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12 MAY 1986

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EGYPT

OPPOSITION HEADS DISCUSS RECENT RIOTS WITH PRESIDENT

Cairo AL-AHRAM AL-IQTISADI in Arabic 3 Mar 86 pp 18, 19

[Article by Iman Mustafa: "The President's Meeting with the Opposition"]

[Text] At a meeting which lasted 2 hours, President Husni Mubarak explained the details and consequences of the rioting incidents which flared out in the Pyramids area last Tuesday afternoon and the incidents following them in a number of other areas in Cairo Governorate.

As has been his custom at these meetings, President Mubarak listened to the heads of the opposition parties, who in turn attributed all the events which took place to the political and economic atmosphere in the country.

Fu'ad Siraj-al-Din, chairman of the New Wafd Party, spoke, stating that he condemned all the acts of violence which had occurred and as a former minister of interior considered it necessary to strike out with an iron fist at everyone who caused these acts and to have the arrested persons brought to military trial.

He then shifted the discussion over to parliamentary practice in Egypt and how Dr Rif'at al-Mahjub, chairman of the People's Assembly, was not giving the Wafd deputies in the assembly an equal opportunity. He pointed out that the Wafd and all opposition parties sought cooperation with the government regarding national issues, but the government was not paying heed to what the opposition was raising.

The chairman of the Wafd asserted that his party was not even in favor of peaceful marches, for fear that some destructive elements would infiltrate into these marches, and considered that dialogue was the most suitable language there was in democratic societies.

Khalid Muhyi-al-Din, chairman of the Grouping Party, then spoke. He also condemned the acts of violence and pointed out that his party had been totally restrained in its practices and was not in favor of anything contrary to the system in Egypt. He attributed the reasons for the violence which occurred recently to poor economic conditions and requested of the president a review of the current laws in a manner which would guarantee the

opposition parties real participation. He stated that his party, when it talked about subordination, did not mean to say that Egypt was subordinate to any country; rather, all it wanted was liberation of the Egyptian economy from dependence on the outer world, pointing out that this request was in effect a hope all the peoples of developing countries sought.

The conversation moved over to Eng Ibrahim Shukri, who pointed out that the political practices which occurred in Egypt are to be considered 1 percent of those that occur in the world's countries and called for more generosity on President Mubarak's part, since he has settled on adopting the democratic system, which is one of the most difficult of choices.

The chairman of the Socialist Labor Party said that his party considered that the ones responsible for the events which had occurred were the minister of the interior (formerly Mr Ahmad Rushdi) and the office of state security, to which nothing that the opposition parties are doing is a secret, so how could what is happening in its own home be a secret to it?

The discussion then passed on to Mustafa Kamil Murad, chairman of the Liberal Party, which held the communist and Nasirist current responsible for the events which had taken place and pointed out that these two currents were trying to bring back authoritarian rule and that the first steps in realizing their goal were to eliminate central security. The chairman of the Liberal Party referred to the need to re-form the current structure of the cabinet and called on President Mubarak to assume the premiership of a new cabinet so that it could work to correct conditions.

The turn of the chairman of the al-Ummah Party came. Al-Sabahi talked about the opposition and said that he held its environment totally innocent of what had happened and that the responsibility was that of the government in totality. He presented President Mubarak with a plan for reconciliation with the people in central security and stated that the sections in this draft were based on raising the salaries of people working in central security and that their conscription period should be just 2 years. He also called on President Mubarak to sympathize with the people who had been arrested and not to try them, because the basic cause of their uprising was hunger and misery.

Al-Sabahi asked President Mubarak to review the election laws in a manner which would allow all parties representation in the parliamentary assemblies.

A Weekly Meeting of All Party Heads To Coordinate Their Positions on the Coming Elections

Before the beginning of President Mubarak's meeting with the heads of the opposition parties last Thursday morning, a discussion took place among the heads of the five parties and agreement was reached that the first meeting should take place this afternoon in the Wafd Party headquarters, bringing the heads of the Wafd, Labor, Grouping, Liberal and al-Ummah Parties together to study the possibility of adopting a unified position regarding local assembly elections and re-elections for half of the Consultative Assembly.

Agreement was also reached that this position should be spelled out in final form after five meetings, each of which would be held in the headquarters of one of the five parties. The election laws in effect at present were raised during the president's meeting with the heads of the parties, who expressed the need to amend these laws in a manner which would give all parties and tendencies a chance to be represented in all parliamentary assemblies. This would have the effect of strengthening the groundwork of the democratic experiment.

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EGYPT

TIES WITH SOCIALIST NATIONS DISCUSSED

Cairo THE EGYPTIAN GAZETTE in English 28 Mar 86 p 5

[Text]

Emanating from Egypt's adherence to the principles of non-alignment and its desire to achieve a balance in its relations with the two camps and its belief that without such a balance, no wise diplomacy of a non-aligned country may achieve its aims or safeguard its economic interests, Egypt worked during 1985, to activate its relations with the countries of the Socialist camp. Egyptian/Soviet relations underwent a significant and positive development, particularly after the exchange of Ambassadors between Cairo and Moscow. This was demonstrated by the several visits made by high officials of the two countries in the political, commercial and cultural fields. Egypt took into consideration the interests of its national economy, in view of its need for several industrial projects, which were established with the cooperation of the Soviet Union, for spare parts and the necessary expertise.

Egypt, while her supporting the idea of holding an international peace conference on the Middle East with the participation of the countries concerned, also recognises the importance of the Soviet role in achieving a peaceful settlement of this problem. In this connection the leaders of the two countries exchanged messages concerning the strengthening of their relations especially in the economical, commercial and cultural fields.

There is no doubt the amelioration in the Soviet / Egyptian relationship will reflect positively an Egypt's relations with the rest of the countries of the Socialist camp. In addition to the resumption of diplomatic relations between Egypt and Bulgaria and an agreement to exchange ambassadors, 1985 witnessed an activation of the relations with those countries. President Mubark paid an official visit to Romania on 18th May 1985, during which time an agreement to

increase the trade between the two countries to one billion dollars by the end of 1985 was entered into.

At the Ministerial level the Egyptian Foreign Minister visited Poland and Hungary in June 1985 and the Egyptian Ministers of Information and Supply visited the German Democratic Republic and Hungary. Also, the Minister of Planning visited Yugoslavia in January 1985, during which time negotiations were held in order to strengthen relations between the two countries in the economical, technical and industrial fields and to include the participation of Yugoslavia in several development projects in Egypt. These projects are in such areas as land reclamation, housing, reconstruction, tourism and the metalurgical industries. There was also a great increase in the volume of trade between the two countries during 1985. Also talks were held to activate the Tripartite cooperation agreement among Egypt, India

and Yugoslavia.

Several high officials of the Socialist bloc countries paid official visits to Egypt. The Deputy Prime Minister of the German Democratic Republic and the Minister of Mechanical Engineering and Agricultural Engineering visited Egypt in April 1985. During this visit it was agreed that the two countries will cooperate in the industrial and agricultural fields. Also the Foreign Minister of the German Democratic Republic and Yugoslavia each visited Egypt in January and June respectively of the same year.

Egypt is always seeking to benefit from the expertise of the countries of the Socialist bloc especially in agro-industrial projects, for agricultural machinery which meets the requirements and needs of the Egyptian market and the Egyptian farmers. Egypt is also working to strengthen its relations with those countries through the conclusion of counter-trade agreements.

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CSO: 4500/112

EGYPT

EXPATRIATE ACTIVITIES DESCRIBED BY MINISTER

Cairo THE EGYPTIAN GAZETTE in English 7 Mar 86 p 2

[Text] THE People's Assembly yesterday resumed its session, chaired by the Speaker of the People's Assembly, Dr. Refaat el-Mahgoub. During the session, the Minister of Emigration and Egyptian Expatriates Affairs, Mr. Naguib William Sefein, answered two queries concerning the Ministry's policy which aims to promote relationships between Egyptian expatriates and the motherland.

The Minister pointed out that the 1985-86 plan was drawn up with the object of establishing Egyptian assemblies abroad with distinctive association with other foreign communities. He further said that the establishment of the Egyptian Expatriates General Federation and its executive panel which was formed last September will help unite strong and effective communities abroad, and these communities will be closely connected to the General Federation.

Mr. Sefein also stated that the plan of the ministry includes forming a committee that will study the issue of teaching Arabic to the new

generation, living with their expatriate families. The proposed committee will undertake dispatching Arabic teaching books to Egyptian communities abroad, and will organise tourist trips for the sons of Egyptian expatriates, in collaboration with the Supreme Council of Youth and Sport so as to make them aware of their Egyptian heritage and civilisation. Mr. Sefein affirmed that the Ministry of Egyptian Expatriates Affairs is keen on conducting direct relations with the expatriates in order to get first-hand information about their thoughts and viewpoints regarding the diverse problems of their motherland, and to discuss their troubles, in a bid to find the proper solutions for such problems.

Moreover, the Ministry of Emigration and Egyptian Expatriates Affairs asked the ministries concerned to conduct feasibility studies for the development projects in which Egyptian expatriates could participate. Such studies are sent to them regularly in order to encourage them to take part in the economic schemes in Egypt, said Mr. Sefein. -- GSS.

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EGYPT

MEETING WITH CHINESE DELEGATION APPROVES PROJECT

Cairo THE EGYPTIAN GAZETTE in English 7 Mar 86 p 2

[Text] The International Islamic Company for Economic and Technical Co-operation in China will contribute to reclaiming and cultivating an area covering 4000 feddans in Egypt owned by Waqfs, (public endowment) at Tel Kebir area.

The Egyptian side will finance the project and the Chinese side will render all technical services, besides supplying the necessary equipment and machines needed for irrigation.

This was agreed upon at a meeting held yesterday with a Chinese delegation representing the company and the Deputy Prime Minister and Minister of Agriculture, Dr. Youssef Wali.

Moreover, the Chinese side will form work groups including experts on livestock and poultry production, as well as experts on horticulture and fish breeding. Those experts will collaborate with Egyptian experts to provide other facilities needed for the implementation of the projects within a period of six months.

Following this period the feasibility of the project will be laid down and the agreement will be signed. The Minister of Waqfs (Public Endowment), Dr. Ahmadi Abu Nour, attended the meeting.

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EGYPT

NEW CITY OF NUBARIA TO BE ESTABLISHED

Cairo THE EGYPTIAN HERALD in English 13 Mar p 3

[Text]

THE Higher Committee for Investment and Economic Affairs yesterday approved in principle, the establishment of the new Nubaria City to be located west of the Cairo-Alexandria Desert Road, said the Secretary-General of the Cabinet, Mr Ahmed Radwan.

The city, which will extend from kilo 78 to kilo 81 along the Road, will serve as site to attract sectors of the population, since it is designed to absorb 75,000 families within five years. It will also absorb the expected population increase as a result of land reclamation activities in the area.

The committee, led by Prime Minister Dr Ali Lutfi, also approved the establishment of a unified national network for data transfer by the Ministry of Transport, in

collaboration with the Ministry of Defence, the Academy for Scientific Research and the Central Agency for Mobilisation and Statistics, said Mr Radwan. The costs of the project reach LE 20 million, which will be financed as of the fiscal year 1986-87. The projected advanced network will provide direct connections with information centres worldwide, thus supplying daily information which may help in decision-making related to production and prices.

The committee also discussed the plan of the Cairo governorate for traffic and parking in centre of the city and approved the establishment of two multi-storey garages in the Hussein and el-Bustan areas. The first garage will provide parking for 1,033 cars and the second for 930 cars, a total cost, of

LE 36 million.

Furthermore, Mr Radwan explained that the committee gave its approval for constructing a new hotel in Luxor and four-star villas, including 300 rooms, to be undertaken by the Arab Company for Tourist and Hotel Investment.

In addition, the committee approved several agreements and grants, among which is a Japanese grant of 160 million dollars, which will contribute to the establishment of a series of medical centres and hospitals. The agreements also include one for importing wheat from the US during 1986 and another for obtaining 40,000 tons of wheat from Australia. It also approved a protocol to raise the volume trade exchanged between Egypt and Jordan, to 250 million dollars in 1986.
— GSS.

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CSO: 4500/111

EGYPT

JOINT STUDY FINDS NILE WATER SAFE; CAMPAIGNS AVOID POLLUTION

Cairo THE EGYPTIAN GAZETTE in English 19 Feb 86 p 2

[Text] A joint study conducted by the Ministry of Irrigation in collaboration with the Ministry of Health has proved that Nile water is not polluted and is suitable for irrigation and drinking purposes, said Mr. Fuad Abdul Aziz, Chairman of the Irrigation Authority.

Mr. Abdul Aziz also said that the Ministry of Irrigation is continuously launching campaigns to avoid pollution of Nile water through preventing drainage into the river of waste from cities, factories and river boats.

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CSO: 4500/111

EGYPT

WASTE DISPOSAL, POLLUTION PROBLEMS DISCUSSED

Cairo THE EGYPTIAN GAZETTE in English 26 Mar 86 p 3

[Text]

The problems of waste disposal and air pollution must be seriously addressed by the Government, governorates and residents of Egypt.

The Local Council of the Alexandria Governorate, at a recent meeting, stressed the importance of draining sewage into the desert and allocating desert land for this purpose. The Council, attended by the Governor of Alexandria, Mr. Mohamed Fawzi Moaz, also indicated the importance of using the two sewerage outlets, one located at Sidi Bishr and the other at Qaltbay, prior to the disposal of waste products, due to the dangerous effects of draining sewage directly into either the sea or the desert.

The problem of waste disposal is not a problem encountered solely by the Governorate of Alexandria. All areas on the coast and the Nile are faced with the same problems. Despite the enactment of a law in 1980 to protect the Nile against pollution, factories, hotels, other establishments and the public continue to dispose of waste materials in the river.

Residents and businesses of Egypt must become aware that its rivers and seas are irreplaceable, vital, natural resources, which, once polluted, will require vast funds, expertise and efforts to return to their natural, unaffected state. In fact severe water pollution and consequences such as harm to fish breeding cannot be remedied.

The problems of air pollution should also be addressed. Dr. Abdul Fattah El-Kasr, a professor of science at Cairo University, recently warned of the dangers of air pollution in Cairo. He explained that the city is surrounded by a cloud of hydrocarbons, in addition to the air having a high lead content. These conditions result, primarily, from the noxious emissions from factories and motor vehicles. Continued

exposure to these conditions, over a substantial period of time, can cause cancer and mental retardation. He also pointed out the dangers to both man and animals of the use of insecticides without due caution. All other major cities in the country are faced with the same problems.

The Government is implementing programmes in conjunction with other countries in order to provide more efficient methods of waste disposal, and, as previously indicated, has implemented laws in order to protect the Nile. Neither of these solutions will be effective until all governorates make consistent use of such waste disposal methods and promulgated laws are stringently enforced.

It is the responsibility of the citizens of this country to work with government bodies to eradicate these problems. Disregarding the serious existing and potential problems associated with waste disposal and air pollution will result in ruined, irretrievable resources and will jeopardise public health.

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CSO: 4500/112

EGYPT

ENERGY MINISTER UNVEILS CONSERVATION PLAN

Cairo THE EGYPTIAN GAZETTE in English 20 Mar 86 p 2

[Text] The Minister of Energy, Mr Maher Abaza, yesterday said that a plan has been worked out to rationalise electricity consumption in a bid to reach an annual rate of consumption increase that copes with the rate of economic growth. The Minister pointed out that the rise in electricity consumption reached 15 per cent last year, a rate which was higher than the state's economic growth.

The Minister was speaking after a meeting with directors of electricity distribution companies in the various governorates. He said that the plan will concentrate on providing electricity for productive projects, and decreasing illumination by 50 per cent after midnight.

The local government bodies have been instructed to separate the power grid of streets from the domestic grid in order to be able to decrease illumination. These bodies were also instructed to install special devices to switch the streets light off at the first light of day, said the Minister.

Mr. Abaza also said special condensers will be installed on the unified power grid on certain sites in order to minimise power loss through the transport and distribution networks.

Meanwhile, more attention will be paid to the utilisation of solar energy, especially for heating purposes, said the Minister.

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CSO: 4500/111

EGYPT

PREMIER DISCUSSES SUBSIDY, CROP POLICIES

Cairo AL-JUMHURIYAH in Arabic 27 Mar 86 p 2

[Interview with Premier 'Ali Lutfi by Muhammad al-Hayawan, Isma'il al-Shafi'i and Fu'ad al-Shadhili: "We Are Not a Government of Tranquilizers and We Are Not Seeking Cheap Popularity"]

[Excerpt] This man believes in the press; he considers that it is the mirror of the people and the pulse of the masses. He begins his day at 0500 hours by reading the papers. In his hands the papers turn into lines, question marks and exclamation points. In accordance with these lines, the prime minister's press office starts the extensive activity of searching for the truth and answering the masses' problems.

The prime minister believes, and is right in doing so, that an entity which receives a letter from the prime minister will be anxious to answer it, and therefore he has established an office to answer investors' complaints. The office has also managed to solve many problems. He also has established a followup office which he calls the followup room, or the stimulation room. It plays the role of following up on the execution of decrees issued by the government.

After a tour of the office and the prime minister's ideas, we can say that the man believes very much in speaking frankly to the masses and believes in followup, and at the same time does not believe in tranquilizers and is not seeking cheap popularity.

We began our tour with the prime minister, Dr 'Ali Lutfi, with a group of most blunt questions, because they are what is going on in the citizens' minds.

We said, "'Ali Lutfi's cabinet has faced enormous difficulties and grave political events. Could we could say that it is a bad luck cabinet?"

He said, "Nonetheless, in spite of their grave nature, these events have not brought the cabinet's achievements to a halt. We have not tried to turn these events into an excuse or pretext. Rather, we have actually realized achievements."

We Are Encouraging the Private Sector

The man took hold of a "thick file" but a very organized one, and started to turn the pages in it. The prime minister said,

"We have started the process of guiding spending. In 6 months we have issued a number of decrees, reducing travel allowances, stipulating the maximum for bonuses in joint projects, refusing to allow official pilgrimage missions to include people who have previously performed the obligation, even if at their own expense, failing to issue any greetings from the public sector to public figures, failing to distribute birthday sweets, prohibiting imports of Ramadan dry fruits, which alone will save \$70 million, completing the activities of making purchases abroad on Egyptian territory so that the foreign buyer will come rather than the Egyptian delegation traveling to buy, limiting the number of members of a delegation at three at the most, reducing gifts of banks and companies at new year by 25 percent and reducing the number of people working abroad by 25 percent."

[Question] Why aren't all the missions in a given country in one building?

[Answer] A good idea, but some buildings abroad are owned by the Egyptian government or leased at low rent, and it would be foolish for us to do without them.

[Question] Are there other forms of guidance of spending?

[Answer] A refusal to seek recourse to consulting offices except after study in the Academy of Scientific Research; this will save millions.

[Question] What has the government done for the private sector and investment?

[Answer] The government has been accused of being a government of the private sector and businessmen. The greater the criticism directed against the government in this regard, the more we consider this a success for the government as far as the policy of encouraging the public sector goes.

[Question] Is encouraging the private sector a basic idea of the government's?

[Answer] The matter simply is that my resources are limited and at the same time I need to establish basic, massive projects. Therefore, I encourage the private sector to play a part in increasing production.

400 Permits in 3 Months

[Question] Are there special decrees in this regard?

[Answer] We have settled the dispute on tax exemption for projects in new buildings and refuse to change policies bearing on investment except by consultation with businessmen. We have formed a committee under the chairmanship of Dr al-Janzuri, and it will meet next week.

In a few days customs tariffs will be issued whose goal will be to protect local production and encourage investment.

The government has also established an office for industrial investment in new towns. The investors will obtain permits within a week.

[Question] Has the office been a success?

[Answer] The office issued 400 permits for industrial projects from 1 January to today, because people have capital and want to invest, and they were standing in lines. This is all a gain for industrial production.

We have formed a committee to study importers' applications and solve the problems they have with the government owing to the 5 January decrees, because the government asked for execution and compensation although contracts were halted by force majeure and became void as a result of the issuance of the 5 January decrees.

We have offered loans on easy terms at 4 percent interest to agricultural companies.

[Question] What does the success of this office mean?

[Answer] It means establishing new offices, one for tourist investment, one for agricultural investment and one for special investment. They will be formed in a few days. We encourage the private sector to build private schools and schools for languages.

Special experience exists, because I am the chairman of the board of Port Said schools. Every year 3,000 students apply and 180 of them are accepted. Why shouldn't schools be opened for other people as long as they are prepared to pay the expenses?

A Round Table for Investors

[Question] Are there other steps for investment?

[Answer] Organizing the investment authority itself. We have established an office for investors' complaints and have received hundreds of letters of thanks, because we have solved their problems, since I imagine that a letter which leaves the prime minister's office meets with attention in the ministries concerned, and the response to it comes quickly.

[Question] Is the agreement to encourage investment with America realizing benefits for Egypt?

[Answer] This agreement existed in the offices for 4 years and was completed in a week and signed. It is 100 percent to Egypt's benefit, because it encourages American capital to enter the Egyptian market.

We have agreed to hold a round table conference consisting of 100 businessmen in America and 100 businessmen in Egypt to agree over joint projects to be established in Egypt to increase production.

[Question] What is the story of Decree 121?

[Answer] This decree brings honorable merchants back to the market, because it guarantees pricing of imports in a realistic manner. At the same time, the decree does not mean granting the freedom to import. Rather, the guidance committees are in being and importing is in accordance with the state of the market. However, the decree does calculate the real cost of the commodity, since merchants were compelled to falsify invoices, because they imported at the rate of 180 piasters to the dollar while the government was calculating at the price of 150 piasters to the dollar and honorable merchants left the market as a result. The decree has acknowledged actual conditions and honorable people are coming back once again to deal with the government and with individuals.

[Question] How is the price of the dollar calculated?

[Answer] There is a committee in the Central Bank which meets every 3 months to calculate the actual rate of the dollar and thus invoices will be sound and will be in balance with the market, and we are giving the honorable private sector an impetus to dealing in the market.

Elimination of All Exceptions

[Question] Has the government done anything to bring the principle of equality of opportunity into effect?

[Answer] We have decided to apply the decree eliminating exceptions everywhere, in the universities (we have determined to extend it to al-Azhar University as well) and in education, except for humanitarian cases such as infantile paralysis.

We have also decided to eliminate exceptions regarding rules on appointment and sending people on loan abroad and to eliminate sending designated people on loan.

[Question] Has the cabinet achieved anything regarding prices?

[Answer] We can take cement as an example of that. The price per ton was 125 pounds when the cabinet was formed and in 10 days the price reached 53 pounds per ton, and it was stabilized at that price.

We recently bought a shipment at \$15 per ton, and this is one of the best types of Portland cement. Four new cement production lines were also opened in Egypt over a period of 6 months, producing 3 million tons.

[Question] What have we done for the public sector?

[Answer] For the first time, we are publishing public sector accounts in the papers so that the people will know the truth of the situation. We will organize a conference for money-losing public sector companies.

[Question] Why was the issuance of the public sector bill delayed?

[Answer] It has been issued, and it has started to be put into effect.

We Do Not Work with the Style of Tranquilizers

[Question] Are there steps to encourage domestic production?

[Answer] We will hold a week next April to encourage domestic production in the course of which the public sector shops will cease displaying any imported commodities. I hope that the private sector will respond to us and that we will not impose this on it, because we seek only the interests of Egypt's domestic production.

[Question] A serious decree exists which has been issued by the government but not carried out, the decree to sell local government projects to citizens!

[Answer] This decree in fact lies within the description of non-traditional solutions, because it gives the governorates the opportunity to establish other projects. I have asked the governors to act rapidly regarding these projects so that it will be possible to establish others, so that the wheel of the economy in the governorates can turn.

[Question] Non-traditional decrees are issued by the government, but the important thing is who is carrying them out.

[Answer] The government does not work with the style of tranquilizers. It is not seeking cheap popularity by raising wages and lowering prices on no economic basis, because that is deceiving of the masses, and the government's policy is to speak frankly with the masses and remedy problems in a radical fashion so that they will not reappear. You have for example the problem of sanitary drainage in front of you. We will spend 4 billion pounds on it in Cairo alone, aside from the projects of Alexandria and the other governorates.

Nonetheless, there is a department for followup in the council of ministers which we call the followup room or the stimulation room. The room's task is to follow up on all the government's decrees to guarantee that they are carried out, so that we will not be issuing decrees without results.

[Question] What has the stimulation or followup room done?

[Answer] Work began on the 15 May bridge 18 years ago; we finished it in 6 months. It will be opened in April. The multi-story garages went to the office of the prosecutor but nonetheless they will be opened next month, and a bridge with sidewalks and the Hilwan expressway next month, or May at the latest.

Every Tuesday I receive a followup report on these projects so that we can solve the problems in turn, so that work is not halted.

[Question] Are there other projects for the Greater Cairo area?

[Answer] Replanning of the Pyramid area with young people as was the case with the Citadel. We will start this summer.

By the way, we are preparing for the summer season 3 months in advance of the season. The preparation includes everything, from transportation to supply and beaches, prohibiting loud radios and regulating the private beaches.

Citizens' Complaints

[Question] Is followup taking place on every job?

[Answer] New real estate notification offices have been opened and in 48 hours I sent a council of ministers employee to oversee the situation. I informed the minister of the interior and the minister of justice of the results, so that the people exploiting these offices could be eliminated.

[Question] Some people interpreted President Mubarak's statement to the People's Assembly as calling the government's attention, or a warning or notification.

