

212294

JPRS-NEA-85-077

6 June 1985

Near East/South Asia Report

19980826 153

DTIC QUALITY INSPECTED 2

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

3
124
A06

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

6 June 1985

NEAR EAST/SOUTH ASIA REPORT

CONTENTS

INTERNATIONAL AFFAIRS

ARMENIAN AFFAIRS

- French Professor on 70th Anniversary of 'Armenian Genocide'
(Jean-Pierre Mahe; LE MONDE, 25 Apr 85)..... 1

ARAB AFRICA

LIBYA

- Upgrading of People's Committees Discussed
(AL-ZAHF AL-AKHDAR, 8 Apr 85; AL-JAMAHIRIYAH, 5 Apr 85)... 5
- Organizational Measures Outlined 5
Blueprint for Democracy 6
Upgrading Regulations 7
Committees Upgraded in Stages 8
Before the Upgrading, by Salim al-Ziyadi 9
Improper Practices Alleged, by Abu Zayd Mas'ud Khalifah 12
About Upgrading People's Committees 15

ARAB EAST/ISRAEL

ISRAEL

- Study on Golan Druze Since 1978 Issued
(Nurit Kahana; HA'ARETZ, 19 Feb 85)..... 16

Economic Decision-Making (MA'ARIV, 19 Feb 85).....	21
East Jerusalem Rise in Living Standards (Mordekhai Artzieli; HA'ARETZ, 26 Feb 85).....	27
QATAR	
New Law Sets Conditions for Non-Qatari Business Activities (AL-RIYAD, 22 Mar 85).....	28
SAUDI ARABIA	
Survey Aims at Determining Factory Potential (Sa'd al-Huwaymil; AL-RIYAD, 20 Mar 85).....	31
Private Sector's Role in Changing Economy Discussed (Al-Sirr Sayyid Ahmad; AL-SHARQ AL-AWSAT, 25, 26 Mar 85)..	34
Council of Ministers Approves Cancellation of Allowances (Abd-al-Rahman al-Musaybih; AL-JAZIRAH, 26 Mar 85).....	44
SYRIA	
Commentary Discusses Causes, Solutions of Trade Deficit (Editorial, Hisham Bashir; TISHRIN, 27 Jan 85).....	48
Large Quantities of Wheat Missing From Storage (Mam al 'Amir; TISHRIN, 27 Jan 85).....	50
SOUTH ASIA	
AFGHANISTAN	
Soviets Reportedly Launch New Attacks on Rebels (THE STAR, 18 Apr 85).....	55
Mujahidin Claim Soviets May Move Afghan Capital (THE STAR, 29 Apr 85).....	56
INDIA	
Press Reports on Aspects of Indo-U. S. Relations (Various sources, various dates).....	57
Indian Embassy Protests Briefing	57
External Affairs Official's Remarks	58
Human Rights Caucus Spokesman	58

BJP Official's Remarks	60
U. S. To Promote Trade, by M. J. Albar	60
Festival of India Booklet Scored	61
CPI Demands Lok Sabha, Assembly Polls in Assam (THE HINDU, 19 Apr 85).....	63
Papers Report Visit of Pakistan Foreign Minister (THE STATESMAN, 19 Apr 85; THE HINDU, 23 Apr 85).....	64
Constructive Talks Held	64
HINDU Analyst's Report, by G. K. Reddy	65
Major Opposition Parties Silent on CPI-M Proposal (Manini Chatterjee; THE TELEGRAPH, 22 Apr 85).....	66
Report on Gandhi Speech to Air Force Commanders (THE TIMES OF INDIA, 23 Apr 85).....	67
Papers Report on Punjab Developments, Issues (THE TIMES OF INDIA, 16 Apr 85; THE TELEGRAPH, 16 Apr 85).	69
Akalis Turn 'Hawkish', by Subhash Kirpekar	69
Interview With Governor of Punjab, Arjun Singh Interview	71
Analyst Reports on Proceedings of Namibia Meeting (G. K. Reddy; THE HINDU, 18-22 Apr 85).....	73
Arrival of Area Leaders	73
Message From FRG, U. S. Criticized	74
Session Opening, Dissident Walkout	75
Second Day's Session, Diplomatic Moves	76
Final Day, Report on Declaration	77
Materials of Nonaligned Meeting on Namibia (PATRIOT, 20 Apr 85; THE HINDU, 20 Apr 85).....	79
Gandhi Opening Address	79
Text of Statement	81
Report on Finance Minister's Speech to IMF Panel (J. N. Parimoo; THE TIMES OF INDIA, 19 Apr 85).....	82
ONGC Chairman: Oil Self-Sufficiency by 2005 (THE TIMES OF INDIA, 20 Apr 85).....	85
Papers Give Details of Chargesheet in Spy Case (THE STATESMAN, 16 Apr 85; THE TIMES OF INDIA, 19, 22 Apr 85).....	87
Parallel Conspiracies Alleged	87
Involved Diplomats Names	89
Moscow Visits Noted	90

Army Chief of Staff Christens New Battle Tank (THE SUNDAY STATESMAN, 21 Apr 85).....	92
---	----

IRAN

Liberation Movement Remains Regime's Last Legal Opposition (LE MONDE, 2 May 85).....	93
Thousands Said Detained in Anti-War Demonstration (LIBERATION, 26 Apr 85).....	96
Legal Opposition Wants Just, Honorable End to War (Bazargan, Yazdi Interview; LE MONDE, 2 May 85).....	97
Treatment of Iraqi POWs Denounced (Robert Lacontre; LE FIGARO, 5 Apr 85).....	100
Briefs	
Mojahedin, Kurds Relations Severed	102
Car Delivery Resumes	102

PAKISTAN

Scientist Discusses Pakistan's Nuclear Capacity (Abdul Qadeer Khan Interview; HURMAT, 2-14 Mar 85).....	103
--	-----

SRI LANKA

Paper Condemns Drug Trafficking by Eelamists (Editorial; SUN, 20 Mar 85).....	117
--	-----

ARMENIAN AFFAIRS

FRENCH PROFESSOR ON 70TH ANNIVERSARY OF 'ARMENIAN GENOCIDE'

Paris LE MONDE in French 25 Apr 85 p 4

[Article by Jean-Pierre Mahe*]

[Text] The 70th anniversary of the Armenian genocide, carried out on the orders of the Young Turk government in 1915, is observed almost everywhere in the world. In France, two monuments will be unveiled to commemorate the occasion, one in Paris at Place du Canada, the other in Lyon at Place Bellecour. In 1973, the erection of such a monument in Marseilles brought on a crisis in relations with Turkey.

As everyone knows, as far as Ankara is concerned there was no "genocide" in 1915, but a deportation for reasons of military security of the Armenian population in the east, suspected of cooperating with the Russian enemy; during the forced exodus, it is admitted that disease and exhaustion resulted in tens of thousands of deaths.

In Lebanon, the commemoration will take place in an atmosphere of tension on account of the 23 April assassination in Beirut of Sarkis Aznavourian, member of the Tachnag (social democrat) party central committee. No one has claimed responsibility for the crime.

It was 70 years ago, on 24 April 1915, that the Turkish government arrested the Armenian intellectuals of Constantinople to sentence them to deportation and death together with an entire people. This date has since been chosen symbolically by the Armenians, from that time scattered throughout the world, to honor each year the memory of the more than 1 million victims. Every year on 24 April in Erevan, the capital of the Armenian SSR--a territory of 28,000 square km which was transferred from Iran to Russia in the early years of the 19th century--hundreds of thousands of people take their turn to leave their job and climb

*Professor at the National Institute of Oriental Languages and Civilizations.

silently to lay a flower on the monument erected after 1965 on a wooded hill on the outskirts of the city. In France, the Near East, throughout the American continent, and even in Australia, religious ceremonies on the day of remembrance alternate with conferences and public demonstrations. This year, a mass demonstration of unprecedented magnitude was planned in Washington before the White House, to protest against the official silence which still continues to cover up a crime committed 70 years ago.

