world. Murphy asks that America understand the feelings of Muslims, especially the moderate ones, because fanaticism leads to political tension on both sides, America and the extremists. Religion is an essential and principal factor in most of the countries of the Middle East and South Asia. He said that America is disturbed by extremism, such as the extremism of the Sikhs and the Hindus in India, the extremism between Shi'ites and Sunnis in the Gulf region, and the sectarian extremism in Lebanon.

In conclusion, the man said that the political Islamic resurgence is an opportunity that requires America to try to understand the situation and use new methods for diplomatic action in the region, especially since government regulations themselves distinguish between moderates and extremists; they respect the first group and oppose extremism for security reasons, because extremists resort to firing bullets, and bullets always derail any chance for calm, reasonable dialogue.

If that is America's new position towards religions, it is to be expected that Moscow and Tel Aviv will work to wreck the mutual understanding between America and the Muslims, so that fanaticism and tension will grow in the region, because calmness is against the interests of Moscow and Tel Aviv. It is possible that we will soon

read reports fabricated by Moscow and Tel Aviv accusing Muslims of hostility towards America, and accusing America of hostility towards Islam, and trying to start a fight between the two sides in order to prevent any rapprochement between them.

AL-AHRAM on 'Free Judaea' State in West Bank

*NC0301072989 Cairo MENA in Arabic
0640 GMT 3 Jan 89*

[Text] AL-AHRAM warns against underrating the announcement by a group of extremist Jewish settlers that they intend to establish an independent state in the occupied Arab territories under the name of Free Judaea.

In its editorial today, the paper says that the declaration of this state is aimed at forcing the Israeli Government to annex these territories and block the way to the establishment of an independent Palestinian state. It adds that this issue is no longer a heavy joke, now that it has been announced that the formalities for the declaration of this state will be carried out in 3 weeks' time in the Kiyat Arba' settlement. The paper notes that this call, spearheaded by the extremist Kakh movement, is finding fertile ground at this stage. The Israeli Government itself has been expelling and deporting Palestinians for some time now, and some of the old guard still consider the West Bank to be Israeli territory, referring to it as Judaea and Samaria. This is in addition to the recent Palestinian steps which confirmed to the Israeli people that the Palestinian people are in fact seeking to establish their own state in the West Bank and Gaza.

Concluding its editorial, the paper notes that though this call appears fairly nonsensical, some Israeli politicians are secretly encouraged by it. They view it as giving them a breather from the present siege crisis.

Commentator Sees Support of Uprising as Islamic Mandate

45040089a Cairo AL-SHA'B in Arabic 8 Nov 88 p 5

[Article by Salah Shadi: "This We Say to the PLO...."]

[Excerpts] All Muslims consider their beloved Palestine, the home of al-Aqsa Mosque, their land. They have a complete sense of their responsibility to liberate it from the Zionist enemy. Although our fellow Palestinians are the ones who are resisting the enemy on the political front and on the battlefield as well because, of course, of where they are, all Muslims are required to use all their might to support and back the Palestinians. Had it not been for international conspiracies, young, dedicated Muslims from all Muslim countries would have joined their Palestinian brothers in a show of solidarity. They would have fought with them against the usurping enemy. Palestine will continue to be the cause of all

Muslims until the last inch of its territory is liberated from the Zionist enemy. No matter how long it takes and how many sacrifices are made, liberating Palestine is an Islamic duty. Islam, our religion which does not allow us to accept an enemy on usurped Islamic territory, requires it. [passage omitted]

We are well aware of all the efforts that are being made by East and West to give this Zionist entity a firm position on the blessed land of Palestine in the heart of the Islamic Arab nation. At the same time, we also believe that no legal claim can be lost as long as someone seeks title to that claim. We believe that if Muslims are united and if they are sincere in their efforts, God will support them and grant them victory. "His are the legions of the heavens and the earth" [al-Fath: 4]. God shall make truth triumph, and He shall make falsehood fail. God Almighty spoke the truth. "If Allah helps you, none can overcome you" [Al 'Imran: 160].

All those who work for the Palestinian cause and who have done something for it in the media or on the battlefield, or those who contributed to it financially must not rely on the outcome of the Zionist enemy's elections. The Likud and Labor parties are two sides of the same coin. Also, no one should rely on the outcome of the American elections because America's policy toward the enemy and its support for that enemy will not change unless it becomes evident to it in practice that this policy is not in America's interests or in the interests of the American people and their interests in the area.

We rely first and foremost on Almighty God, for He can crush the mighty and humble the haughty. We also rely on the faith of Muslims in general and that of Palestinians in particular. We rely on the Palestinians' belief in their cause and their willingness to make sacrifices for it. [passage omitted]

Once again we address the Palestine Liberation Organization, the spokesman for the Palestinian cause, and the organization which various international organizations talk to and negotiate with. Quite truthfully and sincerely we say this to the PLO: "In all actions you take and in all the talks you conduct you must conform completely to all the feelings and challenges felt by Palestinians in the uprising. You must conform in what you do and what you say to the importance which Muslims in all parts of the world attach to the Palestine question and to their determination to liberate it. Regardless of the pressures to which you will be subjected, you must not upset those feelings." [passage omitted]

It is being said today that a solution lies in an international conference. Let no one be misled by that. What is being sought here is stopping the uprising in its tracks. An endless round of talks and negotiations would then commence. But even if an international conference were held, we know from experience that the Zionist enemy does not honor international resolutions and does not adhere to them unless they serve his interests.

Any attempt to stop the uprising before the total withdrawal of Zionist troops from the West Bank and Gaza is completed will be considered a betrayal of the cause. It will be a blow to the feelings of Muslims in general and to the feelings of West Bank and Gaza residents whose fellow citizens were killed and maimed by the enemy. That enemy also blew up citizens' homes and destroyed their crops and livelihoods. [passage omitted]

Let the PLO and its officials take notice of that. Let them be guided by the wish to preserve and keep morale high. Let them be very careful of unity in the ranks against the vicious enemy. "Allah loves those who fight for His cause in ranks as firm as a mighty edifice" [al-Saff: 4]. The Islamic Resistance Movement must be extremely careful about the atmosphere of cooperation and coordination it establishes with other factions in the resistance against the enemy. Otherwise, it could one day become a divisive factor. The Resistance Movement must safeguard unity because Islam urges it to seek unity and spurn disunity. Islam urges people in the resistance to fight for God and His cause and not for gain or profit for themselves and their people. At the same time the Islamic Resistance should try to adhere to Islamic directives, morals, principles, values, and provisions. It should not approve the enemy's occupation of our land, which is rejected by Islam, and it should not permit disunity in our midst. Not only does disunity destroy the country and the land, but it also destroys religion. Disunity dissipates honor, dignity and manhood. The infighting we are witnessing between Muslims breaks the heart and wrenches the soul. How did we get ourselves in such dire straits? How can we carry weapons against each other and leave our enemy, the enemy of Islam, alone? How can we let that enemy mock Muslims' position toward him? How can we let him ridicule Muslims and tell tales about how disunited we have become and how much we are fighting among ourselves.

This being the case, how can the enemy attach any importance or significance to the land he is occupying and to the men who are defending it?

That is why we tell the PLO that he who takes aim against his brother takes aim against himself. Such a person violates the sanctity of his own country, his own family and his own tribe before anything else.

We are calling for unity in feelings crowned by unity of ideas against the enemy. Finally, we are calling for unity of action. Anyone who deviates from that should be doomed to death. We are calling for all this in the odyssey of faith we have embarked upon to please God. If we aim properly at our target, our quest will be successful. But if we continue to fight among ourselves, there is little hope that we will restore the country's determination and retrieve for the Islamic nation in their usurped homeland, their resolve and their dignity. The uprising did manage to restore dignity to Palestine and Palestinians. It is therefore our duty to look after each drop of blood shed by those who lost their lives in the uprising.

May each drop of blood become a lump in the Zionists' throats. May each drop of blood become a bitter pill they must swallow as they unjustly seize the land of our beloved country. Israel will try hard to divide the Muslims. Therefore, we have to be careful, and we have to do our duty: we have to unite Muslims, and we have to stand as one against the enemies of religion and humanity. We have to stand united against the country's enemies. When God's will is done and the wounded homeland is united in thought, action and feelings, Muslims will then rejoice in God's victory. "Allah has power over all things, though most men may not know it" [Yusuf: 21].

Students Protest Interference in Campus Elections
45040094B Cairo AL-SHA'B in Arabic 22 Nov 88 p 1, 2

[Article: "Huge Demonstrations Sweep Egyptian Universities When State Security Removes Student Candidates"]

[Text] Last week, a fierce wave of student riots and demonstrations swept Egyptian universities protesting the school administration's arbitrary actions vis-a-vis student elections and the removal of the names of politically-oriented students and Islamic group members from the lists of candidates running for elections held yesterday and today.

At the University of Alexandria, the names of 18 School of Law students alone were crossed off, notwithstanding the dean's instructions to keep the candidacy door open to all tendencies. However, the names were crossed off when State Security investigations stepped in. The dean turned in the school's deputy and the youth guidance director for investigation because of their direct responsibility.

At the School of Education, six students were taken off the list and disturbing-the-peace charges were trumped up against them.

At the School of Veterinary Medicine, 65 students of various political orientations were taken off the list and National Party students were declared the unopposed winners.

At the University of Cairo, demonstrations erupted in front of the administration building, demanding that the university president put a stop to State Security's meddling in the election process and the deletion of candidates. At the School of Business alone, 180 candidates were taken off the list.

It is noteworthy that one reason demonstrations broke out at the University of Cairo was the rise from 11.20 to 18.30 Egyptian pounds in the cost of living on the university campus.

At Heliopolis University, the deletion of nominated students extended to all schools. There were 100 candidates from the School of Business alone crossed off, in

addition to crossing off the "Usrat al-Shuruq" student group which was banned from running for the elections. At the School of Law 52 students were crossed off, including Ashraf Labib, Sayyid al-Qassas, Isma'il 'Izzat, Rida al-'Awdi, Nasir Hashim and Yasir Fathi, all members of the former federation.

Moreover, broadly-based demonstrations erupted protesting the deletion of students. Meanwhile, the Islamic Group issued a communique condemning the administration's actions of turning over the former federation president and his deputy for investigation on charges of converting an unknown room into a place of prayer for female students!

At the University of Asyut, 750 students of various orientations were taken off the list, and the administration referred 70 students to disciplinary boards because of their request to nominate themselves. It also forced students to sign a pledge not to engage in campaigning or to offer a program dealing with political or religious issues.

At the University of Zaqaziq, the students organized a huge march in which over 6,000 students participated. The march toured the campus, denouncing security's meddling in deleting names of candidates, those with Islamic orientation in general.

It is noteworthy that the removal of over 1,235 students from the university's various schools on the pretext that no former activists were present even though most of them were members of former federations. All committees were uncontested in favor of National Party candidates.

At the University of Minya, the students demonstrated in protest over the removal of 90 candidates from Islamic groups.

On the other hand, riots swept the al-Azhar School of Medicine in the wake of leaked reports about the preparation of letters of expulsion for students who had used up the flunking quota. Demonstrations broke out demanding the release of 37 students threatened with expulsion who had been arrested by security forces during their sit-in along with more than 200 other students who had joined them in solidarity.

Columnist Sees Soviets As Threat in Gulf
45040105b Cairo AL-JUMHURIYAH in Arabic 21 Nov 88 p 5

[Commentary by Muhammad al-Hayawan under rubric "A Word of Love"]

[Text] In recent years, some of the Gulf states have established diplomatic relations with the Soviet Union, such as the Sultanate of Oman, Qatar, and the Emirates.

As for Kuwait, its relations with the Communist bloc are longstanding. With respect to Sami Sharaf's dealings with Soviet intelligence, the Soviet embassy in Kuwait emerged as an element in the process of spying on the Arab world, and on Egypt!

The Communists in Egypt constantly say that these relations came as a natural consequence of circumstances in the Gulf, and that Moscow has used the Gulf War as a means of putting pressure on the Gulf states to announce the exchange of ambassadors. They also think it likely that Saudi Arabia promised to establish relations with Moscow if the Soviets pulled out of Afghanistan, though it is difficult for us to imagine the presence of a Soviet ambassador representing a state of unbelief and atheism in the capital of Saudi Arabia, custodian of the two Holy Places and guardian of Islam.

In spite of that, the establishment of relations between Moscow and the Gulf states, in and of itself, is a question that was decided upon by the Gulf states themselves, because it is an internal matter. However, those who know the danger of the communist infiltration into the region agree that extreme caution must be exercised towards the establishment of these embassies in the Gulf capitals. They point strongly to the need to keep an eye on and seclude these embassies, so that they do not play a destructive role, as do the embassies of Moscow and Tel Aviv in Cairo.

It is well known that there are many foreign elements in the Gulf states, and from among these elements can be gathered the hateful, the envious, and the deviant, these being the foundation of communist cells in any country...and from these cells will begin communist activity in this country!

We might be deceived by the peace efforts going on in Moscow, but the fact is that the struggle in Moscow is not for democracy and freedom; rather it is a struggle to strengthen the Communist party in the eyes of the masses, who have been oppressed by belt-tightening for 70 years, and who have suffered from a longing for freedom. All the reform is a passing, temporary matter linked to the personality and thought of Gorbachev, but the communist ideology remains. It is built essentially on atheism and the attempt to spread atheism in the world. It is built on extending its influence in every country of the world under the banner of equality and the rule of the working class.

In Europe itself there is a wave of caution over what is happening in the Soviet Union because the power of the party remains, because the party leadership is still in control, and because the throngs of the masses are still ground down...they get crumbs of freedom and crumbs of food. The show that Gorbachev is putting on is still only a drop of water in a vast ocean. It does not compare with the freedoms that are practiced by rest of the people of the world, whatever the degree of democracy they

have. If Europe looks upon the development of relations with the Soviet Union with great caution, then the Gulf ought to take a critical look at any Soviet activity in the region.

**Columnist Blames Government, IMF
for Investment Company Woes**
45040094A Cairo AL-SHA'B in Arabic
22 Nov 88 pp 1,3

[Article by 'Adil Husayn: "Investment Companies: How The Soap Opera Began and How Will It End?"]

[Text] The fierce battle with investment companies once again bears witness to the tremendous powers modern mass media enjoys. Television shares people's homes and goes with them into their bedrooms. Radio stations never let up in the fields, in clubs, in cars, or on the donkey's back. Newspapers put out millions of copies every day and magazines own glossy paper and every single captivating tool for production, printing, photography, and sensational headlines. How can one get away from it all? How can people break away from these media holds? What fate will befall a person on whom the media decides to focus their attack, rightly or wrongly? The modern media's capacities to bend the facts, smear their foes, and obfuscate public opinion are indeed horrendous, and every one of them has been used against investment companies. I hope that readers appreciate the fact that telling the truth in this respect brings upon those who say it unbearable slander and vilification. Thank God that my name has not appeared (as far as I know!) in any of the publicity or published reports. But what if someone decided to be malicious and point the media against me?!

Whatever will be will be. We shall not withhold testimony and shall say what we believe to be right and truthful. May God grant us success.

In recent weeks I had a chance to engage in numerous discussions with a number of economists and educated persons in whose knowledge and national loyalty I have great faith. I was amazed that both sides gave the impression that they were hearing my words for the first time. I was also amazed that most of them seem convinced of what I had to say, emphasizing that what they had heard was different from what I had written in AL-SHA'B. Needless to say, we talk with one tongue and one point of view, but this was the impact of the dreadful media that had ruined everything and had obfuscated even great minds!

To stave off any dubiousity, I shall rebroach the subject as we see it by underscoring all the statements we have reiterated in previous months and shall answer at once all the questions that have been brought up.

[Question] Before the law was passed, were companies conducting their business in a way that did not raise depositor and public concern?

[Answer] Of course not. Serious company owners themselves had realized that their operations had expanded so much that it was necessary to reconsider their management and accounting techniques in the financial growth and investment field. Consequently, it was inevitable that discussions were held and appropriate regulations introduced. We have published articles, engaged in investigative reporting, and organized seminars—all illustrating this need and calling for reforms.

[Question] Have you not noticed that business (not production) activities dominated these companies' operations?

[Answer] First of all, business operations must not be viewed as an intrusive activity because such operations, if regulated by laws and sound economic principles, represent a necessary link in the production and consumption chain. No wonder that some companies specialize in foreign import functions or facilitate domestic exchange. Whatever the case may be, it must be emphasized that this observation is true of certain companies only.