[Answer] President Mubarak is ambitious, and his inclination is to solve citizens' problems rapidly, because he is a president and leader at the same time. The concept of the leader is that problems are to be solved as quickly as they can be. I view this as confidence in the government, because this means that people have confidence in the government's ability to solve problems overnight.

We act as quickly as possible, and no one can work this way. The ministers are working 20 hours a day. I want you to be well regarded by the masses.

We have plans and programs. Real estate notification and automobile permits, for example; they went through decades with no one developing them. In Egypt there are 124 real estate notification offices. We have already developed 24 offices into model offices. It costs 50,000 pounds to develop a single office.

There is a plan to develop all the other service offices, in electricity for example. I read complaints in a magazine under the title "A Journey of Torment." I contacted our brother Mahir Abazah, the minister of electricity, and asked him to read the complaints and reply to them. He requested a time period of 48 hours. After that period, he said that the whole statement was correct and the citizen making the complaint was 100 percent right. I visited the al-Duqqi electricity office and found it a journey of torment! I issued ministerial decrees that the cashier's office was not to close at 1200 hours but was to keep on until 1600 hours in the afternoon, with additional wages to be given to the citizens. We found that the steps in installing meters totalled 13. A ministerial decree was issued shortening the measures to just three steps.

The execution of the steps has also been combined in a single place and through followup the office has actually been developed and the masses' problems were eliminated in 48 hours.

Differences and Disputes

[Question] Returning to the problems of investment, there is nothing wrong with the general plans, but some details require study.

[Answer] Today the Egyptian investor has the right to establish a project without a feasibility study and without interference from any body, although he must respect the list the government and the Investment Authority issue. I have meetings with them, and we will appoint a deputy for that in a few days.

[Question] Frankly, people say that the council of ministers has not realized achievements because there are disputes among the ministers.

[Answer] To be utterly frank and honest, there is a difference between conflict and disputes on the one hand and differences in views on the other.

There are no disputes and conflicts within the group of ministers or between me and some of them, but there are differences of opinion concerning specific problems, which is something that exists, indeed is desirable, so that some of us can convince others, and the decision the majority agrees on can be issued.

A change is not made in ministries just for change, but rather if there are motives at any time on the country's behalf.

I Support Cash Subsidies

[Question] There has been much talk about people with limited incomes. Would the prime minister agree to a definition of who has limited incomes?

[Answer] Basically they are the government and public sector employees and people on pensions, because their income is limited by a specific law and increases each year by a modest amount which we call a raise. In order to realize social justice, when any economic decision is made, we distance ourselves from people with limited incomes. This is a party commitment and a commitment on the part of the president and the council of ministers that we do not infringe upon people with limited incomes.

[Question] With respect to subsidies, what is the study on the subject of these?

[Answer] Subsidies have been researched to death. It is clear to everyone who has eyes that a disruption exists in this system. Our goal is to bring them to people who are entitled to them easily and conveniently, and on the other hand for me to prevent them from getting to people who are not entitled to them. It is a difficult equation. We are now in the process of coming up with the final touches on two or three solutions to the subject.

[Question] What is the ministers' view regarding cash subsidies?

[Answer] I am a supporter of cash subsidies. However, the opinion lies with the council of ministers, and not me alone; the opinion lies with the majority.

[Question] Why aren't the subsidies at the distribution stage?

[Answer] That is also pertinent as far as the losses of public sector companies which sell to us at a loss are concerned, and the subject is under study.

[Question] What are the estimates on the savings resulting from guidance?

[Answer] The fact is that it is hard to predict them, because some of them require laws; will the People's Assembly give agreement to those or not? There is a technical point known as flexibility. Will the demand for them decline or not?

An Integrated Agricultural Policy

[Question] On the subject of crop composition, will that be realized through laws or through prices?

[Answer] I am a supporter of having the rectification of the crop composition take place through prices, through indoctrination and through the farming of some crops whose prices are not fixed but which are profitable by their nature. You give the people explanations and guide them, and on some occasions give them attractive prices. The price in some cases such as beans has been successful. We had a deficit and were beginning to import. Today, we now have self-sufficiency and export the rest. The price of lentils has not moved sufficiently.

The problem facing us is that the berseem crop yields a very large return. Its price is not fixed and everyone is hastening to cultivate it. We asked for an increase in the price of wheat, and Dr Yusuf Wali, the deputy prime minister and minister of agriculture, offered the council of ministers broad policies which are aimed at making gradual increases in wheat. Consequently we are preparing to establish plants for non-traditional fodder besides berseem. The plan the council of ministers has approved is founded on price, on agricultural mechanization, on soundness in farming, on increased interest in agricultural guidance, increased land reclamation and vertical expansion in land. This is an integrated agricultural policy and we hope that we will be successful in this direction, God willing.

No Retroactive Laws

[Question] With respect to Port Said, what are the prime minister's views?

[Answer] I hope that Port Said will develop into a producers' export industrial city and not a smugglers' consumer import city, but in a calm manner. Port Said's requirements should be studied, for example. We want port expansion, sanitary drainage, telexes, telephones, various facilities and tax exemptions. We are studying all this and responding as much as we can [text ends at this point]

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EGYPT

DEVELOPMENT OF FISH INDUSTRY ENCOURAGED

Cairo THE EGYPTIAN GAZETTE in English 30 Mar 86 p 3

[Text]

EGYPT'S prime location provides it with vast water resources, which include two seas, the Nile River and many lakes, including the High Dam Lake, which is the largest artificial lake in the world. Despite its access to these numerous sources of water, which encompass an area of 12 million feddans, the production of the fishing industry is such that the per capita share of fish does not exceed one kg per year. To further aggravate the situation, a few years ago, the government auctioned-off the Egyptian Overseas Fishing Fleet.

Experiments conducted in the existing fish hatcheries prove that raising the production of fish through the use of hatcheries could be successfully achieved. The statistics derived from the experiments have taken into consideration the amount of fry required for the fertilisation of land cultivated with rice. In order to achieve high levels of fish production, only approximately 20 more artificial hatcheries would be necessary. The cost of importing an artificial hatchery ranges between five and ten million dollars, however, hatcheries are constructed primarily of aluminium and glass, which are available locally. The Ministry of Agriculture, in cooperation with the Ministry of Industry, should undertake the manufacturing of such hatcheries. If necessary, foreign expertise could be employed during the initial operative phases of the hatcheries to ensure that the most efficient procedures are being followed.

The increased number of fry raised in the hatcheries could be used to plant the rivers and lakes in order to increase the number of fish available for commercial fishermen. In addition, the government

should reestablish a sea-going fleet and a smaller fleet should be introduced to the High Dam Lake in order to promote the fishing industry in those areas. The government should also encourage the establishment of fish storage and transportation facilities.

Increasing the availability of fish in the country's marketplaces would effect a reduction in its cost, making it readily available to a larger portion of the population. This is an important aspect, as fish is an important source of protein and, with respect to health, it is a better choice, as it has lower levels of cholesterol, fat and calories than equal portions of beef, eggs and other sources of protein. Additionally, taking the measures necessary to activate the fishing industry would increase the country's revenues from an important, readily-available source and would also increase the number of employment opportunities in the fishing and related sectors.

Through the use of carefully planned, exploitive methods, which include preventing a depletion of fish wealth, a sufficient quantity of fish could be caught, not only to meet domestic requirements, but to provide a surplus to be frozen and exported. A further benefit to be derived from improving the fishing industry would be realised by eliminating the expenditure of foreign currency to import frozen fish.

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12 May 1986

EGYPT

USE, CULTIVATION OF TURNIP SEED OIL EXPLORED

Cairo THE EGYPTIAN GAZETTE in English 19 Mar 86 p 3

[Text] During 1960, Egyptians consumed 99,000 tons of edible oil. The consumption of this product increased to 266,000 tons in 1970 and reached 550,000 tons in 1984. Only approximately 25 per cent of the amount of oil consumed in Egypt is produced locally.

Dr. Badr El-Ahmar, Director of the Oil Crops Research Section, has indicated that 300,000 feddans of a strain of turnip seed, with an eirdicic safety margin greater than the prescribed level of two per cent, will soon be cultivated in order to reduce the discrepancy between the amount of oil consumed and the amount produced domestically. In addition, it will be used as fodder for animals.

The Ministry of Health has approved the use of turnip seed oil (Shalgum oil) for consumption purposes, provided that the percentage of eirdicic acid contained in the oil does not exceed two per cent. A special committee of the Specialised National Council concurred with this decision, as did the United States Food and Drug Administration. Experiments conducted by agricultural researchers proved that the percentage of eirdicic acid in domestic turnip seeds is less than three parts per thousand. This is an important factor, as higher percentages of the acid in the oil render it a toxic substance. Egyptian turnip seed oil was also analysed by French and Canadian experts and their reports confirmed that the percentage of eirdicic acid does not exceed three parts per thousand. Thus, Egyptian turnip seed oil has a safety margin seven times greater than the prescribed level.

The cultivation of turnip seeds for oil is still in its initial phase. During the early experimental stages, only approximately ten feddans of turnip seeds were cultivated. However, after the approval of the Ministry of Health, the area of cultivation was increased to 150 feddans, carried out under the supervision of the Ministry of Agriculture.

Dr. El-Ahmar said that in 1977, the oil extracted from domestic turnip seeds contained between 20 to 25 per cent eirdicic acid, which made the oil dangerous for human consumption. At that time, the Food and Agriculture Organisation (FAO) stated that turnip seed oil should be used for consumption purposes only on the condition that the percentage of eirdicic acid is between eight to ten per cent. The FAO also urged agricultural researchers to develop a

new strain of turnip seed. In which the percentage of acid does not exceed four per cent. As previously indicated, experts later revised the percentage of eirdicid acid determined to be safe. Canadian, French and German scientists and experts succeeded in developing a new strain of turnip seed, in which the percentage of acid in the seed does not exceed three per cent.

Experiments conducted in Egypt used seeds imported from these countries and also seeds obtained from research centres located in Sweden, Denmark, Poland, the Netherlands and Czechoslovakia. The experiments were conducted in agricultural research facilities, affiliated with the Ministry of Agriculture.

Dr. El-Ahmar also indicated that the amount of oil extracted from turnip seeds ranges between 40 and 50 per cent. In comparison with the amount of oil extracted from cotton bolls, which does not exceed 20 per cent. He further indicated that the expanded cultivation of cotton and soya beans was not feasible, as the area cultivated with cotton, alone, could not be increased to more than one million feddans.

The increased cultivation of turnip seeds in order to extract their oil is a wise, innovative move with respect to four areas. The country will be able to provide a greater portion of its citizens' needs for oil, thus reducing the amount of oil presently imported, and, as it will also be used as animal fodder, it will eliminate the waste of vital grain products as animal feed. An additional benefit to be derived from the increased cultivation of turnip seeds will be to provide a surplus for exportation to countries, such as Japan and Algeria, which do not cultivate the seeds, but do import its extracted oil.

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12 May 1986

EGYPT

SOLAR SALT WORKS TO BEGIN PRODUCTION THIS YEAR

Cairo EGYPTIAN GAZETTE in English 16 Apr 86 p 3

[Text] The largest solar salt works is currently under way in the Sebica area of North Sinai and the salt produced will be allocated for both local consumption purposes as well as for export. Production is expected to start before the end of the present year.

The Chairman of the Public Sector Company for Mining and Refractories, Mr. Hosni Ismail, recently inspected the site of the new salt works, escorted by a number of specialised experts in this industry.

Mr. Ismail stated that the establishment of the project comes within the development of an industrial chemical complex project in North Sinai.

The salt works, which forms the nucleus of the integrated complex, will have a productive capacity estimated at 350,000 tons of raw salt annually of which 250,000 tons will be refined.

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EGYPT

RECOMMENDATIONS MADE FOR UNIVERSITY REFORM

Cairo THE EGYPTIAN GAZETTE in English 10 Mar 86 p 3

[Text]

SOME 530,756 students, totalling 20 per cent of the country's population, are now enrolled in Egypt's 11 universities. Due to a number of problems, the universities are unable to adequately cope with the requirements of the students.

An example of such a problem is the fact that 60 per cent of the students are enrolled in the theoretical faculties, despite the saturated labour markets in these areas. The high percentage of students attending these particular faculties places a burden on the members of the teaching and administrative staffs, who are often poorly compensated. Furthermore, the facilities and educational equipment of the universities were not designed to meet the needs of such a large number of students. As a result of these factors, the instructors are unable to meet the educational needs of the students through their enthusiastic application of the most-up-to-date techniques. This method of instruction is necessary, if the students are to become qualified to favourably compete in the modern business community. In addition, instructors are faced with a number of students who are unqualified to undertake their studies and much time is wasted in either attempting to provide compensatory attention to these students or culling them from the classrooms.

A comprehensive analysis of the problems facing the university system must be made by the Ministry of Higher Education and university officials and, thereafter, solutions must be formulated and applied to overcome the problems. One suggestion submitted involves revising the geographical admittance system, in order to eliminate the problems

encountered by the application of this system. Admittance requirements should also be revised, particularly in two areas: raising the grade point average required for a student's admittance, and limiting the number of students allowed to enroll in each university and each field of study. The latter measure should be introduced to provide that the number of students graduated from the specialised fields conforms with the needs of the labour market. Other suggestions include: halting the establishment of new colleges until adequate facilities, administrators and instructors are under contract, and improving the salaries and conditions for instructors and administrators to encourage them to seek employment in the university system and to perform their duties in a professional and zealous manner.

The most vital responsibility of the universities is to provide the country with graduates possessing the knowledge and expertise to successfully participate in the country's development process. Only after all problems facing the universities are eliminated, will they be in a position to fulfil their important duties.

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EGYPT

FAMILY PLANNING EDUCATION FOR IMAMS BEGUN

Cairo THE EGYPTIAN GAZETTE in English 3 Mar 86 p 2

[Text]

BELIEVING in the importance of the religious factor in family-planning campaigns and the role assumed by religious men in this respect, the State Information Service has started this year to organise training courses for imams of mosques nationwide.

A six-day course was sponsored recently in collaboration with the Training and Research Institute for Family Planning in Alexandria. The course was mainly directed towards providing trainees with sufficient information to enable them to carry out their task in the family planning awareness campaigns.

The course tackled topics related to the national policy on the population problem,

the role of the Ministry of Wakfs and religious men in family planning, the social and economic impact of the problem, contraceptives and the religious point of view vis-à-vis family planning.

The programme of the course consisted of lectures given by specialists, in which trainees were given opportunity for discussions. The theoretical material of the course was illustrated by slides and films. Thirty-five imams were invited to attend.

The Director of the National Project for Family Planning in Alexandria, Mr. Sabri Saad, said in a lecture he delivered on the course that the country's population is now 48 million. He added that the population problem has been

diagnosed to be not only the increase in population growth rates but also maldistribution of the population.

He explained that the first national population policy was announced in 1973. As a result of the rather complicated population situation, the first national population conference held last year recommended the establishment of a national population council, consideration the population map drawn up by the conference as a guide for the redistribution of the population, transferring the responsibility of implementing population planning and programmes to local government authorities in the governorates, and holding a national conference biennially to follow up the execution of the recommendations. L- GSS

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12 May 1986

EGYPT

NEARLY TWO MILLION FEMALES EMPLOYED THROUGHOUT COUNTRY

Cairo THE EGYPTIAN GAZETTE in English 28 Feb 86 p 2

[Text] The number of female employees in various sectors in Egypt is almost two million at present, according to the Minister of Insurance and Social Affairs, Dr. Amal Osman. The Minister's remarks were made yesterday in an interview with the Kuwait paper "Al Rai Alaam".

Dr. Osman pointed out that this number represents 15 per cent of the total manpower in Egypt. She affirmed that the employment of women does not represent any sort of threat for the family and the bringing up of children as long as the Government provides the women with the required help to enable her to play her role as a housewife, a mother and an employee.

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EGYPT

MRS MUBARAK MARKS MOTHER'S DAY WITH SPEECH ON WOMEN'S ISSUES

Cairo THE EGYPTIAN GAZETTE in English 21 Mar 86 p 3

[Text] MRS MUBARAK attended yesterday, a celebration organised by the Ministry of Insurance and Social Affairs at the Auditorium of the National Democratic Party (NDP), marking Mother's Day where she delivered a speech in which she urged Egyptian woman to participate effectively in boosting present and future achievements, bearing in mind that motherhood is a most sacred right which does not necessarily impede other duties.

Replying to the calls that urge woman to stay at home, in her natural sphere, Mrs Mubarak stated that the Egyptian woman is free to decide whether she should stay at home or to work, according to her social and economic circumstances. She pointed out that such calls do not comply with national aims and do not help solve the problems of society. Mrs Mubarak further stressed that social and economic development occupies top

priority among the Egyptian woman's ultimate aims, either in the countryside or in cities. Development will not be achieved in the country without an over role for women to play.

Moreover, Mrs Mubarak asked people concerned with the Egyptian woman's issues to combine their efforts to face women's problems as being a part of society's troubles. Mrs Mubarak further said that illiteracy is a grave danger which hinders development and saps potential. At the end of her speech, Mrs Mubarak paid a tribute to mothers throughout the country in every position.

Then, the Minister of Insurance and Social Affairs, Dr Amal Osman indicated that for Mother's Day, the Ministry conducts an annual evaluation of mother care services, urging both public and private sectors to render more services for the increasing needs of such activities.

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ISRAEL

ENERGY MINISTER SHAHAL PROFILED

Tel Aviv HADASHOT in Hebrew 28 Mar 86 pp 20-21.

[Article by Anat Meydan: "Me, a Schemer?"]

[Text] The prince of style: necktie matching the socks, each hair strand in place, and no seat crease, despite the age (50). May or may not be tinting his hair, but one thing is clear: Moshe Shahal does care about the smallest detail. At 9 in the evening, after a whole day of work, he looks as if he had just stepped off the pages of a fashion magazine. His face is as smoothly shaved as in the morning. His office staff admit that they had had a problem, until they decided not to try anymore, because as everyone knows, on a government salary it is difficult to look like Moshe Shahal.

Shahal is a sort of Germanic Iraqi; he hates surprises. His brain is permanently at work composing scenarios and dissecting possible moves. A trip from Jerusalem to Haifa will not be wasted on an insignificant talk or a nap; situation analyses will reverberate in the Volvo. Last week he had a major surprise. The energy minister took the floor in the Knesset with a prepared speech that had previously been circulated among the press. He was planning to attack Shamir who had lost the rule registration. He had figured on a minor storm, but Shamir demanded an explanation and Peres explained that the decision did not come from him. Shahal returned to his seat without delivering the speech.

This week there was the meeting of the Labor Party center. On the trip from Jerusalem to Tel Aviv, the ace of formulations promised: "I will go up on the podium and read the speech to all the members. You will see what pearls there are in it--it would be a pity to waste them. What did I not put in it? Even Alice in Wonderland."

We arrive at the Ohel Shem hall. A rather large festivity had been planned concerning the rotation--how not to keep the promise. Uzi Bar'am opened, Michael Bar Zohar spoke, and then came Efraim Singer and Shim'on Peres. Shahal sat in the first row waiting for his turn. Uzi Bar'am then closed the session, and the speech remained folded up in the pocket of the elegant suit.

The next day, in his Jerusalem office, Shahal was wearing a grey wool suit, starched white shirt, and a blue tie with white dots. I asked how they could have done that to him.

"This topic is a bit painful to me, really is. A politician stands up and says what troubles him and what everyone says in private and a whole row of people stand up in arms and raise an outcry about scheming. What are they in favor of? Of not telling the truth? Whitewashing? In contrast to my image, I am a very sensitive person; I am not immune to all this; I am pained by the fact that I should be thought of as a schemer and that some of our people preach hypocrisy. Even Begin several times cited from the book "The Service Notebook," and interfered in the affairs of the Labor Party. And did someone interrupt him?"

[Question] It is said that the speech that was not delivered had in fact been a planned move, designed to once again stress Peres' moderation.

[Answer] "If Peres thought that up, then it is 1-0 for him; that was indeed the outcome."

In All Modesty...

The essence of Shahal's personality is concentrated in one of his phrases: "I do what is necessary to win; I will never do something with the feeling that I will lose. I do not compromise." That must have started still at the home of the Patel family, where 80 or 90 were not considered good grades: the mother accepted nothing less than 100.

In Baghdad there had been 15 families who could trace their ancestry back to the period of the Second Temple. The Patel family was one of the first four. After the two elder daughters emigrated to Israel, the father closed down his grocery store and in 1950 took his family to Israel. In one interview, Shahal said that his family thought of Erez Yisra'el as the embodiment of perfection. They wore their best clothes to board the plane that would take them there. The first traumatic experience came as soon as they landed: the D.D.T. treatment. The second involved an Immigration agent who promised to keep an eye on some of their possessions, which promptly disappeared. Father Patel could not understand how a Jew in the Holy Land could lie.

The upper crust family from Baghdad was taken by truck to a transitional housing development in Ashqelon. They lived on money brought over from Iraq, but that eventually ran out. Moshe, the first son after four daughters, went to work on repairs on the Ashqelon railway. His mother, by the way, still lives in a new immigrants development in Ashqelon.

The entire family changed their names to the Hebrew Shahal. The desire to become assimilated, for which the name change was only one manifestation, has caused Shahal to reject any attempt to label him as a representative of the eastern communities. "And those born in Poland or Russia should represent the entire nation? David Levy is not a model for me. I followed a different path. I worked hard to attain a position at the top. In all modesty, there are not

many people who can teach me anything new about parliamentary affairs. This proves that my thesis is correct."

Shahal talks about his childhood and his mother with a broad smile and a quiver of emotion in his voice. Although the same emotion surfaces when he talks about a loophole he found in some law, the conversation about the mother in Ashqelon takes on an elevated tone. "No food tastes like mother's. She is without peer. Her cooking is pure Iraqi, beginning with all sorts of stuffed dishes, but only the best, like chicken stuffed with a special rice and lots of meat, raisins, and plums. She makes a wonderful okra dish."

People at the Energy Ministry say that the minister admires his mother above all, from whom he apparently inherited his purposefulness and manic determination to succeed.

Shahal owes his success story to Haifa, of all places. He came north with his wife, Sara. Childhood memories from the transition housing brought him to Wadi Salib. For 3 years he was active in behalf of its inhabitants, until some 280 people were given proper housing. His sense of justice, he says, was honed in his childhood. He is proud of the disability allowance law which he was instrumental in enacting. More than a few people view his solicitude for the poor and the weak as sham piety--the rich extending its protection.

After studying sociology and political sciences at the Haifa University, and in parallel, law at the Tel Aviv University, he opened a law firm. At age 27 he was already a member of the Abba Hushi's city council in Haifa. His firm accumulated money and influence. In 1969 he was elected to the Knesset.

At the time, a rumor was circulating in Haifa that Shahal does not like to remember. It was said that his high school diploma had been tampered with. A Labor Party commission was appointed to clarify the matter. Its conclusions stated: "Shahal admitted before the commission that he had submitted a forged document to the Technological Institute. Nevertheless," the commission ruled, "there is no proof that he himself had falsified the document. Shahal claims that his cousin had done it, without his knowledge." At the 1981 elections someone again brought up the affair. Twelve envelopes containing the story of his high school diploma were slipped into the mail boxes of Knesset members. Shahal was so embarrassed that he did not leave the house for 2 weeks; then he said: "How long can such a thing haunt a person; any youthful mistake is used as a pretext to settle accounts. I do not want to draw comparisons, but someone called my attention to the fact that in Shabetay Tevet it is said that David Ben-Gurion used a fake document to enter the law faculty in [Kushta].

Precisely because he succeeded on his own, without a patron, because his firm became one of the largest in Haifa, and perhaps also because of his elegant appearance, he arouses antagonism. People try to find ways of putting him down. But the experienced lawyer does not provide many opportunities for that. At the office it is said that he instructs his close aides not to write notes for fear that something may fall into the wrong hands and be used against him. Nevertheless, despite this special caution, there have been, at least in the past, cases of people who pursued Shahal. He personally was not attacked, but his car was.

In 1976, when he exposed the affair of the go-between money in the wholesale market, his new Citroen car was burned. In November 1981, his big, new Peugeot 605 was bashed because of a debt of the Haifa branch of the Labor Party. But the most trouble he had with his Mercedes S.L.A. Shahal was in the habit of parking near the Knesset. After attempts to damage it, he began to park his silver Mercedes at a distance and walk the rest of the way. Some people said that he was embarrassed and was trying to be less ostentatious. In the trunk of the Mercedes he used to keep one of the best political archives and a set of clothes. It is said that at the time of the coalition negotiations, he was traveling with Uzi Bar'am to Tel Aviv. When they arrived, Bar'am tore his trousers. Shahal got out of the car, produced a needle and thread of the right color, and went with Bar'am to the rest room, where the latter sewed his trousers.

I Achieved Everything By Myself

Since his appointment as energy minister he has been driving a Volvo. About 2 months ago he managed to sell the Mercedes. He has two other cars at home. "I did not have the Mercedes just to impress," he says. Everyone has a weakness. I do not chase women and do not drink. My weakness was the Mercedes."

But he does have another weakness: his wardrobe. People who visited his villa in Haifa say that his wardrobe can easily keep several boutiques in Tel Aviv in cash. "I insist on buying only Israeli products." Where? "At the Society Boutique in Medina Square."

Shahal is aware of the fact that he has become a target because of his expensive clothes and cars. He does not omit to mention that he feels no need to justify himself: "I achieved everything by myself. I worked hard as a lawyer. I made it, and now I am enjoying my success."