Well set forth in several recent works, the facts are now known to the French public. Bound by the Treaty of Berlin in 1878 to promote "improvements and reforms in the provinces inhabited by the Armenians," the rulers of the Ottoman Empire attempted to empty this clause of all meaning by proceeding to a new administrative territorial division intended to place the Armenians in the minority in the eastern provinces which constituted the western part of former Armenia. Then they made a first attempt in 1895-1896 to exterminate the Armenian population. This attempt, which resulted in at least 300,000 victims, was interrupted by the intervention of the western powers.

But in 1915, when Europe found itself unable to act because of the world war, the government of the Young Turks, which had overthrown the imperial regime in 1908 and had entered the war on the side of Germany, decided in turn to get rid of the Armenians. The Armenian conscripts who responded in large numbers to the mobilization orders, were first executed near the barracks where they were to sign up. In the meantime, under the pretext that the presence of the Armenian population all along the Russian-Turkish border constituted a danger for defense, the order was given to deport all Armenians who remained in the country to Syria. This deportation, accompanied by acts of violence of unheard of cruelty, was in fact planned as a process of extermination. The survivors who arrived in Syria were constantly moved from one camp to the next until they were exhausted.

A Premeditated Extermination Plan

All Armenians in Turkey were deported except for those who were living in the capital or in the far west, and those in the east who managed to slip behind the Russian lines and subsequently found refuge in eastern Armenia. The number of victims is hard to estimate in view of the lack of precise statistics, and totals between 1 and 1.5 million; it seems very unlikely that that the former figure could be any lower considering all the documentation attesting the huge numbers of Armenians in the eastern provinces where they are completely lacking today.

But above all, the nature of the crime cannot be seriously contested. It was not a matter of a massacre due to the unfortunate

consequences of the war, but definitely a premeditated extermination plan. On 15 April, the Permanent People's Tribunal, meeting last year at the Sorbonne, passed on this decision to the senate, following a critical examination of the entire file: "The extermination of Armenian people by deportation and massacre constitutes an infeasible crime of genocide in the sense of the 9 December 1948 convention for the prevention and suppression of the crime of genocide."

Nevertheless, except for France, which over the last few years has officially taken a clear and courageous position on this question, governments continue to ignore the crime and to accept implicitly the successive denials of all Turkish rulers for the last 70 years. Thus Turkey was able to successfully resist mention of the Armenians in a passage concerning the crime of "genocide" at the NATO commission for human rights in 1974 and 1978-79.

However, genocide is the sort of crime that continues to have painful and tragic consequences, even three generations after the event. Many Armenians who sought refuge after the catastrophe in various Near Eastern countries found themselves obliged once again to go into exile because of the nationalist awakenings which followed the second world war. Not long ago, the small Armenian community in Cyprus was sorely tried, like all the other Christians on the island, by the partition violently imposed by the Turks. In large part formed of people displaced from southeast Turkey, from orphanages established after the first world war, and of survivors of the exodus confined in camps in Syria, the Armenian community in Lebanon today finds itself involved in a civil war whose consequences, from the Armenian point of view, are all the more tragic in that for this community the last purely west Armenian social fabric is threatened with extinction: where else could one freely speak one's language both in the city and at home, and enjoy a truly Armenian cultural life in diaspora, if not in Lebanon?

From the perspective of the Armenian language, therefore, the events of these last few years constitute a sort of extension of the 1915 genocide, as if the last survivors were being tracked down to deprive them of their remaining breath of national life. In the future, other tragedies threaten to break out in other countries and to strike even more severely a people which for 70 years has been deprived of all international recognition.

But in those very countries where the Armenians have generally acquired a degree of honest material comfort thanks to their work, the wound has still not healed. It was not easy for the first immigrants, bearers of a language and culture which no longer existed in their ancestral land, to come to terms with their inability to transmit this heritage to the children to whom they had given life for lack of a suitable social milieu.

Uprooted, torn from the normal sequence of generations, the profound discrepancy between the inner world, lit up with Armenian memories, and the outer, exclusively foreign, bring on a sort of tearing anguish to which the Armenian literature of the diaspora bears witness with striking vigor, especially that composed in France from the 1920's to the 1970's. Undoubtedly this explains the profound and painful identity crisis which many young third generation Armenians are experiencing today, both in France and elsewhere in the world. They received this anguish at birth, and perceived it in their parents throughout their childhood. They feel pursued by the tragedy of their origins and unable to get back to them at the same time.

No one has the power to compensate for the wrong that was done; but one cannot conceive of an assuagement based on the stifling of the truth. If one cannot fairly hold the present Turkish population accountable for a crime committed 70 years ago, neither should one accept the misrepresentation or the straight-out denial of the facts. By taking a firm stand on the Armenian genocide, the French government has shown that one can denounce lying propaganda without at the same time relinquishing diplomatic relations with Turkey. It may be hoped that this example will be followed by other governments and by international authorities. It is not only a matter of the truth due to the victims and their descendants, but also of human conscience and the prevention of the crime of genocide.

9824

CSO: 4619/49

LIBYA

UPGRADING OF PEOPLE'S COMMITTEES DISCUSSED

Organizational Measures Outlined

Tripoli AL-ZAHF AL-AKHDAR in Arabic 8 Apr 85 p 10

[Text] The popular experiment in the Socialist People's Libyan Arab Jamahiriyah has undergone a new and significant development. Specific people's committees are being directly upgraded whereby the number of people's congresses, which have become widespread everywhere, will be matched by the same number of people's committees. These committees, which will serve as executive agencies, will report to the people's congresses whose secretariats will oversee the upgrading process the next time these congresses meet in a regular session.

The new people's committees will be fully accountable to the masses, and they will come under their strict supervision. Committees that are upgraded will be accountable to the masses of the people's congresses, and they may be questioned by revolutionary and popular agencies if they are unable to implement the people's decrees, if they are reluctant to do so, or if they fail to carry them out.

Reckoning with those who pursue the wrong course of action and disobey the masses to serve their own personal purposes and objectives will be rigorous. Reckoning will be rigorous for anyone who pursues a course of action that favors a tribe or a clan, thereby violating all the regulations and laws. He who does that will not be able to get away with what he did because the stern laws that were enacted by the people's congresses will deter him. These laws can block all those opportunists' courses of action.

AL-ZAHF AL-AKHDAR, the newspaper of revolutionary committees, is calling upon the popular masses to participate actively in the free and direct process of upgrading these committees. Their participation is to be based on the principle of finding who is best, most suitable and most capable for these committees without any bias to a tribe or clan. This is because the masses' success in choosing their people's committees would mean that there is a popular awareness that is beginning to assert our need to embark on a period for establishing strong roots so that the principles and ideas of the Third World Theory can be firmly established.

We are absolutely certain that we will win this challenge. Here are the masses of the people's congresses managing all the affairs of their lives themselves.

They are managing their affairs with their eyes wide open; they are affirming their ability to determine their own destiny; and they are emphasizing their own will. Let's have more awareness, more commitment and more consolidation of the great ideas of the 1st of September Revolution so that our republic can become the Mecca for free people, a place of refuge that is sought by the persecuted everywhere in the world in their quest for certain emancipation.