[Question] But it is not just a matter of business activity. Practice has been marked by attempts to monopolize basic commodities, thereby raising prices. On the other hand, we notice that high profits were sometimes linked to a form of gambling, such as trading in land (speculation) and in precious metals on world stock markets, etc. Indeed, do you not believe that some people working in this field (collection of investment money) are embezzlers?

[Answer] All this did happen but not to the extent publicized in the media. At any rate, we ought to distinguish between profits not yielded by a real business (industry, agriculture, trade) and talk about outright embezzlement, like collecting people's money to flee with it. In the first case, the matter is rectifiable through legislation and proper economic policies. In the other case, however, we are faced with a common crime pursued and controlled by government agencies wherever it may be found. It has been observed that the official media does not distinguish in their campaigns between the two. We do not believe that such confusion is due to widespread embezzlement for the fact that most companies have agreed to adjust their positions, despite all the stumbling blocks that have been placed in their way, refutes the claim that fraud and swindle are as rampant as the government and its media like to portray.

[Question] Do you not think that our money was being smuggled to the outside at a time when the state was in need of it, thereby forcing it to borrow billions of dollars?

[Answer] We ought not to confuse two different stages, one preceding the massive attack on companies and the other following the attack. In the former, companies by and large represented an important antismuggling tool. For the major portion of our monetary resources that

had been flowing in since 1974 was being squandered by foolish economic policies that failed to open the doors to growth and investment, thereby wasting it on careless and conspicuous consumption; was smuggled; or had found its way to foreign countries. Egypt's own assets in foreign countries are valued at between \$120 and \$150 billion. Do you suppose that investment companies are responsible for this crime? The truth is that these companies have been built around people who claimed (truly or falsely) the ability to use idle savings accounts to realize a fair and steady return for investors. Believing these claims, hundreds of thousands of citizens stopped sending their savings abroad, turning them over to company owners for investment. Regardless of what one might think of their investment style, it is certain that investment companies were able to attract money which (like other money) would have found its way outside the country had they not stepped in.

And even if we say that company owners have smuggled or invested \$1 billion, for example, outside the country, the fact remains that they received a total of \$10 billion, all of which was supposed to go abroad. Hence, the net sum of \$9 billion has been credited to the local economy and not to smuggled resources, not so?

[Question] You said we must distinguish between the pre- and the post-attack stage. What do you mean by that?

[Answer] In the wake of the government's flatly-expressed intent to undermine these companies and frame their owners, an extensive smuggling operation occurred amid a rapid and universal degeneration of these companies' financial and economic positions and, indeed, amid a general economic recession and great panic and confusion. As for smuggling operations in particular, it comes down to a rush among all businessmen. It is a common situation familiar to all those connected with financial and business circles, something that did not exist prior to the law and to the terrorist media campaign. Consequently, it is not reasonable to compare the current rampant smuggling to any former limited attempts associated with some investment company owners.

[Question] In spite of what you said, you concede that intervention was necessary to regulate the relationship between company owners, depositors, and the public. It was natural that the government should lead this process. Why did you object to the government stepping in when it decided to intervene?

[Answer] We did not object to the principle of government intervention. Indeed, we called for it in Ibrahim's Shukri's address to the People's Assembly and in every article published in AL-SHA'B. But we certainly objected to the government's method of intervention and to the lengths it went to implement it on one hand; we understood from the media campaign that it was focusing on the patent mistakes of one or two companies

to justify its declaration of all-out war against all companies working in the investment field without distinction or discrimination. It is an old ploy to trick someone by saying "look at the birdie" to snatch away whatever you want when one is not looking. We have noticed that this is exactly what the government is doing. It said "look at al-Rayyan," making fun of his looks, his beard, and his tales, as legislation and measures were being directed toward the liquidation of all companies in al-Rayyan and elsewhere. Indeed, "al-Sharif" and people like him may have been the primary target.

On the other hand, we have noticed that by correcting mistakes, (if this is the direction it wants to take) the government does not intend to amend economic policies that lead to so-called mistakes and shortcomings. Instead, it resorts in its strange reform to Interior Ministry threats, socialist prosecutor's powers, and the emergency law, not to mention slander in the press. This is not the action of someone wanting to reform an economic activity. It is destructive behavior with one gang fighting another for the benefit of the devil and not to the advantage of the country or the people. So, how can we stand on the government's side in this kind of intervention?

Media and government reports on investment company shortcomings are exaggerated. We believe that more serious charges than those levelled against these companies can be levelled against a number of public sector companies, against most joint sector companies, and against a large number of Egyptian private sector projects. So why zero in on investment companies alone? If the idea is to counter deviations of all kinds and in all economic sectors, we categorically support this tendency. If the idea is to raise economic efficiency to increase productivity and rationalize resource employment, we categorically support this campaign. This, however, calls for a change in economic and social policies rather than enforcement of the emergency law to undermine a specific group to the exclusion of all others. Behavior such as this cannot be viewed as national reform.

[Question] But officials always stressed in their statements that their aim was not to undermine investment companies but rather to straighten out the crooked ones and to support the serious and productive ones among them.

[Answer] I do not think that we can separate these statements from the frenzied media campaign. Those who make these "objective and rational" statements are the same ones who are directing the media campaign, so how can we believe their claims that their aim is to reform, not destroy? Nonetheless, suppose we do separate these statements and use the trust company law provisions to adjudicate. In this case, we will find that the trust company law contains conclusive evidence that the aim is to cut the companies' throats and not rationalize them.

For the investment concept, in its essence, is built on a partnership between two sides that share both gains and losses, with one side contributing the work and the other

the capital. This is a very old system we witness in our daily life when people enter into partnerships for cattle breeding, plowing, hauling operations, etc. This kind of partnership gained greater popularity when the number of people with savings accounts began to grow with the migration of urban and rural Egyptians to Arab countries. These kinds of partnerships have become so prevalent and intertwined that they have found their way to companies which, according to the Money Market Authority, number over one hundred, but in fact are well over that.

Such organization of economic performance is nonusurious and has been rejected for what it is under terms of the law. Therefore, the articles of the law were meant to block it and liquidate whatever parts of it that could be liquidated. Articles stipulating the form of joint stock companies that can undertake this kind of activity seek to liquidate and block thousands of projects built on understanding, cooperation, and mutual trust among upstanding and God-fearing friends. Likewise, articles that define joint stock company capital and set a ceiling for its operation and expansion are meant to block. Articles that limit the rate of profit company owners may realize to no more than 5 percent at best are meant to "drive people away," and articles that allow the state to stick its nose into what does and does not concern it are also meant to cause havoc.

The intent, therefore, is clear even if we were to rule out any impact the media campaign may have had and to believe that the rulers had nothing to do with it or that they did not intend to frighten savers into withdrawing their money from these companies, thereby forcing the companies either to fold or scale down their operations as much as possible.

[Question] Does the illusion to usury mean that these companies were Islamic?

[Answer] To be sure, the nonusurious system is an Islamic style of economic management. It is a highly beneficial system, both in this world and in the hereafter, but is not enough in itself to describe the economic activity in its totality as an Islamic one.

[Question] What about the activities of these companies on the whole? Did they represent an Islamic economy?

[Answer] An Islamic economy can flourish only within the framework of a society ruled in all its activities by Shari'ah. This, by necessity, calls for a state that can be Shari'ah's guardian and codifier.

Consequently, these companies neither could nor were they required (even if the owners were sincere and willing) to build an Islamic economy. The most they were required to do was avoid the usurious system—banning investment in areas forbidden under Shari'ah by an explicit proscription—to be honest and trustworthy in their dealings, and to comply with general laws without disobedience.

[Question] This is very general talk which appears to be irrelevant to Islamic political groups.

[Answer] The story of organic relations with the Islamic political groups has been dropped by the official media themselves. It is certain, however, that the success of investment companies in their economic activities (getting rid of deviators while controlling policies in a way that helps them concentrate on production) no doubt would have enhanced the moral and societal capital of the advocates of an Islamic solution in all its aspects. This is a terrible nightmare troubling many circles, most of whom are outside Egypt.

[Question] And what is the consequence?

[Answer] The consequence is a disaster, God forbid. All the oppressed depositors, all those who do not have clout are the desolate and the losers immediately. In the long term, the national economy as a whole will be the loser due to the flight of Egyptian resources as well as Arab resources we were seeking to attract. Egyptian and Arab resources will not return or come in and memories of what is happening nowadays will arouse fear in peoples' hearts.

The government entered this battle under the motto of protecting oppressed depositors. We know that those depositors represented to the government and those who were behind it—the IMF and AID to wit—'Uthman's [bloody] shirt. [reference to murdered Caliph] Nonetheless, we reckon that the government did not intend to hurt those depositors or at least did not intend to harm them as much as it did.

Strange that we should hear the Grouping Party demanding the creation of a national committee to protect depositors. After the kind of support you have lent the government's conduct, you talk about depositors and their interests? We told you that the Americans were behind the government's resolutions but you did not give a hoot. We reminded you that to remedy the shortcomings in these companies all economic policies and all open-door policies based on subservience to IMF directives and international companies had to be reconsidered. And we told you that the government did not have such vision or such determination and yet you became embroiled in supporting its steps and its law without reservation, forgetting in the last few months the foreign banks and everything relevant to foreign domination of the Egyptian economy. Indeed, we cautioned you about the impact your and the government's positions would have on the interests of small depositors in particular, and you shrugged your shoulders. And there you are now imagining (according to what I read in AL-AHALI) that the attorney general will investigate and expose the scandals of dubious relations between government and financial leaders. We realize, however, that fighting corruption and dubious relations between financial circles (in al-Rayyan Company and other banks and institutions) and government leaders is a highly complicated

and difficult battle. For kickbacks of all kinds have become an indispensable tax businessmen have to pay to gain their legal and legitimate rights, so how about if they wish to overstep the law? This is a common grievance voiced by all Egyptian, Arab, and foreign investors. But the only way they can solve the problem (if this is what they want to do) is through bold political, economic, and administrative measures, not by investigations conducted by the prosecution. The corrupt band together in the face of investigation, each one covering up for the other, thereby preventing the investigator from arriving at any result. Anyhow, I do not think that by its rash measures against al-Rayyan and others the government intended to uncover hidden secrets and fight corruption, otherwise general policies would have been quite different.

I hope I have succeeded in clarifying the general picture and its development. And if the rights of the oppressed depositors are going to be lost in the midst of all these events, the responsibility falls on malicious foreign designs on the one hand and the naivete of certain national forces on the other. God help us and be with us!

IRAQ

Reports Claim Kurdish Internees Show Symptoms of Poisoning

44000179 Jerusalem THE JERUSALEM POST
in English 23 Nov 88 p 7

[Article by Helga Graham]

[Text] The LONDON OBSERVER Service—Fears are growing for the health and safety of the 50,000 Kurds being held in camps in Iraqi Kurdistan, following reports that some male internees are displaying the symptoms of poisoning.

Most of the Kurds are peasants cut off and prevented from fleeing into Turkey by the chemical attacks launched by the Iraqi Army last August. They are being held in three camps: Bahrak and Jashnikan, near Arbil, and a third camp near Sulaymaniyah.

Since last month, rumours have been spreading about a mysterious disease affecting some of the men, who have been separated from their families. They are said to be suffering from severe diarrhea and from a semi-paralysis affecting their ability to walk.

Reports from the camps allege that many of the victims have been taken away in ambulances and have not been seen again.

The most obvious explanation—normal camp diseases, including food poisoning—would not account for the paralysis, nor for the men's continued disappearance, according to a British doctor who had previously seen some of the Kurdish victims.

Since the camps are sealed, real evidence is impossible to come by. But medical sources in London say that the reported symptoms are similar to those in well-authenticated cases of Kurds poisoned with thallium (compounds of which are used for rat poison) during a dinner arranged by the Iraqi regime. A large proportion of those victims subsequently died. Three survivors were brought to London by Amnesty International, and one is still recovering in hospital. Amnesty International has now asked the Iraqi government to investigate reports that their security forces had used poison against political opponents.

Kurdish political and medical groups are calling for an investigatory team, preferably composed of British or European parliamentarians, to visit the Iraqi-run camps.

This unease is not alleviated by the language of a so-called amnesty issued by Iraq's ruling Revolutionary Command Council on 16 September. The statement described the Kurds as "despised and damned people" and called God's curse upon them until Judgment Day.

New Oil Deposits Discovered in Rumaylah Field
44040177 Paris AL-MUSTAQBAL in Arabic
3 Dec 88 p 28

[Text] A new oil discovery in Iraq contains light oil with a viscosity of 49.5 and a low degree of sulfur and acids, according to the descriptions of the American Petroleum Institute. The Iraqi minister of oil 'Isam al-Jalabi said that the new oil deposit is located in southern Iraq in the northern Rumaylah field and that staff from the South Oil Company have completed the drilling of North Rumaylah well No 172. The size of officially-proven Iraqi oil reserves last January reached one billion barrels.

Minister Describes Reconstruction Projects, Kuwaiti Water Deal
44040098 Kuwait AL-WATAN in Arabic 29 Oct 88 p 17

[Interview with 'Adnan Da'ud Salman, minister of local government, by Hisham al-Diwan; in Baghdad, date not given]

[Excerpts] The Iraqi minister of local government, 'Adnan Da'ud Salman, announced that Iraq and Kuwait have reached an agreement formula under which Iraq will supply Kuwait with electricity. At the same time, studies are continuing on the project of providing Kuwait with Iraqi fresh water.

In a special interview with AL-WATAN, the minister described the latter project as technically easy. He said that all the required factors were present. Iraq had designated an area on the Euphrates to supply al-Basrah with fresh water, and the same project had been designed and mathematically studied to provide Kuwait with its drinking water requirements via transport pipes from the border area of Safwan.

In a related matter, the minister said that the Iraqi government had budgeted 1 billion dinars as a first stage in the development of the city of al-Basrah and had approved the establishment of 82 projects in it. At al-Faw, surveying operations had begun in preparation for its reconstruction and the establishment of a modern city in Islamic Arabic style that would commemorate the city's heroism and the nation's heritage. The rebuilt city was designed to absorb no more than between 30,000 and 40,000 citizens.

He mentioned that the Iraqi leadership had set about constructing al-Saddamiyah City in al-Basrah [governorate] to absorb 75,000 citizens. The sum of 100 million dinars had been budgeted for it. At the same time, it had been decided to finish building 26 new cities in the north: 13 in al-Sulaymaniyah, 9 in Irbil, and 4 in Dahuk, each accommodating 10,000 people. He confirmed that the government had offered free plots of land for citizens to build on in these cities, in addition to monetary grants from the president and immediate real-estate loans on easy terms to help them in building. The minister revealed that there was an intention to issue a new law in Iraq for local councils in the governorates. He said that it would be discussed soon, so that it might play an effective and large role in creating a new life in agreement with the character and needs of the citizens.

Details of the interview follow. [passage omitted]

One Billion Dinars, 82 Projects for al-Basrah

[Al-Diwan] Have definite sums been budgeted for rebuilding the areas affected by the war?

[Salman] As regards the operation of developing al-Basrah, the sums budgeted for development operations exceed 1 billion dinars. Included are detailed projects for water and sewer services and for the overall infrastructure of al-Basrah governorate. Also included are other new projects in keeping with al-Basrah's importance as Iraq's window on the Arabian Gulf. The rebuilding operations therefore also include such other things as recreation, services, tourism, etc.

There are 82 projects included in the development, besides the city of al-Faw.

Al-Saddamiyah

A new city near the governorate has been named "al-Saddamiyah." It will contain 75,000 citizens and lies in the direction of al-Zubayr. The city has been planned in an advanced architectural style and some of its services have already begun. As regards state projects, the state is the one that takes charge of their implementation. However, in housing, the state gives land and offers credit facilities, while the citizen builds in a manner that accords with his needs and resources, as happened in the northern region.

We have prepared plans for various models to facilitate the matter for citizens when they build.

The sum of 100 million dinars, divided among 30 projects, has been earmarked for the new city. There are about 7,000 residential lots, each measuring between 200 and 300 square meters. [passage omitted]

[Al-Diwan] Have you studied the capacity of the city [of al-Faw]?

[Salman] Yes, it will be somewhere between 30,000 and 40,000 citizens.