Moshe Shahal now lives on his savings. In accordance with the rules of the "Asher Committee," he receives a set income from the lease of his share of the law firm in Haifa, and fees for closed cases which he handled before his appointment as minister. As a lawyer, one hour of his time was worth \$300. He used to command up to \$20,000 for submitting a file to the High Court of Justice. Once, Shahal estimated his yearly income at \$400,000. Now, as a minister, he hardly makes \$10,000 a year. Aside from that, he has two villas, one in Danya in Haifa, and one in Qesaryiah.

Shahal has successfully blended his Knesset membership with his work as a lawyer. He earned a fortune in the firm of Lipschitz and Solomon in which he was a partner.

The worst criticism directed at him was based on the claim that he had persuaded the entrepreneur Zacharia Drucker to sell the controlling shares of the Drucker construction firm to Solel Boneh. People said at the time that there was a conflict of interests between the Labor Party Knesset member and Drucker's attorney. The deal amounted to \$13 million. Shahal, as Drucker's representative, signed his client's name on the deal while the latter was lying in the intensive care ward. For years after that, whenever he was questioned about the affair, he repeated the same explanation: "Solel Boneh's

board was scheduled to meet the same day. Everything was done at such speed because we feared a leak."

Many dollars flowed into his bank account in the period in which he served as a Knesset member. But we must stress that he also lost a few clients due to the fact that he was in the opposition. Today, as energy minister, he thinks like a lawyer and acts accordingly. He tells with great pride and satisfaction how he caught Yitzhaq Zamir, legal adviser to the government, in a mistake during the affair of the dissolution of the previous Knesset. "Zamir did not take in to account the constitutional law of the government. When I cited this paragraph, Knesset Spokesman Savidor supported my interpretation, and the Knesset was not dissolved. I did not like the press stories that at the time made Savidor into a national hero, but I did not want to spoil his day."

His extensive knowledge in the area of law, 20 hours of work a day and astounding productivity, have brought him close to the prime minister. In the Labor Party it is said that if Shahal was appointed to find oil in Tel Aviv, he would find it; Peres needs such people around him. The coalition agreement with the Likud was the work of Shahal and his law firm associates. The evening before the signing of the agreement they staged a simulation game in his office. Peres, Rabin, and Navon asked questions and did their best to trip Shahal and find holes in the agreement. By the end of the session, Shahal came out pale and exhausted, but satisfied. He is the only one who knows all the small details of this complex agreement, and they are the source of his strength. Peres, it is said, will not take a step without consulting Yossi Beylin and Moshe Shahal. Shahal's staff report midnight telephone calls from the prime minister to Hotel King David, where Shahal spends 5 days of the week. Without batting an eyelid, Shahal marches off to the prime minister's house.

I Must Be Certain...

According to Yaron Ran, Shahal's political aide, Peres and Shahal can wind up a business within the winking of an eye. Years of working together make a lot of talk superfluous. Once, when Shahal was asked why he is so faithful to Shim'on Peres and never responded to Yitzhaq Navon's advances, he replied: "I prefer to die as a man, and not of dysentery."

[Question] What is your official position with Peres as legal adviser?

[Answer] "I do the jobs that the justice minister used to do--for example, Ya'aqov Shimshon Shapira under Golda, and Hayim Tzadok under Rabin. The cabinet did not make a move without them. Today the situation is different. The cabinet is so large that it sometimes seems there are two cabinets. Likud has its justice minister, Moshe Nissim. We, too, need such a function, and I am the one who fulfills it. The impression is sometimes created that I have a finger in every pie. People do not understand that the structure of the cabinet makes it necessary. I have no interest to become involved in matters that do not concern me. But I have to ascertain that everything is as it should be."

[Question] That is precisely the criticism leveled against you. Even your party colleagues dislike your interference.

[Answer]"I do not want to sound as if I were apologizing, but what do they really want; should the minister should arrive at 9 to the office and go to lunch at 12? Who are they complaining about? About a man who cares. I am a member of the legal committee and there is no bill coming to us on which I do not have comments. Let them be angry at me. I interfere because I joined the cabinet with the idea of giving it all my time. It is true that colleagues complain, too--Hayim Bar-Lev, for one. There was a move to turn the civilian guard people into policemen. I said I was opposed to it. Bar-Lev said to me: 'Who told you to read the material?' What do they expect, that I come to the cabinet and not take an interest in what is going on? But he was disturbed."

[Question] What are you actually afraid of, that someone will take you by surprise, that you will be left out of things, and someone will suddenly jump on you with both feet?

[Answer]"Perhaps. I am almost never taken by surprise. That is perhaps a drawback; I am not a spontaneous person."

On his desk at the Energy Ministry everything is arranged in order like at a military parade. On a small side table stand the pictures of his son and daughter, and next to them a small statuette bearing the legend: "light work," which sounds cynical when applied to him. He succeeded Yitzhaq Moda'i to the office of energy minister, but did not change anything, except for bringing his own leather couch, which looks like a gold nugget against the background. It is an ornate couch with a wooden seat and copper inlays.

We never heard so much about oil matters as in the 1 and 1/2 years since Shahal became energy minister. It is said that he works on making wind, which is also a type of energy resource and conservation of which his office is in charge.

In order to ensure that he has time to deal with party matters, he has also surrounded himself with non-political professionals: the director general, Dr. Natan Arad, an expert in energy, and the office adviser, Alfredo Rosenzweig, who works without pay.

He claims to his credit a big barter deal with Mexico and the connection with the Egyptian oil minister.

His feud with his predecessor, Yitzhaq Moda'i, has made headlines. Shahal insisted on lowering oil prices in the country in tandem with international price drops. After many struggles, the result was an 8 percent drop. He had another dispute with the finance minister on the subject of political appointments.

Shahal took care to develop political support bases in the 13 affiliated companies of the Energy Ministry and to put his people in key positions. A large number of the appointments are friends of his from the Haifa branch of the Labor Party, such as Yitzhaq Mesika from the Haifa Workers' Council, and

Shlomo Avitan, secretary of the Association of Professional Seamen.

Last January he decided to cancel the oil exploration rights that had been awarded to the Seismica company.

Books are arranged in perfect order on his office shelves: "Constitutional Trial," Mexico," and in a prominent place, "Business Financial Planning in Conditions of Uncertainty." Shahal thrives on uncertain situations; he is in his best element in such a complex and awkward cabinet.

In the Labor Party it is said that Shahal's formula is dilligence and a lot of slipperiness. His methods are very skilfull. His motto, "Know your enemy," is applied with a smile. The proof is that he is pals with Ari'el Sharon. They tell each other jokes. He tested his stamina in eating [sahug]. He sits next to him in the Knesset. And between a joke and a chuckle he keeps his eyes open. On Monday he mentioned an intensive exchange of notes between Shamir and Sharon, but he did not reveal what was in them. He has also established a special relationship with the orthodox; it was he who arranged the meeting between Rabbi Ovadia Yosef and Shim'on Peres. He ordered his staff to put together, within 3 hours, material on the weekly portion of the Law and on the council of Torah sages, so that Peres would have something to talk about with the honorable rabbi. Another example of his working style: after the funeral of Rabbi Peretz's mother, Sharon's aides were walking on air. They had been at the funeral and had not seen Moshe Shahal there. When Sharon's men thumbed their noses at Shahal's men about it, they were told: Moshe Shahal beat you to it. He went to the home of Rabbi Peretz with condolences. Sharon's people admitted defeat.

[Question] So were did you fail? You have not been forgiven for the Ata failure.

[Answer] "That is right, I failed. To this day I still feel that trauma. I know that people, like the Histadrut secretary general and the secretary general of the Workers Association are angry with me. I also know what they are saying: Shahal, the rich lawyer, identifies with the workers to soothe his conscience. Believe me, I dealt with the Ata business for altruistic reasons. I know the significance of a work day and what it means not to have an experience association. I grew up in poverty, but I never capitalized on that fact. I am convinced that today I am the only one that can address workers with my head held high. The failure was mine, but in point of fact, a whole movement failed in that case. I am angry with our ministers."

[Question] Why did they not support you?

[Answer]"At some point I began to suspect that their considerations were based on ulterior motives. Why give Shahal another victory? We must block the danger named Shahal. The fact is that today, when I am approached, I prefer to keep a low profile ; I cooperate with Gadi Ya'aqobi, for example on the matter of Israel Shipyards, so that people will stop talking."

What Is at the Horizon? The Justice Portfolio

[Question] You only go home to Haifa on weekends. What does your wife have to say about that?

[Answer]"I cannot say that she is happy about the situation. Ever since we got married I worked and studied at a demented pace. She has become rather accustomed and has gone along with it. On Fridays we also have dinner together, the whole family. Sometimes, when the children were younger, we used to go out to a restaurant to teach them gourmet tastes. My greatest worry was that the children would develop frustrations because of my absence from home. Thank God, that did not happen. I have a daughter in the army and a son who is more talented than his father. This year he will graduate in philosophy and literature, and next year will start law. I know that the children admire me, but I do not force my opinions on them. On the contrary, we have our disagreements, most of which I lose."

[Question] You have somehow acquired the image of one who walks between the raindrops. People do not seem to quite know what your political identity is.

[Answer] "I define myself as belonging to the center stream of MAPAI."

[Question] In an interview to MONITIN you said that you were in favor of negotiations with the PLO, thereby getting yourself into trouble. How would you put it today?

[Answer] "Authorized Palestinian representatives who do not belong to the PLO."

[Question] You were opposed to the Lebanon war, but you still voted for it.

[Answer] "If there is anything for which I am angry at myself, this is precisely it."

[Question] What is the next position you dream of?

[Answer] "At this point, my expectations' horizon is the justice portfolio."

[Question] Prime minister?

[Answer] "People who state today what may happen in 8 years are not serious. Those who talk about it come to the starting line already exhausted. I want to be among the horses who go to the start fresh."

That means that he is in the race.

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ISRAEL

CONSUMERS' PURCHASING PATTERNS ANALYZED

Tel Aviv YEDI'OT AHARONOT (7 DAYS supplement) in Hebrew 28 Mar 86 pp 23-24

[Article by Leah Etgar: "The Shopping Mall Craze"]

[Text] Last January--a quiet, normal month in a time of fluctuating economy--the sales turnover at the Ayalon shopping mall in Ramat Gan totalled \$5.2 million. If we take into account the fact that David Azri'eli, the initiator of the mall, brought with him some \$5 million to start the project, there is no doubt that today, somewhat less than a year since its opening, he must be rubbing his hands with satisfaction.

The \$5 million we were talking about were recorded on the cash registers of 62 stores which all belong to Azri'eli. The Canadian investor did not sell the stores, just leased them in return for a percentage of the turnover.

It is estimated that in April, on the eve of Passover, thousands of Israelis will go on a shopping spree. At the Ayalon mall, where the number of businesses will increase to 74 by the time of the holiday, the turnover in April is expected to range around \$8 million, a turnover unprecedented in the history of Israeli business.

Azrie'li believes that this is just the beginning: "This is not a passing fad, but it is a process of natural growth and changing commercial patterns. Israel is about 15-20 years behind what is happening in American commerce."

In the United States there are some 3,000 shopping malls to a population of 250 million. By the same ratio, in tiny Israel there is room for at least 40, which means an average of one mall to every 80,000 inhabitants.

For the time being trade is not booming. However, undertakers and entrepreneurs have grasped the latent potential and at least 10 new centers are now in the planning; the pace of development is slow, perhaps because of conservatism, or because of the economic situation.

Nevertheless, there are new developments: "One Center," a \$18 million project, is now being completed at the entrance to Jerusalem. The center will consist of tens of thousands of square meters of commercial area, four movie houses, and a hotel with over 300 rooms. The promotion campaign for the center will

play on the inferiority complex of the Jerusalemites: "Halt! Why go to Tel Aviv? Do you have a complex? Today you can buy in Jerusalem everything that Tel Aviv has to offer!" The center is built by the Hephtzibah company, belonging to Yona Mordehai, and is scheduled to open next August.

A smaller shopping center, the "Multisales," with 8,000 square meters and a \$8 million investment, opened last month close to the Gelilot crossroads on the Haifa highway. For the time being, the center is dominated by Tnuva's Hypermarket, which is probably the largest retail store in the Middle East. The other stores are less impressive, but the project is scheduled to expand in the coming 3 years and to spread on up to 100 dunams. The undertakers and investors are Uri Even, Nissim Bardjick, and Avraham Filtz, who have merged to form the "Empirikon" company.

The shopping center fashion has spread to Haifa, too. The "Panorama Center" has opened in the center of the Carmel with 5,000 square meters between two 22-story towers, and an investment of some \$38 million was put up by the Federman hoteliers family (75 percent) and Solel Boneh (25 percent).

Also scheduled to open in Haifa is the "Neviyim Center" at Solel Boneh Square, and an additional project that is still at the initial stages, the "Horev Square" in Ahuza.

A new shopping center will also open on the eve of Passover in Kfar Saba with 2,600 square meters and an investment of some \$2 million. In contrast to other centers, the one in Kfar Saba will bear the name of one person, the late Moshe Aharoni. Aharoni, one of the wealthiest men of Kfar Saba, who at the time had donated the land for the Saphir Center and for Bet Sara, put the land at the disposal of the Marlaz building company. Marlaz carried out the construction, Aharoni's two sons are among the managers and the ownership is divided between the Aharoni family and Yona Mordehai, the Jerusalem entrepreneur who is also one of Merlaz owners.

Teverya, too, wants a shopping center. Mayor Yig'al Bibi is casting about for investors. Azrie'li is also planning two additional malls in Bat Yam and Be'er Sheva', and there are plans for one in Netanya and one at the entrance to Nes Ziyona.

The impressive list of shopping centers with which we will be blessed did not crop up out of nowhere. The pioneer was the entrepreneur Arie Filtz, who 12 years ago began building the Dizengoff Center, the first branch of which was opened 8 years ago. Since then, notwithstanding ups and downs, the heart of Dizengoff continued to grow and spread. A prestigious apartment tower is about to be completed; a new northern section and an underground passage are scheduled to open by Passover, and there is talk of adding five movie theaters and a fancy fountain with lights and shades.

Although Filtz is recognized as the pioneering spirit, Dizengoff was not the first shopping center in Israel. It was preceded by the London Ministore in Tel Aviv, which at the time was considered a shopping wonder. The ugly Allenby and Frishmann passages had also been built, but between them and the heart of Dizengoff there is a great distance; to this day, the Dizengoff Center is the

largest shopping center in the country, four times larger than the Ayyalon mall, with some 400 stores, and an unparalleled urban center.

Haiym Topaz, a member of the Dizengoff Center Business Association, estimates that some 40,000 people go through the center on a normal day. During the Purim festival the number of visitors goes up to 100,000. Leases are now going up to close to \$20 per square meter, but there are almost no empty stores.

For the sake of precision we must add that for years the place had been considered a white elephant. Filtz had hired the best Israeli architects, who had gone to the United States and Europe and had returned in a state of great agitation. People who read the ideas they published then, learned about types of construction filled with open spaces, of light and color sensations, and of feelings of movement and rhythm.

The ideas were beautiful. The execution was good. The only trouble was that Filtz sold the stores. Among others, he sold to Jews from Iran, Turkey, and Iraq who lived in London or Teheran. Filtz kept only five percent of the project to himself, and was thus not in a position to put his imprint on the center he had built.

The center became a confused commercial jumble: several boutiques that opened were selling the same wares, each store looked different, and each was on a different level. Some of the store owners had no interest in leasing. Some had difficulties finding renters.

Filtz said at the time that great patience was needed, that the conservative Israelis did not now how to shop at a mall, that he was the first to educate us, and that he had paved the way for Azri'eli and similar entrepreneurs. Today, after the success, the turnover of the center cannot be calculated because of the large number of owners. The Ayyalon mall, which belongs to Azri'eli, has a central control system of the cash registers. At Dizengoff, the sales are rung on the 400 cash registers of the store owners.

Filtz's example served as a warning to the entrepreneurs that followed in his path: in Jerusalem, Ramat Gan, Haifa, and Kfar Saba stores are no longer sold, but leased. Some owners demand \$22-25 per square meter a month, as well as a percentage of the profits. Others, at the Panorama center in Haifa for example, ask \$30 per square meter, but no percentage.

And there are as many theories as there are entrepreneurs: at the Multisales on the Haifa highway and at the small Kfar Saba mall people say there is no need for movie theaters and restaurants because shoppers do not care for entertainment. Others, like Filtz, Federman, and Azrie'li claim: What nonsense! People definitely want to be entertained! A consumer study recently done at the Ayyalon mall showed that 60 percent of the people questioned believed that a mall is for both shopping and entertainment, and that 65 percent of the visitors come with their spouses or family.

In addition to the leanings and views of the entrepreneurs, the shopping centers are also influenced by the characteristics of the public at which they are directed.

In Haifa, for example, all the Panorama stores are closed on Saturday, despite the fact that there is public transportation. Project director Ilan Fink says that the owners refuse to stay open. In proletarian Haifa, stores still close every day between 1 and 4 in the afternoon for the siesta, not to mention Saturday and holidays.

In contrast, most of the stores at Dizengoff Center are open on Saturday evening, and all of the stores at the Ayyalon mall. Some 15,000 visitors come to the mall in the 3-4 hours in which the stores are open.

Studies show that the Saturday night public comes for the entertainment; people come with their wives and children, but only half buy anything or go into the restaurants and movies. It would seem that everything is a matter of habit: the number of curious is steadily dropping, and the number of buyers is increasing. People's attitude to the place may also surprise those familiar with Israeli littering and vandalism.

The word "Kenyon" [Hebrew equivalent of a shopping mall] is an Israeli invention (by the Ramant Gan firm Kanit, and is recorded as a trade name, although it has become almost a synonym to shopping centers throughout the country), but shopping centers are an American invention. After World War II, the exodus to the suburbs intensified in the United States. The price of gasoline was very low, almost every family had a car, and Americans became intent on making life easier. People no longer wanted to travel downtown to do their shopping and to become snarled in traffic jams; they wanted to shop close to home.

That is how the idea of shopping centers was born. Businessmen bought up farm land cheaply and built centers within reasonable driving distance from the surrounding residential neighborhoods with convenient access roads and no parking problems. An average family could come to the center in comfort, spend several hours there, and load all the "finds" straight onto their car.

In America, too, like in Israel, initial reactions to the idea were hesitant. The conservatives among the public said: Nonsense! Americans will not give up their "downtown" trips; they love to see and be seen and will not give up cruising around the movies, theaters, and restaurants.

The stores that bitterly fought the new centers were the big department stores. Some of them brought pressure to bear on the manufacturers while others mounted psychological slander campaigns.

One firm that became convinced of the new way of shopping was Sears & Roebuck. This firm, which specialized in catalogue shopping throughout the continent, opened outlets in shopping centers.

The results did not tarry. The Sears department store network grew rapidly. From a catalogue firm, Sears acquired some 1,000 outlets in the United States.

In contrast to the Sears success story, the shopping centers brought down calamity on another American chain store, Montgomery Ward. This chain missed its opportunity to join the malls and as a result has as good as disappeared from the retail map of the United States.

Most of the American shopping centers were built on a standard pattern: two anchor stores, usually outlets of one of the big chain stores, with smaller shops in between them. In the middle there was usually a center square for shows, leisure, and entertainment. The classical structure of a small town. In the course of time, movie theaters and restaurants were added, and people began to come for entertainment as well as shopping.

The deployment of the stores in the mall is carefully calculated to extract the larger possible amount of money from your pocket without letting you feel or resent it. Thus, for example, you will usually not find two shoe stores one next to the other. If you did not find what you wanted in the first store, it is reasonable to assume that before coming to the next you will find several other things on the way that initially you had not planned on buying.

Today one can purchase almost any conceivable dream in those shopping malls. Cars are displayed in the inner sections, between the shops. Games and merry-go-rounds are available for children. Fairs and shows are organized on holidays.

Before Christmas, the malls turn into live theaters: models of Bethlehem, puppets recounting the story of the birth of Jesus, Santa Claus laden with presents, and Christmas trees.

Americans go out in the millions to shop and to be entertained. That is the most popular national sport. The backdrop consists of water fountains, colorful escalators, video screens, and transparent ceilings. Presents are raffled among the visitors, food is offered freely for sampling, and huge quantities of fast food are sold in-between.

The modern architecture of the shopping centers imparts a feeling of luxury even when the product on sale is junk food: counters and tables are made of attractive wood, everything is colorful, imaginative, and steeped in a sea of plants, light, and gimmicks.

And the system works. Out of each dollar spent by an American, 70 cents are spent at a shopping mall. According to estimates, in the next decade Israelis will spend some 20 percent of their purchasing budget at the new centers that are sprouting up.

Basically, the shopping centers in Israel are directed at social categories ranging from the low to the upper middle. Previous studies made at the Ayyalon mall claimed that the Israeli consumer, even if belonging to the lower strata, will not economize, especially when it comes to his children. On the other hand, the upper 10 percent will still prefer to fly to Rome for their shopping.

In practice, the new shopping centers, with or without shining marble floors, have not become a point of attraction for the lower social categories. People belonging to that strata come to look at the wares and the prices, but end up buying inexpensive clothing at the popular open-air markets such as the Lod market, the Carmel, or the Alyya market.

Mall visitors say that the Israelis, like the Europeans, especially the people of Latin European countries, are conservative: a lower class person will prefer to remain faithful to the owner of his neighborhood store. Everything concerning outside entertainment is considered expensive. His mentality favors a downtown shopping trip. He will not automatically become a mall customer.

In contrast, mall supporters speak of the quality of life. In the current world of trade there is an absolute separation between residential and commercial areas. People do not like to live above stores. The standard of living is rising, and so is the demand for comfort. Despite the afflictions of the Israeli economy, the number of families who own a car, or even two, is increasing. They view driving to a shopping center as a natural lifestyle. Advertizing, whether overt or covert, is bringing the latest novelties into each home. Mall shopping is bound to replace the trip to the closest city.

The first buds of this trend appeared as early as 25 years ago, when the first Israeli supermarket opened on Ben Yehuda Street in Tel Aviv, and the city grocers went on demonstration against this attack on their livelihood. The time of the small shopkeeper living above his store has passed. The Israelis prefer the chain stores.

This phenomenon is particularly prominent in the food sector. Foodstores have acquired gigantic proportions in the past decade. At the new Multisales, for example, the Hypermarket takes up 5,000 square meters. Which means that you have to walk at the least 1/2 kilometer to do your shopping.

The new Kfar Saba center is scheduled to open on the eve of Passover. The mall will be air conditioned in summer and heated in winter. People will buy there "Indian Head," "Gally," and "Teta." They will sit at the "Mozart" cafeteria and eat "Burger Ranch." They will tread on Italian marble, leave their children at the kiddy corner--because Kfar Saba has a young population with small children--hear background music, and from each store they will be able to have a look at their children on close circuit television.

Kfar Saba, a growing town, can serve as a model for the network of malls that may be expected to flood our cities in the coming years.

On the eve of the coming Passover, close to 3 and 1/2 million Hebrew consumers will be on the loose. The shopkeepers are gearing up to compete for their money. For that, in addition to wares, they will provide something extra in order to make it easier for them to part with their money. If you have money, whether little or a lot, you deserve some pampering, too.

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PALESTINIAN AFFAIRS

CONTACTS BETWEEN ORGANIZATION, LEBANESE GOVERNMENT RESUME

London AL-MAJALLAH in Arabic 16-22 Apr 86 pp 12, 13

[Article by Ilyas Harfush: "Hidden Details of the Contacts between 'Arafat and Al-Jumayyil"]

[Text] The violent struggles which have gone on in recent days in the Palestinian camps between the AMAL movement and armed personnel in these camps have put the issue of the Palestinians' return to Lebanon on the table of events. AL-MAJALLAH is publishing two articles and two interviews on this subject. The first article concerns the hidden details of the contacts between the Lebanese president, Amin al-Jumayyil, and the chairman of the Palestine Liberation Organization, Yasir 'Arafat. The second article concerns aspects of the "Katyusha's" return to Lebanon.

The news of the resumed fighting between Palestinian combatants and armed people belonging to the AMAL movement in the Beirut camps has dominated the current political situation in Lebanon, in spite of the complexities and difficulties of this situation. The questions that are being raised on this fighting, which is being repeated for the second time in less than a year, although not over the same period or with the same violence and number of victims, range from the causes to the aftereffects the existing state of hostility between the two groups is leaving on the Palestinian situation in Lebanon and the political situation in Beirut itself.

Anyone following the declarations issued by the Liberation Organization's offices, and media officials in the AMAL organization, will sense this state of hostility. The resistance views what is going on in Beirut as an attempt to liquidate it and eliminate the camps, not just politically but also in human terms, to the point where Mr Yasir 'Arafat, the chairman of the organization, described the "AMAL movement's bombardment of the camps" as "supplementing the Israeli attacks on the camps in the south of Lebanon," and the AMAL movement has considered that these battles "serve only 'Arafat's leadership and the people dealing with him on the Lebanese stage." It said, "The sudden escalation is connected to a group of political and security moves in the region, especially in Lebanon." The AMAL movement requested "intelligent members of the Palestinian people" not to be drawn into such battles and asked for a more effective role in working to stop them from the "Salvation Front" within the camps.