Blueprint for Democracy

Tripoli AL-ZAHF AL-AKHDAR in Arabic 8 Apr 85 p 10

[Article: "From the First Chapter of 'The Green Book'"]

[Text] "There is only one method and one theory of democracy. The differences and variations among regimes that claim to be democratic are nothing more than indications that these regimes are not democratic. There is only one aspect to the people's authority, and that can only be achieved in one manner. It can be achieved by means of people's congresses and people's committees. 'There can be no democracy without people's congresses.' 'The committees are everywhere.'

"First, the people are to be divided into basic people's congresses, and each congress would select a secretariat. Secondary people's congresses would be organized from all the secretariats of the congresses. Then the masses of those basic people's congresses would select administrative people's committees to replace the government administration. Thus, all of society's utilities would be run by the people's committees. These people's committees, which will run the utilities, will report to the basic people's congresses which dictate policy to these committees and supervise the execution of that policy. Thus, utilities will be run by the people and supervised by the people. The old definition of democracy which stated that "Democracy is the supervision of the government by the people" would become obsolete, and it would be replaced by the correct definition of the term. "Democracy is the supervision of the people by the people."

All citizens who are members of these people's congresses are associated with different groups through their jobs or professions. Therefore, they have to organize their own professional people's congresses. Citizens' affiliation with these professional people's congresses goes above and beyond their membership as citizens in the basic people's congresses or in people's committees. What is discussed at people's congresses and in people's committees is finalized in the General People's Congress where the secretariats of people's congresses and people's committees meet. What is formulated by the General People's Congress, which meets periodically or annually, is consequently proposed to people's congresses and people's committees so that execution can be begun by those people's committees which report to the basic people's congresses.

The General People's Congress, unlike parliamentary councils, is not made up of the sum total of the members of these congresses. The General People's Congress is the convention of people's congresses and people's committees.

Upgrading Regulations

Tripoli AL-ZAHF AL-AKHDAR in Arabic 8 Apr 85 p 10

[Text] The resolutions of the basic people's congresses, which had to do with setting the conditions that must be met by those who will be promoted to positions in the basic people's congresses and to people's committees, were formulated by the General People's Congress during its seventh session. That congress was convened in the year 1391 after the death of the prophet, which coincides with 1981 A.D. These resolutions were amended by the basic people's congresses when they convened their third regular session in the year 1394 after the death of the prophet, which coincides with 1984 A.D. They were formulated in the 10th regular session of the General People's Congress which was convened in 1985 A.D.

Accordingly, regulations for upgrading the people's committees have been set in the following points:

First, the following conditions must be met by those who are to become members of the people's committees:

1. Commitment to the revolution's ideas in words and deeds.
2. Moral commitment.
3. Experience in the field into which one is to be promoted.
4. An educational degree that is suitable to the requirements of the position to which one is being promoted.
5. Citizenship in the Socialist People's Libyan Arab Jamahiriyah.
6. Completion of military training.

Second, the following matters are to be taken into consideration during the upgrading process:

1. One may not serve simultaneously on more than one people's committee; nor may one serve simultaneously on a people's committee and on any of the secretariats of basic people's congresses, professional congresses, people's committees in national organizations and companies, and agricultural congresses. One may not serve in two positions simultaneously.
2. Merchants, contractors, brokers, officials of the bygone regime and people who have been attacked by the power of the revolution are not to be promoted to positions in people's committees.
3. Participation in the upgrading process is to be restricted to those who can prove by their membership card that they actually live in that area where the basic people's congress has jurisdiction.
4. Students may be promoted to congresses that have jurisdiction over the area

where the college or educational institution in which the student is enrolled is located.

The following groups of people may not be promoted:

- Judges and prosecutors.
- Policemen.
- The municipal guard.
- The customs guard.
- The armed forces.

Third, to ensure that qualified people are available to fill these positions, those who are being promoted to positions in people's committees are to be exempted from meeting the residency requirement.

Committees Upgraded in Stages

Tripoli AL-ZAHF AL-AKHDAR in Arabic 8 Apr 85 p 10

[Text] Stages in Upgrading the People's Committees

The Masses of the People's Congresses Will Affirm Their
Ability To Determine Their Destiny

The First Stage: The people's committee of the Basic People's Congress: The Basic People's Congress is to meet to upgrade a people's committee that is to be developed from all sectors.

The Second Stage: Specific people's committees and the people's committees for municipalities:

1. The people's congress for a municipality is to meet to promote the secretaries of specific people's committees who come from a pool of candidates who are being promoted to membership in the people's committees for the various sectors.
2. The people's congress of a municipality is to promote a secretary for the people's committee of the municipality from a pool of secretaries who are being promoted to specific people's committees. His replacement is to be promoted to the secretariat of the specific people's committee.
3. The basic people congresses are to fill the vacancies created in the people's committees of the basic people's congresses by promoting individuals who would replace others who are being promoted to the secretariats of specific people's committees.

The Third Stage: The Specific General People's Committees:

The secretaries of various people's committees in municipalities organize the specific general people's committee. The secretaries of these specific general people's committees are to be promoted by the General People's Congress.

The Fourth Stage: The General People's Committee: The secretaries of specific general people's committees organize the general people's committee whose secretary is promoted by the General People's Congress.

The Secretariats That Are To Be Upgraded:

1. The People's Committee for Justice
2. The People's Committee for Health
3. The People's Committee for Information and Culture
4. The People's Committee for Agrarian Reform
5. The People's Committee for Housing
6. The People's Committee for the Treasury
7. The People's Committee for Education
8. The People's Committee for Electricity
9. The People's Committee for Utilities
10. The People's Committee for Planning
11. The People's Committee for Public Service
12. The People's Committee for Mass Sports
13. The People's Committee for Social Security
14. The People's Committee for Telecommunications and Maritime Transport
15. The People's Committee for the Economy and Light Industries

The Beginning and End of the Upgrading Process in the First Regular Session of Basic People's Congresses and People's Congresses for the Municipalities in 1985

First, the basic people's congresses are to convene their first regular session for the year 1394 after the death of the prophet, which coincides with 1985 A.D., during the period from 17 to 19 Rajab in the year 1394 after the death of the prophet, which coincides with the period from 8 to 10 April 1985 A.D. at exactly 4 o'clock p.m.

Second, the people's committee of the Basic People's Congress is to be upgraded on the second day.

Third, the Operations Room at the secretariat of the General People's Congress is to be notified of the outcome at 4 o'clock p.m. on the same day.

Fourth, the people's congresses for municipalities are to convene their first regular session in 1985 to draft the resolutions of the basic people's congresses and select the people's committee for the municipality. That meeting is to be held on Thursday, 27 Rajab in the year 1394 after the death of the prophet, which coincides with 18 April 1985 A.D.

Fifth, the Operations Room at the secretariat of the Basic People's Congress is to be notified of the outcome of the upgrading process on the same day.

Before the Upgrading

Tripoli AL-ZAHF AL-AKHDAR in Arabic 8 Apr 85 p 11

[Article by Salim al-Ziyadi]

[Text] As the process of upgrading the people's committees gets underway during

this session of the people's congresses, the new democratic experiment in the country is undergoing extensive and rapid developments. This time the upgrading process itself is characterized by the fact that the number of people's congresses, which are widespread in each neighborhood, village and city, is matched by the number of people's committees. It is estimated that the number of individuals serving on people's committees who are candidates for promotion is over 32,000. Another new thing in this unique experiment in democracy is the fact that there is no committee overseeing the upgrading process. The secretariats of people's congresses are overseeing that process directly while the congresses are meeting in their regular sessions. Promotion is considered an item on the congresses' agenda, and decrees issued in that regard are considered political and sovereign decrees.