With its view of the Shatt al-'Arab and the Arabian Gulf, the city will be outstanding from the point of view of tourism and economy, in addition to its reputation in the important basic agricultural field of date palm culture. We are therefore planning so that this city will find inspiration from the entire history of the Arab nation. [passage omitted]

Water for Kuwait

[Al-Diwan] What about the project for supplying Kuwait with Iraqi fresh water? How far has the project gone from the Iraqi side?

[Salman] The idea is not new; I think it began in 1975. As regards Iraq's view of this and other pan-Arab issues, Iraq believes in Arab economic and social integration. Thus, as regards Kuwait, there is an agreement formula to supply the Kuwaitis with electricity, and it has reached the signing stage. Before that, we also signed an agreement with our brothers to supply them with gas. A short while ago, the minister of industry informed me of the details of a bilateral agreement for cooperation between the two countries, after the Kuwaiti ambassador in Baghdad visited me and indicated that one of his objects of attention was following up joint agreements, including the project of drawing water. The fact is that Iraq is ready to provide Kuwait with drinking water. A site has been designated in the form of a central project that will be begun in order to supply al-Basrah. Through this project, or by increasing its power or enlarging its capacity as a project, it will be possible to transfer the quantity of water that Kuwait needs. We have taken this into account. A short while ago during a meeting with the Kuwaiti minister of information during his visit to Baghdad, we spoke about this subject. He said at the time that there was a French advisory committee currently studying the matter. In the context of coordination in this area, we are fully prepared, as I said, to discuss any formula to help our brothers—such as expanding the project to which I have referred. The latter has been scheduled for the Euphrates River. There will be completely pure water suitable for drinking and for transfer. We have moved away from the al-Bid'ah area project. We currently have a project with a capacity of 250 million gallons.

The water transfer operation to Kuwait from this project is easy and requires only a connection by transport pipes from the Safwan area. This depends on mutual desire. Our desire for the project is serious. We are ready to supply our brothers in Kuwait with drinking water.

Wonderful Example

[Al-Diwan] Returning to the areas damaged by the war—have those whose houses were hit been compensated?

[Salman] Certainly; and there are clear directives from the president. In addition to monetary compensation, there are other credit facilities. I would like to record for history that the people of al-Basrah governorate proved during the war that they were up to every responsibility. During the tours that the compensation committees made to houses that were hit and damaged by the savage Iranian shelling of their city, the people refused to accept monetary compensation. They would tell the committee to go to neighboring houses where someone had perhaps been wounded or killed and where they were more deserving of compensation. The committee would go and find in the neighboring house someone who had been wounded, but he would also refuse to accept compensation and would ask the committee to go to the neighboring house, since someone may have been killed in it. And so forth. We do not believe anyone has ever set a better example than this. The Iraqi citizen has not looked to the material side, but rather at the moral side, saying that his own wounds were light, and yielding to the state what is his due.

An outstanding characteristic of the citizens of al-Basrah is the great warmth with which they receive guests. They receive their Iraqi guests without advance notice and give them every comfort. This is something genuinely Arab to which the people of al-Basrah give evidence. The state earmarked sums of money for citizens who had not suffered immediate damage, but they refused them. We want to pay the sums to them, but they refuse.

Detailed Plan

[Al-Diwan] What about the cities of Halabjah and Mandalai and the other areas that were damaged in the war?

[Salman] There is a detailed plan for the postwar period to rebuild all the areas. Each area, however, has its own characteristics. For example, there has been a decision to build a new city of Halabjah. Halabjah will be rebuilt in another area. The city was destroyed by the occupiers and completely ruined. A period of time for rebuilding it has now been given. With the beginning of this month, work teams have already begun.

ISRAEL

Judge Advocate General Interviewed on Uprising, Death Penalty

44230031 Tel Aviv BAMAHAHE in Hebrew
23 Nov 88 p 5

[Interview with Amnon Strasnov by Sharona Aharon; date and place unspecified]

[Text] [BAMAHAHE] Recently, the question of the death penalty for terrorists came up again. Apparently, the issue merited a particularly strong response this time.

[Strasnov] I do not view the issue of the death penalty, which has again become a topic of discussion, as being related to the uprising. From time to time, there is renewed discussion of the subject of the death penalty, and it appears on the agenda in accordance with new events which occur regrettably. It is important to indicate that the death penalty exists in the law, both in the order pertaining to security directives in force in the territories, and in the defense regulations in force in the military court in Lod. This penalty exists, and for political reasons it has not been put into effect. It is, however, customary to hold consultations to examine it again in each new case. The death penalty is not purely a legal subject. It is primarily a policy question, determined by security and political elements. It also encompasses public and other considerations outside a narrow legal scope.

The recent decision of the government a week ago—which determined that in appropriate cases, the judge advocate general is to hold consultations with a council of ministers, headed by the minister of defense, and which includes the minister of justice and the foreign minister, and is also to consult with the chief of General Staff—only institutionalized an existing situation. The judge advocate general has customarily always consulted with the chief of General Staff and the minister of defense in appropriate cases.

[BAMAHAHE] Is the policy marked by an extreme change?

[Strasnov] There is no essential change in the matter except for a procedural change, namely, the institutionalization of a procedure which requires this kind of consultation. I do not view this as an extreme measure. Every case will be examined on its own merits, and different opinions will be heard, with the final deliberation made by the judge advocate general based on the consultations which take place.

[BAMAHAHE] Is the fact that the death penalty has been institutionalized related directly to the uprising? Will there be a way to retreat from it?

[Strasnov] As it so happens, I do not view this as being related directly to the uprising. In the final analysis, it can be said that the predominant feature of the uprising is the use of rocks, Molotov cocktails, and other types of damaging means, but not Arab terrorist operations. We have so far succeeded in repulsing terrorist attacks. The uprising does not have the clear characteristic of terror. Therefore, I view the issue of the death penalty as being entirely separate from the uprising. The issue was raised following the death of three children and a woman who were killed when a Molotov cocktail was thrown inside a bus, an incident which could occur in the absence of the uprising. The death penalty was previously considered against the background of serious incidents in 1979, the rifle-butt murder of the Jewish Foundation Fund girl—may her memory be for a blessing—and the hijacked bus.

[BAMAHAHE] After a full year of the uprising, can it be said that the judge advocate general was prepared for the situations which arose in this year in the territories?

[Strasnov] The uprising caught the State of Israel and the IDF by surprise from the standpoint of its intensity and effects. It would be difficult to say that we had papers in the drawer, or preprepared material for such an event as this. Both the IDF and the judge advocate general adapted very quickly to the existing situation. The work load is immeasurable—administrative detentions, legal opinions, appeals to the Supreme Court, and trials. In my estimation, we became organized very quickly by increasing regular and reserve manpower, and adding 11 positions staffed by personnel up to the rank of lieutenant colonel, most of which have been filled. We have also doubled the number of regular judges in the territories from three to six. In my estimation, we are shouldering the burden.

[BAMAHAHE] Are the soldiers indeed receiving appropriate orders and directives to prevent irregularities?

[Strasnov] The question is, do sufficiently clear orders exist, and are they making way their way down the chain of command to the last soldier. In my opinion, the answer to both questions is affirmative. I frequently speak with commanders and soldiers. The directives exist and are clear. It is argued that orders occasionally do not correspond to the needs, and that the soldiers would like them to be expanded. It is correct to say that the legal system sets various limits. However, it is the nature of the law to do so; everything is not permitted.

[BAMAHAHE] How have you coped with criticism from within and without the Army in the course of the year?

[Strasnov] The legal system faces a problem, especially that of the Army. The judge advocate general and the lawyers are subordinate to the command of the chief of General Staff. At the same time, they have independent authorities. Therefore, a dilemma is sometimes created.

Even if they do not always agree with us, they certainly accept our decision, and ultimately support us. Were it not for this support, we would encounter great difficulties.

[BAMAHANE] This month marks 2 years since you started serving as judge advocate general.

[Strasnov] In the first year, it is possible to say that I was a "regular" judge advocate general. In the second year, I was the judge advocate general of the uprising. I do not believe that ever has so heavy a legal burden and burden of conscience been imposed on the judge advocate general, and I hear this from many people. This is because of the difficult dilemmas which exist. On the one hand, I have to help security elements calm the uprising, and on the other, I have to preserve the authority of the law. Actions must be carried out in the framework of the current law and not a law desired by different elements. There were more than a few difficult decisions: The C.B.S. incident, the incident concerning battalion commander Colonel "G," the woman from Bayta, and others. When criticisms come from all shades of the spectrum, I feel that, being in the middle, I am in a good position. My job is difficult, although I feel that I am receiving the support of both the military orders system and the civil judicial system.

[BAMAHANE] What are the plans for the future in your office?

[Strasnov] The central future change is the establishment of an instance of appeal in the territories. A military court will be established as an instance of appeal over existing courts in the territories. Following the recommendation of the Supreme Court, the minister of defense and the chief of General Staff decided that an instance of appeal will be established at the beginning of 1989, which will be authorized to deliberate appeals made on behalf of defendants, and on behalf of the military prosecutor. At present, an order pertaining to the establishment of a military court of appeals is being carefully prepared. Two jurists, with at least the rank of colonel, will preside over it. After 21 years of ruling the territories, we believe that this is a change for the better.

[BAMAHANE] Is most of your time dedicated to matters related to the uprising?

[Strasnov] Indeed, we are currently occupied primarily with matters pertaining to the uprising. Since the start of the uprising last year, charge sheets were submitted against over 6,000 people accused of disturbing the peace and throwing Molotov cocktails. The trials of over 4,000 of them have already been concluded. Close to 2,000 defendants are still waiting for their cases to be concluded. Of the 2,000 trials which took place, 200 resulted in acquittals, i.e., approximately 5 percent.

Regarding administrative detentions, we have so far detained over 4,000 people. In this connection, it should

be indicated that there are currently a total of only 1,500 people under administrative detention, and this is a significant decrease.

JORDAN

Loan Agreement With Japan Discussed 44000170 Amman JORDAN TIMES in English 24-25 Nov 88 p 8

[Article by Ghadir Tahir, P. V. Vivekanand]

[Text] Amman—The governments of Jordan and Japan are holding consultations over allocations of part of a major Japanese loan to the Kingdom and have identified projects in education and building of schools as possible areas where the financing could be utilized.

The two sides agreed on allocating \$130 million of the \$300 million loan following the visit to Jordan of the Japanese foreign minister earlier this year and the ongoing discussions focus on the remainder of the amount.

"We are in the process of talking with Jordan as to the additional projects to be financed out of the remainder of the loan," said the Japanese ambassador to Jordan, Makato Watanabe.

"At this stage, I can only say that there are areas related to educational reforms and improvement of educational facilities," Watanabe told the Jordan Times in an interview this week.

"Of course there are other projects that may come up," he added.

The ambassador said the current economic situation in Jordan and the recently announced economic measures did not have any bearing on the ongoing discussions between the two governments.

"The recent economic measures are of course meant to—in a popular phrase—tighten the belt of the Jordanian economy and I am sure they must be appropriate and good measures for the sake of Jordan," he said. "From our point of view, the situation hasn't changed, and we will continue to extend our cooperation as much as we can."

Cooperation boosted

The ambassador said [the] visit to Japan by His Royal Highness Crown Prince Hasan had helped increase bilateral cooperation. "There are various things that are happening or which are going to happen," he said without elaboration.

But he did refer to this week's visit to Jordan by a commercial delegation representing C. Itoh and Company, one of the six largest firms in Japan, and said it was

one of the results of a joint Jordanian-Japanese economic seminar held in Japan during the Crown Prince's visit.

"As far as the government-to-government cooperation is concerned, we have already started implementing the \$300 million loan," Watanabe pointed out. "We have certain other projects which came up at the time of his Royal Highness' visit to Japan in the fields of technical cooperation.

"As to the private sector cooperation, the seminar was the first step. Now, the Japanese business sector knows about the actual situation in Jordan and there are movements to follow up on that. The visit of the group from C. Itoh and Company is one of the major follow-up steps which are being taken by the Japanese business sector. Needless to say, private sector cooperation takes times. We cannot expect overnight results...but the accumulated power of these kinds of visits, we believe, will produce results for both Jordan and Japan," he said.

Joint projects

During their talks with Jordanian officials, the C. Itoh representatives expressed willingness to set up joint industrial projects in various parts of Jordan.

Agreement was reached on setting up a paper processing plant in Jordan, the head of the team was quoted as saying by Reuters.

In another field of Japanese-Jordanian cooperation, the Japan National Oil Company and the Natural Resources Authority (NRA) this week signed an agreement under which the Japanese firm will undertake an oil-prospecting programme in the Kingdom.

In his interview with the Jordan Times, Ambassador Watanabe emphasized the importance Japan attaches to Jordan in terms of the Kingdom's role in security and stability of the region and its development.

"Jordan has pursued realistic policies and we highly appreciate them," he said.

The ambassador said that any increase in Japan's import of Jordanian phosphates and other fertilizer products would depend on "the situation in the market, prices, demand in Japan and so forth. But, in line with the improvement in the expansion of the facilities in Jordan, it is certainly necessary to find expanded markets, not only in Japan but also in other parts of the world, and perhaps Japan could help in that respect."

The ambassador was obviously referring to the possibility that Japanese giants like C. Itoh and Company and others which operate worldwide trading offices could help find expanded outlets for Jordanian exports.

Yukiharo Aoki, first-secretary at the Japanese Embassy, confirmed that possibilities of such arrangements were part of the discussions that the C. Itoh team held with senior Jordanian officials this week.

Aoki also said that the two governments had already completed the "exchange of notes" process related to the projects covered by allocated \$130 million of the \$300 million loan.

The notes covered two projects: The first is an irrigation improvement programme in the northern al-Ghawr (the Jordan Valley) region and the amount involved is 4.080 billion Japanese yen and the second is a package of road improvement projects near the Jordanian-Iraqi border and in the Jarash-Irbid, Irbid-north Shunah and Salt-Ardah areas. These projects involve a total of 13.24 billion yen.

Both loans carry 2.9 percent interest and mature in 30 years, including a grace period of 10 years.

Aoki said the amount of the total loan would remain at \$300 million despite the fluctuations in the dollar-yen exchange rates that occurred since October 1987, when Tokyo announced the loan.

In addition to the loans, Japan has also extended assistance to Jordan totalling \$5.09 million in the form of grants and \$18.35 million in the form of technical cooperation aid since 1978.

Projects that benefitted from these contributions include technical training centers at the Royal Scientific Society and the Jordan Electricity Authority (JEA), and programmes at the Ministry of Education, the University of Jordan, Yarmuk University, the Vocational Training Corporation, sports federations and the Department of Antiquities.

Japanese Firm To Conduct Oil Exploration in Jordan

44000168 Amman JORDAN TIMES in English
23 Nov 88 p 3

[Text] Amman (J.T.)—The Japan National Oil Corporation and the Natural Resources Authority (NRA) Tuesday signed a two-year agreement, paving the way for the company to conduct an oil prospecting programme in the eastern areas of Jordan.

The Japanese company will finance the exploration operations during the two years, within an area of 7,650 square kilometres north of the al-Sarhan region, according to the agreement.

It said that the company will conduct seismological operations and conduct geophysical and geochemical studies to determine areas where oil exists underground.

NRA technicians will take part in the operations at all stages, according to the agreement which was signed by NRA Director General Kamal Juraysat and the Japanese company's President Mr. Toshikazu Hashimoto.

Jordan has been enlisting the help of several countries and oil companies in its search for oil and last July the Canadian government decided to offer Jordan a grant of 13 million Canadian dollars to assist the Kingdom's oil exploration effort.

Under the agreement the Petro Canada International Agency for Cooperation will work through 1989 on seismic exploration activities in the Rishah area north-east of Jordan.

Jordan at present produces some 500 barrels per day of crude oil from its Hamzah oil fields but imports 59,500 barrels every day from Saudi Arabia and Iraq to meet the domestic requirements, according to Juraysat.

Jordan's struggle to produce oil dates back to 1947. Eight different oil firms have been trying to find oil but so far they all failed to find oil in commercial quantities, Juraysat added.

According to Juraysat Jordan produces some oil and gas from Azraq but most of the gas is produced from the Rishah fields close to the Iraqi-Jordanian border.

Exploration at Rishah region did not reveal the presence of any oil but disclosed the existence of gas at a depth of 2,663 metres.

So far the NRA has pumped 12 million cubic metres of gas annually but the wells could be developed to produce up to 15 million cubic metres, Juraysat noted.