It is clear, in fact, that the latest battles over the Beirut camps are taking place in circumstances different from those of last year, and are taking place particularly in the context of the discussion in which all parties are participating concerning the Palestinian return to Beirut. Abu 'Ammar has been saying for a long time that it is the organization that is running most of the operations against Israeli forces in southern Lebanon, while the AMAL movement and the Hizballah organization deny that. Shaykh Muhammad Husayn Fadlallah replies that the information which alleges that the Palestinians are carrying out most of the resistance operations is "untrue" and the information which various parties are distributing concurs that a number of Palestinian fighting men have returned to Beirut via the airport and ports of Sidon and Tyre, or by land from the al-Shuf area. This figure, by some estimates, comes to 1,600 combatants, while other sources say that they number 3,000, distributed in the Sabra and Shatila camps and principally in the 'Ayn al-Hilwah camp near Sidon.

Forged Passports

It might seem strange at the outset that forces belonging to Mr 'Arafat should be coming in through the ports and areas directly subject to the authority of the AMAL movement and the Syrian forces. However, information which AL-MAJALLAH has obtained from official Lebanese sources indicates that a large number of Palestinian fighting men who have come in or have returned to Beirut have used forged Jordanian or Algerian passports. These sources say that the objective of the Palestinian plan is to tighten control of the areas overlooking the camps militarily and that the execution of it by introducing fighting men into Beirut started last summer, after the first battles of the camps. Political circles in West Beirut confirm the entry of Palestinian fighting men through points subject to the AMAL movement's authority. In this regard the mufti, Shaykh Hasan Khalid, was amazed at the siege the AMAL movement is mounting around the camps and wondered, in a press interview published by a Lebanese magazine, "Why is AMAL carrying out this military siege of the camps while they have not prevented them from coming into Lebanon via the airport or the borders, thus do not want to prevent them or cannot do so? Why do they come to the places where they are living peacefully and where peace-loving people and people who have no connection with the war exist, and besiege them?" At the same time, information transmitted from sources close to Moscow states that Vladimir Poliakov, director of the Middle East department in the Soviet Foreign Ministry, heard a statement from Syrian officials he met during his recent visit to Damascus to the effect that the Syrian authorities know that there are Palestinian fighting men belonging to Mr 'Arafat's command who have entered Beirut via the al-Shuf area (which is subject to the dominance of the Socialist Progressive Party), among other routes and by the knowledge of Syrian forces. This statement came in the context of Poliakov's appeal for the need for the Syrians to cooperate with the efforts exerted to reunify the ranks of the Palestinian resistance. Press information also indicates that Soviet leadership at the highest levels heard the same statement from President Hafiz al-Asad during a secret visit he recently made to Moscow and that the Syrian president confirmed that he had permitted the return of Palestinian fighting men belonging to 'Arafat to southern Lebanon. Palestinian sources also say that "positive" contacts took place in the recent period at a high level

between the Palestinian command and the chairman of the Progressive Party, Mr Walid Jumblatt. These sources are convinced that Mr Jumblatt does not support the prevailing tendency in the AMAL movement regarding the issue of the Beirut camps.

There remains the press information circulating in various milieux concerning an understanding between the Lebanese president, Amin al-Jumayyil, and the Palestinian command on the issue of the return to Lebanon and secret contacts that took place between the Lebanese president and a number of resistance commanders, including Abu Iyad (known for long-standing contacts with al-Jumayyil in Beirut). Abu Iyad did not deny these contacts in a special interview with AL-MAJALLAH.

The people possessing this "information" use the point, to support themselves, that the Palestinians' return to Beirut could be exploited to weaken the Syrian role and that of the AMAL movement, and that ultimately constitutes a part of the service to the Lebanese president in his current dispute with the Syrian authorities. Sources close to President al-Jumayyil have denied to AL-MAJALLAH that al-Jumayyil has carried out any contacts with any Palestinian commander since the resistance's departure from Beirut, except for declared contacts which have occurred in conferences or public meetings. They have said that all that is being bruited about to the contrary is untrue. These sources have also pointed out that the official Lebanese position on the Cairo agreement and the armed Palestinian presence in Lebanon is still the one President al-Jumayyil expressed in the letter he sent to Mr Yasir 'Arafat in November 1982, in which he requested the withdrawal of the Palestinian forces from Lebanon and reorganization of the Palestinian civilian presence on a basis of respect for the right of the Palestinians who entered Lebanon in 1948 to remain on Lebanese territory until their cause is resolved, as has been the case in other Arab countries. This letter pointed out that the Lebanese authorities intended to regulate the condition of the south on the basis of the armistice agreement, regardless of any other subsequent agreements. That was the basis Lebanon relied on in the international Security Council on agreeing to Resolution 425, which demanded that Israel withdraw from the south of Lebanon and that the two countries respect the armistice agreement between themselves, provided that that agreement be a basis for the new security situation in the south. It should be pointed out that 'Arafat answered al-Jumayyil's letter, especially the aspect related to the Cairo agreement, by pointing out that this agreement had been reached on the basis of Arab mediation under the oversight of the League of Arab States and could not be abrogated unilaterally.

Sources close to the Lebanese president cite that he considers what is going on in and around the camps to be the result of an absence of the legitimate security forces which are responsible for controlling order in West Beirut and all Lebanese areas. All groups are acting on the ground as if they were trying to establish internal security among themselves at the expense of the official legitimate security. He considers the Palestinian-Shiite armed struggle to be a manifestation of the absence of this official security in West Beirut.

It should be pointed out that the AMAL movement, whose personnel control broad segments of the sections of West Beirut, especially the areas

surrounding the Palestinian camps, since these constitute the Shiite population concentrations in the outskirts of the capital, is discussing the issue of the Palestinian presence in Lebanon in its official statements and political positions in a language which is not very different from that the Lebanese president uses, in spite of the extensive internal differences between the two groups. The AMAL movement says that the Lebanese legitimate security authorities, in the form of the army and the interior security forces, must bear the responsibility for the security of the camps, as is the case with respect to the camps in various Arab countries where a Palestinian presence is to be observed. This movement also says that the struggle against Israel will not be carried out from the camps of Beirut and that the real role belongs to the national resistance in the south. It is well known that there is a broad dispute between AMAL and the resistance concerning the Palestinian role in the operations the resistance is carrying out in the south against the Israeli forces and those who deal with them.

Apart from positions and statements, the circumstances and political tendencies surrounding the war in the camps are not much different from the circumstances which prevailed in Beirut before the Palestinian departure following the Israeli invasion of 1982. Observers in the Lebanese capital note that the French forces entered Beirut in September 1982 with the other Western forces to guarantee the departure of the Palestinian forces. In April 1986, the French observers withdrew; they were the last of the "multinational forces" to stay, and meanwhile the Liberation Organization declared the return of its fighting men to Lebanon, as if the French withdrawal was a new affirmation of the complete Western withdrawal from the Lebanese crisis.

The Return of the Katyusha

The return of the Palestinians is occurring in conjunction with talk about the return of Katyusha rockets to the northern settlements of Israel. Meanwhile there is talk about a disruption in coordination between the responsible security agencies inside the AMAL movement in Beirut and those assuming responsibility for conditions in the south. The movement's latest conference was a realistic expression of this disruption, in the opinion of observers, since it estranged the real leaders responsible for the movement's activity in the south. The resistance is benefitting from that to a large degree, especially in the 'Ayn al-Hilwa camp and the al-Bass camp near Tyre. Abu 'Ammar says that the Katyusha rockets fired at the Israeli settlements in north Galilee are a political message to the persons concerned, asserting that it is the organization which is running most of the operations against Israel in the south of Lebanon.

In addition to this consideration, it does not appear that the battle of the camps is so much one between AMAL and one wing of the resistance (that is, 'Arafat's wing) as one between AMAL and the inhabitants of the camps. The Salvation Front plays a basic role in the battles going on and in the mediation processes, since it is a party to them. The Syrian leadership is aware of the seriousness of these battles in terms of its political role in Lebanon, because of the reorganization of the ranks of the resistance in favor of the organization leadership. Therefore Syrian observers in West Beirut are exerting great effort to contain the war of the camps. This war is also

accompanied by news of secret communications going on between Damascus and the organization leadership. Informed persons say that the two groups are using the card of the camps as a basic element in these contacts. It might be useful here to remind one that one of the points in dispute between Abu 'Ammar and the secessionists was the departure of the organization chief from Beirut and the charges which occurred in conjunction with this departure.

However, the most serious aspect of the aftereffects of the war of the camps is the effect it is leaving on the security and factional situation in West Beirut itself. It appears that history is repeating itself in this area. In dealing with talk about the extension of AMAL's influence to this region (in which the Sunnites constitute the majority), it appears that the inhabitants of West Beirut view the armed Palestinian presence in a positive manner. The mufti Hasan Khalid, commenting on this presence, says, "To have weapons in everyone's hands and after that for us to ask some people to put the weapons down and others to continue to bear them so that they can commit aggression against people and oppress them without a law is something that is not permissible." The mufti Khalid added, "If we want to apply the law on bearing weapons to the camps, that law must be applied to everyone. For this application to concern just the Palestinians or just some inhabitants of West Beirut, because we want to oppress them, is something that is not acceptable." In this area, the factional situation in West Beirut does not seem different from others in other areas of Lebanon, since factional fragmentation is the slogan of the stage and the slogan of the country.

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PALESTINIAN AFFAIRS

RETURN OF PALESTINIAN FIGHTERS TO LEBANON DISCUSSED

London AL-MAJALLAH in Arabic 16-22 Apr 86 pp 13, 14

[Article by Salih Qallab: "Secret Palestinian Decisions: Preventing the Leaders Who Have Been 'Burnt' from Coming back to Lebanon"]

[Text] The return of the Liberation Organization to Beirut, in the sense of the reconstitution of the "republic of Sabra and al-Fakahani" has surged to the fore in political events in Lebanon, especially in the wake of the Israeli raids which, Israel has declared, were targeted at the FATAH movement's radio station and bases in the outskirts of Sidon and the outbreak of the war of the camps again in a form which to a large extent resembles the war the AMAL movement launched against these camps in Ramadan last year.

The return of the Palestinians in the form that has been raised and about which talk is circulating, that is, Abu 'Ammar's return to the "3 square kilometer republic" in the flank of West Beirut, has raised and is raising many questions related to the political equations which are now being propounded in Lebanon, Palestinian-Syrian relations, which have witnessed positive developments recently, the future of the struggle in the Middle East region following the collapse of the Jordanian-Palestinian agreement and the Liberation Organization's refusal to recognize Security Council resolutions 242 and 338.

While some people's views hold that Abu 'Ammar's return to the Lebanese capital in the form that has been presented, after his banishment from the Lebanese stage twice, first after the Israeli invasion of Lebanon in early September 1982 and second in December 1983 after the famous Tripoli war, affirms that the region is on the verge of very lively developments, the same responsible Palestinian circles deny even the thought of coming back to build the "Sabra republic" and reentering the game of struggles among forces and factions in Lebanon.

A senior Palestinian official says that the return of Palestinian guerrillas belonging to the Palestinian camps on Lebanese territory to their previous positions and camps was not absent from the thinking of the Palestinian leadership for a moment since its departure from Beirut, over the years that have elapsed since that time.

Resolving the Problems

While Palestinian officials' talk about this matter, in the past and later, does not go beyond the assertion that the objective of this return is to defend the Palestinian camps and solve the human problems which have arisen from the new situation as a result of the scattering of thousands of families over the four corners of the earth after the first departure in the wake of the Israeli invasion and the second departure in the wake of the Tripoli war in the north of Lebanon, it is certain that the Palestinian leadership has worked resolutely to seek a new foothold for itself on the Lebanese stage.

This goal has remained with the Palestinian leader from the moment he left Beirut on a Greek ship guarded by American, French and Italian cruisers and airplanes in early September 1982. The first attempt in this regard occurred in conjunction with a new emigration, in which Greek ships once again transported him from the port of Tripoli to the new places of exile where his headquarters and forces were located, in a number of Arab countries.

In the recent period, especially after it was confirmed that the common voyage with Jordan was proceeding toward a dark tunnel and dead end, the Palestinian leadership started thinking seriously about the matter of going back to Lebanon, and held a series of meetings devoted to this issue. A higher leadership committee was formed to supervise this issue, including Salah Khalaf (Abu Iyad), Khalil al-Wazir (Abu Jihad) and Hayil 'Abd-al-Hamid (Abu al-Hawl) among its members.

This committee made stringent decisions and set out permanent conditions on the return to Lebanon, among them:

The non-return of any of the "faces that had been burnt," those belonging to people accused, rightfully or wrongly, of committing great violations in Lebanon during the previous experience.

Disregard for once and for all of the matter of bringing back any of the well known leaders belonging to the FATAH movement's central committee and prominent second echelon officials.

A serious approach to avoid having the previous experience repeat itself and to stay as far as possible from any transformation of the Palestinian resistance into a state within the Lebanese state.

Reliance on young leaders, especially leaders whom the Palestinian camps in Lebanon had brought to the fore.

The formulation of new alliances based on keeping the return from assuming the nature of a challenge of the Syrian presence in Lebanon and the nature of an alignment toward any belligerent group at the expense of the other groups.

From the South to the North

In accordance with advice from a local Lebanese party leader, the Palestinian leadership established the first bridgehead of its effective presence

in southern Lebanon, specifically in the camps surrounding the city of Sidon. The goal in that, as Palestinian officials say, is to give the Palestinian return the form of a confrontation of the Israeli occupation, and not a challenge of any other body, local or non-local.

In this regard, it appears that the Palestinian leadership has chosen the repetition of the previous experience at the end of the sixties, when at the beginning it established a bridgehead for its forces in the al-'Arqub area, to which the foreign journalists gave the name "Fatahland," and then proceeded to extend in the direction of the other areas of the south and Beirut, relying on its allies in the form of the Lebanese national parties and forces.

It is well known that the Palestinian presence in Lebanon continued to be governed by the Cairo agreement reached in the wake of clashes between the Lebanese army and the Palestinian guerrillas in 1969, and continued to be subject to the legitimate Lebanese authorities until the May 1973 events occurred, when the Lebanese army attacked the Palestinian camps and in the course of this period the Islamic areas raised the slogan "If the Lebanese army is the Christians' army, the resistance is the Moslems' army."

By the admission of most Palestinian officials, the Palestinian presence, in the form it assumed following the abovementioned clash and the outbreak of the Lebanese civil war, had many bad features alongside its many positive ones. One of its bad features was that it became enmired in the shifting sands of Lebanon and exerted resources and efforts which were to have been allocated to activity inside the occupied territories. One of its positive aspects was that it stood up to the factional fighting of the sort that has taken place in the past 3 years.

In any event, whatever has been said about the nature of the Palestinian return to Beirut and the actual conditions of this return, AL-MAJALLAH has chosen two senior Liberation Organization leaders who are directly involved with this issue to answer the questions and queries which this return has raised and is raising. The first official is the deputy general commander of the forces of the Palestine revolution, Khalil al-Wazir (Abu Jihad), who is directly concerned with the movements of the Palestinian forces, and the second official is the member of the central committee of the FATAH movement, Salah Khalaf (Abu Iyad), who is in charge of the responsibility for political contacts bearing on Lebanon.

While Abu Jihad asserts that "the era of the Katyusha" has returned to southern Lebanon and that the Cairo agreement survives, Abu Iyad points out that "indirect" contacts with the president of Lebanon, Amin al-Jumayyil, have been unremitting, and he challenges anyone to bring him any proof regarding what is said about the passage of Palestinian forces to Beirut through the port of Juniyah, which the Phalange forces dominate.

SAUDI ARABIA

TOP NEGOTIATOR DISCUSSES OIL-RELATED MATTERS

Beirut AL-IQTISAD WA AL-A'MAL in Arabic Mar 86 pp 66-68

[Interview with Ambassador Ma'mun al-Kurdi: "After Exploratory Contacts, Negotiations with the European Market"]

[Text] Dr Ma'mun al-Kurdi is considered one of the most prominent of the ambassadors working in the Saudi Ministry of Foreign Affairs. However, he assumed a more distinctive and important position in the international context after being assigned by the Cooperation Council of Arab Gulf Countries to make exploratory contacts with international economic groups with the objective of signing economic agreements with them.

The man gained prominence as a proficient negotiator during the preparatory negotiations with the European group, especially those related to the issue of Gulf petrochemicals.

AL-IQTISAD WAL-A'MAL met ambassador al-Kurdi in a conversation on the negotiations underway with the European Common Market and his view of the repercussions of the drop in oil revenues on the region's economies and other subjects. Here is its text:

[Question] How do you evaluate the status and scope for development of the oil market, especially since the goal of the struggle, as it seems, has OPEC as a region and as countries as a target?

Dr al-Kurdi: The kingdom has clearly declared its position that it alone is not able to bear the responsibility of defending prices and has declared that this task is a collective responsibility. The fact is that the developments have led to a new situation. OPEC has now come to defend its share of the market and not prices, because pursuing the struggles of prices and production at the same time is a difficult equation and solving it requires cooperation among all producers inside and outside OPEC. Such cooperation is dictated by the development which is taking place in the conditions of the group of OPEC countries and the group of other countries, since OPEC's production has dropped from about 31 million barrels a day in 1979 to 16 million barrels, while the production of the other countries has risen from about 15 million in 1979 to 29 million barrels now. This means that OPEC has lost control of the initiative in the international oil market.

I believe that a solution to the oil problem is no longer separate from the issue of development in the countries of the third world, especially the issue of the indebtedness of some oil-producing countries which will be compelled to sell at any price to cover their commitments and preserve their international credibility. Therefore, executing any agreement to limit production shares, or any other solution related to oil alone, will be difficult and sincere cooperation among OPEC countries and the industrial countries which have obvious influence over the international institutions concerned, especially the International Monetary Fund, whose duty and interest it is to protect the international monetary system from collapse, will be necessary. For instance, when the United States helps the countries of Latin America, Indonesia, Ecuador and Algeria overcome their financial problems, it is thereby protecting its diverse interests in these countries.

[Question] But what happens is totally the opposite, since the industrial countries pursue policies which lead to the aggravation of problems in a manner which resembles a "war of nerves" between the two sides.

Dr al-Kurdi: The comparison is correct to a large extent. To stabilize the possibilities for development of the situation, it is necessary to study the circumstances of the market. The important question here is to what extent some producers, especially in the industrial countries, can endure the decline in prices. We had heard that these countries had set out a red line which could not be crossed, but the prices have continued to decline, going past all limits. In my opinion the situation of the oil market is now governed by two main factors:

First, the time factor. By that, I mean some producing countries' ability to endure sales at prices below cost for a long period. The majority of producers in the industrial countries calculate production costs now on the basis of current costs only, leaving out the calculation of fixed costs, and they cannot accept that situation for a long period.

Second, a rational, calm evaluation of the consequences of the drop in oil prices and a comparison between the immediate benefits realized and the serious repercussions over the long range. Over the short range, the drop in price will lead to economic revival. Unfortunately, we are hearing about it and not yet seeing it. It is also supposed to be inclusive of all sectors, and this has not happened in spite of the extreme drop in oil prices. Over the long range, excess production will undoubtedly lead to the depletion of wells with all the political repercussions in industrial countries that will entail. More important than that, the current price levels absolutely do not encourage investment in the oil industry field, and this will help reduce the period of drop in prices, which is not in the interests of the world economy or the consumer as a result. Stability in energy markets will have a great effect on economic performance.

I believe that the oil companies bear great responsibility for explaining the dimensions and dangers of the policies now being followed by the industrial countries, but it appears that these companies are "dreaming" of regaining their golden age. One should bear in mind that their dominance in the markets now is greater than it was in the seventies, and the

stabilization of these will occur only through a change in the current circumstances of the market, because a continuation of the latter will lead to the aggravation of the oil companies' problems and the loss of their role, since we are now hearing that some countries such as Japan are trying to diversify energy sources in single establishments, which will permit a shift from the use of hydrocarbons to coal, for example, according to the market circumstances of each. In any event, people who prefer to realize immediate benefits from the drop in oil prices are sacrificing their actual interests over the long range.

[Question] Don't you believe that the industrial countries' ability to endure the consequences of this situation is greater than that of the OPEC countries in general?

Dr al-Kurdi: The saying "the lord of harm is benefit" applies to the repercussions of oil market conditions on the Gulf countries. Negative aspects exist, without a doubt, and are clear to all, but the positive aspects are numerous. Not the least of these is the restoration of the growth rate to a natural situation. For example, the cost of constructing any industrial installation was much higher than the world averages, but we will now be able to reduce the cost to keep abreast of these rates.

[Question] Don't you consider that the retrenchment in oil revenues and what has resulted from them have assumed the form of a shock, and while the private sector is able, as has been noted, to adapt, the public sector seems less flexible, for various considerations?

Dr al-Kurdi: The public sector's activity is set in consequence of premises and strategic goals which are affected not only by oil revenues or international economic conditions alone but also by the change in roles or economic stages in the area. The Gulf governments in general defined a major goal during the past period, which was to create the infrastructure, establish basic industries and encourage the growth of an effective sector of businessmen. This goal has been realized in practice, permitting the shift to another stage where the main role will belong to the private sector. The process of making a shift is not easy and it takes time. As to the adaptation of the public sector, that does not need more than administrative decrees controlling public spending, if any government considers that the country's interests so require.

What is noteworthy in the matter is the faulty reading of the economic situation in the region. The constants are more numerous and important than the variables. The most conspicuous of these is the investment climate; the laws regulating investment and incentives have not changed, and the same goes for financing. The development funds, for example, have paid their capital off in full and have an interest in financing any successful project. It is just the psychological climate which changes. I do not believe that the reason for that can be attributed to economic facts so much as to the businessmen's awe of the new role that is requested of them, that is, bearing greater responsibility in leading economic activity. This means raising the level of risk in carrying out any project. The Gulf businessmen have not been accustomed to this but have in practice been content to benefit from government spending.

[Question] The private sector is now trying to "pull together" its condition and adapt itself to this transitional stage. If we add the prevailing psychological climate, it is possible to say that the businessmen will not venture to invest unless the government plays the role of offering them incentives. Joint projects might be the best way out of this hesitant state.

Dr al-Kurdi: The government's role has not ended, of course, but it is now concentrated on preparing the proper work circumstances for the private sector. The important thing now is that the businessmen rise above the problem of a lack of self-confidence and take the initiative of confronting the facts of the new stage. The government cannot and must not do everything; otherwise, the role of the private sector will remain marginal. The government is now seeking to prompt the private sector to play a part in more than one way, not the last of which is the search for a suitable formula for getting it to share in the results of the negotiations underway between the Cooperation Council countries and the international economic groups. We are in fact currently preparing for the holding of a joint meeting of Gulf and European businessmen. Before the end of the year, a meeting will be held among industrialists in the two areas. These meetings have the objective of attaining:

1. The creation of an organized framework in which businessmen can meet to guarantee mutual acquaintance and personal contact, which is considered the basic factor in establishing any effective cooperation. The meetings will be preceded by good preparation and introduction of the parties taking part in advance, to facilitate and concentrate direct contacts.
2. Deep research into economic circumstances internationally and regionally to arrive at a definition of both parties' requirements and the creation of common denominators for their interests. We also hope that we will arrive at a serious discussion of joint projects it will be possible to carry out.
3. The polling of the views of the sector in both groups regarding the role the governments must play. At the same time, we expect that this sort of grouping will constitute an effective force for pressure in both directions, especially toward the European governments, to adopt positions which respond more to the demands of developing economic relations with the group of Cooperation Council countries. As far as we are concerned, we have a real desire to develop these relations on the basis of our true interests.

I expect that this activity will give an impetus to Gulf businessmen, along with a large degree of moral insurance for their activity. I view it as a charter assembly of businessmen from both sides which can develop in any direction whose feasibility is established, be it sectoral or geographical.

[Question] To what extent could one wager that foreign companies will be interested in investing in the region, not to speak of the possibility of providing feasible investment opportunities which will be persuasive to Gulf businessmen?

Dr al-Kurdi: The interest is limited, based on the feasibility of the investment process, and the issue of cost plays a basic role here, perhaps

because the other factors, such as the presence of the market and financing, are to be found. High cost was one of the reasons why foreign companies avoided investment in the region in the previous stage. Now we observe that things are going back to their normal status, which allows the establishment of projects at less than exaggerated cost. In addition, the attitude toward investment in the area has started to change. Investors sought to attain maximum profits in the shortest possible time, in order to withdraw from the market subsequently. Now we observe that foreign investors are anxious to tie themselves to the area, especially those who have experience in it. It is not just a matter of desire; contracting companies, for example, have found themselves hemmed in between the shrinkage of the Gulf market and the absence of better opportunities outside it. Therefore, it is logical that they should strive to remain in the area through a partial change in their activity in the direction of maintenance and operation. The same is the case with respect to the industrial companies which presumably prefer to establish factories for themselves in the region to losing their market or a large part of it.

[Question] There is no doubt that creating a quantum leap of this kind in the relationship with the industrial countries is very important, but that is supposed to be preceded by preparation of circumstances in the Gulf, especially in the context of the private sector's rising above a state of introversion and hesitancy.

Dr al-Kurdi: That is what is actually happening now. Our considering the Gulf a free trade zone or integrated economic unit makes it mandatory on us to create changes which are radical at times, but at the same time gradual execution in a carefully studied, reasoned manner is necessary, and, it is obvious, aspiring toward foreign markets and failing to settle for opening our markets up to one another, because as a result they are limited and one cannot rely on them to realize an actual leap in development.

[Question] Where have the negotiations bearing on petrochemical products, which are considered one of the main focal points of the comprehensive negotiations with the European market, got?