As we wait for the upgrading process with its new development to commence, we must make a few points, one of which is extremely important. In the past the shortcomings of that matter had had a direct effect on the execution of decrees issued by the people's congresses. This is a matter that has to do with the absence of real awareness and a sense of proportion in the congresses when these bodies were selecting their executive committees in the course of the upgrading process. Consequently, other factors had a negative effect on the process, and that impeded every popular decree which was adopted by the masses.

It was a few people's committees, the product of dishonorable factors, that failed to carry out the masses' decrees.

Therefore, a word of guidance and advice is imperative. The aim of adhering to scientific standards and true integrity in carrying out the upgrading process is to create executive people's committees that are capable. This can be done if the masses of the people's congresses become committed to the selection process, stay away from cliques and night gatherings in town squares, and spurn contrived and uncivilized selection plans.

We must also emphasize several other points that we think must be emphasized before the upgrading process begins.

The first one of these points is that of active participation in the upgrading process.

All members of the people's congresses, men and women, must attend those sessions during which the upgrading process is to take place so that each citizen, male or female, could express his or her pertinent opinion on those persons who are to be promoted in various sectors. Those individuals are the ones who will be responsible for implementing the people's decisions, which include rigorous plans and ambitious development programs that require one to have the scientific specialty, the necessary experience as well as total competence and ability to implement these plans and programs in a manner that will assure the masses that every decree they issue is being put into action properly and implemented in a superior fashion.

The second point is this: To emphasize the specific directions and regulations that were laid down by the people's congresses. These are:

1. Commitment to the revolution's ideas in words and deeds.

2. Moral commitment.

3. An educational degree that is suitable to the position to which one is being promoted.

4. Libyan Arab nationality.

5. A candidate for promotion is to have experience in the field to which he is being promoted.

6. Completion of military training.

The secretariats of the people's congresses are fully responsible for all the information that is mentioned about members who are being promoted to the people's committees. The secretariats are responsible for how closely these directions and regulations are followed.

The third point is this: All middlemen, tribal advocates, counterfeiters and well-known elections brokers are to be intercepted. They use the drunks of town squares to infiltrate the ranks of the masses in an attempt to sidestep the people's congresses and make popular decrees in their town squares. It is the responsibility of revolutionary committees to expose all those persons to the masses of people's congresses which will remove them or rather trample them underfoot. The people's congresses will expose their arrangements and reveal their proteges who are trying to get to the people's committees to protect the interests of those brokers and relatives. They are trying to make things easier for them so they can continue their exploitation by ignoring the majority of the popular masses. Those people are represented today by contractors, merchants and brokers who are relics of a bygone age. We are also affirming that the method of selecting and appointing people against the masses' wishes--and it is the masses who have the authority and the power to make decisions--has come to an end. Promoting people who are committed and qualified results in a superior implementation of the masses' decrees. The people's free choice of those they find suitable is sacred.

A word remains to be said about the role of revolutionary committees. That role manifests itself in guiding, educating and admonishing the people and exposing [traitors]. The new popular experiment in al-Jamahiriyah is wonderful and unique; it differs in form and substance from every other experiment. The movement of revolutionary committees is a new cultural revolutionary movement whose missions, goals and objectives differ from those of traditional political organizations that have become bankrupt and futile. Therefore, members of this movement have to correct and keep their historical missions in mind. They have to be aware of their cultural role in affirming the people's authority and consolidating the society of the masses. It is the function of revolutionary committees to prod and guide the masses, not to exercise authority over them. They are not to favor anyone or appoint and remove anyone they wish. It is not up to them to act as guardians and appoint people to positions. Their aim is not to impose certain persons who would act on the people's behalf or protect them so as to give those persons power here or there. Their aim is rather to take the people's experiment as far as the masses can go.

It is also the function of this movement to prod the masses and open their eyes to the facts, not to obfuscate issues or misguide the masses. It is to expose authoritarian practices and allow the masses to choose those whom they think are suitable. Revolutionary committees are to work to affirm the masses' choices and wishes. This movement should remove fear from the people's hearts and break through the psychological barrier. It is to strengthen the masses' confidence in themselves and in their ability to wield their own power, wealth and weapons without having any higher authority giving them orders and conspiring against them.

The masses alone are the highest authority, and they are the only ones who can make decisions. Anyone who claims to be favored or claims that his selection is recommended by higher-ups must be discredited. All those who are promoting this backward way of thinking are to be watched, and those who are actually engaged in such practices are to be identified.

All traditional experiments in which the popular masses were treated condescendingly, their affairs entrusted to others, their wishes discredited, their choices challenged, and power exercised by others acting in their place or on their behalf were experiments that failed and were relegated to oblivion. All movements in which people were picked and chosen from the masses, who were described as impotent and incompetent, lost their credibility and were trampled underfoot by the same masses which these movements believed they could exploit and disregard forever.

Accordingly, members of this movement must understand this well. They must understand that the task with which they are being charged is a momentous one: a task that comes close to resembling that of prophets and missionaries. The purpose of that task is to achieve all the goals of the new popular experiment which affirms the authority of all the people and their control over all the affairs of their lives.

In recognition of these and other matters we state that the interaction which is achieved in the people's congress during the course of its ordinary sessions is positive and proper. As we affirm that statement, we call upon the people's congresses and their informed masses to select new and good faces so that the wishes of the people would not remain shackled to a few individuals whose pleas that they be chosen for positions on congresses and committees have made the popular masses impatient. Thus the masses alone will stay on top as lord and master until that time when God shall inherit the earth and all those who are on it.

Improper Practices Alleged

Tripoli AL-ZAHF AL-AKHDAR in Arabic 8 Apr 85 p 11

[Article by Abu Zayd Mas'ud Khalifah]

[Text] What would you do if you were invited to a dinner banquet? Would you tie your shoe laces, put your trust in God and go? It would be socially unacceptable and impolite to decline the invitation. If you refuse to go to the dinner banquet, you will be thought of as a complicated individual whose behavior is odd.

At any rate, you went to the dinner banquet, believing that you would eat what God ordained you should eat; and you believed that you would speak, laugh and hear a few stories. But there were new matters unfolding in front of you. Many people had gathered there, believing as you did that this was a banquet for a few people. In this case, you might ask what was the occasion for this banquet, and one of those present might laugh at your question. But you are confident anyway that you will know everything after the banquet. After all, you had come and you had to be patient. After the first course and the second course were served, the subject of promotions came up. That subject had not crossed your mind. Until a few moments ago you had believed that all these things had come to an end once and for all. Everyone you had seen before this evening had condemned these poor practices. In fact, they had ridiculed these practices as backward, but all those people who were attending this banquet had promotions on their minds, and they were talking about the people's committees in the following manner:

- The economy
- Public service
- Justice
- Health

Topping the list were the [People's Committee for] Education and the People's Committee for the Municipality. These two committees were followed by the other people's committees.

Candidate A was proposed for the committee for education as a man who was one of us and would work for us. "He has to be on that committee. We will not give him up. We will give the others something in return and we will coordinate this matter with them."

That was what the first man said.

The second one added immediately, "Then let's give them social security. What should we do with social security?"

The third said, "I did not come here to have a discussion with you about the economy and utilities. I only want to coordinate with you the matter of the secretary of the People's Committee for the Municipality." And that was how the conversation continued. You were baffled, and you wondered, "What is my role here and why was I asked to come?" Then after a few words were exchanged, one of those seated turned to you and said, "You have to take care of so and so and so and so. You know them, and we believe they would not turn you down. Tell them what we did and convince them. We don't want them 'to mess up' our programs."