He said gas is now being used to generate electric energy which would eventually be linked to the national grid as well as help the country reduce its dependence on imported oil.

Apart from oil and gas, the NRA, in cooperation with the Ministry of Energy and Mineral Resources and the Jordan Electricity Authority, has been intensifying efforts to utilise shale found in abundance at the al-Lajjun areas to produce oil.

Already samples of the oil shale have been tested successfully in West Germany with very encouraging results.

The Ministry of Energy and Mineral Resources announced earlier this year that plans were already made to employ the gas discovered in abundance at Rishah fields in the electricity generation processes at the 'Aqabah Thermal Power Station.

Seminar Urges Better Ways To Manage Water
44000165 Amman JORDAN TIMES in English
28 Nov 88 p 3

[Text] Amman (Petra, J.T.)—A regional seminar on management of water resources in urban regions Sunday called on governments and the public to encourage the use of special techniques that can ensure better financial and administrative management of water resources.

The recommendation was included with others in a final statement issued upon the conclusion of the seminar, which was called to look into measures that can be adopted to make available sufficient drinking water for all, and to rationalise the use of water for various purposes.

The statement recommended the installation of high quality water meters for reading the consumed amount and a continuous follow-up of maintenance on water networks and meters to ensure that no water supplies are wasted.

It called on governments to introduce a system by which people with low income can pay less than other sectors and that the industrial and commercial sectors bear most of the cost of the water supply.

The seminar underlined the importance of the role of public relations and the relaying of information to the members of the public in ways of rationalising the consumption of water.

Water resources development should be planned at the national level and the task of water development and supply of water should be entrusted to a semi-independent department, the statement said.

The pipes to be used in the networks should be adapted to the environment, the soil and to the nature of water itself, the statement added.

The seminar was opened last Saturday by Minister of Water and Irrigation Ahmad Dakhqan, who spoke about the water situation in Jordan and said the Kingdom was expected to require nearly 266 million cubic metres of water for annual consumption by the year 2005.

He also said that nearly 99 per cent of the population in the country receive water from water networks in the urban regions.

The seminar which was organised by the Ministry of Water and Irrigation in cooperation with the World Health Organisation and the World Bank was attended by delegates from Jordan, Afghanistan, Pakistan, Bahrain, North and South Yemen, Egypt, Iraq, Kuwait, Morocco, Oman, Saudi Arabia, Somalia, Sudan, Syria and Tunisia.

MAURITANIA

Mauritanian-Libarian Joint Communiqué
45000067 Nouakchott Domestic Service in Arabic
2030 GMT 10 Nov 88

[Text] At the invitation of President Samuel Doe, president of the Liberian republic, His Excellency Colonel Maaouiya Ould Sid Ahmed Taya, chairman of the Military Committee for National Salvation [MCNS] and head of state in the Islamic Republic of Mauritania, paid an official visit to the Liberian republic 8-10 November 1988.

The Mauritanian head of state was accompanied on this official visit by a delegation including: Major Mohamed Lemine Ould Ndiayne, member of the MCNS and minister of foreign affairs and cooperation; Dr (Walid Ould Da), director of the office of the MCNS; Colonel Ahmed Ould Abdallah, Mauritanian ambassador to Liberia; (Sid Ould Sukna), adviser to the chairman of MCNS and the head of state; Ambassador Abdelrqahim Ould Hadrami, director of the African desk at the Ministry of Foreign Affairs and Cooperation.

President Samuel K. Doe expressed sincere wishes and satisfaction with this visit which will open new prospects of strengthening cooperation between the two peoples and the two governments.

The presidents held talks which took place in a fraternal atmosphere and dealt with a number of bilateral, regional, and international issues. The two presidents affirmed their support for the principles of the United Nations Organization, the OAU, the Economic Organization for West Africa, and the Nonaligned Movement.

The two presidents noted the worrying situation of the third world states, particularly in Africa. In this connection they affirmed the need to strengthen bilateral and regional economic cooperation as a means of rebuilding the economy. In sponsoring this step, the two presidents expressed support for the UN program for rebuilding African economy. They appealed for the convening of an international conference on African debts in accordance with the OAU stand.

The two presidents pointed out the need to strengthen bilateral cooperation by way of strengthening technological, commercial, and cultural exchange between the two peoples. In this connection, the two presidents agreed to reactivate in the near future the 1969 cultural agreement between the two countries and also the setting up of a joint committee to define bilateral cooperation in the scientific, economic and technological fields.

The two presidents also agreed to expand cooperation between them in the following fields;

- A. the finishing industry;
- B. joint enterprises for minerals;

- C. the timber industry;
- D. fruit production;
- E. the (?food) industry.

The two presidents strongly condemned the inhuman policy of violence pursued by the apartheid system and they affirmed the need for comprehensive sanctions against South Africa as a way of achieving the independence of the black majority under the leadership of the ANC.

On the other hand, they expressed concern over the unlawful and continuing occupation of Namibia by racist South Africa and its refusal to implement Resolution No. 435 which was adopted by the international community.

The two presidents expressed their material and moral support for the heroic people of Namibia and their legitimate struggle for gaining independence under SWAPO leadership.

In accordance with the OAU stand concerning the confrontation states the two presidents strongly condemned South Africa's practices and its attempts to undermine the security and stability of these states.

Concerning the Western Sahara, the two presidents expressed satisfaction with the recent UN and OAU peace initiative to achieve a cease-fire and to hold a referendum acceptable to the two sides.

The two presidents pointed out the worrying situation in the Middle East and renewed their support for the resolutions of the OAU, the United Nations, and the Nonaligned Movement.

His Excellency Col Maaouiya Ould Sid Ahmed Taya and His Excellency President Samuel K. Doe appealed for the convening of an international conference for peace in the Middle East with the participation of all the sides concerned, including the PLO—the sole legitimate representative of the Palestinian people.

The two presidents discussed the development policies of their two countries and President Samuel K. Doe thanked His Excellency President Maaouiya Ould Sid Ahmed Taya and the Mauritanian National Leadership for the efforts they are making to ensure the happiness of the Mauritanian people.

President Maaouiya Ould Sid Ahmed Taya thanked President Samuel K. Doe and the Liberian Government in the name of the people and of the Mauritanian National Leadership for the policy of reconciliation and reconstruction which he is following.

President Maaouiya Ould Sid Ahmed Taya, in his own name and in the name of the accompanying delegation, expressed gratitude to President Samuel K. Doe and the Liberian people and government for the welcome and hospitality accorded them during their stay in Liberia.

After the end of the fruitful visit to Liberia, President Maaouiya Ould Sid Ahmed Taya extended an invitation to President Samuel K. Doe to pay an official visit to Mauritania. The invitation was accepted and the date will be announced later through diplomatic channels.

Dated Monrovia 10 November 1988: For the Liberian Government: Dr Samuel K. Doe, Liberian president. For the Mauritanian Government: Col Maaouiya Ould Sid Ahmed Taya, chairman of MCNS and head of state.

OMAN

Efforts Made To Link Electricity Grids in GCC States

44000189 Muscat UMAN in Arabic 7 Nov 88 p 1

[Text] The minister of electricity and water, His Excellency Khalfan ibn Nasir al-Wahaybi, affirmed that the ministry carried out vast expansions in electric power stations in the interior and southern regions. Likewise, work is currently underway on many projects to provide water to some regions in Muscat and remote regions of the country. He said that these projects will play an effective role in the country's development process.

In a radio broadcast, his excellency went on to say that the new regulated price of electricity approved by the respected cabinet is an attempt by the rightly guided government to ease some of the cost of living burdens of the citizens. He said that the citizen has benefited from this reduction and a good rate of success was realized by small consumers.

On the subject of coordination between the Ministry of Electricity and Water and the parties concerned with land distribution and electrical supply, his excellency said that this occurs in two phases: The first includes coordination with the municipalities and housing authority to make sure that service is available before giving out the land and permitting construction, and the second occurs at the beginning of implementation.

His excellency pointed out the coordination existing between the Gulf Cooperation [Council] states in the fields of electricity and said that efforts are currently being made to link the Council states' electrical grids, and that this will take place gradually, starting with the more adjacent states.

In connection with Omanization at the Ministry of Electricity and Water, his excellency said the work at the ministry is technical for the most part and most of the employees are Omani, and the number increases in proportion to the availability of graduate engineers and technicians. He pointed out that there are training sessions conducted in-country and abroad to provide Omani cadres to replace expatriate labor.

QATAR

Government Provides Vocational Training for Students

44040091A Doha AL-RAYAH in Arabic 24 Oct 88 p 3

[Interview with Sabah Sa'id al-Kawari, director of the Administration of Vocational Training and Development, by Muhammad al-Sharbini; place and date not given]

[Text] Discussion has arisen in recent days about the Administration of Vocational Training and Development, the role it currently plays in preparing national cadres, raising their level, and qualifying them, and the role it might play in the future. The reason is very simple: Technical and professional jobs are still for the most part fields that our young people do not approach, except in small and limited numbers. At the same time, the facts tell us that the industrial growth we desire can really occur only through the efforts of natives of this country. The Administration of Vocational Training and Development should therefore be the principal foundry of men who will bear responsibility for building and progress.

How will this be achieved? We took our questions to Mr Sabah Sa'id al-Kawari, director of the Administration of Vocational Training and Development. The following conversation took place.

To begin, I asked him about the tasks entrusted to the Administration of Vocational Training and Development.

[Al-Kawari] The tasks are many and can be summarized as: training Qatari employees, both professionals and others, such as supervisors, by suitable methods that will qualify them to replace foreign employees; filling open positions in cooperation with relevant departments; initiating proposals to send Qatari citizens abroad on short tours to qualify them and raise their functional level, in consultation with other departments that have a pressing need for such tours; and appointing Qataris who have been nominated for posts by officials of the government.

In addition, special importance has been given to certain matters: formulating the general training plan, studying the proposals of particular departments concerning the training of citizens, considering the appointment of foreign employees in positions for which qualified Qataris are not available, representing the Training Administration in the Education Ministry's committees on student exchange when necessary, following up the progress of those sent abroad on training courses, and submitting periodic reports on their progress and activity.

Training Workshops

[Al-Sharbini] What about the center and the departments it contains?

[Al-Kawari] The training center contains training workshops built in accordance with the proposed training goals. These workshops are equipped with the most modern equipment and tools, chosen to suit all kinds and cases of work and training. Successful trainees will

thus feel as if they are supervisors of their actual work. In addition, there are scientific laboratories—like the English language laboratory, the precision tool workshop, the industrial drawing office, the computer training room—and three departments containing classrooms for theoretical and academic studies.

Two Kinds of Training: Vocational and Technical

[Al-Sharbini] What are the departments of vocational training?

[Al-Kawari] The administration includes two kinds of training courses: the vocational divisions and the technical.

The vocational departments include carpentry and interior decoration, welding and engine manufacturing (gasoline and diesel), air conditioning and cooling, electrical wiring, automatic and manual adjustment, and sanitary plumbing.

The technical departments aim to graduate technical cadres to fill a number of areas: water filtration, power generation, radio, television, architectural drawing, land surveying, and the precision tools department.

As we know, the purpose is to prepare competent and skilled specialized vocational cadres in the various industrial vocations, since the country is currently facing an increasing demand for such skills.

24 Months of Study

The course of studies in all these departments runs for 24 months. Each department has a general curriculum that specialized trainers have prepared and established in accordance with the nature of the training given in each department, so as to confront practical conditions with particular specifications.

The required courses in these curricula are in six areas: in-shop training, practical training, theoretical training, English language study suited to the training and vocation subject matter, mathematics, general science, and industrial drawing.

The rule followed is that the training process does not depend on the idea that technical subjects are taught only on the blackboard. The process goes beyond this to the acquisition of the actual practical experience which is desired. Therefore, all theoretical subjects in which theoretical training is given must also be supported by practical experience.

Committee To Choose and Direct Students

Concerning the system of admissions to the institute: A committee of four specialists has been formed at the institute with a high level of long term experience in the field of specialized technical education. Their job is to receive the vocational training applicant and direct him to enroll in the appropriate department for him, choosing the

suitable vocation for him which will bring him benefit and success. A number of criteria are used: age, experience (if any), and the trainee's health and mental state. This is determined through oral questioning of the trainee, and nomination to an appropriate vocational field is made accordingly.

The members of this committee have a range of experience of not less than 15 years in this field, thus insuring the success of the guidance function they perform.

The Trainee in Government Organizations

[Al-Sharbini] I also asked about the various stages of study.

[Al-Kawari] As I said previously, they are on a 2-year basis. During the first year, the student remains within the institute for training in specialized jobs in the different departments. After finishing the first year of study, the trainee takes a test consisting of practical questions in the workshop and theoretical questions. If he passes this test, he is promoted to the second year, during which coordination begins between the Administration of Vocational Training and other public and private organizations. This is what we call "practical training in organizations." It takes place under the supervision of a specialized Training Administration supervisor from the same specialty as the trainee, so that the latter's actual work can be evaluated, in addition to supervision by the organization in which he trains.

The goal of this training in these government or private organizations is to remove the impediments of apprehension and fear which exist between the trainee and the organization in which he trains. This results in his performing with distinction, gaining experience, and benefiting. Without a doubt, this has real and successful returns when the organization hires the trainee.

A Scholarship for Every Trainee

Concerning stipends paid to trainees associated with the Training Administration: The administration pays all non-employee trainees a monthly stipend. Those who are being trained under the sponsorship of companies and factories receive stipends from both the Administration of Vocational Training and Development and the sponsor company in a ratio of 60 to 40 percent. The basic stipend is 1,500 riyals for trainees of the center, except for the trainees of the department of electricity generation and water filtration, who receive a monthly stipend of 1,950 riyals. Stipends for trainees in the special courses department go up to 3,100 riyals, divided between the Training Administration and the management of the organizations in which they work.

Many Agencies

Concerning agencies that have nominated some of their employees to participate in training programs while in service: There are many such agencies—for example, the

Ministry of Finance and Petroleum (several of its departments), the Ministry of Interior, the Ministry of Justice (Directorate of the Courts of Justice), the Ministry of Public Works, the Ministry of Telegraph and Radio Communications, the Ministry of Education, the Ministry of Agriculture and Industry, the Ministry of Commerce and Economy, and various other government departments.

418 Students

Concerning the number students of the institute through 1 October of this year: The number has reached 418, of whom 299 (71 percent) are Qataris. The rest are of various nationalities: 7 Bahrainis, 11 from the UAE, 12 Omanis, 8 Saudis, 24 Yemenis, 6 Jordanians, 29 Palestinians, 1 Egyptian, 17 Somalis, and others from various other countries.

This year, the number of student-trainees directly registered reached 120, in addition to 30 trainees from the Qatar General Petroleum Corporation (sea and land operations) and trainees from QAPCO [Qatar Petrochemical Company] and QAFCO [Qatar Fertilizer Company].

Students From 6th Grade, Primary School

Students of the institute are of various sorts, beginning with graduates of the 6th primary school grade, and on up. After study these graduates are "skilled workers." There are also students from the 3rd preparatory school grade; these are what are termed the "specialized departments." There are also special studies (technical).

Training During Service

About training during service: This kind of training aims at developing the functional capability of Qatari employees who work in clerical and administrative jobs in government departments, so as to enable them to perform better in their jobs. The administration currently offers three courses of this kind: secretarial, stock and purchasing, and printing.

About the courses of "Inner City Guilds" [as published]: As you know, this institute has its own system. Its courses are considered important in the technical and vocational field. The system of this institute is to offer the necessary facilities for training in a variety of curricula. These include courses for factory employees, technological methods in the iron and steel field, and certain professional courses in basic engineering.

Enrollment in these courses requires the completion of a Qatari general secondary diploma or equivalent and taking an examination from which the educational level of the trainee at the center is determined. Training in all subjects in these courses takes place in English. Any trainee who successfully completes his prescribed course and obtains a diploma may enroll in more advanced training courses in the United Kingdom.

The institute also includes courses for factory employees (060). [as published] This is considered the best course for training young Qataris to work as factory employees. There is also a course in technical methods in iron and steel production (067) [as published], as well as a course of vocational studies in basic engineering (820) [as published].