Dr al-Kurdi: The negotiations taking place are aimed at giving concrete form to a comprehensive agreement on economic cooperation with the European market. We are still in the stage of exploratory contacts, in the light of which it will be possible to say that the issue of trade acquires special importance. The coming negotiations in this regard will be concentrated on three options:

1. Codifying what is in being between the two groups, since the Gulf countries now receive most favored nation treatment although that is not based on an official agreement. It will be possible to develop this formula by forming a working team to increase the commercial benefits between the two groups.
2. Establishing a trade zone between the two groups. That is an exemplary option, but realizing it is of the utmost difficulty in view of the concomitant practical and theoretical circumstances.

3. A commercial agreement realizing more than what the system of most favored nations and less than what the free trade zones realize. I believe that this is the solution closest to execution and logic. We in the Cooperation Council countries are convinced that it is not possible to obtain concessions from major commercial parties without something in exchange. As for the justification for our offering concessions, that is the limited nature of the social dimension of the industrial sector, especially industries bearing on exports. Ours is a consumer society and it relies on imports. This means that any unconsidered confrontation will have many consequences for the broadest groups of consumers. At the same time, our industrial sector is supposed to be provided protection and the operation of balancing these facts is always desirable. As regards the issue of negotiations with Europe regarding our exports to it, one must admit that we are dealing with a group that is small in number, great in strength and broad in authority. I believe that the scope for give and take between us and them on the basis of the interests of the two parties is broad.

[Question] It has been observed in the negotiations regarding petrochemicals exports that the European group has turned to the imposition of new duties at the same time as they are declaring their concern to reach a middle-of-the-road solution with the Council countries.

Dr al-Kurdi: This is also another point which merits a pause for consideration, questioning and analysis. Is this European position strategic and basic or is it tactical? With respect to the latter possibility, their insistence on imposing customs duties might be to expand the margin of maneuver open to them and improve their bargaining cards in the negotiations so that they can avoid offering large concessions. If this possibility is correct, in my opinion it reflects a coarsened European understanding of the Cooperation Council countries' mentality and it reflects an irrational conception of economic relations among countries, relations which are based not on maneuvering but on common interests. By the same logic, our negotiating cards are stronger. The differential benefits Europe offers to the council countries as a group allow the export of goods valued at just 100 million European monetary units, that is, the equivalent of 13 million monetary units in net profit based on an average profit ratio of 13 percent. However, the profits Europe receives from the open council markets are more than a hundredfold.

As regards the former possibility, the imposition of customs tariffs might be founded on a reassessment of the economic power of the region, based on the deterioration of oil prices. That possibility reflects an essential change in Europe's position and if it is correct it reflects "shortsightedness," especially since the negotiations bearing on any agreement such as the one we are talking about take more than 4 years, a period sufficient for important changes in the circumstances of either party to occur.

[Question] It is being repeatedly said that some council countries are studying formulas for imposing customs duties on some European commodities, but in indirect fashion.

Dr al-Kurdi: No decision has been taken in this regard, but there is ongoing coordination among council countries to unify customs duties with the goal

of protecting some domestic industries, and the subject is being studied on all levels. We are in a region which prefers to rely on the method of enticement to arrive at our goals, especially since we have the power of influence which allows us to do that.

[Question] What steps are anticipated in the framework of contacts with the Europeans?

Dr al-Kurdi: We expect that the exploratory contacts will end with the end of next summer, at which time it is presumed that the political decision to enter into negotiations will be taken.

[Question] Do you attach importance to direct contacts with each country in isolation?

Dr al-Kurdi: There is a kind of extreme centralization within the European groups as regards economic relations. The powers of study and negotiation, decision and execution are all confined to Brussels. Direct contacts are useful in the stage prior to the adoption of the political decision to start negotiations, and that is what we are intending to prepare for now.

[Question] What about contacts with other parties, such as America and Japan?

Dr al-Kurdi: The contacts with America are governed by political circumstances. The current year is an election year, and after that we will have to exploit the remaining period of the current administration's term to carry out the agreement with it. We are now intending to carry out exploratory contacts in order to begin the stage of actual negotiations, whose accomplishment I believe will be easier, next year. As for Japan, the contacts will start this month.

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SAUDI ARABIA

PROBLEM OF DELAYED PAYMENTS TO CONTRACTORS REVIEWED

Beirut AL-IQTISAD WA AL-A'MAL in Arabic Mar 86 pp 15, 16

[Article: "The 'Delays' to Contractors in Saudi Arabia: Delays in Payment or Problems in Construction?"]

[Text] There has been much talk recently about the economic situation in the Kingdom of Saudi Arabia, starting with the decline in oil prices and revenues and consequently the retrenchment in the volume of business and construction of new projects. Some media, most of them foreign, have gone so far as to launch a campaign against the kingdom, proceeding from the new situation, under the influence of some contracting companies which consider themselves harmed by the new situation. This campaign is in particular concentrated on the issue of what is called "delays" to contractors, that is, delays in payment to contractors, and, because of the intense repetition of the talk about the delays in the context of the escalation of the Western media campaign, which has made an imprint on this matter, matters have become confused, so that it is now difficult to distinguish between those who are in the right and those who claim to be. Every debtor has started to be hesitant or procrastinate in paying what he owes the banks or others on the argument that the government does not pay him what it owes him, regardless of whether that is true or untrue.

What is the truth of the situation?

1. Theoretically and legally, the government agencies having jurisdiction to pay entitlements to contractors are supposed to delay in the event the latter do not bind themselves to the conditions of the contract signed with them, which contains general and special specifications and conditions, schedules of quantities, blueprints and the like. This is in principle and general form. However, the special cases which are the subject of actual conflict and controversy, and on the basis of which some companies proceed to state that there are delays, lie in the following points and circumstances:

A. Amounts due for the acceleration of construction: scheduling is generally made for the construction of the project, and as a consequence scheduling for payments. In specific cases, in the context of the boom period, some

contractors sped up construction. They constructed for a price greater than that stipulated in the schedule, and the government bodies, in the context of the atmosphere of boom and prosperity, paid what was stipulated in the schedule with the added value that was executed, although it was not bound to do so according to the conditions of the contract. However, in recent years, payment is no longer made except for what is included in the schedule, that is, nothing that is surplus to the phase is paid. The result is that the contractor complains that there is a delay in payment, while it is no more than a matter of its being an application of the conditions of the contract in the context of a new government schedule. The contractor considered the previous situation in effect a right that had been earned and proceeded from that to state that he had delays.

B. The final payment, which represents the final instalment for the final work, in which the financial relationship between the two parties (the person imposing the commitment and the person making it) ends, although the contractor's responsibility for maintenance (usually for a year) is not relinquished. As long as the government body imposing the commitment has not taken delivery of the project, it is not possible to pay out the value of the final payment. The value of the payment is generally 1 to 2 percent of the total value of the contract in the case of Saudi contractors and 10 percent in the case of foreign contractors. Therefore, delays in taking delivery certainly lead to delays in payment, payment of the final payment.

Here is the essential point in the complaint: some contractors, and along with them some of the media, accuse government agencies of delays in payment, and the agencies consider that the failure to take delivery and consequently the failure to pay, that is, pay the value of the final payment, is due to the presence of construction flaws and unless these are remedied by the contractor it will not be possible to take final delivery of the project. This is a technical issue which is flexible and open to broad debate. Thus the two parties trade charges: the contractors concerned, whose number is not large, probably, accuse the government bodies of delaying in taking delivery of the projects in order to delay payment, and the government bodies consider that they have not bound themselves to the conditions of the contract and consequently it is not possible to take delivery of defective projects from them before the flaws are remedied, although these people have exploited the opportunity of a change in general policy to cover errors of construction.

What one can infer from this controversy is that the government bodies acted with greater flexibility in taking delivery of projects in the context of the boom, out of the motive of accelerating development, and in the context of the contraction of the financial boom, as the course of activity started to return to its natural course, with the increase in the expertise of the personnel supervising the execution and delivery, some change occurred in the area of supervision and the taking of delivery. Since the contractors had become accustomed to a certain flexibility, they were surprised by a different style regarding the application of the conditions of the contracts that had been concluded. Thus a cry rose up on the part of some contractors, and along with them some media, concerning the presence of delays and a lack of desire to pay on the part of the government, with an attempt to link

that, on the part of some media, to the economic and financial situation which had newly arisen in the kingdom and consequently an attempt to detract from the kingdom's reputation and credibility as a whole, proceeding from special cases and specific technical and financial problems, to the point where it appeared as if the basic goal of this Western media campaign was to cast doubt on the kingdom's credibility.

C. Additions, that is, increases in jobs to an extent which goes beyond the price stipulated in the contract. What would happen was that the government bodies on many occasions would add on work, by a ratio that would go up to 20 percent although no clauses for that existed in the budget. The contractor would accept these additions although he knew that there were no clauses for them in the budget and that it was likely that their payment would be delayed until the following budget. However, in the climate of the boom, the government bodies concerned would move the sum needed to pay the price of the added work from a section in which there was a surplus to another section. What is happening at present is that the government has started to use its right to pay the price of the additional work only after it is allocated to special sections in the budget, since the contractor has come to realize in advance the impossibility of an advance payment and accepts the risk of waiting. There is no doubt that shifts from one phase to another and the elimination of the problems of additions to a previous phase are accompanied by complaints, especially in light of the contraction in the movement of work.

D. In the framework of the measures bearing on new phases, which helped reveal the conditions of many contracting companies, that is, a drop in the value of advance payments from 20 to 10 percent, a lack of permission to ministries concerned to make payments without a decree in advance on the part of the Ministry of Finance and National Economy, in order to eliminate the element of surprise in the case of the ministry and consequently eliminate the occurrence of any delay in payment, and a drop in the value of these advance payments and their linkup to prior agreement from the Ministry of Finance and National Economy, these have limited many companies' ability to maneuver financially in the context of the decline in the volume of work. In the context of the presence of many projects, these companies would take the prepayment and with it provide themselves with the capital to get easy conditions from banks. That is, they did not have the adequate intrinsic capabilities or sound modern management which would insure them for completion of the work and confrontation of the possibilities of delays in the case of any emergencies. Thus, when the projects were reduced and the government changed the advance payment conditions, these companies found themselves in a dilemma and proceeded to complain and attribute their disturbed situation to the presence of "delays" that they had.

It is true that all these factors combined, in the context of the circumstances of various activities, have started to constitute an element of pressure on the companies' finances, but their occurrence in conjunction with the retrenchment in the volume of work and the tightening up of banking policy has narrowed the margin of maneuver at the disposal of companies which basically do not possess intrinsic capabilities and has faced them with a dilemma. In the case of these companies, they would have met this

fate in the context of the retrenchment in work even if no change had occurred on the part of the government agencies.

Of course there are many other points which were the subject of dispute between the government bodies and certain contracting companies, which all occasioned noise and complaint, but these have been the most conspicuous points. What conclusion can an observer come up with in light of this?

Certainly, specific sums are going back to some contracting companies. However, the failure to pay them is the result of problems related to the extent to which these companies have bound themselves to the conditions of the contracts concluded with them, and above and beyond that the delay in payment in the various cases mentioned takes place in the context of the contracts themselves. However, it seems that some contractors have considered that the government's system in the climate of the boom came to have the force of law, and became in effect a right which they had earned; solid companies cannot build their administrative foundations and financial policy on this basis.

However, more serious than that, there is an attempt on the part of some foreign media to exploit the complaints of some companies and the state of administrative and financial confusion they are going through in order to cast doubts about the kingdom's general financial situation and more important than that the credibility of the country as a whole by this means and through the decline in the volume of work. Saudi circles have been surprised by this campaign of spreading doubts, which has not in practice found any justification. The decline in the volume of work which has led to the disclosure of the conditions of some contracting companies, as a result of the weakness of their administrative and financial structure, basically has absolutely no connection with the country's credibility. The fact is that all companies have been affected by the drop in the volume of work, but Arab companies, which are basically balanced and conservative and function in accordance with specific policies, carefully studied programs and administratively, financially and technically sound work principles, have learned how to adapt themselves to the phenomenon of the rapid, severe retrenchment in the course of work in the kingdom in a manner which will guarantee their survival and perseverance in the market, although that, in the case of a large portion of them, is taking place at the expense of the people working in these companies through their loss of their jobs, which is natural although it is occurring at unnatural speed.

Observers consider that the problems the government bodies and contractors share are not new but are connected to the work itself and will continue as the contracts and problems bearing on their execution, specifications, delivery and the like continue. The strange thing is that the foreign media are trying to abstract this matter from its purely technical character in order to bring it into the framework of the country's general financial situation and the framework of the country's very credibility.

A major contractor commented on this situation by saying that some foreign media have deliberately linked the decline in the volume of work to the country's credibility, something that is to be frowned upon. The government

is still acting as before; all that has changed is the decline in the volume of work. The talk about delays arises from problems which some companies are suffering from, and that is something with which the country has no connection.

This does not mean that delays do not exist, but they result from purely technical problems. Such delays have always existed and are connected to certain points in the contract. They proceed and change with changes in the projects themselves and the nature of contracts. However, these amounts did not in the past constitute basic obstacles to the companies making complaints, in view of the large number of projects they had; rather, this has changed with the scarcity of projects.

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SYRIA

STUDIES PREPARED FOR IRRIGATION, LAND RECLAMATION

Damascus TISHRIN in Arabic 4 Jan 86 p 2

[Article: "Minister of Irrigation: Studies Prepared on Number of Irrigation and Land Reclamation Projects"]

[Text] Engineer 'Abd-al-Rahman Madani, the minister of irrigation, has stressed that a number of complete studies were prepared last year on the country's most important irrigation projects, including dams, land reclamation, and continued prospecting for underground water.

In a statement to a correspondent of THE SYRIAN ARAB NEWS AGENCY, the minister pointed out that President Hafiz al-Asad devotes great attention to the irrigation sector with the purpose of making full use of underground water, running water, such as international rivers, and rain and spring water.

The minister added: Preparatory work was carried out in 1983 and 1984 to achieve a qualitative leap in irrigation and land reclamation. Finishing work for projects already started was also carried out.

Madani noted that a contract was concluded last year with the Public Construction Company to implement a number of projects in the Euphrates basin, such as the East Maskanah project, the first part of the West Maskanah project, an enormous pumping plant in Manbij area, a water carrying canal with a capacity of 95 cubic meters per second, and al-Balikh project.

The minister further added: As for the Lower Euphrates projects, a contract has been concluded with the Ministry Construction Establishment to irrigate 10,000 hectares. A contract has also been concluded to build underground drainage wells, open drains and power lines. Prospecting activities have also been launched at the 6 November [Tishrin] site on the Euphrates River.

Concluding, the minister said: Generally, 1985 was tantamount to a major qualitative leap in building and preparation to complete al-Ba'th Dam and to put the first turbine into operation this year [1986].

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SYRIA

AL-RAQQAH COUNCIL EVALUATES PERFORMANCE OF 5-YEAR PLAN

Damascus TISHRIN in Arabic 1 Jan 86 p 3

[Article by Ziyad Malud: "Al-Raqqah: Governorate Council Meeting Makes Comprehensive Assessment of Implementation of Fifth 5-Year Plan Projects; Production of 85,000 Tons of Maize; 1,604 School Classes Opened, 232 Villages Supplied with Water and 595 Villages Supplied Electricity"]

[Text] This year's final meeting of al-Raqqah Governorate Council, held under the chairmanship of comrade Muhammad Salman, al-Raqqah governor, was attended by the brigadier general in command of the governorate police, by a number of comrades of the party's branch command, by members of the Progressive National Front in the governorate, and by the heads of the government departments. They reviewed comprehensively all the projects implemented during the 5-year plan for the various departments, establishments, and agencies under the local government's control. The review was made on the basis of the executive bureau's report to the council which covers all of the bureau's work and activities in the preceding years and this year.

Bringing The Negligent to Account and Putting an End to Every Existing Flaw

At the outset of the meeting, the comrade governor talked about the major accomplishments achieved in al-Raqqah governorate under the leadership of the blessed corrective movement and of its struggler, leader, Hafiz al-Asad

He asserted that leader Hafiz al-Asad's instructions are working programs to us and that with greater effort and production we will rise to the level of the task entrusted to us by the leader of our nation's procession, comrade struggler Hafiz al-Asad.

Concluding his address, the comrade governor lauded the major role played by the governorate council in watching the ongoing work, whether in implementation of the plans or in connection with the other tasks entrusted to the council, and stressed the need to bring the negligent to account and to put an end to every existing flaw.

Executive Bureau's Report on Agricultural Sector

Al-Raqqah governorate is one of the country's important agricultural governorates and the agricultural report occupied a major part of the discussions by a majority of the council members. We will review here the development of the most important crops as shown in the report.

Cotton Crop:

The report notes that the acreage cultivated with this crop this year amounted to more than 295,000 dunums for both the private and cooperative sectors and that it was cultivated according to the latest agricultural methods. The governorate production is scheduled to amount to more than 85,000 tons. The report points out that the acreage cultivated with this crop a few years ago did not amount to one half the current acreage.

Maize:

Even though this crop is new to al-Raqqah governorate, the government's plan called for the cultivation of 54,650 dunums and this acreage produced nearly 7,000 tons. The report notes that the governorate was not able to implement its plan for this crop because 833 dunums of land in al-Karamah district were exempted from cultivating the crop due to their salinity and because 1,645 other dunums were not cultivated due to the lateness of the wheat crop harvest and because the land was not prepared for cultivation.

Sesame Seed:

Al-Raqqah governorate implemented only 73 percent of its plan for this year, targeted at 28,600 dunums. Numerous steps have been taken to penalize those violating the intensive crop cultivation plan because of the importance of these crops.

Wheat and Barley:

Al-Raqqah is one of the country's main food supply sources and it cultivates vast areas of irrigated and dryland with wheat and barley. In recent years, the general situation concerning these crops has been poor due to drought. The grains purchased last year amounted to 57,000 tons of wheat and 500 tons of barley, valued at nearly 86 million Syrian pounds.

Bi'r al-Hashm Area:

For the first time ever, an area of 10,000 hectares of reclaimed lands in Hawd al-Bulaykh was cultivated this year. Production Cooperatives were formed in this area and it was cultivated with winter crops by the mechanized agriculture branches of the eastern area.

Isma'il al-Hajw, a council member, asked the council chairman to clarify the following points concerning Bi'r al-Hashm project:

The cost per hectare.

The acreage belonging to the cooperative in the project.

The rate of profit to income.

The acreage allocated for private farmers.

The future of the heirs of those working in the cooperatives.

Does the land get a share of the income and does this income go to the cooperative or to the state?

The degree of each cooperative's financial and administrative independence.

The authority that appoints the members of cooperatives' executive boards.

The comrade governor and council chairman said:

It is evident that this major economic project which has cost the state hundreds of millions is one of the offerings of struggler leader Hafiz al-Asad to this generous governorate's children. The cooperative production system is the most advanced cooperative system in the agricultural sector.

He added: Five production cooperatives have been formed for this project on a decree by the party's regional command. The irrigated acreage ownership has been set at 16 hectares per owner. The cooperatives' ownership is public ownership. The state has allocated 5 million Syrian pounds for each cooperative to carry out the cultivation activities and it is preparing the brother farmers in the cooperatives for the democratic election phase. Thus, executive boards will be formed for the cooperatives at the work sites. When a high level of work and knowledge with cooperative production is achieved, we will hold elections for these boards. At present, each member of the executive board of al-Raqqa Farmers Federation has been assigned to supervise the work in one of the cooperatives. The comrade governor also pointed out that the income generated by the cooperatives in this phase of cultivation will go to the cooperatives. As for the land's share of the income, it will be determined by the cooperative's general assembly.

Technical Services Report:

The report outlines the appropriations allocated for the technical service projects and the completion and spending rates in these projects. The report shows that the plan in its entirety has been fully implemented. For example, it was scheduled to build 1,337 elementary classrooms whereas a total of 1,631 were built with an excess of 284 elementary classrooms beyond what had been planned. As for high school education, the plan called for the construction of 211 classrooms for which contracts had been concluded whereas the number built amounted to 267 classrooms, with an increase of 56 beyond what has been scheduled.

As for water projects, more than [figure indistinct] million Syrian pounds were spent on water projects and the plan in its entirety was fully implemented. More than 232 villages with a population of nearly 200,000 people have benefited from the potable water supplied.

As for road projects, the governorate has implemented its plan in full, with more than 144 million Syrian pounds spent on the governorate's road projects.

No discussions were held by the comrade council members on the technical services report because most of the projects included in the plan have been fully implemented. Some questions were raised, however, by a number of the council members on the reasons for the failure to deliver the schools recently built and for the lack of toilet facilities in some schools and the lack of fences in others. Questions were also raised regarding the need to open and pave some roads in Tall 'Abyad area, to asphalt the road leading to Tisghrin Dam and 'Ayid--(al-Kurayn) road, to build a waterline from al-Tabqah reservoir to supply water to 'Ayid Saghirah village; this was also in regard to the water purification project for the towns of al-Thawrah and al-Tabqah, the organization plan for al-Tabqah town, the need to build an annex for the industrial high school in al-Raqqah, the supplying of industrial iron to the students, and the need to supply water to the villages which have not gotten it yet. (Dr 'Abd-Rabbuh al-Tayawi), a council member, wanted to know the reason for the difference in the costs of the construction of some schools and the reason for the high cost of asphaltting per kilometer. He also demanded that the asphaltting fees charged the citizens be reduced.

The director of technical services in al-Raqqah answered the question of the council members saying:

The closing of the toilet facilities in some school is due to misuse. The directorate will repair them and they will be ready within a period of no more than one month.

The asphaltting fee charged the citizen is tied to the cost. The reason for this high fee is the large area of some of the citizen's houses. The fees can be divided into installments to insure their payment within the bounds of the law.

The water cisterns available to the directorate to supply water to thirsty villages are put at the disposal of the administrative heads of the districts and subdistricts. We are now inclined to have the council members participate in drawing up a working plan for these cisterns.

The difference in the costs of the construction of some school is due to more work, to the presence of fences for such schools, to the high costs of some materials, and to the proximity or remoteness of a school. As for awarding the contracts for schools to the public sector, the contracts for most schools have been awarded to the public sector, and this is obligatory. The other school contracts have been awarded to the private sector because the public sector has refused to implement them.

There is a study on a water purification project for al-Thawrah and al-Tabqah towns and the appropriations for implementation have been requested from the authorities concerned.

As for the roads which the brother council members have demanded be built, they have been referred to the authorities concerned to study and implement them as soon as possible.

The governor demanded that the condition of the industrial high school be studied, that efforts be exerted to complete the annex, and that industrial iron be supplied to the comrade students of the industrial high school within the limits of the available resources.

Health Situation.

The report noted the development in this sector through the services offered by al-Raqqah hospital and by the health centers spread throughout the governorate. These are centers supplied with skilled cadre and with modern equipment. The report also notes that the occasion of the country's celebration of the corrective movement anniversary was marked with putting the obstetrics hospital into the service. It also notes that [construction] work is proceeding at a rapid pace in al-Thawrah hospital.

Isma'il al-Hajw pointed out the need to open an artificial kidney section.

(Dr Faysal 'Alwani), the director of health, said that a doctor has been sent abroad to specialize in this field and that the comrade governor is seeking to secure the necessary equipment.

Electricity

The report notes that the number of villages supplied with electricity in 4 years, from 1980 to 1984, amounted to 405 villages, that the plan's governorate for this year includes nearly 190 villages and that the major part of this plan has been implemented.

A number of members demanded that the electricity plan for next year be formulated by the council committees according to priority and population numbers. This demand was approved.

Activity and Implementation Conditions in Education Sector:

The report prepared on this sector asserts that the educational process has been progressing normally in all schools at the various levels and that the education agency continues to be supplied with various specialists to meet the need. The report also notes the inauguration of the institute for training language, mathematics, physics, and chemistry teachers to meet the needs of the governorate's preparatory schools.

Supply Situation:

The report provided the council members with a detailed explanation of the situation of the supply establishments operating in the governorate, noting that the retail sale outlets have amounted to nearly 60 outlets that offer good services to the brother citizens. The report also notes the bread situation and the automatic bakeries' production. It also refers to the work activity in the 'Umran Construction Materials Establishment, noting that some materials needed by the brother citizens have been recently supplied in reasonable quantities.

A council member demanded that a second vegetable shop be opened in al-Thawrah town in addition to the existing shop and that a retail sale center be opened in al-Tabqah town.

The comrade council chairman has issued his instructions for the immediate opening of a vegetable shop in al-Tabqah and has been corresponding with the authorities concerned to open another shop and a retail sale center.

Telecommunications

The report notes that the directorate has fully implemented the plan drawn up for it for this year, especially during the production month. The report adds that the department workers are building the telephone exchange between Tall Abyad and 'Ayn 'Arab which was scheduled to be built by the Aleppo Telecommunications Directorate in 1983.

The last report to be discussed was the report of the town and municipal councils which shows that these councils fully implemented the plan drawn up for them. Only one question was raised by members on the need to repair the internal transports means in al-Raqqah town, to shift al-Hal market from the town to any other place and to organize the center for external travel.

Chairman of al-Raqqah Town Council:

The town council will repair the transport means within the limits of the available resources and on the basis of the condition of each vehicle. The town council will exert its utmost efforts to shift the travel center from the town to another site.

At the conclusion of the council meeting which lasted 2 days, the council approved the normal budget for current operation for 1986. The council also rearranged the budgets of some local agencies. It was agreed to levy some local fees on the brother citizens in return for services offered them in 1986.