Then you picked up the list as you would pick up the spoons.

The time has come for me to interject myself in one issue this week; it has been a week of intense communications and tribal coordination.

Anyway, I left that rotten place. I took the green notebook and wrote down all the information because I like to write things down so as not to forget them. There comes a time after a certain level of awareness is reached that certain

things become ludicrous. Also I did not forget the list of people's committees that I had written down. People's committee X was to have so and so as its secretary, and people's committee Y was to have another so and so as its secretary and so on.

I am sending you this letter hoping that you will publish it without the list. If what I said turns out to be true and the program is not changed, I ask that you publish the list in detail, even though I am convinced that in time it will become a joke. Revolution implies a change in relationships and concepts, and relationships have changed. The concept of a government and people no longer exists; now the people rule. There are no longer employers and employees; there are partners. And so relationships have changed: reactionary, backward and unfair relationships have changed into proper, normal, fair and progressive relationships. However, concepts have not yet changed. This is a revolution that did not come about by decree but rather by the influence that revolutionary committees have over people's minds. There is a contradiction between relationships and concepts, and efforts must be made on a daily, weekly and annual basis to change that. We must have an intense program to harmonize relationships with revolutionary concepts and values.

The reactionary forces of the bourgeoisie, which are made up of former contractors, merchants and brokers, formed an alliance and pooled their resources to sidestep and evade regulations so they themselves can write the list of candidates for promotion. I don't mean to say that they did that so that they themselves could become secretaries of people's committees. They prefer to choose the secretaries so they can control them. It's as though they [fancied themselves] former governors and main figures of the bygone age. A few old men also formed an alliance like that of the former contractors and merchants.

Those who are always trying to be smart so they would be entrusted with the affairs of tribes met as usual and held dinner banquets and luncheons so they could write a list of those who would serve on the people's committees.

I obtained three lists: the list of contractors and merchants; the list of conservatives and weaklings; and the list of tribalists and those who live by their wits.

What astonished me was the fact that most of the names that were proposed were names that the three groups had unanimously agreed upon. They were also the names of those who had served as secretaries to people's committees in the past. In other words, they were the names of people who had kept their positions.

This makes us understand why our programs and decrees were not carried out. It makes us understand why we still find mediation and favoritism and why we still find extravagance, waste, overemployment, neglect, lack of concern and other such matters. We find these things because the secretaries of people's committees are not qualified to do anything but serve the bourgeoisie, the cunning proponents of tribes and the main figures of the bygone age. And so we understood the reason why exploitation exists.

Exploitation exists for the proprietors of blacksmith and carpentry shops and the proprietors of automobile repair shops as well as others who employ Arabs and foreigners.

We understood why so and so's workshop was returned to him and why so and so was compensated. We understood why another person who owns a building was receiving rent from that building. We understood why we still have feudalism, trade and other matters. It is because the actions of the people's committees are guided by the opinions of the bourgeoisie, the feudalists and others. The people's committees act the way they do to keep their patrons' economic weapons intact.

This is what I think as a member of a revolutionary committee and as a person who understands the role of revolutionary committees.

The aim of revolutionary committees is not to come to power. They rather strive to empower the masses; they prod them to seize power and to exercise that power through the people's congresses and the revolutionary committees as well. Self-examination programs for these committees provide a safety valve that keeps them from exercising power, even when the emergency functions they undertake yield quick results, just as the movement of revolutionary committees did when it attacked the bourgeoisie and the symbols of an exploitative society. According to the three theories revolutionary committees have to attack the bourgeoisie, the principal figures of the bygone age and the dens of proponents of tribes, clans and people who live by their wits to strip them of the weapons they have been using. What will be left is the final stage in the dialectic of struggle: that of physical elimination. It is a stage that will follow that of stripping these forces of their economic, political and social weapons.

About Upgrading People's Committees

Tripoli AL-JAMAHIRIYAH in Arabic 5 Apr 85 p 26

[Text] When al-Jamahiriyah was established and the authority of the people was declared, all false claims about democracy that were made by regimes were exposed. These are regimes that had been entrusted with people's affairs but had oppressed the people. Democracy is the exercise of the people's authority without representation or deception. Democracy is exercised when the masses meet in their basic people's congresses to make decisions and to question people's committees about those decisions that were carried out. Accordingly, such mature and informed popular decisions need people's committees that are capable and qualified to implement those decisions and carry them out in the proper manner.

In the next few days the popular masses will select their people's committees. The masses are free to choose, and they make their choices without anyone looking over their shoulders. A popular society rejects the method by means of which individuals are appointed to these committees or imposed on them. These committees which are selected by the masses are the ones that will carry out the decisions of the masses that chose them. The positive or negative effects of those choices will be reflected on the implementation of these decisions. The masses are the only ones who stand to benefit from choosing good, capable and honorable people, and they are the only ones who will be hurt by choices that are random, tribal or clannish.

The people who are chosen must come from the masses. They must be people who can carry out the wishes and aspirations of the masses, as these are formulated in their basic people's congresses and turned into decrees that people's committees are charged to implement.

ISRAEL

STUDY ON GOLAN DRUZE SINCE 1978 ISSUED

Tel Aviv HA'ARETZ in Hebrew 19 Feb 85 p 11

[Article by Nurit Kahana: "Anatomy of a Conflict"]

[Text] Three factors combined in the strike that took place this past Thursday in the Druze villages in the Golan: The third anniversary of the major strike there, the third election of Hafiz al-Asad as president of Syria, and the celebration of the liberation of the Ash Shakhhar region, the region of Druze villages that were captured by the Muslims in Lebanon during the Lebanese war. (This made access possible to 'Abayh, the site of the grave of the Druze saint, Amir al-Sayyid).

The strike occurred at the time of the statements of the State Department ("the Golan Heights is a subject for negotiation") in contrast to those of Shimon Peres and Yitzhaq Shamir ("the Golan is an integral part of the State of Israel"). "As long as such contradictory statements are heard from within and without, a political cloud will continue to prevail over the future of the Golan Heights -- there will be occurrences similar to last Thursday," maintains Aharon Zvida who served as a staff officer for educational affairs in the military government for 11 years and who now supervises the educational system in the Druze villages in the Golan Heights. He recently completed a field study that was the first of its kind and that was intended to study the change that has taken place in the behavior of the Druzes in the Golan Heights since 1978 and to analyze the conflict that has erupted with the Israeli authorities which peaked with the strike that continued for 6 months and the military shutdown that the IDF imposed on the region.

The work is based on a survey of 253 teachers and workers in the schools in the Golan Heights and 50 interviews of religious and secular leaders, young people, intellectuals, and workers from the two main camps, the pro-Israelis and the pro-Syrians. The researcher also based his work on 100 miscellaneous documents that discussed legal issues in the Golan Heights, the granting of Israeli citizenship and identification papers, contracts, mediation measures during the major strike in the Golan Heights, and the Israeli and Syrian print and electronic communications media. The study was done under the direction of Prof Gabi Ben-Dor of the political science seminar of Haifa University.

Poor Timing

"Had the Golan Heights law been enacted before the Israeli citizenship law, there would have been a reasonable prospect that its transformation would have been accomplished without any special agitation in the Golan Heights," claims Zvida in a conversation with him. The citizenship law that was enacted in August 1980 (the Golan law was enacted in December 1981), according to which the Druzes were given Israeli citizenship papers, upset the internal balance within the community and escalated the conflict within it to the point of an imposition of religious excommunication.