Steps To Develop and Increase Agriculture

44040091B Doha AL-RAYAH in Arabic 27 Oct 88 p 8

[Interview with Agricultural Specialist Dr Ahmad Hasan 'Ali by al-'Azab al-Tayyib; place and date unknown]

[Text] Steps to develop the growth of field crops and increase their quantity and quality are advancing in Qatar. This effort is the responsibility of the Department of Field Crops in the Agricultural and Water Research Administration of the Ministry of Agriculture and Industry. The following is an attempt to get a first-hand idea of the efforts to develop and increase field crops through a conversation with Dr Ahmad [Hasan] 'Ali, field crop specialist in the administration.

I began by asking about the kinds of field crops grown in Qatar and the area of each.

[Dr 'Ali] Barley, habb, (probably a type of feed corn) and wheat are considered the three most important principal crops grown in the State of Qatar. The total area planted in these crops is 5,512 dunams, 5,091 dunams, and 553 dunams, respectively 13.06 percent, 12.06 percent, and 1.31 percent of the total crop area.

It can be seen that barley holds first place among the field crops grown in the State of Qatar, followed by habb and wheat. In addition, certain other crops, such as millet, corn, and fava beans, are grown on small areas.

Important Food Grains

[Al-Tayyib] Are there particular crops that might be expanded to cover eventual food requirements?

[Dr 'Ali] Fava beans, millet, and corn are considered important food grain crops that give an economically feasible return in a short time if they are marketed green. Nevertheless, we find that the area planted in them is very small, compared with other crops. The area planted in fava beans is 1.8 dunam, corn 144 dunams, (millet) and Sudan grass 227 dunams—.28 percent, .34 percent, and .54 percent of total annual crop area in the State of Qatar for the three crops respectively. Thus we see it is necessary to encourage farmers to plant such crops in order to increase economic return and improve the characteristics of the agricultural soil through diversifying the crops grown on a given area.

[Al-Tayyib] Since the Department of Field Crops is part of the Department of Agricultural Research, can you tell us about the most important studies and scientific research that have been done and are being done in the area of field crops and the most important results?

[Dr 'Ali] Every year, the Department of Field Crop Research tests and evaluates hundreds of varieties and strains of barley, wheat, triticale, millet, corn, fodder crops, and legumes. The purpose is to evaluate and test them under local environmental conditions, using test fields and crop yield comparisons. Based on the results, the varieties and strains best suited to local conditions are chosen, taking into account high yield and resistance to disease and high temperatures.

Choosing New Varieties

Based on the research and experiments done in past years, the department has been able to select and test a number of new varieties that have shown a high ability to adapt to local conditions and that have a high degree of productivity. For example, two varieties of barley have been developed: Gulf barley and Harimah barley. Two varieties of wheat have also been developed: Doha-80 and Doha-84. The department is now propagating Harimah barley and [Doha-]84 wheat on the plots available to it, preparing the resulting seed, packing it in suitable containers, and distributing it to farmers.

In the area of green fodder crops, one notes that farmers have shown interest in growing the variety Hasawi habb because of its high yield of the green crop. But it is difficult to obtain seed for it regularly, and the price is high. The department has therefore tested four American varieties in comparison with the Hasawi variety for a number of years on sandy and clay soils. Results show that the varieties CUF-101 and "D bablufir" [as published] give yields equal to those of the Hasawi variety. Differences between the two were nonessential. Farmers can thus plant one of these two varieties successfully, if seed for the Hasawi variety is not available.

Two varieties of Sudan grass have also been selected: 'Ariqi-1 and Marimah-1. Propagation and distribution of the seed of the latter to farmers began last season. This variety is marked by high yield of green fodder. It was successfully grown during the summer season, yielding between five and six mowings per season, satisfying the farmers' need for green fodder during this part of the year.

Millet is an important crop that yields well under Qatar's climatic conditions because it withstands high temperatures. It is used in feeding poultry, cattle, and camels. Three varieties have been selected; one of them, Shahan-yah-1 is now being propagated and its seed distributed to farmers who want to plant it.

In the area of field crop research, the department has made many tests of a large number of varieties and strains of fava beans, lentils, and chickpeas. Results of

these tests have shown the sensitivity of these crops to increasing salinity in irrigation water. The results also showed that small varieties of fava beans were more productive than large varieties. The best variety tested was Giza-2, which gave a high yield and was resistant to brown spot, a disease that attacks fava beans.

Climate and Field Crops

[Al-Tayyib] What effect does the Qatari climate have on the yield of field crops?

[Dr 'Ali] As you know, every field crop has definite light and temperature requirements at which the crop grows well and gives a high yield. Most of the agricultural land in the country is left unplanted during the summer, apart from habb, which is a perennial crop; however, millet withstands the high temperatures that prevail during the summer.

The department has set two times for planting these two crops. The first begins in February and extends through March, to produce green fodder; the second begins in mid-August and extends to mid-September, to produce grain.

Another point is that high relative humidity during most months of the year leads to the multiplication and spread of many kinds of insects that attack various crops and greatly affect their yield. Attention must therefore be given to continuous countermeasures and preventative treatment against such pests.

[Al-Tayyib] To what extent does the department cooperate with domestic and foreign scientific agencies and organizations to achieve increased yields of field crops?

[Dr 'Ali] There is constant communication among the international agencies and specialized agricultural research centers, including the Mexico-based International Center for the Improvement of Corn and Wheat, the Syria-based International Center for Arid Region Agricultural Research, the India-based International Institute for Semi-arid Tropical Region Crop Research, the Syria-based Arab Center for Dry Zone and Arid Land Studies, and the Egypt-based Center for Agricultural Studies. Genetic stocks are exchanged with these centers. Local and international tests of various field crops are carried out. They are tested and evaluated under the local conditions of the State of Qatar. Measures are taken to select the varieties and strains best suited to local environmental conditions, propagate them further, prepare seed for them, and distribute it to farmers. A copy of the results is sent to these agencies to be entered into their yearly technical reports, which include all countries participating in these projects.

[Al-Tayyib] Finally, I asked him whether there was any advice that could be given to growers of these field crops in this season of the year.

[Dr 'Ali] Naturally, there are many pieces of advice. Perhaps the one that stands out is the need to adhere to the correct planting time for each crop, according to the recommendation of the Ministry of Agriculture and Industry. It should be emphasized that planting too late or too early harms the crop. We advise that attention must be given to fertilizing at the rates set by the ministry, according to the requirements of each crop. Watering should not be excessive, but the plants should not be allowed to go dry during periods of critical growth, especially the stages of germination and flowering. Irrigation periods should be spaced closer together when the temperature is high. Irrigation of the crop should be stopped at the right time before the harvest. Harvesting should be done carefully, so as to minimize crop loss. Attention should be given to combatting weeds and to the necessary seeding operations at the proper time. Finally, pests must be combatted, using the right insecticides at rates recommended by the Ministry of Agriculture and Industry.

I would like to indicate that the Department of Field Crop Research cooperates with the departments of soil, irrigation, and drainage in implementing programs proposed by the ministry. Joint experiments are undertaken, with each department collecting its own reports and results. The department also supplies all the other departments of the Agricultural and Water Research Administration with the seeds needed for experimentation and research.

Employee Statistics Reported

44040064 Doha AL-'ARAB in Arabic 13 Sep 88 p 2

[Article by Zakariyya Abu Haram]

[Text] Facts and figures are the language of the modern age. They are the means by which growth policies are defined and the standard by which growth is measured. They are the real indices of the progress of any society in all fields.

Year and Sex Nationality	1 Rajab 1407 A.H.		30 Jamad II 1408 A.H.	
	Male	Female	Male	Female
Qatari	10,416	3,446	10,317	3,823
Arab	6,911	1,708	7,051	1,828
Foreign	6,554	200	6,431	200
Total	23,881	5,354	23,799	5,851

Government Housing

The report contains for the first time a comprehensive new section on government housing statistics at the Personnel Affairs Department.

The report was issued in both Arabic and English in order to enable all concerned parties to obtain maximum benefit from it.

The report states that the number of employees in the Personnel Affairs Department as of 30 Jamad II 1408

The Personnel Affairs Department at the Ministry of Finance and Petroleum issued its annual report for the year 1408 A.H.—1988—containing statistical data on jobs and employees in all of the ministries and government departments from 1 Rajab 1407 A.H. [2 March 1987] to 30 Jamad II 1408 A.H. [18 February 1988].

AL-'ARAB has obtained the first copy of the report right off the press.

Rate of Increase in Jobs

The report puts the rate of increase of government jobs as of 30 Jamad II 1408 A.H. [18 February 1988] at 2.03 percent over the last year and the rate of increase in total number of employees at 1.41 percent over the last year.

The rate of increase of job vacancies during this year was about 9.66 percent.

The report includes statistical data on jobs and employees in all the ministries and government departments with graphs showing the extent of development in the government's job structure.

Total Employees

Government employees up to 30 Jamad II 1408 A.H. [18 February 1988] are classified according to sex (male/female), job cadre, nationalities, various professions and educational standards as well as according to the time in service and age of every employee.

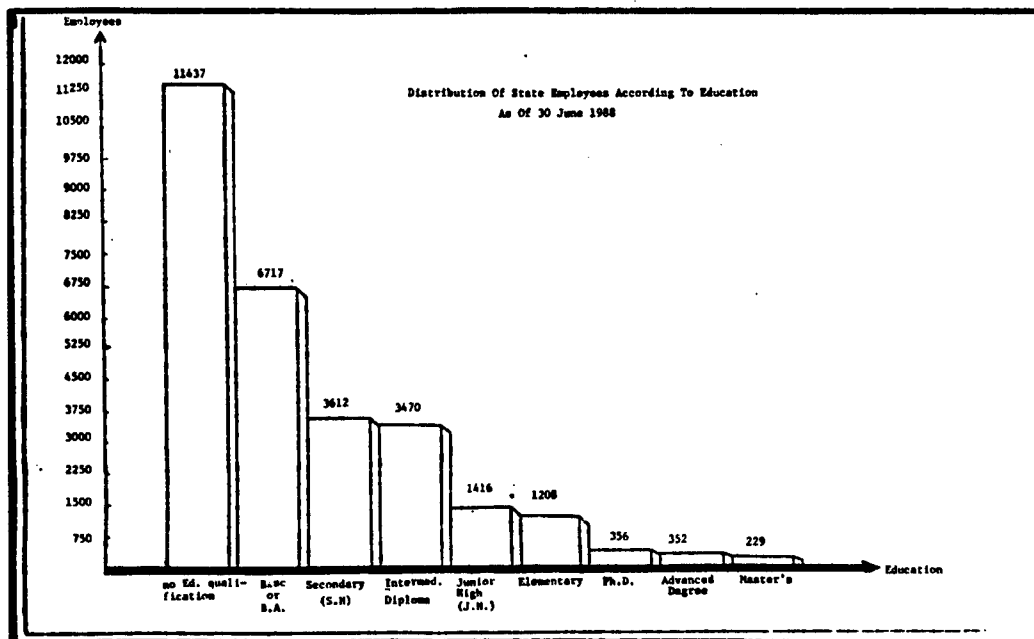
The following chart shows the distribution of government employees on 30 Jamad II 1408 A.H. [18 February 1988] compared to the distribution the previous year. This is according to Qatari, Arab, and foreign classifications and sex.

Total		Percentage		Total Percentage
1407 A.H.	1408 A.H.	Male	Female	
13,862	14,140	99.04	110.94	102
8,619	8,879	102.02	107.02	103.01
6,754	6,631	98.12	100	98.17
29,235	29,650	99.65	109.28	101.41

A.H. [18 February 1988] totalled 407, representing an increase of 653.70 percent over the number of employees on 30 Dhu al-Hijjah [4 January 1976] which shows that the number of employees has doubled more than 6.5 times during the period in question.

Job Vacancies

The report states that the number of vacant jobs on 30 Jamad II 1408 A.H. [18 Feb 1988] was 1,792 against



1,634 the previous year, representing an increase of 9.66 percent.

The number of employees in the government sector on 30 Jamad II 1408 A.H. [18 February 1988] was 29,650 against 29,235 on 30 Jamad II 1407 A.H. [1 March 1987], representing an increase of 415 male and female employees or 1.41 percent.

Government Employees

The number of male government employees on 30 Jamad II 1408 A.H. [18 February 1988] totalled 23,799 against 23,881 on 30 Jamad II 1407 A.H. [1 March 1987], representing a slight decrease of .35 percent, while the number of female employees on the same date was 5,851 against 5,354 last year, representing an increase of 9.28 percent.

Arab Employees

The number of Arab employees on 30 Jamad II 1408 A.H. [18 February 1988] totalled 8,879 male and female employees according to the report, compared to 8,619 employees on 30 Jamad II 1407 A.H. [1 March 1987], representing an increase of 3.01 percent. The number of male Arab employees totalled 7,051 while the number of female Arab employees totalled 1,828 on 30 Jamad II 1408 A.H. [18 February 1988].

Qatari Employees

The number of Qatari employees on 30 Jamad II 1408 A.H. [18 February 1988] totalled 14,140 male and female employees against 13,862 on 30 Jamad II 1407 A.H. [1 March 1987], representing a 2 percent increase

over the last year. The number of Qatari male employees on 30 Jamad II 1408 A.H. [18 February 1988] totalled 10,317 and the number of female employees totalled 3,823.

Foreign Employees

The number of foreign employees on 30 Jamad II 1408 A.H. [18 February 1988] totalled 6,631 male and female employees against 6,754 on 30 Jamad II 1407 A.H. [1 March 1987], representing a decrease of 1.83 percent over last year. The number of foreign male employees on 30 Jamad II 1408 A.H. [18 February 1988] was 6,431 while the number of female employees was 200.

The report shows that 11,386 male and female employees work in scientific and technical jobs against 10,914 last year, representing an increase of 4.32 percent. It also shows that 8,800 male and female employees work in production jobs against 8,927 last year, representing a decrease of 1.43 percent and that 6,401 male and female employees work in clerical jobs against 6,301 last year, representing an increase of 1.58 percent over last year.

Scientific and Technical Jobs

These statistics mean that as of 30 Jamad II 1408 A.H. [18 February 1988] 20,186 male and female employees worked in scientific and technical jobs and in manufacturing jobs, representing about 68 percent of the total government employees on 30 Jamad II 1408 A.H. [18 February 1988].

It also means that 26,587 male and female employee, approximately 90 percent of all government employees, work in three job categories, namely scientific and technical, manufacturing, and clerical jobs.

Professions and Nationalities

Government employees have been classified according to professions and nationalities (Qatari, Arab, and foreign). This has shown that the total number of Qatari male and female employees on 30 Jamad II 1408 A.H. [18 February 1988] was 14,140, the majority of whom are engaged in scientific and technical jobs followed by manufacturing jobs, clerical jobs, and finally service jobs.

The report shows that the number of Arab employees on 30 Jamad II 1408 A.H. [18 February 1988] totalled 8,879

male and female employees, most of whom are engaged in manufacturing jobs followed by clerical jobs and service jobs.

Manufacturing Jobs [as published]

Foreign employees on 30 Jamad II 1408 A.H. [18 February 1988] totalled 6,631 male and females, most of whom are employed in manufacturing jobs, followed by scientific and technical jobs, clerical jobs, and service jobs. The following chart shows the classification of government employees up until 18 February 1988 according to occupation and sex in comparison with the previous year:

Nationality and Year Professions	Qatari			Arab			Foreign			Total		
	1407 A.H.	1408 A.H.	Percentage	1407 A.H.	1408 A.H.	Percentage	1407 A.H.	1408 A.H.	Percentage	1407 A.H.	1408 A.H.	Percentage
Scientific and Technical	4,224	4,536	107.38	5,232	5,419	103.57	1,458	1,431	98.14	10,914	11,386	104.32
Administrative	509	528	103.73	70	76	108.57	4	3	75.00	583	607	104.11
Clerical	3,269	3,367	102.99	1,729	1,744	100.86	1,303	1,290	99	6,301	6,401	101.58
Services	1,633	1,575	96.44	315	324	102.85	332	324	97.59	2,280	2,223	97.50
Agriculture & Fisheries	56	120	175	177	101.14	50	50	100	230	233	101.30	
Manufacturing	4,222	4,128	97.77	1,098	1,139	103.73	3,607	3,533	97.94	8,927	8,800	98.57
Total	13,862	14,140	102	8,619	8,879	103.01		6,631	98.17	29,235	29,650	101.41

Educational Standards

Classification of government employees according to educational criteria shows that the number of those with no qualifications totalled 11,437 male and female employees, representing 38.57 of the total. Those with general secondary school certificates or intermediate school diplomas totalled 7,082, representing 23.88 percent. Those with a university degree totalled 7,069 representing 23.84 percent of the overall total.