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SYRIA

EFFORTS TO DEVELOP ALEPPO SEMIDESERT EXAMINED

Damascus TISHRIN in Arabic 22 Jan 86 p 3

[Article by Mustafa al-Najjar: "Trip to Heart of Semidesert and Visits to Protected Sites and Sites of Afforestation; Cultivation of 4,000 Hectares Out of Total of 22,500 Hectares with Shrubs: (al-Ghada), (al-Rawthah), (al-Rughl al-Suri), and (al-Qutf al-Milhi.)"]

[Text] Agricultural Engineer Samir was enumerating to me the varieties of pasture shrubs contained in (al-'Udami) site at the peripheries of the semi-desert. This is called (al-rawthah), this al-rughl (goosefoot), this al-qutf al-milhi, (sea orach), this (al-ghaf), this (al-saysab) and that (al-ghada).

I spontaneously felt that something binds me to this last shrub, (al-ghada), and I did what any person does when he meets another person about whom he knows nothing, but feels that there is something that binds him to this person or that his face is familiar, namely wonder: Where, when and how?

I had not seen (al-ghada) in my entire life, and I am sure of this. But the name is not strange to me. A series of memories flashes through my mind. Isn't this the shrub mentioned by Malik ibn al-Rubb when he was on his deathbed far from this home, wishing that he was sitting next to (al-ghada) shrub and immortalizing it with the famous verses with which he was eulogized himself:

"Oh how I wish I could spend a night next to (al-ghada), whiling away the time with close friends;
Oh how I wish the caravans never lost sight of (al-ghada);
How I wish (al-ghada) stayed with the caravan night after night."

There is no doubt that this is the very same shrub. This shrub is bigger and prettier than its peers with its bright greenness and its thick shady leaves.

(Al-ghada) shrubs were not as numerous as the others and there were only a few of this shrub next to the administrative office of (al-'Umadi) site which was turned into an actual oasis swarming with life.

Water, trees, birds, and male and female peasants are irrigating this land with water and sweat. There were also two technicians, one of them an agricultural engineer and the other a supervisor. It seems these two have not managed so far to get themselves transferred from this place.

Can we transform the semidesert into something like this beautiful oasis? I addressed this question to Engineer Muhammad Walid al-Hafiz, the director of agriculture in Aleppo, and his answer was: As you see, everything is possible when the resources and the will are present. A few years ago this area, encompassing 1,430 hectares, was a semidesert with no plant and no life.

We are still at the outset of our tour of the Aleppo semidesert and at the first assault position established by the Aleppo Agriculture Directorate to invade the semidesert and restore it to life. Let us halt the description temporarily to listen to scientific words and figures from the sole agricultural engineer on this site.

(Al-'Udami) Site

During our tour of the nursery, Engineer Samir Balkash, the center chief, explained to us how the nursery was created and developed and what efforts have been exerted so far to cultivate pasture shrubs in this site:

We began in 1979 with a small nursery with a capacity of 200,000 seedlings annually. This continued to be the case until 1983 when the nursery was developed and when a new nursery consisting of cement basins with a sprinkler irrigation network and a water tank with a capacity of 500 cubic meters was built. This nursery has an annual capacity of 2 million seedlings. An administration office, a residence and a fence encircling the entire nursery, comprised of 10 hectares, were also built.

In 1985, a 223-meter deep well was drilled, producing an average of 60 cubic meters per hour. A fuel station and an awning for vehicles were built and the center was supplied with three pumps, three power generators, and four agricultural tractors. There were 40-200 workers at the center, depending on the need; they are all daily workers. The center also has an agricultural supervisor and an agricultural engineer and they cooperate with the technicians of the Semidesert Agency to carry out the required tasks, keeping in mind that the nursery cadre calls for three engineers.

But where are the hundreds of agricultural engineers, most of whom are supposed to come from the Aleppo Agricultural Directorate?

Engineer Balkash goes on to add: The cultivation of pasture shrubs was begun in 1980-81 when only 10 hectares were cultivated at the time. In the following year, an area of 450 hectares was cultivated and then an area of 600 hectares. But since the 1981-83 period, the area has been declining, with 270 hectares cultivated in 1983-84 and 100 hectares cultivated in 1984-85.

This acreage has been cultivated with a variety of pasture shrubs such as the local (al-rawthat), at qutf al-milhi (sea orach) and the American, Australian

and Syrian al-rughl (goosefoot). Each of these varieties has its characteristics insofar as drought, salinity, and frost resistance is concerned and in terms of its appeal to livestock. The emphasis is currently put on (al-rawthah), the Syrian al-rughl (goosefoot), and al qutf al-milhi (sea orach) which have proved by experience to be superior to the other varieties.

Other pasture shrubs have also been cultivated experimentally to test their suitability to our semidesert conditions, such as (al-faf) and the black and white varieties of (al-ghada). Seeds of ('aql al-tarfah, al-fassah al-shujayriyah) and jujuba shrubs have been planted in (level) lands. Some of the varieties, such as (al-ghab, al-saysab) and (al-ghada) have produced encouraging initial results.

Likewise, experiments for direct dispersal of artificial seeds was completed and it is clear so far that most of the varieties that are adaptable for this process include al-rawthah al-rughl al-suri (goosefoot), and al-qutf al-milhi (sea orach)., Current studies in the Ministry are supporting direct dispersal as a method for increasing the number of shrubs in the semidesert and the usage of planes in these dispersal operations.

There is also the so-called "Libyan experiment" which is based on cultivating (al-raghal) with barley to produce a complete grazing mixture of al-rughl (goosefoot) and herbage. This experiment has produced promising results. As for tomatoes, they are secured from the mother farms existing in the nursery and are gathered by the workers upon ripening.

It is well known that the exploitation of pasture shrubs begins 3 years after cultivation. This site has already been put to use. Last year, a herd of 70 sheep was allowed to graze certain areas and continued to be present in those areas for 6 months.

There is currently an area of 100 hectares which can be used for pasture and can accomodate a heard of 5,000 sheep.

What we need is a paved 8 kilometer road to link the center with al-Qurbatiyah village because the present road is in poor condition and has potholes which cause the vehicles to break down. We also need to have electricity conveyed at the same distance.

To Another Site

We move in a southeasterly direction or so they said because one traveling in the semidesert for the first time is like one riding the sea. One doesn't know which direction is which because there are no houses, no graveyards, no paved raods and no landmarks. All that falls within sight is the same with countless trodden dirt roads going in every direction.

We continue the trip and cover nearly 25 kilometers in the heart of the semidesert until we see afar a small green spot. There is no doubt it is the site we seek, and it is. Engineer Marwan Abu Shala, the head of the

SemiDesert Agency and our guide on this trip says: This is the second site on which we focus our efforts. We plan to cultivate 10,000 hectares with pasture shrubs on this site.

Where is the water for these vast areas? It comes from the spring we are heading for near the green spot.

Sulfurous Water Spring

Before listening to what Engineer Marwan has to say about the Agricultural Directorate's efforts in this site, called Maraghah site, we will pause before this spring that is gushing in the heart of the semidesert.

Two years ago the directorate drilled a well at this site when the water of the previous well dried up. The directorate drilled to a depth of 316 meters when water flowed automatically from this depth and gushed to a height of 4 meters above ground level. The well was then capped and side outlets were opened in the cap for the water to flow out. Water is still flowing out automatically at the rate of 4 inches (in diameter). It is sulfurous water. It is to be noted that this water is not entirely utilized for irrigation. A part of the water is carried by water tanks to irrigate shrubs and the other part flows to a nearby depression where it gathers. Around this depression wide reeds have grown in abundance.

This spring was the second pleasant surprise to us. Here is the semidesert, which until recently was sought by none but hunters and in which nothing moved, but sheperds with their flocks, showing that it contains resources which, if expolited, can change its face and turn it into a mecca for visitors. A variety of shrubs grow in it and give it greenness; it has fresh and sulfurous water and it is no less significant than sea or forest.

If the sea has its magnificene and the forest its charm, then the semidesert has its peace and tranquillity. I believe that those who have seen sea and forest frequently undoubtedly yearn to visit the semidesert if they had a road to travel on and a place to stay in.

Cannot this sulfurous water that exceeds the agricultural needs be gathered in an artificial lake with an artistic and aesthetic touch to attract tourists to enjoy it and swim in it? There is no doubt that such a lake would be more accessible to Aleppo's population than al-Shaykh 'Isa baths, for example.

But we come back to the word "but."

How can one think of such a thing when there is no paved road in the entire part of the semidesert controlled by Aleppo Governorate, amounting to 225,000 hectares?

Moreover, such a project is within the jurisdiction of the Ministry of Tourism, not of agriculture.

Maraghah Site

Engineer Abu Shala noted that the directorate is currently focusing its efforts on this site due to the availability of large areas on which work can begin presently and said that the plan calls for cultivating 10,000 hectares with pasture shrubs.

In 1984-85, an area of 1,370 hectares was cultivated, in addition to (mechanical) seed-planting experiments in an area of 600 dunums. In 1985-86, an area of 1,200 hectares will be cultivated and an area of 300 dunums will be planted with seeds mechanically.

Other efforts

Are there not other official efforts or efforts by the cooperative or private sector to cultivate pasture shrubs?

Insofar as the official authorities are concerned, there is only the Ministry of Defense which has played a distinguished role in this regard in recent years. It cultivated last year 500 hectares of semidesert with pasture shrubs and is expected to cultivate one half this acreage this year.

Moreover, the cooperative sector exerted efforts in past years to cultivate 1,400 hectares and the private sector cultivated several hundred hectares. But generally, these areas were neglected and most of them have died. The only period in which the private sector worked actively was from 1977 to 1982 when it cultivated 220 hectares which did well. This interest on the part of the private sector was shown in order to take advantage of the aid advanced by the World Food Program.

To Dalbuj Site

We continue our trip and the semidesert remains the same, with a few abandoned mud houses seen at long intervals. We were told that the houses are used only during the grazing season. We then reach a structure built recently to serve the livestock resources in the semidesert. It is called Dalbuj site.

Previously, the site contained an artesian well, with outlets, a drinking trough and a dip tub. It also had a fodder warehouse belonging to al-'Adam Cooperative. But the new structure has been built to be a veterinary care center. It costs amounted to one million Syrian pounds and it will be put to use this year.

In addition to the abovementioned efforts of the Agriculture Directorate in the semidesert, the director of agriculture noted that there are also 6 wells in the semidesert, located in Dalbuj, al-Hammam, ('Alas), Makhlaf, (al-'Udami), and Maraghah and 4 more recently drilled wells in Tabbarat al-Sakhanah, (Khirbat al-Andarin), Rasm al-Kibasrah, and (al-'Udami) to supply water to the livestock resources which are estimated at one million sheep. The directorate also supplies constant veterinary care to these resources.

Encroachments and Farms

During our tour, we encountered some areas in which attempts had been made to cultivate wheat. In his comment on this activity, the head of the SemiDesert Agency said in part that there are two kinds of unvigilant and irresponsible actions that cause the semidesert great damage, namely arbitrary grazing and farming. Such actions are frequent.

Insofar as farming in the prohibited areas is concerned, such farming covered an area of 8,000 hectares in the year before last. Last year, the acreage amounted to 5,000 hectares and this year to 315 hectares, keeping mind that there are exempted parts of the desert where farming is permissible due to the presence of population concentrations. Last year, such farming was permitted in 22,000 hectares. It seems that the perservation measures are not effective yet due to a number of reasons, especially due to the insistence of some influential people to farm such lands.

So we have to meet one of these influential people, talk to him and hear his opinion.

The man met us warmly and hospitably and we talked about the semidesert, about the Agriculture Directorate's efforts to develop it, and about the encroachments committed against this semidesert. The man did not hide his apprehension at the Agriculture Directorate's entry into the semi-desert as an official authority, expressing the belief that this entry will deny them use of the land for sheep pasture and will, consequently, affect the breeding of roaming sheep herds, will reduce their numbers, and will also reduce the number of workers in this activity.

He also cast doubt on the feasibility of cultivating pasture shrubs, saying that they are more harmful than beneficial to the semidesert because they destroy its plant cover. He was not convinced of the agriculture director's opinion that such shrubs preserve the plant cover and encourage the environment's grasses to grow between these shrubs.

On the farming issue, the man said that the farmed acreage of the Aleppo semidesert is small in comparison with the acreage farmed in the entire semidesert and wondered why they are subjected to such harassment, fines, and impoundment of machinery when people like them in the other governorates receive no such treatment.

On Developing SemiDesert

We leave the semidesert in the evening, with silence, darkness and dust engulfing it, and head directly for Mashanah farms where water, greenery, new model villages, and services are abundant.

What has become of all that we heard about semidesert development and preservation in the numerous conferences, symposiums, and meetings held for the purpose? Is developing the semidesert confined to these small efforts exerted by the Agriculture Directorate and which have resulted so far in

cultivating two percent of the semidesert with pasture shrubs? Or does the development require building paved roads and major facilities to serve the inhabitants and the livestock and to ensure for the semidesert real and effective protection that prevents encroachments?

In this regard, the semidesert subcommittee proposes:

Removing the population concentrations in the semidesert, amounting to nearly 70 groupings and comprising nearly 10,000 people altogether, and establishing seven population centers with utilities, schools, and health and veterinary services. The subcommittee proposes the following sites: Dalbuj, al-Mityahah, (Abu al-'Ilaj), (Abu Qutnah), (Judaydat al-'Ujayl), al-Kawasiyah, and (al-'Udami).

Building a main highway that divides Aleppo into two parts--a highway that begins with Dayr al-Sawr highway in the north and passes through the villages of al-Zakiyah, Tall Hassan, al-Kawasiyah, Rasm Hamid, Dalbuj and (al-'Azzah) and extends to Aleppo's borders with Hamah.

Building four subsidiary roads, with the first beginning with Durayhim village and passing through (Qusaybat al-Bubatush) and 'Abdallah al-Hamid village and ending in Dalbuj, with the second beginning with Khanasir, passing through (al-Qurbatiyah) and ending in (al-'Umadi), with the third beginning in Dalbuj, passing through al-Mityaha and ending in (Abu Qutnah) village and with the fourth subsidiary road beginning in (Judaydat al-Bu'ujayl) and ending in Dalbuj center.

Development of the semidesert cannot be achieved through opinions, studies, and proposals. It calls, in addition to all these, for work, efforts and resources made available to accomplish this major task. It especially calls for providing the semidesert inhabitants and their livestock with the means of living.

I don't believe that a few agricultural engineers, a few tractors, and cisterns, and some daily workers can perform the task. I rather believe that the matter requires many times these resources for such afforestation.

As for setting up population centers and supplying them with roads and facilities, this requires involving the resources of agencies other than the Agriculture Directorate. Does not this part of the semidesert, where one million sheep are bred, merit such attention?

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CSO: 4404/263

INDIA

PROGRESS OF INDO-JAPANESE COOPERATION REVIEWED

Madras THE HINDU in English 1 Apr 86 p 9

[Article by K.V. Narain]

[Text]

TOKYO, March 31.

Work is proceeding steadily in both Japan and India to give effect to the various areas of cooperation agreed upon by the two countries when the Prime Minister Mr. Rajiv Gandhi, visited Japan last November.

At that time, the two countries signed a comprehensive agreement in the field of science and technology which provided for the two countries to promote cooperation in such areas as exchange of information, visits and exchanges of scientists and technical personnel, implementation of joint or coordinated projects and programmes for scientific research and technical development.

Three fields of cooperation: Apart from this, the two countries had agreed on three fields of industrial cooperation namely, modernisation of the steel industry, the Railways and the textile industry.

Talks are now under way between the two sides on holding the first meeting of the joint committee on science and technology cooperation provided for under the agreement. The Joint committee will discuss major policy issues on the implementation of the agreement and propose to the two Governments specific measures to step up the cooperation.

According to a well-informed source in the Foreign Ministry here, the Joint Committee's first meeting will be held in the course of this year, although the exact timing is yet to be fixed.

With respect to modernisation of the vast Railway network, a Japanese contact mission was sent to India early in March and technical and other related discussions are now on between the two sides. A comprehensive plan is expected to be ready before the year-end.

On the programme for the steel industry Japan sent a contact mission to India in February, while a full-fledged mission followed late in March. It is now having detailed discussions before coming up with a concrete proposal.

Only financing: In the area of textiles, Japan is waiting for a proposal from India before preparing a feasibility report. While the projects for the Railways and the steel industry involve transfer of technology and management expertise, the programme for the textile industry will involve only financing.

The steel mission, led by a senior official of the Economic Cooperation Bureau of the Foreign Ministry, includes officials from the industry. The composition of the Railways mission will be broadly similar, including high-level technical officials from the Ministry of Transport and the Japan National Railways.

The two major projects for which Japan promised aid during Mr. Gandhi's visit are the Assam gas turbine project and the Sanjay Gandhi Memorial hospital in Lucknow. The aid for the Assam project is in the form of a soft loan and notes on the aid were signed by the two sides last February. Japan has agreed to provide 30 billion yen (nearly \$170 millions) for the project.

For the Sanjay Gandhi Hospital, which is now under construction, the aid will be in the form of a grant. The total cost of the hospital is put at 15.7 billion yen (about Rs. 102 crores), while the cost of the medical equipment is put at 5.5 billion yen (about Rs. 42 crores). Japan will equip the hospital with the most-modern medical facilities and it is now studying the extent to which it can give aid for the project.

Economic cooperation active: Plans for economic cooperation in the private sector are also very active. Hardly a week passes without a delegation or more from some Japanese industrial or trade organisation going to India. In the other direction as well, there is a flood of Indian visitors to Japan.

Cultural exchanges: The two countries have also agreed to promote cultural exchanges between them. The plans are for India to hold a large-scale Festival of India for a six-month period in 1988 in various Japanese cities and for Japan to hold a Japan month in India some time in the Autumn of 1987. The original plan was for a Japan week, but this has been extended to a Japan month.

Mr. S. K. Misra, Secretary-General of the India Festival, came to Japan last January for discussing plans for the India festival and details are now being worked out by officials. Similarly, the programme and other details of

the Japan month are also under discussion.

Expectation of the economic people: Thus, both Governments are working actively to give meat to the points agreed upon by the two Prime Ministers. As the Foreign Ministry official told me: "We want to maintain the momentum in Japan-India ties," adding that Japan expects an assurance from the Government of India that the liberalisation of its economic policies will continue. "This is the expectation of all our economic people. We want to strengthen relations with India in the economic, cultural and all other fields." He pointed out that the two countries had no political issues dividing them.

As regards trade, the two-way exchanges continue to remain rather low, although the pendulum is on the upswing. In 1983, Japan had a surplus of \$300 millions while in 1984, the surplus was reduced to one-tenth or \$35 millions. Japan expects to maintain balanced trade with India in the future.

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CSO: 4600/1640

12 May 1986

INDIA

ANALYST ON REACTION TO U.S. ACTS AGAINST LIBYA

Madras THE HINDU in English 28 Mar 86 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, March 27.

There was intense diplomatic activity in Delhi today over the Libyan developments with the envoys of the two superpowers justifying the positions of their countries in the course of their discussions with the Government of India.

The Soviet Ambassador, Mr. Vassily Rykov, who called on the Secretary in the External Affairs Ministry, Mr. N. P. Jain, yesterday to press for India's intervention in the Security Council, met the Foreign Minister, Mr. B. R. Bhagat, today to urge condemnation of the American action.

The U.S. Ambassador, Mr. John Gunther Dean, met the Foreign Secretary, Mr. Romesh Bhandari, to explain why the U.S. had to take retaliatory measures against Libyan missile boats and coastal installations when they opened fire on American aircraft. Mr. Bhandari reiterated India's concern over this development and urged the U.S. to exercise restraint by refraining from further military actions.

India's initiative: The Libyan Charge d'Affaires in Delhi, Mr. Omar Ahmed Jadallah Al-Aukali, also called at the External Affairs Ministry to apprise the Government of India about the situation. Mr. Jain, who met him, explained that as Chairman of the non-aligned movement, India had already voiced its concern and deplored the American action.

He said that it was at India's initiative that the Coordination Bureau at the U.N. adopted a strongly worded resolution condemning the U.S. attack on the Libyan missile boats and shore installations as an act of aggression. The resolution called upon the U.S. to refrain from interference and intervention.

There was a high level meeting at the Ministry of External Affairs to review the Indian position and come forward with a more outspoken expression of concern before the three envoys came in to explain their respective positions. The Government felt that its muted criticism was likely to be misunderstood by other non-aligned countries, especially in the wake of the bitter feelings aroused in the Arab world by the American action.

It was therefore decided to come out with sharper criticism in Delhi, besides sponsoring a strongly worded resolution by the non-aligned Coordination Bureau at the U.N. But at the same time, as a victim of international terrorism India continues to deplore any encouragement offered by Libya or any other country to those indulging in violence.

/12828

CSO: 4600/1614

INDIA

EXILE ALLEGES U.S. USE OF BASES IN PAKISTAN

Bombay THE TIMES OF INDIA in English 31 Mar 86 p 1

[Text]

PAKISTAN has provided certain key facilities to the United States armed forces on the strategically important Makran coast.

A number of airstrips are being newly built or strengthened under a secret understanding, according to Mr. Attaullah Mengal, former chief minister of Baluchistan.

Mr. Mengal, who is living in exile here, said today that the visit of U.S. warships to Karachi earlier this month was very significant and highlighted the fact that "our country under Gen Zia-ul-Haq is mortgaged to Washington." The visit was obviously linked to the facilities provided by the Zia regime, he added.

Dismissing as "ridiculous" Islamabad's assertion that the visit was only for recreation, Mr. Mengal asked: "Recreation in Karachi". What do American servicemen get in place like Karachi when they have better facilities on board their ships? I am told, however, that call girls from all over Pakistan had rushed to Karachi."

Mr. Mengal said that three airstrips at Pasni, Jiwni and Gwadar on a Makran coast of Baluchistan had just been improved and strengthened to enable jet aircraft to land there.

An airstrip capable of taking jets had been constructed at Panjgaur which is close to Iran.

An airport with a 3,000-metre (10,000 feet) runways was being built at Chagai, a district close to the Iranian border. The project is funded by Saudi Arabia and the airport is being con-

structed for use by Arab sheikhs who come for hunting to Pakistan, he added.

More than a dozen U.S. personnel, he said, were based in Quetta, living there in a house belonging to a former Pakistani minister. A monitoring system had been installed at Gwadar by them for use by the U.S. rapid deployment force which would use Karachi and other places in the event of any conflict, as per the understanding.

According to Mr. Mengal, a network of roads from Karachi to various points on the Makran coast had been built to provide for supply lines to any U.S. rapid deployment force.

The construction of the roads was financed by Kuwait, he alleged.

Saudi Arabia was also financing establishment of Islamic institutions in remote parts of the Makran division. In fact, Islamic universities are being set up at places even with small populations, he added.

"The strategy is clear. The U.S. will protect its oil and other strategic interests in the region with the help of Pakistan and some of the sheikhs.

"In return, the sheikhs are being looked after by the Americans and Pakistan. Meanwhile, Pakistan is getting deeper and deeper involved into playing the U.S. game," he added.

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CSO: 4600/1623

INDIA

REPORTAGE ON VISIT OF BRITISH FOREIGN SECRETARY

Analyst on Expectations

Madras THE HINDU in English 31 Mar 86 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, March 30:

Two important Foreign Ministers from Western Europe—the British Foreign Secretary, Sir Geoffrey Howe, and the Swiss Vice-President in charge of Foreign Affairs, Mr. Pierre Aubert, who will be President of his country next year—arrived in India tonight for wide-ranging discussions on matters of interest to them.

The British Foreign Secretary is arriving on the sub-continental scene at a time when India is facing the gravest challenge to its internal security since independence, while the Swiss Vice-President is paying his first ever visit to this country to provide a broader bilateral base to the very close and cordial Indo-Swiss relations.

As an old imperial power which had ruled the sub-continent for over two centuries, Britain has to bear the cross for many things that go wrong from time to time in Indo-British relations. Though the worst is over, the Government of India continues to hold an accusing finger at Britain for its reluctance to take sterner action against the Sikh extremists operating from Britain.

Differing perceptions: The British Foreign Secretary is visiting India primarily to assuage India's ruffled feelings and assure all concerned that Britain is no less concerned about the activities of these extremists operating from the United Kingdom. But the perceptions of the two countries on how to cope with this problem seemed to differ, with the result that India has been accusing Britain of adopting an overly tolerant attitude towards these extremists which, in the view of critics in Delhi, amounts to condoning their anti-Indian campaign.

The two governments have been discussing the pros and cons of a more comprehensive extradition treaty that would enable India to bring those involved in serious crimes to trial in this country, without merely extending the Anti-Terrorist Act to cover offences committed against it. The British law, as it stands, gives the benefit of doubt to the accused in the absence of con-

clusive evidence, which is not adequate in dealing with terrorists preaching and indulging in political violence.

Strains on trade: All these aspects, which have been gone through in great detail during official level talks, would be discussed in greater depth during Sir Geoffrey's meetings with the Prime Minister, Mr. Rajiv Gandhi, and the External Affairs Minister, Mr. B. R. Bhagat, in Delhi. There are also other problems that have cropped up in Indo-British relations in the wake of the Punjab fall-out that will come up for discussion on this occasion. Though India has decided to buy Westland helicopters and acquire an aircraft-carrier, along with designs for indigenous manufacture of a more advanced version during 1990s, the bilateral economic relationship between the two countries has suffered as a result of the strains generated by the Punjab crisis and also the increasing involvement of British mercenaries in Sri Lankan military operations to subdue the Tamil population.