This is one of the three factors in the conflict listed by the researcher. The authorities have not had and do not have now a response to a religious excommunication, claims Zvida. We cannot intervene in the internal affairs of the community [when it] tells someone not to go to the wedding of one who has become an Israeli citizen, not to attend a funeral of a family member who has Israeli citizenship, or not to permit him to enter a house of prayer. According to Zvida, the Druzes in the Golan regard the identification papers as only an identification card as opposed to citizenship papers that would mean identification with the state and the burning of all bridges with Syria. They have also explained that their refusal to accept Israeli citizenship has a religious motive. The Arabic word jinsiya (citizenship) is derived from the verb janasa which also means to change one's kind [or sex] or to deny one's religion.

The second factor was the harming of the traditional leadership. For decades the traditional leadership of the Druses in the Golan Heights has been in the hands of the Kanj abu Salah family, the largest in the Golan Heights. Its head since 1963 has been Shaykh Sulayman Kanj Abu Salah. The second family in the Golan is the Safdi family. The Israeli authorities preferred to cultivate the Abu Salah family.

As such, according to the study, during the first years after the Six Day War, the military government began to provide massive economic, social, and personal assistance to Shaykh Sulayman Kanj. He generally received these favors with understanding. Such phenomena are not unusual in the Arab world. Shaykh Sulayman gave considerable public support to the State of Israel and its government and even opined that the Golan Heights should be annexed to Israel. At the end of 1977 there began a gradual change in his pro-Israeli position, apparently because of Syrian pressure. After the Likud's rise to power the authorities began to distance themselves from him, culminating in his being jailed in 1982.

Druze religious leaders and personalities in the Golan Heights claimed to the researcher that the authorities severely and unjustifiably offended the honor and status of Shaykh Sulayman whom they regard as the only Druze leader in the Golan. According to them, this is why he has hardened his position, been pushed unwillingly toward extremism, and finally even led those who vigorously opposed the receipt of Israeli citizenship and identification papers and the imposition of Israeli law on the Golan Heights.

It is evident from the interviews and the reaction of the population in the study that offending the traditional leadership in the Druze community caused a sharp reaction by all the members of the community. The researcher maintains that the significance of the matter was not sufficiently clear to the one who decided to adopt a hard line against the traditional leadership. As such, one of the security officials in the Golan Heights admitted that it was a mistake to arrest the traditional leadership, an act that incited hatred toward the authorities. There was a need to try again to talk with them and convince them to calm things down, he claimed. Nevertheless, he said that the decisions on this matter were made because of the pressures of the time.

The Syrian Influence

The third factor in the conflict is the Syrian influence. [This influence is exerted] in all possible ways: in the communications media, in "tent meetings" that were held under the supervision of the authorities during which family members exchanged messages, through Druze students in the Golan who studied in Syria, and even through West Bank leaders and pressure on relatives in Syria. According to the study's findings, a very high percentage of Druze family members in the Golan are in Syria. Of the 235 participants in the survey, 92.8 percent stated that they have relatives in Syria. Of these, 42.6 percent have a close family member in Syria.

Zvida maintains that the uncertainty about the future of the Golan Heights that was raised in 1978 with President Sadat's visit to Israel and the return of the territories to Egypt led to unrest and conflict among the Druzes. The continuing political cloud even today prevents full cooperation with the Israeli authorities.

The work describes the distribution of the identification papers by the army as an additional factor that deepened the revulsion toward the Israeli authorities. One of the Druze interviewees relates: The soldiers entered the houses with officials of the Ministry of Interior and distributed the identification papers by force. They carried rifles, truncheons, and tear gas. "Is this the way identification papers are issued in Israel?" He asked. Naturally there were quarrels, mainly with those who threw the papers in the faces of the soldiers. The soldiers defended themselves, struck blows, and also broke glasses. The state comptroller also criticized the decision to distribute identification papers in the houses with the involvement of the armed forces.

Pressures for Hardening the Line

Besides the three key factors, the researcher in his work points to various groups that have been involved in the conflict. These include the pro-Israeli Druzes in the Golan, the Golan Settlements Committee, the Druzes within the green line, political groups such as the RAKAH in Israel, the UN institutions, and religious leaders from Lebanon. One of the conclusions of the study is that the unclear and inconsistent policy that the Israeli authorities have adopted in dealing with the conflict, mainly during the period after the termination of the military government, and the decisions that were taken at the highest levels, at times through a deviation from the existing directives and laws, were among the primary pressures for the change in the behavior of the Druzes in the Golan and for the hardening of their line toward the authorities.

It is evident that there has been a lack of understanding by the establishment level of the subject of the Druzes in general and the Druze minority in the Golan in particular. This condition stems from no knowledge of the language and ignorance of the Druzes' tradition, culture, and leaders. The more the Israeli authorities attempted to force changes in the status and living conditions of the Druzes the more the Druzes united and hardened their line toward the authorities while eliminating their internal disputes. According to the researcher, the removal of the military government from the Golan Heights in the wake of the imposition of Israeli law and the absence of a substitute for this body intensified the hostility of the Druzes in the Golan toward the Israeli authorities and strengthened the hand of the extremist pro-Syrian elements.

Another conclusion: The obstruction of the communications media in their coverage of what was happening in the Golan during the period of the military shutdown damaged Israel's image at home and abroad. This decision intensified public criticism of the government's policy and the methods used to apply the law in the Golan Heights and the distribution of the identification papers to the Druze population.

At the end of his work, Zvida formulates a series of recommendations for those who are establishing the future policy in the Golan Heights and those who are implementing it. He has submitted these recently to those involved in this matter. His main recommendation is to immediately establish a coordinating civilian entity to handle Druze affairs in the Golan that would be located in the area itself (he recommends Kefar Mis'ada [or "Mis'ada"] that serves as an administrative base for the Golan Heights). This body would be coordinated by the Office of the Prime Minister, would be directly subordinate to him, and would serve as an interministerial coordinating body. It is recommended that besides the security elements, it would also have representatives of several ministries which are involved significantly in the Golan Heights such as the Ministry of Interior and the Ministry of Education. An additional recommendation is to require the representatives of all the various ministries to visit the Golan Heights at least once a month in order to learn the special problems of the Druze residents.

The researcher recommends that the Druze local councils be given assistance in the development of the villages in stages and in accordance with the reaction and behavior of the population. He especially recommends the construction of schools since today over half of them are functioning in rented facilities. A special recommendation concerns the renewal of ties with the Druze leaders in order to obtain their assistance and that of their friends, the religious leaders, in achieving understanding and cooperation with the general population.

"There is a mistaken view here in Israel that because of a vocal extremist group, most of the Druzes in the Golan Heights hate us," claims Zvida. According to him, if an anonymous, pressure-free survey were conducted, most of the residents would favor the continuation of Israeli rule and the granting of autonomy. Therefore, he believes that the Druzes in the Golan Heights must be taken care of and their settlements developed in a similar fashion to

that of the settlements of the Arabs and the Druzes in Israel, without any connection to the future of the region. An effort must be made to preclude the mistaken impression and feeling of most of the Druzes in the Golan that they are being punished collectively for the strike of 3 years ago and the incidents that are instigated from time to time by a vocal extremist minority.