Male and female employees with intermediate qualifications as the highest educational criteria attained totalled 21,143, representing 71.30 percent of the general total. If we exclude from this number those with no qualifications, then the rest would represent 32.73 of the overall total.

It can also be said that the number of government male and female employees with university degrees as a minimum educational criteria totalled 7,654 male and female employees, representing 25.88 percent of the overall total, which means that one-quarter of the work

force employed in the government sector have university qualifications. These include 585 male and female employees with higher educational qualifications such as masters or doctorate degrees.

The statistics show that the number of Qatari employees with no educational qualifications totalled 6,324, representing 44.71 of all Qatari employees.

The number of Qatari employees with school certificates (elementary to intermediate school) totalled about 4,182, representing 29.57 of the total Qataris.

The number of Qataris with university qualification totalled about 3,149, representing 22.27 of all Qataris.

The number of male and female Qataris with masters or doctorate degree totalled about 86, representing 0.60 percent of all Qataris.

General Development

Regarding the general development of government employees during the period 30 Dhu al-Hijjah 1394 [15 January 1975] to 30 Jamad II 1400 [17 May 1980], the

report says that the total number of employees in the government sector up to 30 Jamad II 1408 A.H. [18 February 1988] was 29,650 male and female employees. Comparing this figure with the total number of employees on 30 Dhu al-Hijjah 1394 [15 January 1975], we would find that the rate of increase was 182.48 percent, which means that the number of government employees has increased by about 1.83 times over 14 years.

Comparing the present total number of employees with their total number on 30 Dhu al-Hijjah A.H. [20 November 1979], we would find that the rate of increase reached 38.14 percent, which is more than one-third during 9 years.

Comparing the present total number of employees with their total number on 30 Jamad II A.H. [24 April 1982], we would find that the rate of decrease was 1.88 percent during the past 6 years.

Dividing the period of the study chronologically as was done in the report, we would find that during the period between 30 Dhu al-Hijjah 1394 [15 January 1975] and 30 Jamad II 1403 [13 April 1982], as the percentage of Qatari employees decreased continuously while the percentage of non-Qatari employees increased. During the period between 30 Jamad II 1404 [1 April 1984] and 30 Jamad II 1408 [18 February 1988] the rate of Qataris was continuously increasing while that of the non-Qataris was continuously decreasing. This year, as in the past few years, the trend was generally the same as the period from mid 1404 A.H. [mid-1984] to the present.

SAUDI ARABIA

New 5-Year Plan To Give Work Force Issue First Priority

44040113a Paris AL-MUSTAQBAL in Arabic
12 Nov 88 p 33

[Text] As Saudi Arabia's 5-year development plan approaches the end of its term, the early strategic features of the next and fifth 5-year development plan appear on the horizon. The strategic principles and goals for this next 5-year development plan (1410-1415 A.H.) [1989-1994], which goes into effect next year, were approved during last week's meeting of Saudi Arabia's Council of Ministers. The foremost principle of that plan is to intensify feelings of loyalty and national affiliation among citizens. To do that, the country's defense and security system must be reinforced and Saudi Arabia's own defense capabilities must undergo continuous development.

One notices that this strategic approach has become the primary principle in the strategy of the fifth 5-year development plan. Under the previous plan it held seventh position.

During the cabinet meeting which was chaired by King Fahd ibn 'Abd-al-'Aziz, the Council of Ministers requested that emphasis be placed on the following:

1. Support and backing for the country's defense is to continue; the development of the country's own defense capabilities is to continue; and citizens' loyalty to the country and their sense of affiliation with it are to be intensified.

2. Appropriate ways and means for increasing the state's revenues are to be studied. Increasing the state's revenues should not have undesirable social or economic consequences, nor should it affect the interests of citizens.

3. Emphasis is to be placed on improving performance in government agencies so that government spending can be reduced without affecting the standard of services or their availability to citizens.

4. The national economy's reliance on private sector activity and on available private sector resources is to be increased by [the following methods]:

- A. Saudis who have the capital are to be encouraged to invest that capital in the country.
- B. Rules and regulations for financing some development programs and projects are to be devised by means of private companies and firms which are guaranteed by the state and operate under its supervision.

5. More emphasis is to be placed on achieving a balance in developing the various districts of the kingdom. Development in the different areas is to be tied to the people's needs, and full use is to be made of available facilities and services.

6. Appropriate methods are to be found to induce the private sector to provide employment opportunities for citizens.

7. Methods which can effect the replacement of non-Saudi workers by Saudi workers are to be adopted.

The Chamber of Commerce and Industry in Riyadh published a study in the Saudi Arabian capital last month showing that by the end of the fourth 5-year plan, which will come in 1 year, the total number of people in the labor force will have been reduced by a little less than one quarter of a million workers. Conversely, the study noted that the number of Saudi workers in the work force will grow by 375,000 workers as a result of Saudi workers replacing foreign workers coming from abroad. Accordingly, Saudis will make up approximately 51 percent of the total work force. Four years ago they were only 45 percent of the labor force. One of the issues which the

third Saudi development plan was interested in was that of gradually phasing out over a 10-year period approximately 600,000 foreign workers who come in from abroad.

Actually, the reversal and end of the oil boom during the past 3 years and the effect which that reversal had on economic conditions led scores of thousands of foreign workers who came into the country from abroad to end their business in Saudi Arabia and return to their countries. That opened up many employment opportunities to Saudi workers, especially university graduates.

Significant increases in the number of university graduates have been seen in past years, and such increases will also be seen in the coming years because Saudi Arabia is expanding its university education policy. The study shows that in the next few years the state must provide employment opportunities for approximately half a million Saudi citizens who must replace non-Saudi workers. It has been noticed, however, that the rate at which foreign workers who come into the country from abroad are being phased out is not lower than the rate at which the employment of Saudis is increasing, even though many employment opportunities have been made available, especially in those fields which require technical and vocational skills. That is why the present and the next Saudi Arabian development plan has emphasized and will emphasize the development of administrative skills, the improvement of performance levels, and the expansion of training in professional and vocational fields. This will be done in accordance with well-considered programs that will enable Saudi Arabia to prepare a trained and professional work force which can replace the foreign workers who come into the country from abroad.

For years Saudi Arabia has been striving in its development plans to become self-reliant in most areas of the economy. It is diversifying its revenue sources and expanding performance capabilities in the government and private sectors so it can reduce government spending in the wake of economic conditions which were significantly affected by the major drop in oil prices. It was noticed that one of the goals of the fifth 5-year plan which Saudi Arabia's Council of Ministers wanted to emphasize is the effort to increase the state's revenues. The Council of Ministers wants to increase state revenues provided the increase has no undesirable social or economic consequences and provided it does not affect citizens' interests.

Military Reportedly Considering Purchase of French Submarines

44040113b Paris AL-MUSTAQBAL in Arabic
12 Nov 88 p 10

[Excerpt] Many diplomatic observers in Riyadh were expecting the deal for six to eight French submarines to

be closed following the visit of France's defense minister, Jean-Pierre Chevenement, to Saudi Arabia. The deal also involves construction of two bases for the submarines. One is to be built on the shores of the Arabian Gulf, and the other will be built on the shores of the Red Sea. It is estimated that the preliminary value of this agreement will exceed 4 billion French francs, and that does not include maintenance and training agreements.

In Riyadh, AL-MUSTAQBAL asked the French defense minister whether or not he had agreed to sign this deal with Saudi officials, but the minister declined to reveal any specifics. He said he could not discuss anything about that subject, but he added, "The talks on this subject are going on." He thereby indicated that the door was open to cooperation between France and Saudi Arabia.

However, a sense of relief was evident amidst the French delegation which accompanied the French minister, following the talks which the French minister held with Saudi Arabia's second deputy prime minister, Prince Sultan ibn 'Abd-al-'Aziz, who is also Saudi Arabia's minister of defense and aviation.

Information indicated that an agreement had been reached between the Saudis and the French to sign the submarine deal in the near future. Paris is eying this deal with much interest, not only because of its material value, but also because the French capital, which has been competing with many western countries, especially Britain, for the sale of weapons to Saudi Arabia, wants to restore prestige and a prominent position to its weapons in the region. France has been interested in accomplishing that since it lost its bid to sell Riyadh its Mirage 2000 airplanes when, in 1985, Saudi Arabia chose to buy the British Tornado airplanes for its air force. That deal, which was worth over 4.5 billion pounds sterling, was followed by a supplementary deal this year which is worth over 7 billion pounds sterling.

Last year France made an offer to Riyadh to furnish submarines for Saudi Arabia's navy. It is known that ever since France executed the "al-Sawari I" contract, Saudi Arabia's navy has relied on French weapons. That contract involved 10 large military frigates and scores of vessels and missiles. At that time, however, Riyadh had requested amendments to some articles of the proposed agreement concerning the method of financing. Riyadh's request came when the proposed agreement was ready for signing. Saudi Arabia wanted to use oil to pay back part of the cost for the deal, but Paris balked. Faced with competition from other countries, however, Paris offered Saudi Arabia easier terms. It seems that the French ultimately agreed to amend the articles of the submarine deal, and it was the final form of those amendments that was discussed with Prince Sultan ibn 'Abd-al-'Aziz. Sources think it likely that this agreement will be signed early next year. [passage omitted]

SYRIA

Prospects for 1988 Cotton Crop Discussed 44040058 Damascus AL-THAWRAH in Arabic 9 Oct 88 p 7

[Article by As'ad 'Abbud]

[Text] No lengthy explanation is needed to establish the importance enjoyed by the cotton crop in Syria. If cotton is not the first crop, then without a doubt it comes in the forefront of the agricultural crops having outstanding economic importance. In addition to the fact that Syrian cotton comprises one of the sources of hard currency corresponding to the amounts that it exports, there are also many factories whose operations are tied in part or in whole to the cotton that is produced—cotton gins, spinning mills, weaving mills, and oil factories. Moreover, the cotton oil cake that is left after the oil is extracted comprises an important source of feed in Syria.

Syrian governments have given special importance to cotton. They established an office specializing in the growing of this crop, namely, the Cotton Office, under the Ministry of Agriculture and Agrarian Reform. It is located in the city of Halab, so as to be in the center of the main cotton producing regions. This office carries out large tasks in economic and laboratory research, including the study, testing, and development of new varieties of cotton. It also directly supervises all aspects of cotton growing, and it keeps a constant eye on the growth and status of the cotton.

And if many of the Syrian crops have their own special fairs, which express the festive aspect of the crops, then cotton too has its fairs. Moreover, it has its own conference which is held at the beginning of each year. In it there is exhaustive and detailed discussion of everything that relates to the cultivation, requirements, prices, and marketing of cotton, and all concerned parties from throughout the country participate in it.

Today, we have begun cotton harvest operations, and it is now a few days after [the cotton] fair and a few months before its conference. At this time, we are pleased to present this page about the affairs of this harvest, and the new circumstances that have arisen. Included is a report on this year's season up to the present.

In spite of what we have said about the special importance that Syrian governments have given to the cotton crop, it has seen many problems in recent years, which have led to a decline in the amounts produced, as a natural consequence of the drop in acreages cultivated. Moreover, various circumstances have hurt the quality of Syrian cotton, such as late picking, and the exposure of the cotton to heavy rains and floods in some instances.

In light of what is available to us about the cotton situation this season, and the season that preceded it, we believe that the market price of cotton played a primary

role in decreasing the cultivated acreage. In particular, there is a relationship between the cultivated acreage and the ratio of the price of cotton to wheat, for cultivated acreages turn to wherever the positive indicator of this ratio points. Therefore the acreages planted to cotton decreased to a great extent during the past season, in 1987, when the rate of the price of a kilo of cotton to a kilo of wheat fell to 2.6, whereas this rate had been 3.4 in 1983. That caused cultivated acreages to jump from 156,000 hectares in 1982 to 176,000 hectares in 1983. The ratio stabilized the next year, so the acreage stabilized around 178,000 hectares. The ratio fell to 2.9 in 1985, so the acreage dropped to 170,000 hectares, and in 1986 the ratio fell to 2.6, so the acreage fell to 144,000 hectares. During the past season, in 1987, the ratio stabilized at 2.6, but cultivated acreages continued their fall, to 128,000 hectares. The total amount of cotton submitted was around 300,000 tons, a figure which indicates that the quantity produced was low compared to the previous year.

The past season has cast its dark pall over all those concerned with the cultivation, marketing, and processing of cotton in Syria, and in particular over the 21st Cotton Conference held in Halab from 24-26 February 1988, which we occupied with discussion and debate at the time. But a ray of hope shone through the darkness of the conference because of two indications:

- 1. The new price which was authorized at the time for marketing cotton, which was 10 Syrian pounds per kilo.
- 2. The spirit of no retreat proclaimed with absolute clarity at the conference by the Ministry of Agriculture and Agrarian Reform. It is based not only on the fact that there will no retreat in planned acreages, but also on the fact that this acreage, which was set at 166,000 hectares, must be developed.

We will return later to the decisions of the cotton conference, and how their application turned out, after I present this data about the crop, the harvest of which has begun, so that we may finally dispel the darkness that I spoke about.

The data of the Cotton Office and the Ministry of Agriculture and Agrarian Reform indicates that the area planted to cotton throughout this year was up to 171,000 hectares, or an increase of 43,000 hectares, which equals an increase of 33.6 percent over the area planted last year. In other words, the area increased by about a third or slightly more than that. That is the first ray of hope.

In addition, the crop situation this year is outstanding with respect to yield per unit area, the lack of all kinds of afflictions and diseases, and with respect to the abundance of water with which it has been provided. In fact, that is clearly seen just by looking, for the cotton bushes are bearing bolls such as we have not been accustomed to seeing except in good years.

Cotton harvest operations have begun, and even though it might not be very early, comparing the figures of this year's harvest with the same period last year, even though the harvest is still in its early stages, brings another ray of hope, that we may be able to harvest the cotton before it is exposed to unsuitable weather conditions, as long as nature does not have other reckonings.

In any case, as of 30 September 1988, 8,229 tons of cotton had been harvested, compared to about 2,137 during the same period last year.

If all goes well, the country's cotton yield will exceed half a million tons, based on an average annual yield per unit area of 3000 kg per hectare, a rate which places Syria among the top five cotton producing nations. The directorate of the Cotton Office and the Ministry of Agriculture and Agrarian Reform project that this year the public cotton marketing agency will receive about 450,000 tons, and though that figure is less than had been claimed, it is still one and a half times the amount received last year. This projection was not made in a purely intellectual manner, but rather on the basis of a random sample study, therefore the margin of error will be limited. If we were to comment on the subject, we would expect the figure to exceed rather than fall short of 450,000 tons. If we were to translate this excess into a monetary figure, we would say that it would equal about \$120 million.

Because of all that we say:

Though the 1987 crop had cast a dark pall over the 21st Conference, the portents of the 1988 crop have given a certain amount of optimism to those participating in the cotton fair which was held in Halab about 10 days ago .. and that optimism persists.

Now we will try to compare the decisions of the 21st Conference to the circumstances presented by the current season, so that we may see the true reasons behind the improvement in the cotton growing situation.

Let us recall first of all the most important recommendations of the 21st Cotton Conference. If we wanted to cite them quickly and simply we would say:

- 1. Early planting.
- 2. Planting in rows.
- 3. Balancing irrigation, fertilizing, [pest] control, and pesticide spraying.
- 4. A system of two pickings rather than of one picking.

As a whole, the aim of these recommendations is:

- 1. To reduce production costs, which would repay the farmer in the value of his cotton, and make things easier for the concerned parties.
- 2. To reduce the consumption of water, and avoid the phenomena that up to now have been shown by indications to be linked to an imbalance in irrigation

as well as an imbalance in fertilization, such as the phenomenon of (boll-drop?).

- 3. To remove the crop as much as possible from harmful weather conditions, such as successive heat waves and early rains.

Nothing shows more clearly the importance of planting and picking the crop early in order to save it from heavy rains than the following figures:

The heavy rains of the 1986 season caused the destruction of about 20,000 tons of cotton with a value estimated at \$16 million. The amount ruined in 1987 rose to 45,000 tons, with a value of about \$36 million. The loss was not in quantity alone; rather the quality of Syrian cotton is affected by the rain, which hurts its international reputation. Its world price is also affected, as well as the amount paid to farmers.