As a close confidant and senior colleague of the British Prime Minister, Mrs. Margaret Thatcher, he is reported to be bringing a special message from her to Mr. Rajiv Gandhi assuring him of all possible cooperation in curbing the violent activities of both the Sikh extremists and the Kashmir militants in Britain. It remains to be seen how far he will succeed in carrying conviction that everything possible is being done by the British Government.

The Swiss Vice-President, who landed in Bombay tonight, will arrive in Delhi only on Tuesday morning to begin his week-long official visit before proceeding to Pakistan. Apart from a brief sight-seeing trip to Agra, the only other place that Mr. Howe will visit in India on this trip is Bombay, before leaving for Lahore. But the Swiss Minister, who is spending a whole day in Bombay, will go to Bangalore to see the International Centre for Training and Research in Tropical Agriculture, besides visiting the Hoysala Temple in Mysore and the Taj Mahal in Agra to get a few glimpses of India's heritage.

Talks with Bhagat

Madras THE HINDU in English 1 Apr 86 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, March 31.

The current irritations in Indo-British relations, which continue to strain the traditional affinity between the two countries, were very much in evidence during the official talks today between the External Affairs Minister, Mr. B. R. Bhagat, and the British Foreign Secretary, Sir Geoffrey Howe, on bilateral and international issues.

Mr. Bhagat called for firm and sustained action against the Sikh extremists operating from Britain, while Sir Geoffrey said that the British Government was doing whatever possible to prevent such anti-Indian activities within the framework of the existing laws in the United Kingdom.

This argument was rebutted by Mr. Bhagat who maintained that these very laws could be used by the British Government, if it had the political will and executive determination to do so, to not only debar the entry of Sikh extremists but also deport them from Britain. He pointed out that the British Government has been dealing sternly with the IRA terrorists without pleading helplessness because of legal limitations.

The tenor of Mr. Bhagat's carefully worded but unmistakably outspoken observations was clearly intended to give expression to India's unhappiness and concern over the British Government's attitude. Sir Geoffrey tried to mollify Indian feelings by disclosing that the request of J. S. Thekedar for political asylum in Britain had been turned down, but Mr. Bhagat said that he should be logically deported to India to be tried for various offences.

Ding-dong exchanges: The two-hour discussion was dominated by these ding-dong exchanges on the activities of Sikh extremists in Britain, with the result that there was very little time left for discussing in depth any of the major international issues like disarmament and East-West relations. The Indian side did not let go the opportunity to express its resentment over the role of British mercenaries in Sri Lanka including the activities of some pilots who were flying the helicopter gunships engaged in so-called

led anti-insurgency operations.

The British Foreign Secretary of State sought Mr. Bhagat's assessment of Indo-Pakistan relations since he would be going to Islamabad after the conclusion of his Indian visit. When he sought India's reaction to any renewed move to admit Pakistan to the Commonwealth, Mr. Bhagat indicated in no uncertain terms that India would oppose it.

After devoting a good part of the discussion on bilateral relations to issues that were dividing India and Britain, Mr. Bhagat spoke of the vast prospects for increased British participation in India's development in an obvious effort to balance the negative aspects by concentrating on some of the positive features of Indo-British relations.

At the same time the Indian side drew attention to the progressive decline of net British aid flows over the years as a result of what is known as Retroactive Terms Adjustment (RTA) under which a substantial portion of grant-aid is utilised for writing off past debt payments.

It was pointed out that the net annual British aid had fallen from £140 millions (Rs. 255 crores) in 1979 to just under £60 millions last year.

The British Foreign Secretary took all this criticism in his stride without displaying any resentment over what his colleagues in London regard as India's excessive concern about the activities of the Sikh militants in Britain. He assured Mr. Bhagat that the Indian draft of the proposed extradition treaty was being studied by experts and, meanwhile, the British Government itself was formulating some new proposals which could meet the requirements of the present situation, without setting bad precedents for the future.

Sir Geoffrey Howe is due to call on the Prime Minister, Mr. Rajiv Gandhi, tomorrow for a private discussion on Indo-British relations. He will convey a personal message from the British Prime Minister, Mrs. Margaret Thatcher, assuring India of all possible cooperation in coping with the threat of terrorism.

Talks Conclude, Press Conference Reported

Bombay THE TIMES OF INDIA in English 2 Apr 86 p 1

[Text] New Delhi, April 1--India and Britain have agreed to make efforts to remove 'irritants' in bilateral relations, following an assurance that the British government would use political will and legal resources to tackle Sikh terrorism in U.K.

At the conclusion of the ministerial-level talks, the British foreign secretary, Sir Geoffrey Howe, called on the Prime Minister, Mr Rajiv Gandhi, here this evening.

Mr Gandhi hoped that the irritants in bilateral relations would be removed and ties would be strengthened in the interest of the two countries.

Sir Geoffrey later told newsmen his meeting with Mr Gandhi was very friendly. He conveyed to Mr Gandhi "good wishes" from the British Prime Minister, Mrs Margaret Thatcher.

Almost the entire press conference addressed by Sir Geoffrey was devoted to the issue of Sikh terrorism in Britain, which in the recent past adversely affected bilateral relations. That phase may be over if Sir Geoffrey's assurances here result in government action against terrorists operating from British soil against India.

Sir Geoffrey declared at the press conference: "There is no safe haven in my country for those who act to destabilise others by violence or intimidation." By way of specific steps, he offered to introduce a new legislation, appointed a special representative for a joint consultative mechanism on terrorism and proposed a meeting of legal experts in London to examine India's draft extradition treaty.

Sir Geoffrey was far from convinced that India and the U.K. should have an extradition treaty but repeatedly emphasised that Britain was not dogmatically opposed to one. About the Indian draft treaty, he said it was not out of court and the issue would be discussed.

His government felt that an extradition treaty with a fellow Commonwealth country was not necessary as there was already a Commonwealth process for extradition arrangements in the form of the Fugitive Offenders Act. This process could be applied to India without any loss of time and it could even be strengthened.

He also felt that a formal bilateral agreement in the form of an extradition treaty could take a long time in the parliamentary process.

The British foreign secretary renewed the British offer to apply to India the Suppression of Terrorism Act. This, he said, would have a speedy, practical and psychological effect. It was the principal instrument by which Britain

co-operated with its European partners and India could be the first country outside Europe to benefit from the act.

The extension of this act would make it possible for terrorists to argue against extradition by claiming that serious crimes of violence were politically motivated.

Sir Geoffrey said the British record in tackling terrorism in the context of India was to be judged by the fact that last year 19 Sikh and Kashmiri activists were given three life sentences and a total of 88 years' imprisonment. Also, it had not granted asylum to any Indian citizen since 1980.

Sir Geoffrey will be in Bombay tomorrow. He will visit the offices of the British high commission, where he will unveil a plaque in memory of the former deputy high commissioner, Mr Percy Norris, who was assassinated in the city in November 1984.

Sir Geoffrey will also speak at a lunch hosted in his honour by the Bombay Chamber of Commerce and Industry and will call on the governor of the Reserve Bank of India.

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CSO: 4600/1640

INDIA

UK SIKHS, MUSLIMS UNITE TO FIGHT FOR RIGHTS IN INDIA

Calcutta THE STATESMAN in English 28 Mar 86 p 7

[Text]

LONDON, March 27.—Dr Jagjit Singh Chauhan, self-styled leader of so-called Khalistan, has said that his organization is forming an alliance with some Muslim groups, with the objective of "fighting for human rights of Sikhs and Muslims in India," says PTI.

Dr Chauhan told a Press conference here that he had approached about 50 Muslim organizations in this country, most of them Pakistanis, to join hands with him and "make a common cause to protect minorities in India". Claiming an encouraging response to this move, Dr Chauhan said that a joint committee had already been set up.

He said the alliance would also bargain with the leading political parties in Britain to take up the Sikh-Muslim cause. By the next general election in this country in at least 71 marginal constituencies the votes of the members of these communities could prove to be decisive, he added.

Separatists have also launched a campaign here for the release of Mr Jasbir Singh, a nephew of Jarnail Singh Bhindranwale, who is detained in India. They also want Mrs Charanjit Kaur, wife of Dr Chauhan, to be allowed to leave India and join him in this country.

The matter has been taken up with Amnesty International whose spokeswoman said it had appealed to the Indian Government to either charge Mr Jasbir Singh and try him in an ordinary court or release him. The Amnesty has, however, declined to take up the case of Mrs Charanjit Kaur since she is not under detention, she said.

Dr Chauhan has called a three-day international Sikh conference here from March 28 to discuss the "future course of action by the Sikhs." Pro-Pakistani Kashmiris and the exiled Naga leader, Mr A. Z. Phizo will also attend along with delegates from other countries, Dr Chauhan said.

/12828

CSO: 4600/1613

INDIA

GANDHI REPORTEDLY PLANNING MAJOR CABINET RESHUFFLE

Madras THE HINDU in English 30 Mar 86 p 12

[Article by G. K. Reddy]

[Text]

The Prime Minister, Mr. Rajiv Gandhi, is reported to be contemplating a fairly wide Cabinet reshuffle at the Centre, while filling the existing four vacancies and possibly adding a few more after the budget session.

These changes are expected to be made after Mr. Gandhi returns from his week-long trip to southern Africa in mid-May immediately after the conclusion of Parliament session.

A certain amount of home work is already being done to assess the aptitude of various Ministers in the light of their performance during the last 16 months, before deciding which of them, who have come up to the Prime Minister's expectations should be entrusted with more important portfolios than their present charges. The process will inevitably involve the re-legation of a corresponding number of Ministers to less demanding Ministries and Departments.

New Home Minister: The very first decision that has to be taken is about the choice of a new Home Minister to handle the internal law and order situation and maintain a harmonious relationship with the State Governments. It remains to be seen whether the Prime Minister will choose a political light-weight, who will be just a titular Home Minister and let the Minister of State, Mr. Arun Nehru, who is in charge of Internal Security, shoulder this responsibility by exercising more or less Independent charge over the 50-odd big and small departments under him.

It is considered equally possible that Mr. Gandhi might revert to the earlier practice of appointing a senior party colleague, a prestigious personality in his own right who can be depended upon to wield his power with discretion.

A Home Minister in India has to be either feared or respected to be effective in running this vast Ministry with its immense responsibilities under present-day conditions. No one can really succeed in this challenging post unless he is assured of a reasonably long tenure, free from undue interference and carping criticism.

PM may retain Defence: The Prime Minister intends to retain the Defence portfolio and confine himself to higher direction of this vast organisation, leaving most of the routine work to the Minister of State, Mr. Arun Singh, who is perhaps his closest confidant in the present Government. The Finance Minister, Mr. V. P. Singh, the External Affairs Minister, Mr. B. R. Bhagat and the Industry Minister, Mr. N. D. Tiwari, are not likely to be disturbed. While some of the other senior Ministers might be shifted with a few of them getting more important portfolios in the course of this reshuffle.

No alternative: The broad picture of the proposed changes, in terms of the personalities involved and the portfolios that might change hands, is not likely to emerge before the end of April, roughly two or three weeks before the end of the budget session. But, those who have some inkling of what is proposed to be done are hinting that the present volatile situation in the country, reflected by the growing ferment in the ruling party itself, leaves Mr. Gandhi with no alternative except to make some bold and innovative moves to capture the public imagination.

A Cabinet shake-up, or at least a few important changes at the higher and middle levels, will help to demonstrate that Mr. Gandhi is still very much in full command of the power structure, despite the loose talk of his faltering leadership at this crucial time.

INDIA

PLAN TO EASE BALANCE OF PAYMENTS PRESSURE CONSIDERED

Bombay THE TIMES OF INDIA in English 30 Mar 86 p 1

[Text]

A PLAN to ease pressure on the country's balance of payments by giving a "positive thrust" to exports and curbing bulk imports is receiving attention at the highest level.

The strategy essentially involves identification of some "thrust" industries having lasting comparative advantage in the export market, and giving them a package of incentives. These industries will be allowed economies of scale and easier access to imported inputs.

To ensure that higher production is not consumed at home, the plan envisages, at least for the medium term, necessary policies to contain domestic demand.

The balance of payments problem would have been much more acute in the coming financial year (1986-87) but for the softening of the crude prices.

LOAN LIABILITY

Even if the current trend does not last, oil prices will not probably rise again to \$ 26 a barrel.

If the current market related prices at which India is entering into contracts, (about \$ 15 a barrel) with oil producing countries continue, it is estimated that the resultant saving in foreign exchange will take care of the IMF loan repayment liability of over Rs. 1,000 crores in 1986-87.

The saving will not only be in the oil import bill, estimated to be about Rs. 4,400 crores for the current financial year, but also in the import bill for fertilisers and oil related items.

Finance ministry officials admit that but for the reprieve in crude prices,

discouragement to imports through higher import duties would have been much more severe in the 1986-87 budget.

They are, however, reluctant to pronounce the net effect of the fall in crude prices on the balance of payments.

Since a substantial portion of expatriate remittances come from the Gulf countries, uncertainties in the international oil market may eventually lead to a cut down in the development plans of the oil producing countries.

In that case, it is feared the flow of remittances even over the medium term, might drop, so that the bonanza from the falling oil prices may be shortlived.

But this will not happen immediately, not at least in 1986-87. The prospects for the second year of the seventh plan thus looks much better than what seemed during the second half of the current year (1985-86), when the trade deficit rose to Rs. 4,124 crores against Rs. 2,290 crores during April-September 1984.

Although the higher growth rate of imports of 24.5 per cent at Rs. 9,141.63 crores (the latest available official figure) is largely due to increase in imports of industrial raw materials, edible oils, sugar and petroleum products, and may not be repeated during the second half 1985-86, the total trade deficit is likely to exceed Rs. 6,000 crores. It may be anywhere between Rs. 6,000 crores and Rs. 6,500 crores.

The 1986-87 budget has tried to ensure that the story of the current year is not repeated. The hike in import duty on capital equipment, and the increase in excise duty on cars, colour

TV sets and airconditioners to slow down the growth of domestic demand for these import-linked items is expected to reduce to some extent the pressure on the import bill.

The hike in fertiliser prices may slow down the consumption of fertilisers, while edible oil imports are likely to be at 1985-86 level, if not less.

The easing of pressure on the balance of payments will also enable India to resist the World Bank proddings for going in for a higher quantum of commercial borrowings. At current reckoning, the commitment in 1986-87 may not exceed Rs. 1,400 crores.

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CSO: 4600/1621

INDIA

BHARATIYA JANATA LEADERS DISCUSS PARTY POSITIONS

Interview with Advani

Calcutta THE TELEGRAPH in English 30, 31 Mar 86

[Article by L. K. Advani]

[30 Mar 86 p 6]

[Text]

Q: *Do you think the situation in the country is more hopeful or less, since Mr Rajiv Gandhi came to power, particularly over the last few months?*

A: I think that during the past couple of months, there has been a sharp slump in the position of the Prime Minister in the eyes of the people. A number of developments have piled up one after the other in quick succession which would seem to convince the average observer that in the new Prime Minister, inexperience easily becomes converted into amateurishness. His handling of the Muslim law Bill, his handling of the Rama Swarup case, his handling of the petroleum price hike and the subsequent reduction in the prices, all these have affected his position and popularity.

So much so, that we often hear remarks in the central hall of Parliament to the effect that, had the Anti-defection Law not been there, maybe the party would have broken. I do not quite agree with that, but these remarks only provide a measure of the disillusionment and disenchantment that has set in. I do think that in the party outside there is

disillusionment, but within the ruling party, the feeling is still worse. There is a feeling of resentment against the Prime Minister.

Q: *Because they had expected a lot more?*

A: I do not know if it is because they expected a lot more, I do not think so. It is more because of the virtual breakdown of communication between the leadership and the members in the party and the feeling that the decision-making is confined to a much smaller caucus than used to operate earlier.

Q: *But earlier, the criticism against Mrs Gandhi by the Opposition was that she was a much more autocratic person. That charge had not been levelled against Mr Rajiv Gandhi. But now it is as though he is as bad as, if not worse, than Mrs Gandhi. Is that right?*

A: In the case of Mrs Gandhi, one knew how she would react to a given situation. Her reaction was known, her responses were known. In the case of Rajiv Gandhi I do not know if he himself is clear in his mind about the direction he wants to pursue and as far as the others are concerned, it is a question of guesswork, of speculation as to how he would respond to a given situation.

I get the feeling that he is very vulnerable to the pressures that act on him at a given time and that makes him swing and oscillate from one extreme to another. He pursues a certain policy and he is attacked as being pro-rich, so if the image of being pro-rich has to be erased, he agrees to undertake raids. There is also the case of the Muslim Personal Law Bill. I have been exerting myself to find out as to who precisely has advised the Prime Minister on this Bill.

Q: *The feeling is that the majority of the Muslims wanted it—that's what the Prime Minister said in Parliament.*

A: He consulted the Opposition and the Opposition was against it. In that second meeting the Prime Minister convened on December 16, excepting the Muslim League all others spoke against it. Here was a case where the matter was not discussed in the Cabinet, not to my knowledge. The Cabinet was confronted with a fait accompli; and now, with the introduction of the Bill, Parliament, and that includes the Opposition, is confronted with a fait accompli.

Q: *But certain sections of the Opposition, certain members were definitely against the*

Supreme Court judgment in the Shah Bano case? One of the accusations the Prime Minister had made is that the Opposition has tried to communalise the situation after the judgment...

A: Some members may have (opposed it), but not the majority. This is the first time (that the Opposition has been united against it). I feel if this Bill had come six years ago, I do not know, maybe ours would have been the only party to oppose it and I would have been deemed communal. Now my biggest ally in the matter is the CPI(M). It is as forthright as I am. Because it is not a communal issue. Basically it is an issue of how you view social change. That is the basic issue.

Q: *When you are talking of social change, the other communal aspect of the past couple of months has been the opening of the Ram Janmabhoomi temple and the consequent victory processions and the whole tension-filled atmosphere in Uttar Pradesh. Has your party taken any stand for or against the opening of the temple?*

A: We have never spoken earlier, but we (feel) the court has given a judgment and you should abide by it and if you appeal to a higher court it is a different matter. An appeal has been made.

Q: *But don't you think the government should have taken measures about the victory processions and the build-up of tension in the area. Did the BJP at any point criticise these actions which is also communal and retrogressive?*

A: Why is it communal, why? It is a place which has a historical association with it. It is Ram Janmabhumi.

Q: *But if there is a disputed property which both communities in a very sensitive part of the country are quarrelling over, don't you think a political party which is rightly or wrongly associated with the majority community should take a position?*

A: What is wrong about it (the opening)? If a particular section of the people feel that the place has associations of this nature, that it is a holy place...

Q: *But for the past 500 years, it was also a mosque.*

A: The articles that I have read all point to one thing. I don't think there is much of a dispute. And no one is indulging in violence or anything of that sort.

Q: *But weren't the victory processions in itself an incitement?*

A: After the court gives the judgment, they are naturally happy about it. I don't see why that should create tension of any kind. There has been no disturbance anywhere.

Q: *There have been disturbances in Uttar Pradesh.*

A: Disturbances started when they (Muslim organisations) protested—the 'black day' demonstration.

Q: *Well, if the Hindus of the area were happy at the opening, at the same time the Muslim may have been very sad that their masjid had been taken away?*

A: Frankly, I do not subscribe to the view that in India if the Hindus do something it is wrong, and if the same thing is done by any other community no one would find any fault with it.

Q: *Aren't you turning a blind eye to the danger of these things, because whether it is engineered by the majority or the minority community, the end result is that there is communal tension?*

A: I would like to say that whosoever does it, it does not create communal tension.

Q: *Some of the political parties have said that the place should be made a national monument. Do you think that would solve the problem?*

A: I don't think so.

Q: *You don't see a parallel between the opening of the temple and the Muslim Bill? There is a view that the government was trying to appease the Hindus and opened the temple and after the repercussions, went in for the Muslim Bill...*

A: I should think that issues of this kind should be insulated from considerations of electoral advantage. If the government honestly thinks this is wrong let it say so, instead of going from one extreme to the other. The Muslim Personal Law Bill is being brought only to placate the Muslims, of this I am convinced because the decision and commitment

were made just before the Assam elections, to get the block Muslim votes in Assam for the Congress party. He (Mr Gandhi) did not get it, the Muslim votes went mainly to the Minorities' front. But having made the commitment, this is the result.

Q: *Do you think that because of what you term lack of leadership, the situation in the country has become more fraught with tensions than before?*

A: Yes it has. Particularly in Punjab and Kashmir. Both these border states are in acute trouble. We think that the agreement itself (Punjab Accord) as formulated was not well considered. I remember when they proposed to lift the ban on the AISSF, my party opposed it.

They (the government) failed to heed the warning and now it is the AISSF that is spearheading the whole movement of violence and terrorism. And even on the issues of river water and territory. The Mathew Commission, abandoning the whole thing (its labours) as an exercise in futility, made the situation such that one can only say that the accord is in the doldrums. Every

day without fail there is murder and violence and obviously the Akali government does not want to undertake any confrontation with these people. They do not want to control them.

Q: *They do not or they cannot?*

A: I would say that they do not want a confrontation. They would welcome dismissal by the Centre and become political martyrs...

Q: *Do you think the most dangerous trend today—whether in Punjab, Kashmir or even Uttar Pradesh—is the rise of fundamentalist forces?*

A: What is fundamentalism? It is a very loosely used word... You would always have obscurantists and those who would like to take society back in all sections. But even in the Muslim community, I feel happy that so many people have come out publicly against the Bill despite the climate created by the Muslim League and the Jamaat-e-Islami.

Q: And what about Hindu communalism?

A: What is Hindu communalism? This Rama Janmabhumi episode, I regard this in the present context as an excuse for trying to equate things. This (the temple opening) is not a problem. Suppose for instance there were sections who said this ban on untouchability should go, that can be regarded as socially reactionary.

Q: There was a feeling that in the 1984 elections, Mr Rajiv Gandhi had captured the Hindu vote and that the RSS had deserted the BJP. What do you have to say to that?

A: No, I do not subscribe to that view about the RSS, but I do subscribe to the fact that Rajiv Gandhi and the Congress party succeeded in creating an insecurity psychosis that the country was likely to break up

because of the Sikhs. They said these are the people who are trying to break up the country...and we (Congress) are going to protect the country's integrity and unity. And naturally, the BJP which has always been associated with the country's integrity and unity, right from the days of Dr Shyama Prasad Mukherjee, (lost out). Because when we stood up to say that innocent Sikhs should not be killed in Delhi or when a leader of the BJP like Ram Jethmalani rose to defend Sant Longowal in the detention case, naturally we also were identified as villains of the piece...

[31 Mar 86 p 6]

Q: In retrospect, do you think you made a mistake considering what happened to the BJP in the elections?

A: No, I am very happy that in Punjab our principled stand on Operation Bluestar (has paid.) Six months later when two byelections were held in Jalandhar, we won both the seats, I think essentially because of our principled stand in Punjab.

Q: What about the view that the RSS joined hands with the Congress?

A: Not at all.

Q: Did you undertake any investigation?

A: Yes, of course. Certainly, the Congress(I) eroded our support base and that support base comprises all kinds of elements. But not the RSS. The RSS as such does not take part in any elections.

Q: But it does play a role in opinion-making in certain sections?

A: Not really, because they are not active in elections. But to the extent that they are active, those of them who are active always work for the Jana Sangh and the BJP.

Q: And they did not switch their loyalties?

A: Not at all.

Q: You have been associated over the years with the majority community—would you agree to that?

A: Yes, I think I can explain this...The position of the Jana Sangh or the BJP in the country's politics, insofar as the Muslim community is concerned, has been quite analogous to the position of the Congress party in pre-partition days. Before 1947, an overwhelming majority of the Muslims thought of the Congress as a Hindu party. All through the decade or decade-and-half before independence, the Congress party was dubbed a Hindu party with only a few peo-

ple like Maulana Azad and Rafi Ahmad Kidwai (representing Muslims).

But in the eyes of the Muslims, as well as in composition and ethos—with Gandhi talking of Ramrajya all the while, with his meetings being called prayer meetings and the Upanishads and the Vedas (being quoted) and all that—it was a Hindu party. Jinnah used to be

very bitter about it. But that was not a fact (about Congress being a Hindu party). The fact was that so far as attitudes were concerned, you could not call it communal, you could not call it chauvinistic, you could not call it Hindu in that sense. It was Hindu only so far as Gandhi said, I am proud of being a Hindu.

Unfortunately, it is only after 1947 that the Congress culture has come to mean that if you say I am a Hindu and I am proud of being a Hindu, it is considered communal. Muslims saying the same thing (about their faith) are not faulted.

Q: But isn't that because after independence, with the formation of Pakistan, India wanted to prove that we are secular?

A: That is what I am saying, there could have been full justification if India had said that we are a Hindu country...

Q: But since we did not say that...

A: Why did we not say it? Not because we have a sizeable Muslim minority but because since time immemorial in India, the state has never been associated with any particular religion. Theocracy is alien to Indian polity. India became secular because secularism is part of the Indian ethos...if India was 100 per cent Hindu we would still have been a secular state. The only exception in Indian history has been perhaps Ashoka's reign, which described itself as a Buddhist state.

Q: Coming back to the present, since you admit that Mr Rajiv Gandhi had eroded some of your support base, how do you propose to get it back?

A: Things have changed considerably since then (the 1984 elections).

Q: Given his change of image, do you think the BJP's position today is more hopeful than it was?