5830

CSO: 4423/26

ISRAEL

ECONOMIC DECISION-MAKING

Tel Aviv MA'ARIV in Hebrew 19 Feb 85 Business Supplement pp 12-13

[Article: "This Is How Economic Decisions Are Made"]

[Text] The decision-making process is as follows: Moda'i raises suggestions to the people of his ministry, hears their reactions, goes home and "sits on the papers" until late at night, and decides himself. After he has made a decision, he reports to Prime Minister Shimon Peres. Gad Ya'acobi receives a report on Moda'i's plans through the prime minister and not directly from the minister of finance.

The discussions between Ya'acobi and Moda'i are conducted, therefore, only at the meetings of the various ministerial economic committees (there are about 10 such committees: the expanded Ministerial Committee on the Economy, the reduced Economic Cabinet, the Ministerial Committee on Budget Affairs, the Ministerial Committee on Budget-Cutting, and so forth).

The paradoxical result of this decision-making process is that the economic minister criticizes the economic decision-making process in the government, primarily on the subject of the latest taxes, as if he is not a senior member of it. Ya'acobi is also still waiting for Shimon Peres to keep his pre-election promises to transfer a series of government units to the Economic Ministry: the Israel Lands Administration, the Investments Authority, the Investments Center, and the Government Companies Authority. The prime minister does not manage to pay his bills, and so, Ya'acobi remains the economic minister virtually without a ministry.

Each One and His Professors

Shimon Peres himself has less need today than in the past for Gad Ya'acobi and 'Adi Amora'i in matters relating to economic decision-making after having appointed an economic advisor to himself, Amnon Neubach, formerly the Finance Ministry's deputy chief of the defense budgets. Peres, who tries very hard to understand Israel's economic problems and devotes more time to this than any of the previous prime ministers, confers less today with the economic minister and the deputy finance minister. The appointment of the advisor has not given Gad Ya'acobi much pleasure, and the minister of finance himself has been mainly adversely affected by this. In in-house conversations, Moda'i did criticize the prime minister's intention to appoint an economic advisor, but he eventually reconciled himself to it.

In contrast to the prime minister, Yitzhaq Moda'i does not have an economic advisor. Unlike Yoram Aridor, who took Dr Yaqir Plesner as an advisor, and Yehoshua Rabinowitz, of blessed memory, who brought Prof Mikhael Bruno to the Ministry of Finance, Moda'i has not appointed an economic advisor. This is in keeping with his character as one who does not develop a close relationship with the senior officials of the Ministry of Finance and depends primarily on himself.

The minister of finance will from time to time confer with economics professors. However, he does not have a "favorite" economist. From time to time Professors Bruno, Berglas, Livyatan, and Shefer visit his office. Moda'i listens to their views, but he prefers to depend on the economist. . . . Moda'i. Deputy Minister Amora'i has "his" professors: Hayim Barka'i, Mikha Mikhaeli, and Tzvi Zussman.

Moda'i also also avoids meetings with the middle-level officials in the Ministry of Finance and is satisfied with meeting with the branch heads: the director-general, the chief of the budgets, Yisrael Baron, who is in charge of the state income, Yehuda Drori, who oversees the capital market, Accountant-General Aryeh Sar, and Legal Advisor Aryeh Mintkovitz.

The middle and lower-level officials have virtually no contact with the minister. In this way he is definitely different from his predecessor, Yigal Cohen-Orgad, who used to meet frequently for extended discussions with advisors in the Budgets Branch and with economists in the State Income Administration. His work hours are also different from those of Cohen-Orgad. While the previous minister often remained in his office until midnight and at times until the wee hours of the morning and afterwards awoke fresh at 6 A.M. in order to continue from the point that he stopped at on the previous day, Moda'i is content to remain in the ministry until the evening hours and then to return to his home in Herzliyya Pituah where he continues to go over documents and make decisions.

Secret Meeting with David Levi

Yitzhaq Moda'i, the 10th minister of finance of the State of Israel, is the first minister of finance of the "national unity government." The former ministers of finance had the advantage of a one-party government, but Moda'i absorbs blows from both members of his party "as is customary" and mainly the Alignment ministers.

The allocation of portfolios in the government created a situation in which the minister of finance who wants to cut government spending is a Likud man whereas the ministers who are asked to take the cuts are mostly members of the Alignment -- the minister of defense, the minister of education, and the minister of health. These are the ministries with the largest budgets, and cutting them is the key component of the Ministry of Finance's economic policy.

Yitzhaq Rabin and Motta Gur have so far managed to torpedo Moda'i's intention to cut the defense and health budgets, and he has been compelled to turn to the unpopular method of imposing new taxes on travel abroad, and as a result, he has again come under fire. While he has been trying unsuccessfully to cope with the Alignment ministers, he is also being lashed by his fellow party-member adversary, Gideon Patt.

Patt has taken the "place" of Deputy Prime Minister David Levi as Moda'i's chief critic among the Likud ministers. Levi, who has frequently stressed that the minister of finance has no economic policy and has attacked him at every opportunity, has recently been silent. The minister of housing's silence is the result of a secret meeting that he had with Yitzhaq Moda'i in which both agreed to an "armistice."

Yitzhaq Moda'i has taken upon himself the "impossible mission" of extricating the state from the economic quagmire into which it has sunk. He assumed his position when inflation had reached an annual rate of 800 percent, the deficit in the balance of payments was about \$5 billion, and the state's foreign debt had risen to \$23 billion. His economic program is based on an absorption of \$3 billion: a billion in subsidies, a billion in new taxes, and a billion by cutting government spending. If the program is carried out completely, he promises to stop inflation, reduce the deficit in the balance of payments, and to restore a growing economy in 1986.

He has achieved the part dealing with subsidies and taxes with much difficulty. The billion shortage is still "on paper." Even if he finally implements the budget cuts, he and mainly Shimon Peres will have to overcome the social difficulties stemming from unemployment and another decline in the standard of living. If he succeeds in rebuilding the economy, he will capture a place in the economic history books as a miracle worker. If he fails, he will join the long list of former ministers of finance who brought the Israeli economy to a low point.

Returning the Investment

The "freshest" senior official in the Ministry of Finance is Yisrael Baron who oversees the state's income. Baron is considered one of the most successful appointments in recent years in a ministry that has already had several unfortunate appointments.

Baron's assumption of his position was accompanied by a sigh of relief in view of the background of his predecessor, Moshe Bartov, who was one of Yoram Aridor's mystifying appointments.

Baron is a tax expert. He was educated as an accountant and a lawyer, and in the past he has also served as an assistant assessment official for large firms. Therefore, it is difficult to "work" on him, and there are not many tax tricks that he does not recognize.

As one who was on the other side of the barricade for many years, Yisrael Baron brought several simple proposals with him that would close loopholes and bring significant sums of money into the impoverished state treasury:

* Every tax payment that "belongs" to the Ministry of Finance and remains in the citizen's pocket for more than 3 days would be charged interest. This involves the value-added tax, tax deductions from salaries and other payments, tax advances, and so forth. The public is accustomed to using this money for 10-15 days of the month. Under Baron's initiative, this benefit would henceforth cost one-third of the percentage per day. The resultant projected income to the Ministry of Finance is more than \$100 million per year.

* Cash transactions would be considered a violation of the law, and only a check or a credit card could be used as a means of payment in transactions between two parties.

* The turnover of checks and their transfer from hand to hand would be eliminated.

These measures would make it difficult to conceal income. All of these initiatives of Yisrael Baron have been adopted by Minister of Finance Yitzhaq Moda'i. The investment in the new man in charge of the state's income has already begun to yield a return.