- 4. These recommendations also aim at giving machinery an opportunity to come into the cultivation stages of cotton, whether it be the mechanical hoe or the mechanical picker. It seems that in the long run they will be indispensable in meeting the problem of picking cotton, and the problem of the availability of manual labor needed for that.

Now, what does the current season show with respect to the cotton conferences?

Perhaps the most important observation, and the one that should be dwelt upon, is the relative inclination that has appeared among the farmers to follow the implementation of the recommendations of the conference, as reflected to them through agricultural extension. There is no doubt that the extension program that was followed this year has had its effect, and even though it may not have achieved its goal, it has advanced the plan forward, and might form the basis for a new starting point in agricultural extension.

Data from the Cotton Office and the Ministry of Agriculture report that with respect to early planting, circumstances were not completely favorable for that this year, because of natural conditions that were bad during last April and the beginning of May, since the end of the rains came late this year, and that naturally led to a delay in planting. However, within the bounds of feasibility, the turn by the farmer towards early planting was acceptable, and it is expected that early planting will become one of the farmers' natural concepts.

With respect to planting in rows, there are the following indications:

It is not being followed one hundred percent, but there has been an improvement in the percentage of row plantings. The area planted in rows this year is estimated

to be about 40 percent of the total area planted. Moreover, the row planting has revealed some signs of imperfect technical performance, since the row has specifications that must be followed in order for its goal to be met. I am referring principally to the depth needed to facilitate balanced irrigation operations, and mechanized operations.

This leaves a serious opportunity for work, as well as a great task, for agricultural extension during the upcoming year, based on the inclination that the farmers have shown this year to work with the recommendations of the conference and to follow their implementation. With earnest total [effort], in which all necessary effort and potential are invested, it will be possible for the crop this year and the following year to make a complete turnaround in the techniques of growing cotton in Syria, and it is an opportunity that certainly must be taken advantage of.

What else does the current season show?

The earnest, daily attention given by the Ministry of Agriculture and Agrarian Reform—and by the minister personally, as many know—played a big role in the fulfillment of the figures of the plan. The director of the Cotton Office describes this year as being the year of required implementation of the plan. Many directorates under the ministry have helped to achieve the plan's figures, from the directorate of the Cotton Office to the directorate of planning, and the directorates of agriculture and agrarian reform in the provinces that played a big role in this respect, and which are making effective efforts in various aspects of farming operations. Also helping were the local authorities in the provinces which grow large acreages of cotton, primarily the provinces of al-Hasakah, Dayr al-Zawr, al-Raqqah, Halab, and Hamah, where the governors of these provinces personally helped to achieve the plan's figures. We mention here that most of these governors, specifically the governors of Hamah, Halab, and Dayr al-Zawr, had attended the 21st Cotton Conference and participated in the discussion of the plan, and they embraced the figures that were established for their provinces. The question remains:

If this year was a year when implementation of the plan was obligatory, when will we reach a level where implementation will be mechanical and voluntary?

At the level of the cotton, as we said earlier, the indications that the farmer has shown of following the teachings and plan of cotton cultivation bode well. We have other tasks, and agricultural extension is neither the first nor the last of them, in spite of its importance.

But there is also a policy of pricing agricultural crops and announcing the prices at the time. Why?

Because the price is the most important means of controlling the implementation of the plan, and of getting the farmer to implement it voluntarily. Moreover, price—a balanced price—ensures a balance in the planting of crops.

Today, now that it has been officially announced that the comprehensive agricultural plan for the 1988-1989 season has been decided upon and made ready, I believe that we most urgently need to announce the prices of all the crops that will be planted according to the plan. Prior to that we must set prices that will not induce the farmer to forgo the planting of one crop in favor of another, which would upset the plan's figures, and the opportunity for real economic control of the agricultural process would be lost.

What about supplying production requirements?

Though we do not deny the extraordinary efforts being made in this respect, there is an urgent need for the full and informed participation of the farmer pertaining to these requirements and the manner of their distribution. This ought to be included in the extension program, which we expect will see another move this year.

In summary we say:

The sum total of these activities will enable us to achieve the figures of the plans. One activity in one direction cannot achieve that, so all are needed. Nor will all of them spare us from continuing to give diligent and constant attention to the agricultural operations, which once again point to the important role being played by the minister of agriculture and agrarian reform and his assistants.

TUNISIA

Ghannouchi Interviewed on Condition of Economy, Greater Maghreb Project
45040091 London AL-HAWADITH in Arabic
11 Nov 88 p 47

[Interview with Minister of Planning Mohamed Ghannouchi by AL-HAWADITH; date and place of interview not specified]

[Text] Tunisia is facing a number of economic challenges this year, like drought and locusts. On another score, it is making preparations to establish a union of the Maghreb countries whose primary principles will be economic. Tunisia is also bracing itself for the profound effects of the united European Market which it must confront when that market is established in 1992. Still, political circumstances in Tunisia following the change which occurred on 7 November 1987 gave Tunisia's economic plan noticeable freedom and flexibility.

Political circumstances among the Arab Maghreb countries are favorable, helping those countries more than any time in the past to coordinate positions and unify opinions, thereby strengthening their position so they can gain what they have endeavored to win.

This is what was covered in the interview which AL-HAWADITH held with Mohamed Ghannouchi, Tunisia's minister of planning.

[AL-HAWADITH] What are the implications of the new plan in Tunisia?

[Ghannouchi] Economic planning in Tunisia is not and can never be rigid especially because we live in a state of flux, in a universal economic climate which changes month after month. That makes it difficult for any planner or planning expert to devise a plan and insist on sticking to it. In light of this view, therefore, planning for us is, first, an attempt to uncover problems. Then it is an attempt to find solutions for those problems. We usually do that by involving all parties so we can find the proper way to resume the course of development. Planning then involves not only work which is done daily or once every 5 years, but it rather involves a mix of this and that. It involves a 5-year plan and daily follow-up work to stay on top of the economic situation and the problems which develop from it. It involves working every day to find out in practical terms what the implications of these problems are. It involves trying to involve all parties as well as trying to find our own realistic solutions to problems. Planning also involves trying to ensure that those solutions are consistent with a general framework so that all deficiencies can be avoided. When a weakness in measures and procedures is detected, we try to correct the course of development in a generally impartial way because we believe that in doing that we can avoid creating disorder in the balance of things.

[AL-HAWADITH] It's being said that your current plan relies on the private sector's considerable participation in the economy. To what extent will you follow this plan?

[Ghannouchi] Let me assure you at the outset that our development policy is not based on a specific ideology. Our development policy is rather based on a realistic and objective analysis of Tunisia's capabilities and its possibilities for succeeding in developing the country. Every period has its own ingredients and characteristics. Early in the development effort which we embarked upon in 1962, we had to rely on the public sector. We did that during the first stage of development because we did not have a strong and capable private sector. It would have been difficult to turn merchants and farmers into manufacturers and innkeepers. That is why we relied on the public sector to be the moving force for development, and that sector showed us that it was up to the job. The public sector was useful and helpful in completing some of the projects. Having created the dynamics for development, thanks to the public sector which completed these projects, the opportunity presented itself to the

private sector to assume its place in the economy alongside the public sector. In fact, the private sector took over a few specific industries, such as the hotel industry. When it became evident that this industry and its returns were profitable, we let the private sector invest in it. And now the private sector controls over 95 percent of this industry, and the public sector has withdrawn completely from the hotel industry.

The same thing happened in the textiles industry. The public sector started early in that industry and then left it to the private sector. We are continuing this policy, and at the present time the public sector is still involved in the textiles industry, but its share in it is relatively modest: between 20 and 25 percent. The private sector, however, owns 75 percent of that industry. But this is being done in stages. At any rate, some of the major, important and strategic industries such as electricity, water and the railroad, will continue to be run by the public sector. These industries should remain under the public sector's control because of their strategic importance. The public sector should continue to run those industries to prevent them from turning into monopolies. However, the private sector can take over those industries which afford an opportunity for competition. That is what we have in mind, and it is what we started putting into action a few years ago. What is new, however, is our determination to continue working more quickly and efficiently so we can give the Tunisian economy every factor for success.

[AL-HAWADITH] What about the agricultural sector?

[Ghannouchi] The private sector makes up 90 percent of the agricultural sector, and the public sector holds the remaining 10 percent. A special official agency was set up to utilize land which was owned by the French and was then nationalized in 1964. At the present time the outline of a plan to utilize this land has been sketched, and that plan involves the private sector which could take over the exploitation of this land in the near future.

[AL-HAWADITH] How would you describe the present economic situation in Tunisia?

[Ghannouchi] It may be said that the policy we have been following for almost 2 years bore fruit in relation to the balance of payments. Our policy created a more suitable environment for proper development. The results we recorded for 1987 were valuable, and the growth rate amounted to approximately 5 percent. What is positive here is that this growth was incorporated with balancing the balance of payments. That positive aspect of 1987 continued in 1988. God willing, we will have a relatively positive outcome for our financial budgets this year.

If you ask me why I say, relatively, I will say that it is because this year the Tunisian economy is faltering as a result of the drought which has prevailed in the country since last fall. We have not had such a drought since

1920. But despite the drought and its effects on the GNP and despite the locusts' attack which started early in the year, we will have a positive growth rate of approximately one percent. It is true that this growth rate is small, but it is nevertheless a positive development, considering the problems which Tunisia faced this year. In the non-agricultural sectors an increase in the growth rate of approximately five percent was realized.

This does not mean that Tunisia's economy faces no problems. An economy that is positive and dynamic has to have problems, foremost among which might be that of employment. The present annual rate of growth for the population is between 2.3 and 3.4 percent. Such a growth rate creates additional demand for employment when large numbers of young people enter the job market in growing numbers, thereby creating pressure on the market and demanding that there be more employment opportunities.

[AL-HAWADITH] You are taking positive steps more quickly to establish the Great Arab Maghreb. What are the foundations for this entity and what are the steps that you have taken so far?

[Ghannouchi] In our view the creation of the Great Arab Maghreb is inevitable. Without it, development prospects in our country will continue to be much less than what they are now. But if we create this economic community in the Arab Maghreb, creating a political entity for the Great Arab Maghreb will have to follow because after having relations that were characterized by alienation, the countries of the Arab Maghreb will have understanding for the first time, and they will have a climate that is predominantly positive. There are communications and talks underway to get the ball rolling in this direction. Almost 2 weeks ago the ministers concerned with this matter in Tunisia, Morocco, Algeria, Libya, and Mauritania met to study the different financial, economic and institutional requirements for creating this community.

These ministers' groups are expected to meet again in the coming weeks to devise a practical and a realistic plan which would enable the group to take firm steps toward [the goal of] creating the Great Arab Maghreb.

[AL-HAWADITH] The United European Market will be established in 1992. Have you made plans for the Great Arab Maghreb to deal with the implications of this market, or will each country observe and monitor its effects separately?

[Ghannouchi] The year 1992 will be a decisive year, just as the year 2000 will be for other considerations.

First of all, let me say that the effects of 1992 will be felt by those countries which trade with the United Arab Market and have economic relations with it. The countries of the Arab Maghreb, of course, are among those countries. Undoubtedly, this will be one of our chief concerns. Communications with the European market are underway

to study and determine the effects which creating this united market will have on agreements that will subsequently be made. These communications are underway to determine how the effects of this anticipated change on existing agreements will be dealt with. That is on one side. As far as the development policy is concerned, however, we are trying to do a better job about diversifying our economy. We are trying to create broader trade opportunities with the outside world so we can strengthen our relations with world markets, including the United European Market.

[AL-HAWADITH] Is there anything new in oil exploration and investments in Tunisia?

[Ghannouchi] Investments in oil drilling and oil exploration are growing daily. To be specific, 20 wells are drilled every year, and we are seeing a few early positive signs. At the present time we are allocating between \$50 and 80 million for investments in that sector every year. There is no doubt, God willing, that as new technologies are developed in oil exploration, that sector will play an important part in Tunisia's economy.

UNITED ARAB EMIRATES

Effects of U.S. Textiles Quota Discussed
44000177 Dubayy KHALEEJ TIMES in English
27 Nov 88 p 6

[Article by Raman Kapoor]

[Text] Confusion and uncertainty prevailed as over 120 garment units looked hard at their options on surviving out of the worst-ever crisis that has gripped the industry.

The UAE Minister of Economy and Commerce, Sayf al-Jarwan, issued an order on Wednesday instructing the Federation of UAE Chambers of Commerce and Industry to ban all the garment export of the four categories going to the United States.

Operations at about 120 garment units with an investment of over \$50 million, have been reduced considerably. There is uncertainty not only regarding the finished products that were ready for shipment before the ban order came, but also about the huge running costs of these establishments.

It was a day of calls from the banks to the various units in view of their large loan exposure. Also, the fate of thousands of expatriates employed in these factories, spread mostly over the Northern Emirates, continued to cause anxiety.

Although hopes had brightened up earlier in the day, for resumption of issuance of certificates of origin by at least a section of the chambers of commerce, these were dashed within a few hours. Not before at least one particular chamber issued several certificates of origin to

a few exporters. The chamber retreated hurriedly to fall in line following a fresh order from the federation to abide by the ministerial order.

Mr Jarwan's order put a blanket ban on all the categories, though shipments have reached the quota level only in the 347/348 category. American officials have been stopping all the incoming consignments since November 22. As per the figures available, excluding for the past one-and-a-half months, quota gaps of between 28 to nearly 50 percent remained but these should be closer to getting exhausted in a very short time, it is reckoned.

The ready goods awaiting despatch when the ban order came may be valued around \$10 to 15 million, industry circles say, but far higher losses would be incurred for failure to ship goods even against valid time-bound LC's that have been opened for the UAE exports. Therefore, instead of withholding goods in the UAE these should have been allowed to be cleared out of the country, various manufacturers contend. "Why should the UAE abrogate its right to export," asked a leading exporter.

Each of the plant has an investment of around two to five million dirhams, depending on size, and the average running cost could vary between Dh150,000 to 300,000 a month. Therefore, the crisis looming large for the industry is of an unprecedented nature. There will be a tremendous squeeze on cash resources, with no sight of alternative markets.

While the date for next round of talks is fixed for December 19-21 in Washington, the garment industry wants these talks to be advanced so that an early breakthrough in the tangle can facilitate resumption of exports. The chamber officials have been turning down all the manufacturers for the past two days saying that any resumption of certificates of origin could be possible only after the outcome of talks.

A series of emergency meetings are likely today to discuss the strategy in the light of crisis facing the industry.

Meanwhile, a top official of a chamber of commerce hit out at the U.S. attitude of "a complete disregard for the UAE industry on the contention that it is the Asian investors who have invested heavily in this sector. Far from being a fly-by-night situation, the UAE holds the view that these investments by foreign partners are important in that these reflect confidence in the UAE's commercial character," he said. "Quota is quota and we will fight hard to get a better deal."

During the last meeting in Washington the U.S. looked like offering to double the quota but it unilaterally slapped a figure that was suggested in the June official communication from the American government.

Dubayy's Textile Trade Predicted To Peak
44000175 Dubayy GULF NEWS in English
19 Nov 88 p 13

[Text] The textile trade in Dubayy which has been in a slump for the past several months is beginning to turn-around and the business will reach a new peak by March next year.

This is the opinion of Kay-Ho Park, General Manager of al Majid Samsung, a joint venture enterprise between Juma al Majid Establishment and Samsung Group, South Korea's biggest textile manufacturer and trading group. Al Majid Samsung is cashing in on this improving market situation by mounting an aggressive sales drive that is designed to ensure for the company a bigger slice of the market.

"Yes. In the past several weeks we have experienced an appreciable increase in sales which indicates that the market has started to turn around", Kay-Ho Park told Gulf News yesterday.

"The improvement in sales is partly because of increased purchases locally and partly because of higher re-exports. We expect this trend to continue next year with the business peaking sometime in March in view of the festivals in the UAE and in Iran."

Park said that al Majid Samsung wanted to be well positioned to take advantage of the changing pattern in trade, and has mounted an exhibition in Dubayy beginning today that would have on display more than 2,000 varieties of textiles and garments.

It is the first of a series of steps the company is taking to entice buyers in the new year.

The Samsung Textile and Garment exhibition, which will be held over three days at the Hyatt Regency Dubbay, will be formally inaugurated this morning by 'Abd-al-Rahman G. al-Mutaywi, Director General of the Dubayy Chamber of Commerce and industry.

Park said that the items which go on display in the Dubayy exhibition represent Samsung's '89 Spring-Summer Collection.