A: (Laughs) Well, not everything is a Hindu-Muslim issue. There are a number of other issues.

Q: Generally speaking, do you feel after the decimation in 1984, the situation for the Opposition as a whole is more hopeful?

A: It certainly is.

Q: When you criticise the government for a lack of direction—what alternatives does the Opposition in general and the BJP in particular have to offer?

A: I think the Opposition reacted promptly and concertedly to the price hike, in a very effective manner. When I say effective I believe that had it not been for that prompt mobilisation of public opinion

after the petroleum price hike, maybe in the railway Budget even the freight prices would have been hiked.

My party thinks in terms of pursuing this line of concerted activity on specific issues while at the same time building itself up at the grassroots, strengthening the party organisation...

Q: Will you go into the villages since you have mainly been considered an urban party?

A: So as far as Madhya Pradesh or Bihar or Rajasthan is concerned, it is not an urban party. In Delhi and Punjab it is an urban party—Delhi because it is essentially a city and Punjab, because of the communal complexion where the Hindus are concentrated in the urban areas. It is Delhi and Punjab which really project the urban image, otherwise take Himachal...there is no urban area at all. But in Himachal we are the principal party...In the south, though, I would say it (BJP) is principally an urban party.

Q: Have you decided on going it alone, on making no more efforts at Opposition unity?

A: So far as identity is concerned, merger is out. We have not thought of it since the formation of the BJP in 1980. But we are willing to cooperate on specific issues and even in elections there can be a give-and-take.

Concluded

Advanti, Vajpayee Comments

Calcutta THE TELEGRAPH in English 31 Mar 86 p 4

[Text]

Ludhiana, March 30 (UNI, PTI): Two top leaders of the Bharatiya Janata Party today urged the government to go slow with the normalisation of relations with Pakistan, in view of the latter's involvement in Punjab.

Addressing a news conference here, the BJP president-elect, Mr L.K. Advani, said amity with Pakistan was not appropriate at this stage as Islamabad was attempting to disturb peace and stability in Punjab. He also demanded that the government come out with a White Paper on Pakistan's role in arming the Punjab terrorists.

Speaking to newsmen at Gwalior earlier in the day, Mr Atal Behari Vajpayee accused the military regime of Pakistan of giving arms and training to terrorists. Both he and Mr Advani pressed the need for sealing of the India-Pakistan border to prevent trained terrorists from crossing over into this country.

Mr Advani demanded a judicial inquiry into Friday's shoot-outs in Ludhiana, in which 10 persons were killed and several injured. Condemning the terrorists' acts, he said their activities were aimed at rousing communal passions and carving out a separate state. He said anybody found doing raising "Khalistan" slogans or flags should be strictly dealt with.

The BJP leaders offered his party's cooperation and support to the Akali government in isolating terrorists and urged the government to take steps to instill a sense of confidence among the people. He added that the situation in the state was worse than what prevailed before the Operation Bluestar in June 1984.

At Gwalior, Mr Vajpayee said strict vigil should also be mounted in Rajasthan and Jammu and Kashmir to prevent infiltrators from crossing over.

Mr Vajpayee demanded the immediate resignation of the Union minister for internal security, Mr Arun Nehru. Criticising the Centre and the Akali government in Punjab for their failure to curb the terrorist activities in the state, Mr Vajpayee told newsmen that the Prime Minister, Mr Rajiv Gandhi, was acting on the wrong advice of Mr Arun Nehru.

Mr Vajpayee urged the Prime Minister not to heed the counsels of Mr Arun Nehru and the Congress(I) vice-president, Mr Arjun Singh. The Akali government, Mr Vajpayee said, had proved itself to be incapable of containing the activities of outlaws in the state. He would, however, not suggest the resignation of the Barnala government.

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CSO: 4600/1625

INDIA

ANALYSTS DISCUSS DANGERS OF COMMUNALISM IN PUNJAB

Plans for President's Rule

Madras THE HUNDU in English 28 Mar 86 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, March 27.

As part of its contingent planning to meet the threat of increased violence in Punjab, the Centre is ready with plans to impose President's rule in the State if it becomes unavoidable.

But this will be done only as a last resort after giving the hard-pressed Akali Chief Minister, Mr. Surjit Singh Barnala, all possible assistance in coping with this explosive situation.

There are also reports that Mr. Barnala and other Akali Dal leaders propose to take a tougher stand against the extremists by abandoning the earlier pretence that the misguided youngmen who have taken to senseless violence have to be handled with patience and brought round to eschew their politics of terrorism. The Chief Minister has told the Centre that he is prepared to put down this violence if the necessary paramilitary forces are made available to the State Government.

The big danger in Punjab is the threat of a big communal flare-up in the wake of the daily incidents in many towns. The terrorists are now extending their campaign of violence to the countryside where there is hardly any protection for those on the hit lists.

The Punjab police which have been politicised over the years have become totally ineffective, riven as it is by its own internal squabbles, and the paramilitary forces cannot operate effectively without local police support. The terrorists have been taking full advantage of this absence of closer coordination between the Central and State police to step up their campaign of violence with daring attacks in broad daylight both in towns and villages.

The sad part of it all is that though many suspected terrorists are being arrested and interrogated, the real culprits have been escaping the police dragnet and indulging in senseless killings without much fear of retribution. It is becoming increasingly difficult to apprehend these extremists with all the existing political constraints and administrative limitations.

'Design of Destabilization'

New Delhi PATRIOT in English 29 Mar 86 p 1

[Article by R. M. Mishra]

[Text]

The situation in Punjab no longer remains merely a question of enforcing law and order. It is not even a matter only of containing extremists. We are witnessing in Punjab the unfolding of the latest phase of a carefully worked out design of destabilisation of this country. Those who scoffed earlier at this characterisation of events in that State and succumbed to a spell of complacency must get out of their mental lethargy. To behave like an ostrich when the nation's security is threatened is an unpardonable crime on the part of any one who indulges in equivocation or soft-peddalling the gravity of the danger looming large before our eyes.

The Akali Government headed by Mr. Surjit Singh Barnala enjoyed unprecedented sympathy and support in the whole country when it came to power. Unfortunately, it has squandered this precious asset to a considerable extent by its acquiescence and inaction in the face of mounting evidence that the challenge to its authority did not come from a few misguided youth; but from a gang of traitors. They were trained abroad, continued to infiltrate into Punjab and are receiving support from across the border. The incidents in Batala, Muktsar and other places bordering Pakistan are a planned rehearsal by pro-Khalistani elements with a view to establishing a "base" in that vulnerable area. These communal terrorists want to force exodus of minorities and liquidate all those who oppose their nefarious designs. Veteran CPI leader Arjun Singh Mastana has been murdered to frighten patriotic and secular elements in Punjab, particularly amongst the Sikhs.

It is simplistic to attribute the alarming turn of events in Punjab to the delay in transferring Chandigarh. An early action to transfer the city to Punjab in terms of the Rajiv-Longowal accord should, no doubt, be taken. But the fact remains that several provocative acts — the decision to demolish the repaired Akal Takht, defiance of the SGPC, psychological and physical assault on priests who do not toe the extremist line and the capture of the Golden Temple by terrorists — preceded the deadlock created by the Mathew Commission report. The Punjab Government and the Akali leadership responded to the growing extremist militancy in the mistaken belief that it could win them over by showing generosity. State Ministers participated in public functions which gave respectability to criminals, terrorists and traitors. It was not realised that sedition is legitimised by condoning it. Some actions of Akali leaders had the effect of exacerbating communal passion. The Akali leadership's failure to dislodge the extremists from gurdwaras was shocking because the tragic consequence of its inaction during the Bhindranwale phase was too recent to be forgotten. While the extremists and terrorists consolidated their positions, the Akali Dal remained engrossed in factional and personal feuds. Mr Barnala, on whom the mantle had fallen, did not realise that those who had killed Sant Harchand Singh Longowal would not rest till they had killed the accord he had so heroically signed. Notwithstanding these lapses, Mr Barnala can still retrieve the position. By acting firmly and decisively he will regain the support and goodwill of the whole country in no time.

Secular parties have also, by and large, remained paralysed. Hindu communalists have been active. But no significant political battle has been waged by secular forces at the grassroots against the monster of communalism. Not surprisingly, attempts are afoot to forge an

alliance of various communal groups. Initiative to formalise this mischief has already been taken by Jagjit Singh Chauhan in London. Overt and covert support to this sinister anti-India conspiracy is being extended by all those who have a vested interest in destabilising this country.

The latest incidents of premeditated violence are ominous. As leader of the nation, Rajiv Gandhi bears the burden of responding to it decisively and without delay. To begin with, a concerted broadbased political offensive must be mounted against communalism of all shades which is, at present, the most potent instrument of destabilisation. It has to be confronted frontally and unequivocally. It is a suicidal illusion that some breathing time can be gained by compromising with communalism temporarily. The left parties have declared their intention to wage a relentless battle against communalism. This declaration should be translated into courageous action. The Congress must also gear itself fully and all secular parties should join their forces to combat this menace; not only in Punjab but in the rest of the country also. Every single initiative which has the potential of lending strength and credibility to this anti-communal political struggle deserves wholehearted support. Every available platform needs to be activated to arouse the people on this issue. Narrow partisan considerations must not be allowed to divide the ranks of secular and patriotic forces. Appropriate administrative steps should be taken simultaneously.

The danger the nation faces in Punjab is grave and imminent. India's enemies are determined to pursue their sinister plans and external support available to them in abundant measure. Time is running out. Let us all act now, before it is too late.

/12828

CSO: 4600/1617

INDIA

MAHARASHTRA GOVERNOR RESIGNS IN WAKE OF SCANDAL

Calcutta THE TELEGRAPH in English 28 Mar 86 p 1

[Text]

Bombay, March 27: The Maharashtra governor and chancellor of Bombay University, Mr Kona Prabhakar Rao, tendered his resignation today after being censured by the university senate for his role in the MD examination scandal involving the daughter of the former chief minister, Mr Shivajirao Patil Nilangekar.

According to the Raj Bhavan, the governor sent his resignation to the President, Mr Zail Singh, asking to be relieved of his duties on "health grounds." Sources said Mr Rao, in his resignation letter, had specified that he was suffering from asthma and should be relieved of his gubernatorial duties.

Mr Rao's resignation was prompted by the adjournment motion passed by the university senate on Tuesday. The senate adjourned for 15 minutes on Tuesday to "express its grave concern over the increasing interference of the Maharashtra government and chancellor in the functioning of Bombay University, eroding the autonomy and credibility of this great institution."

The adjournment motion was passed by a 68-1 vote with two abstentions. Those who abstained were the governor's nominee, Mr G.L. Abhyankar, and the Congress(I) student wing, National Students' Union of India representative, Mr Sanjay Chaudhari. The dissenting

vote was cast by Mr Dharmesh Vyas, president of the students' council.

Pressure had been mounting on the governor with the students, the Opposition and the university clamouring for his resignation ever since his role in

trying to hush up the MD examination scandal became clear and the vice-chancellor, Dr M.S. Gore, resigned protesting against the interference in the university's affairs.

The problem became acute when students belonging to the Akhil Bharatiya Vidyarthi Parishad (ABVP) disrupted the convocation here on March 6, shouting "Kona go back." They managed to spread the wave of dissent to Pune University where the governor was to attend a convocation on March 22. The governor cancelled his visit to Pune, with the Raj Bhavan saying that it was a scheduled cancellation as he had to attend the Marathwada Agricultural University's convocation at Parbhani on March 23.

The state Opposition also joined the students in demanding Mr Rao's ouster.

The new governor will be named in the first week of April, authoritative sources said in New Delhi tonight.

PTI adds: The Pune University senate had also adjourned its meeting on March 20 to express concern over the governor's alleged "interference."

The adjournment motion criticised the governor for "destabilising the functioning of universities" and cautioned that the University of Poona would have to face a similar situation as that being faced by Bombay University "if proper steps are not taken in time to contain his (the governor's) interference."

Patil refuses to comment: "No comment" was the terse reply that the Rajasthan governor, Mr Vasant Rao Patil, gave when asked to give his reaction to the resignation of Mr Rao.

INDIA

SABOTAGE SUSPECTED IN DISAPPEARANCE OF AIRCRAFT

New Delhi PATRIOT in English 30 Mar 86 p 1

[Text] **Jamnagar, March 29 (PTI) —** The authorities here do not rule out the possibility of sabotage in the mysterious disappearance of the Indian Air Force giant AN-32 aircraft over the Arabian Sea off the Gujarat coast on Tuesday.

The sources said as in the case of the ill-fated Air India Jumbo "Kanishka", the Air Force AN-32 was being tracked by powerful air base radar here, till the time it suddenly went off the blink and was feared to have plunged into the sea.

In fact, so sudden and baffling was the disappearance of the aircraft that two other AN-32 which were flying parallel to the aircraft at a distance of five miles apart on each side and in constant radio contact with each other did not have any clue to its disappearance.

The three aircraft were part of the six brand new AN-32 aircraft being flown from the Soviet Union which had a brief stopover at Muscat in Oman. All the remaining five landed safely here at intervals of half-an-hour after 1500 hours on Tuesday.

The pilots of other planes had reportedly informed that the flight was undertaken in perfect flying conditions with no freak weather trouble. They had an almost two-hour stopover at Muscat for refuelling in the Omani capital, the Indian Embassy staff had come to the airport to pay for refuelling, as was the normal practice.

According to these sources, most of the technical refuelling staff at the Muscat airport are non-Omanis. They pointed out that AN-32 powered with twin AI-20DM engines can perform level flights even with the loss of one engine and if the aircraft had any trouble it could report to base over its powerful VHF radio communication on board.

The aircraft which is reported to have taken off from Muscat airport at 13.8 hours made its last radio contact with the ground control at 1445 hours and even in this it did not report anything unusual. But only minutes later it disappeared.

Meanwhile, according to information available in New Delhi, a re-evaluation of the aircraft is likely to be taken up this week by the high level court of inquiry instituted by the Air Force. Official sources said this was the normal practice for any kind of aircraft involved in a mishap.

The Antonov-32 has been specially built by the Soviet Union for the Indian Air Force and is not in use in any other air force including the Soviet Air Force. So far, about 50 of these aircraft have been received.

INDIA

RESERVATIONS ABOUT PURCHASE OF UK AIRCRAFT CARRIER NOTED

Calcutta THE TELEGRAPH in English 30 Mar 86 p 1

[Article by Manini Chatterjee]

[Text]

New Delhi, March 29: There are serious reservations in defence circles about the advisability of buying the Hermes aircraft carrier from the UK. It is felt that not only is the Hermes unsuitable to the needs of the Indian Navy, but the cost of maintaining, equipping and manning the ageing aircraft carrier will be prohibitive.

It is pointed out that India is buying the Hermes when Britain was on the verge of scrapping it. The British Navy decided as early as in the Seventies to replace the Hermes with the Invincible Class of light aircraft carriers (19,500 tons). Defence circles say that the thinking in the navies the world over is to either go in for huge aircraft carriers (around 90,000 tons) along the lines of the US fleet or the light variety below 20,000 tons. A carrier the size of the Hermes is being abandoned by most navies. Australia had shown some interest in buying the Hermes from UK, but had finally decided against it.

The details of the Hermes in Janes Fighting Ships (1985-86) shows that it was commissioned in 1959 and is two years older than the INS Vikrant. All the Hermes's sister ships, HMS Albion, HMS Centaur and HMS Bulwark, have already been scrapped. Moreover, since the Falklands war, the 28,700-ton Hermes has hardly been used at all. Another drawback is that since the time it was commissioned, the Hermes has gone through

several refits. The first was in 1964-66 and then in 1971-73, 1976-77 and the last in 1982.

The argument being furnished in favour of the Hermes is that India will be getting an aircraft carrier for the relatively nominal sum of around £ 40 million. However, the government has so far refused to give an estimate of the refurbishing costs. The price India will be finally paying can be judged only if the refurbishing cost as well as the expected life of the new acquisition are spelt

out. The price paid for an aircraft carrier is only 10 to 15 per cent of what is spent on it during the period in which it is in service. This is called its "life cycle costs" and involves expenditure on fuel, food, maintenance, spares and, above all, modernisation and life extension.

It took four years to refurbish the INS Vikrant. In the case of the Hermes, the refurbishing is likely to be a much tougher and costlier operation. It will require a complete change in radar, equipment and communications which works out to building a new ship except for the hull. Taking all this into account, the final cost of the Hermes could be several times more than £ 40 million.

Concern is also being expressed about the availability of trained manpower. The Hermes will require 1,500 sailors and 300 officers who are so far not part of the Navy's manpower training plans. If it takes six years to build a ship, it takes many more years to train the men who will sail it.

It is also being alleged that India does not have the drydock facilities to berth a ship the size of the Hermes in Bombay and the cost of keeping her anchored at sea will be prohibitive. Only the Cochin shipyard has the necessary depth for the Hermes, but it has so far been used only for the merchant navy and lacks the facilities for a sophisticated warship. Building a new drydock is out of the question because it would take all of 10 years.

It is learnt that the main reason dissenters in the Navy have remained silent is that the Navy is united about wanting an aircraft carrier. Many people reportedly feel that if they speak out against the Hermes deal it will be taken as a signal against the very concept of acquiring another aircraft carrier. Defence circles feel that it would be preferable for India to collaborate with Britain or some other country to build an aircraft carrier which meets the country's needs and is a sound investment.

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INDIA

INDIAN FIRM TO MAKE HIGH-TECH ATTACK SYSTEMS

New Delhi PATRIOT in English 30 Mar 86 p 1

[Text] **Amethi, March 29 (UNI)**— The Hindustan Aeronautics Limited enters the high technology field of advanced navigation and attack systems for military aircraft when Prime Minister Rajiv Gandhi commissions the 11th unit of HAL at Korwa in Sultanpur district on 3 April.

The equipment undertaken for the manufacture, under licence from foremost British and French aerospace companies include inertial navigation and attack system, laser equipment, cockpit head up and head down displays, aircraft stabilisers and aircraft recorder.

The unit incorporates diverse contemporary technology in the fields of very high precision manufacture.

Initially the Korwa unit had started functioning in the premises of the HAL, Lucknow division to meet the production commitments.

After the selection of factory site by the Government of India in September 1982, the State Government handed over to HAL 85 hectares of land at Korwa.

The late Prime Minister Indira Gandhi laid the foundation stone of the factory on 26 February, 1983 and civil construction work started in June the same year.

The civil works for most of the factory and the bulk of housing in the township complex and other infra-

structure facilities were complete by November 1984.

Assembly and test facilities incorporating air-conditioned and super clean room facilities have also now been provided and the division is now fully functional in all aspects.

The project envisaged a capital expenditure of nearly Rs 50 crore which will increase further with the introduction of additional production facilities for new systems.

The manpower requirements of the division are expected to progressively grow from the present strength of 850 personnel of about 3000 personnel by the year 1991.

Apart from providing direct employment opportunities, the infrastructure along with other facilities, which is progressively coming up in the industrially backward area, is expected to activate other industries and generate trade.

The technology contained in the items being manufactured at Korwa unit has potential use in many other military, civil as well as space applications.

With the transfer of the know-how by the licensors, strong base will now be available at the Korwa unit to take up further development work in precision sensors, electro-optics, laser electronic, for alternate systems development for military and other applications.

INDIA

USSR PLANS TO STEP UP OIL EXPLORATION IN BENGAL BASIN

New Delhi PATRIOT in English 28 Mar 86 p 5

[Text]

The USSR is to step up the number of seismic study teams for hydrocarbons in the Bengal basin from two to five.

It has also taken up drilling of one well on a turn-key basis in the area, Dr V I Litvinenko, economic counsellor of the USSR embassy, told newsmen in the Capital on Tuesday, reports PTI.

Dr Litvinenko stood by earlier Soviet forecasts on this region, and emphasised that the Bengal basin is a highly prospective area for hydrocarbons. He denied that the USSR was withdrawing from the region in favour of Cauvery and Cambay. "In that case, we would not step up our activities in this region," he said.

Dr Litvinenko said an 830 km seismic profile has already been surveyed against the 675 km target during 1984-85, and three teams of Soviet instructors are helping the Oil and Natural Gas Commission (ONGC) in drilling operations in the region.

He said that Bodra — well, which was drilled by ONGC under Soviet supervision, had met with highly complex geological conditions.

Dr Litvinenko said Soviet assistance in the coming years will be largely concentrated in areas where results would be quick and substantial and expenses cheaper.

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SRI LANKA

FRONT DOCUMENTS GENOCIDE AGAINST TAMILS

Madras THE HINDU in English 31 Mar 86 p 7

[Text]

The story of the relentless and heavy toll of Tamil lives and property in Sri Lanka, documented in detail by a report sent to the Prime Minister, Mr. Rajiv Gandhi by the Tamil United Liberation Front, makes grim reading.

The TULF's document which surveys the period from May last to the end of February this year lists all the known acts of violence against the Tamils in this period, when nearly 2000 Tamils were killed by the security forces and nearly 10,000 Tamil-owned houses destroyed in both the Northern and the Eastern provinces.

According to Mr. R. Sampanthan, TULF politburo member, the report has detailed three kinds of killings—those deliberate acts of violence against civilians as reprisals for confrontations with militants; wanton killings of civilians like farmers and fishermen, and finally the deaths of Tamils in custody. Another example of the heightened vulnerability of the Tamil population that the report brings out very starkly is the frequent stopping of private buses plying on the highways and the slaughter of the Tamil passengers. The detention of a large number of Tamil youths appears to be almost a daily feature.

The TULF document has catalogued various instances of each category of killing and clear patterns of violence emerge from this report which runs into 105 pages. Some examples of the details follow.

"Wanton killings"

In June and July last year, Tamil farmers in Trincomalee were prevented from resuming their work on farms and those who resisted were gunned down by the security forces and the Home Guards. In many places, the mature paddy crop was destroyed. "This situation", says the TULF report "continues and farming activity in the Northern and the Eastern Provinces is virtually abandoned".

That same July, fishermen in Valvettithurai and Thondamanaru, venturing out to fish were shot at by Naval personnel and beaten up with barbed wire. In the same period, police opened fire on Tamil worshippers at a temple festival in Batticaloa.

On August 11, the armed forces set fire to

Tamil-cultivated paddy fields in Thiriyai, Trincomalee district, shot four farmers dead and sliced two others with swords, killing them.

The month of September saw a massive attack on Trincomalee town, close to the northern sea coast by the security forces and Home Guards. The attack which began on September 4 lasted until September 9 and was estimated to have destroyed about 1,500 Tamil establishments, including houses, shops and an orphanage. As many as 25 Tamils were killed in this attack. During the same month, over 300 houses belonging to Tamils were destroyed in Trincomalee district.

The TULF document lists other instances of victimisation of farmers as in Killinochchi where both in December last and the following February, the armed forces opened fire on them while they were threshing paddy in the early hours of the morning.

In February, Naval guards attacked fishermen off the Jaffna coast while 40 Tamil-owned houses were badly damaged by air attacks which killed 10 Tamil civilians and injured 18. The areas which were subjected to these aerial attacks were Kokuvil, Kondavil, Suthumalai, Thavaddi and Manipay. In that same period, 103 farmers were killed in Amparai district and their bodies burnt.

"Reprisal killings"

Instances of victimisation of Tamil civilians in retaliation for confrontations with militants are catalogued in detail.

In May last year, as a reprisal for the attack on the Mannar police station by Tamil militants, a number of houses were burnt down in that district.

Following a militant attack on the Killinochchi police station in September last, army personnel from the Elephant Pass Army Camp in that same month indiscriminately and randomly shot and killed several Tamil civilians in Killinochchi.

A land-mine explosion in Arayampattal, Batticaloa district, was followed by an incident that September when police commandos went on a rampage in Navalkuda, destroying 50 Tamil-owned houses and six Tamil shops while killing seven Tamil civilians. In the following month, security forces and Home Guards destroyed 42

Tamil-owned houses in Trincomalee after a land-mine had exploded in that district.

In December, following a confrontation between the police and Tamil militants at Kallady, Batticaloa, police went on a rampage, burning and destroying 25 houses, a shop and shooting dead six civilians.

Stopping buses on the highways

A regular feature of life for Tamils in Sri Lanka seems to be endangered travel when at any moment, a Tamil travelling in a bus between two destinations could expect to have the vehicle halted by the security forces and violence unleashed.

For instance, in May 1985, a private luxury bus plying between Colombo and Jaffna was stopped by 15 armed Sinhala Home Guards who robbed the Tamil passengers and raped the women among them. That same bus was stopped again further down the same road and the driver who was a Tamil, killed.

Other instances are reported as occurring in the same month. For example, 20 soldiers boarded a private bus which stopped to allow the Tamil passengers to worship at a roadside temple on the Vavuniya-Jaffna road. These soldiers used this break to kill 22 Tamil passengers and injure 30 others.

Detention of youths

On May 4 last year 450 young Tamil men were rounded up without any reason and taken to Army camps on the 17th of the same month. 58 Tamil youths were arrested in Amparal and taken to a spot near the beach and shot dead.

In Amparal, the following December, nearly 600 Tamils, irrespective of their age were indiscriminately rounded up and taken into custody and later to Army camps. Two were reported to have been shot dead.

The TULF document, it is pointed out by TULF sources, is not an exhaustive record of all events of violence against the Tamils but only covers a wide range. The TULF is preparing another document on the period from April 1984 to May 1985. It intends both these documents to expose the real intention of the Sri Lankan Government to commit genocide against the Tamil people in Sri Lanka.

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END