The colors of the materials illustrate the trend towards more colorful layouts and floral patterns, with motifs tending to be larger in scale.

The exhibition is mainly aimed at high-level importers and dealers.

Park said Samsung would be offering greater variety in the products, including new designs for 1989. The big attractions would be the range of fancy polyester, velvet and cotton fabrics as well as ladies gowns, dresses and underwear.

"Prices are slightly up over last year, but comparatively, textiles and garments made in South Korea are still the best buys in this market, and I can say quality-wise they compare favorably with the Japanese products," Park added.

Study Provides Work Force Statistics

440401114 *al-Shariqah AL-KHALIJ in Arabic*
9 Nov 88 p 11

[Article by Mahmud 'Abd-al-Karim]

[Text] One of the most important working papers presented to the Sixth Gulf Conference on Human Resources Management, which is currently being held in al-Fujayrah, is one that was presented by Sulayman Musa al-Jasim, chief of the governmental council in al-Fujayrah. Mr al-Jasim is currently working on his doctorate from the University of Exeter in the United Kingdom.

The importance of this working paper which Mr al-Jasim presented under the title, "The Native Labor Force in the Emirates: the Reality and the Ambition," is due to its reliance on a field study of employees in the federal government, in local official agencies, and in the private sector. Mr al-Jasim puts emphasis on a large percentage of those employed in government to show why government employment is as popular as it is with citizens, while jobs in the private sector go begging.

The study, whose sample was made up of 100 male and female university graduates, enabled Mr al-Jasim to come out with a collection of significant facts about hiring university graduates in the government sector. Native employees rank salary and position first in importance. The study also showed that 71 percent of the sample prefer working in their own emirate. Most of those individuals were women. The study showed that 85 percent of the sample prefer an administrative job and find such a job more important than the salary. The study also showed an important result: it showed that a graduate was willing to work in the private sector if he received the same salary he would have received in a government job. Fifty-four percent of the individuals in the sample who are employed by the government said that. The study also showed that 48 percent of the sample were not satisfied with their present jobs because they thought they were holding positions which were not suitable to their qualifications and the fields in which they specialize.

The Labor Force in the State

Sulayman al-Jasim started the working paper he presented at the conference with a review of the labor force in the Emirates. He said that studies on the labor force have received much attention in the Gulf countries in general and in the Emirates in particular. He said there were important reasons for that. These reasons are:

Meeting development requirements created a need for labor. Large returns from oil and development projects

that were being implemented expeditiously in all areas led to that need.

The population is small and unable to meet the labor market's demand for a large number of workers with a variety of skills and expertise.

Large numbers of foreign workers came into the country from abroad to meet this demand, and that resulted in [the following]:

- There was a rapid growth in the population between 1968 (179,100 persons) and 1985 (1,622,464 persons). Citizens make up less than one fourth of the total population. This population growth was not confronted with well-considered and wise plans.
- Demand for public utilities and services and for projects grew as a result of this population growth. Thus, the gap between those needs and the number of available workers grew wider.
- Native workers thus failed to meet society's demand for workers because the country's population is small.
- Community feelings were such that citizens belittled the importance of manual labor and looked down on it. Those feelings were exacerbated when per capita income rose and foreign workers came from abroad and were willing to do the work for low wages. Also, the state guaranteed citizens administrative, white-collar jobs.
- Overemployment, which is at 20 percent, has created hidden unemployment in the federal government sector which employs 68 percent of the total native work force. The other side of this overemployment is a labor shortage in significant sectors of the economy. (It is seven percent only in the oil sector.)

Citizens are averse to working in the private sector. In addition, employers in the private sector are reluctant to employ and develop the native work force because the state does not require them to do so and because inexpensive, foreign workers are available.

The level of women's participation in the labor market is low, and women's employment is restricted to designated areas. That is why growing interest in studying the labor force would be the logical first step to making a proper diagnosis of this grave social and economic problem. Once the problem is identified, shortcomings can be determined and weaknesses can be treated according to a proper scientific method.

Citizens and Development

In the working paper he presented to the conference, Sulayman Musa al-Jasim touched upon citizens' involvement in development.

Mr al-Jasim said, "The limited number of citizens in relation to the state's total population underscores the fact that the native work force is a small percentage of

the total work force. That conclusion is to be expected when the two are compared. Citizens' participation in the labor force (the rate of economic activity) is also less significant actually than what one would have expected in comparison with the rate of economic activity in other nations.

"There is no doubt that the low rate of citizens' participation in economic activity during a period of rapidly increasing economic growth can also be explained by the age distribution in the population and by the age of the state. It can also be explained by the inherited customs and traditions of those who tend to be socially conservative. Those people have reservations about women working outside the home unless that work involves teaching in girls' schools. From that limited perspective work outside the home for women is an undesirable phenomenon.

"The problem of citizens' low participation rate in the work force became more severe early in the seventies when the establishment of the state coincided with changes in oil prices. Thus, oil returns raised average incomes in the country, and a limited number of people who had made no effort in bringing about this rapid change acquired an enormous material fortune.

"Accordingly, average per capita income for the largest segment of the population rose effortlessly. This effortless rise in income was accompanied by increased development spending in all areas, though basically and intensely, such spending emphasized the establishment and development of infrastructure projects.

"While this change was accompanied by an increase in citizens' incomes from salaries, grants, gifts, appraisals, and loans from the government, such resources were being used for numerous and non-fundamental modes of consumption, thereby creating a large segment of satiated citizens who had more than enough of those returns. These people were not interested in making an effort in the productive sectors of the economy.

"Public and local projects as well as all modes of life on both the government and private levels rely exclusively on the help of an imported labor force. This is because the number of citizens is small. Because citizens have little experience and few skills, they could not meet the requirements of a crowded labor market.

"In 1985 the native labor force represented 12.4 percent of the state's total labor force and 32 percent of all civil service employees. In 1987 civil service employees represented 68 percent of the total native labor force. Those people are concentrated in government positions, which are mostly administrative jobs in ministries, federal organizations, and government social services organizations.

"Actually, most citizens who are now holding government positions used to be professionals and traditional

craftsmen. Those people could have been utilized in other positions that are more important and more productive.

"On the other hand, the number of citizens employed in the agriculture and fishing sectors—traditional professions that are passed on from one generation to the next—is also very small compared with the number of foreign workers who came from abroad and are employed in these professions.

"The same is true in the petroleum sector and in the trade sector, and it is also true in manufacturing and contractual piece work. These vital sectors represent a fortune which can be made to grow and multiply for future generations. These vital sectors can be a source of economic diversity.

"There was thus a fundamental shift in the employment of that segment of citizens who used to be engaged in the professions and traditional crafts. These people are now employed in non-productive civilian positions as drivers, guards, custodians, junior clerks, and so on. These people could have been given material incentives, and they could have been retrained. They could have shared their technical and vocational skills, and they could have met part of society's needs in the development process."

A Field Study

Sulayman al-Jasim then presented a study he had conducted on university graduates who were represented by a sample of 100 graduates. Mr al-Jasim conducted that study to determine the reasons why these university graduates had sought a certain kind of education rather than another. His preliminary assumptions for the study were: the social view which finds stability in government employment and the view that government employment enables a person to remain close to his residence or in the emirate. No plans are being made to meet society's needs for a technical labor force. Conversely, foreign workers are coming into the country from abroad. They are experienced people who have skills and who can be hired for low wages.

The 100 men and women of the researcher's sample were distributed as follows: 50 percent were men employed by the federal government; 30 percent were women employed by the federal government; 10 and 4 percent were men and women, respectively, who were employed by local governments; and 5 and 1 percent were men and women, respectively, who were employed by the private sector.

Mr al-Jasim reached the following conclusions:

- Seventy-one percent of the sample, most of whom were women, prefer working in their emirate; 5 percent are willing to work in other emirates; and 22 percent are willing to work outside the country.
- Only 12 percent of the sample who are employed in federal projects prefer salary over position, but 85 percent prefer position over salary. This means that

social status is the standard in selecting the kind of work one does. We think that none of the people who prefer salary to position were from Abu Dhabi and Umm al-Qaywayn, but 5 percent were from al-Sharjah and 2 percent were from each of the following: Dubayy, 'Ajman, and al-Fujayrah.

- If one can earn the same salary in all sectors, 54 percent of the total sample would prefer working in the federal government; 20 percent would prefer working in local governments; and 22 percent would prefer working in different sectors such as banks, trade, and industrial and consulting firms. [This is consistent with] our conclusion that government projects usually attract most of the graduates.
- Only 20 percent of the sample spoke English fluently; 76 percent have poor English skills, but 52 percent (40 percent of the males and 12 percent of the females) believe that a good command of the English language is important in their line of work.
- Forty-eight percent of the sample said they were dissatisfied with their present work. Among those people 40 percent are employed in federal government projects. The other emirates have more of those people than Dubayy and Ra's al-Khaymah have where 27 percent of the sample hold positions that are not suitable to their field of specialization and study.
- Fifty-four percent of the sample would prefer to move to another job, and they would be willing to accept employment offers from other sectors. Forty-five percent of those are employed by the federal government. Twenty percent of the sample (17 percent from the federal sector) would like to get better jobs and broader experience. Ten percent of the sample (9 percent from the federal sector) think their present jobs are not sufficiently stimulating. Nine percent would prefer to move to other jobs because their current jobs are unrelated to the field they studied and specialized in. There are also other reasons why they would prefer to move, such as inappropriate salaries, unattractive positions, and so on. Fifteen percent of the sample think about changing jobs.
- The following are among the 45 percent who do not wish to move to other sectors: 9 percent do not wish to move because the salary is not attractive; 7 percent because there are no opportunities for promotions; 13 percent because they do not wish to work evenings or

overtime; and 2 percent because they do not wish to work in the private sector for foreign managers.

Reaction in the Emirates to the employment of women and where they choose to work: 49 percent of the sample strongly support the idea of women working outside the home; 45 percent do not oppose the idea and support it somewhat. Thirty-five percent of these reactions came from women in the sample: of those 24 percent strongly support the employment of women.

There is one principal reason why the private sector prefers foreign workers coming from abroad. Ninety percent of those who responded indicated that foreign workers cost less than citizens. That is why the private sector prefers them. Another reason was expressed in 67 percent of those who responded, namely, the shortage in native workers. Approximately 60 percent of the people in the sample suspect that foreign workers who come from abroad are preferred over citizens because of their productivity, experience and superior qualifications. Native workers are less experienced and less productive.

Fifty-one percent of the sample believe that university studies qualify them for the positions they currently hold. Thirty-eight percent believe this is somewhat true, but a majority of people in the sample believe that their qualifications are essential to the jobs they now hold. Actually, 80 percent of the sample who are employed by the federal government and 14 percent who are employed by local governments are engaged in routine work and feel they do not need university qualifications or other skills to perform their jobs. Those people, most of whom are liberal arts majors, feel that what they studied is suitable to the level of the jobs they hold. This is a reflection of the existing educational system and the range of choices which are available in that system for technical training.

The prevailing opinion among 56 percent of the sample is that their current jobs require qualifications that are less than those they have. Twenty-three percent are satisfied with the level of their jobs. The feeling that one's work is not suitable to one's qualifications may be one of the reasons for job dissatisfaction. We find that 32 percent stay in their jobs to gain experience and acquire skills; 1 percent stay for financial reasons; and 26 percent have other reasons why they stay in their present jobs.

A Table Showing Civil Servants According to Sex, Nationality, and Qualifications

Distribution According to Sex, Nationality, Qualifications for 1987

Sex	University		Diploma		Secondary		Less than Secondary		Sum		Total
	Cit	NonC	Cit	NonC	Cit	NonC	Cit	NonC	Cit	NonC	
Male	925	5,728	218	3,673	1,095	2,214	6,984	5,348	9,222	16,963	26,185
Female	980	3,316	343	4,395	776	1,227	1,004	705	9,643	12,746	12,746
Total	1,905	9,044	561	8,068	1,871	3,441	7,988	6,053	12,325	26,606	38,931

It is to be noted that the letters, "Cit," signify citizen and the letters, "NonC," signify non-citizen.

AFGHANISTAN

Fall in Prices

46000037b Kabul THE KABUL TIMES in English
14 Oct 88 p 4

[Text] A spokesman for Kabul Municipality said that with the arrival of sufficient quantity of essential goods and fuel, the prices of essential goods and fuel have come down by 15 to 30 percent in Kabul city.

He added that, in addition to the distribution of 84 tons of bread, over 570 tons of wheat is ground and offered to the consumers and 80 tons of flour distributed to the bakers every day by the Food Procurement Department in the city.

The prices of flour and other cereals, including rice, peas, beans and pulses, have been lowered by 30 percent.

800 Housing Plots Distributed in Mazar

46000037a Kabul THE KABUL TIMES in English
14 Oct 88 p 4

[Text] Mazar-i-Sharif, 12 October—Eight hundred housing plots in the north of Mazar-i-Sharif city were recently distributed to the personnel of agriculture and land reforms department of Balkh province as part of the government assistance to the state officials.

Quoting a spokesman of Mazar-i-Sharif municipality, BIA correspondent reports that the series of distributing housing plots is going on, thanks to the attention of the government for improving the living conditions of the people.

Over 540 Tons of Wheat Arrive in Kabul

46000037c Kabul THE KABUL TIMES in English
22 Nov 88 p 4

[Text] Over 540 tons of wheat were transported to Kabul on Friday by 54 vehicles from Hairatan port.

A BIA reporter said that, during the last two weeks essential goods consisting of wheat, flour, oil and sugar were transported by hundreds of vehicles from the same port to the capital.

The transportation of essential goods continues every day.

Youth Join Armed Forces in Badghis

46000037d Kabul THE KABUL TIMES in English
6 Nov 88 p 4

[Text] Qalai Naw, 5 November (BIA)—Taking advantage of the new military law, 35 youth voluntarily joined the ranks of the armed forces of Badghis province.

A spokesman of the military commissariat of that province said: "Since the beginning of the current year, more than 1500 youth have joined voluntarily in the armed forces of Badghis province.

IRAN

Role of Women in Islamic Iran

Conference Issues Written Declaration

46400022a Tehran ETTELA'AT in Persian
6 Oct 88 p 16

[Text] Hamadan. The Conference of Women and the Islamic Revolution ended its work yesterday noon at the Educators' Center of Hamadan by issuing a 14-point written declaration. As reported by IRNA, while part of the declaration, which was issued after 3 days of discussion and deliberation by a group of intellectuals and experts on the rights of women in Islam, stressed the necessity of observing the Islamic veil by the women of our homeland. It petitioned those responsible, to bar the import and sale of immodest foreign clothing, as well as to seriously address the problem of the improperly worn veil in reverence to the spilt blood of the martyrs.

While the declaration called to attention the role of proselytization in upgrading the educational level of society, it strongly recommended making known the combatant and revolutionary profiles of our homeland's devoted Muslim women through the mass media, particularly through the Islamic Republic's radio and television. It is to be noted that the conference on Women and the Islamic Revolution was held for a summary review of the women's rights and her place in an Islamic society by a group of IRGC Central District Sisters Mobilization Unit of Hamadan and Luristan regions, and a group of public servants and students. During the conference, sisters Zahra Rahnavard, Marzieh Hadidchi and Raja'i elaborated on the proposed issues.

Interview With Khomeyni's Daughter

46400022b Tehran ETTELA'AT in Persian
18 Oct 88 p 16

[Text] Rasht. According to Islam women can assume responsibility in society and serve this revolution in step with men and by observing Islamic values.

In a brief interview with the reporter of IRNA, Mrs Farideh Mostafavi, the daughter of his holiness the Imam, who had travelled to Bandar Anzali to visit the survivors of the martyrs of the bloody events of October 1979 of that town, described the role and status of women in the Islamic Republic.

She added: Today our women in step with the men maintain a lively and meaningful presence in the arenas of the Islamic Revolution and they serve this revolution.

Also calling attention to the necessity of observing the Islamic veil and the total covering of sisters in society, she underscored the responsibilities of this great stratum of the nation in relation to the heart of the family and added: There is no difference between men and women in Islam—except in a few cases where certain tasks have been considered to be characteristic of men.

Concerning the health and the daily affairs of the Imam of the nation, Sister Mostafavi said: I was admitted to his presence before my departure. Thank God he is in perfect health and he carries out his daily tasks, comprising of devotional and political activities, as well as the supervision of family affairs, according to a fixed and regulated schedule.