Personalities in the Ministry of Finance

Minister of Finance Yitzhaq Moda'i

He is 59, a native of Tel Aviv, a graduate of the Technion in chemical industrial engineering, a graduate of London University in economics, and a graduate of Jerusalem University in law. He served in the Haganah, as a battalion commander in the IDF, as a military attache in England, as the military governor of Gaza in the Six Day War, as the chairman of the presidium of the Liberal Party, and as a member of Knesset in the Eighth Knesset. He is a former minister of energy. He is married and the father of a son and daughter. He is a resident of Herzliyya Pituah.

Deputy Minister of Finance 'Adi Amora'i

He is 51, a native of Rehovot, and a university graduate in economics and international relations. He performed military service in the Nahal. He has been an Alignment member of Knesset since the Seventh Knesset. He is a former member of the Finance and Economic Committees of the Knesset. He is married and the father of three daughters. He is a resident of Giv'atayim.

Director-General of the Ministry of Finance Emanuel Sharon

He is 55 and a graduate of the Hebrew University in economics, statistics, and business administration. He has a doctorate in operations research from Harvard University. He has been chief assistant to the income tax commissioner, deputy income tax commissioner, deputy chief of the state income, director-general of the Control Data Corporation in Israel, and a lieutenant colonel (Res) in the IDF. He is a resident of Jerusalem.

Chief of Budgets Aharon Fogel

He is 38 and has a B.A. in economics and statistics and an M.A. in economics from Hebrew University. He has been an assistant researcher in the Research Department of the Bank of Israel, an industry advisor in the Budgets Branch of the Ministry of Finance, deputy chief of budgets in the Ministry of Finance and responsible for economic matters, and director of the Economic Department of the Klal concern. He is a resident of Jerusalem, married, and the father of two children.

Chief of State Income Yisrael Baron

He is 55 and a native of Chernovits, Russia. He immigrated to Israel in 1950. He was wounded in military service in 1952. He has been an accountant in the Electric Company, a deputy assessment official for large enterprises in the Ministry of Finance, and an accountant and independent lawyer. He is married and the father of two children.

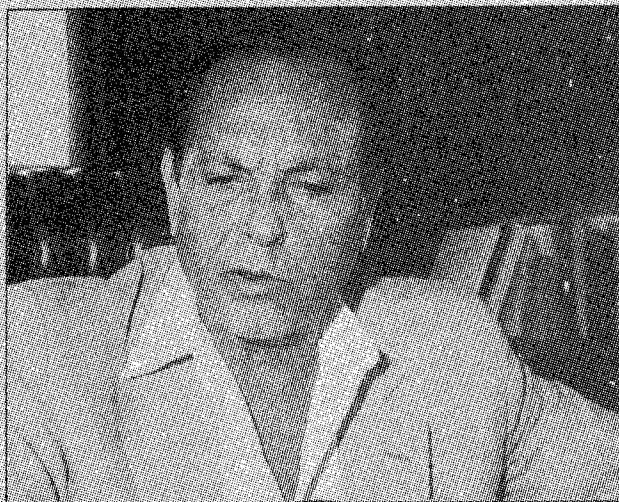
Key to photographs:

1. Gad Ya'acobi
2. Yitzhaq Moda'i
3. Shimon Peres
4. 'Adi Amora'i
5. Aharon Fogel
6. Dr Emanuel Sharon
7. Dr Moshe Mandelbaum
8. Aryeh Sar
9. Yisrael Baron
10. Yehuda Drori
11. Subordination
12. Reporting



יצחק מודעי

1



יצחק מודעי

2



3



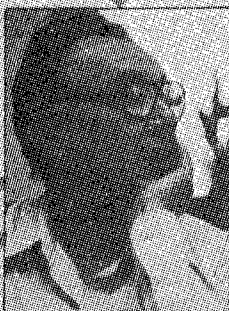
יצחק מודעי

4



אהרון מוגל

5



ד"ר עמנואל שרון

6



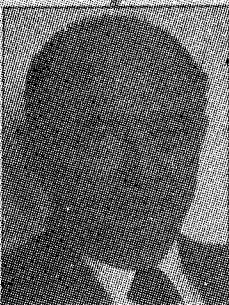
ד"ר מנשה מנדלבוט

7



אריה שר

8



ישראל ברון

9



יהודה דרורי

כ"פחות
דיווח

11

12

ISRAEL

EAST JERUSALEM RISE IN LIVING STANDARDS

Tel Aviv HA'ARETZ in Hebrew 26 Feb 85 p 8

[Article by Mordekhai Artzieli: "The Standard of Living of the Arabs of East Jerusalem Has Risen Since 1967"]

[Text] The status of the Arab sector in East Jerusalem has improved since 1967, and its population has doubled since that time. Employment and income levels have improved significantly. There has been a significant improvement in the standard of living from the decrease in the infant mortality rate to consumption, said the geographer Dr Mikhael Roman of Tel Aviv University at a national conference on "Concentration and Dispersion in Israel -- Implications for Social and Regional Policy" that opened yesterday at Ben-Gurion University in the Negev.

He also stated that the improvement in the standard of living stems from its annexation to the large Jewish center. However, if we compare it to the development in the Jewish sector, we will see that the development in the Arab sector was selective. For example, the number of employees in enterprises, services, and tourism branches in East Jerusalem has not increased since 1967. The entire increase in employment has been that of Arab employment in the Jewish sector. An example is the freeze in construction in East Jerusalem since 1967 in comparison with construction in the western section of the city. He notes that in Jerusalem today the Arabs constitute 3 percent of the managers and free professions whereas they constitute 50 percent of the non-professional workers.

The conference will continue today and will consist of 17 settlement subjects. It was organized by Yehuda Gardos of the geography department of Ben-Gurion University.

5830
CSO: 4423/26

QATAR

NEW LAW SETS CONDITIONS FOR NON-QATARI BUSINESS ACTIVITIES

Riyadh AL-RIYAD in Arabic 22 Mar 85 p 15

[Text] Non-Qatari capital may participate in Qatar's economic activities, and non-Qataris are given the opportunity to work in simple professional and technical trades. Moreover, non-Qataris may participate in major projects, but in accordance with controls and measures, the most important of which are that Qatari capital invested in these projects not be less than 51 percent of the capital per company and that controls are specified for the participation of non-Qataris in Qatar's economic activities.

Yesterday, His Highness Shaykh Khalifah ibn Hamad Al Thani, Amir of the State of Qatar, promulgated a law for the participation of non-Qatari capital in the country's economy.

The law, No. 3 for 1985, stipulates that it is impermissible for non-Qataris to work in trade and imports or to work in trade agencies and in contracting or in other trade activities. Furthermore, only Qataris have the right to work in industry or in agriculture by exploiting or by setting up small or medium-size projects, as clarified in Article 2 of this law.

The law further stipulates that if a company works in any of these projects, it is imperative that the company be established in a sound manner and in accordance with the provisions of the law for commercial companies and have wholly Qatari capital.

Under the law, it is imperative that non-Qatari individuals working in the above-mentioned projects liquidate their capital within a period no later than 4 years at the maximum as of the date on which this law goes into effect. Non-Qatari partners in existing companies must liquidate their shares within the same period. If liquidation does not take place within the prescribed period, the Ministry of Economy and Trade will refer the matter to a civil court to enforce the liquidation.

The law allows non-Qataris to work in simple trades, such as tailoring, hair-dressing, ironsmithing, tinsmithing, upholstering, common repair work and similar trades. After having consulted the minister of labor and social affairs, the minister of economy and trade will issue a decree specifying the categories of these simple trades.

A non-Qatari owning a simple trade is not entitled to seek help from more than one worker, if such help is required. Furthermore, it is impermissible for a non-Qatari to change his trade.

The law makes the proviso that a non-Qatari owner of a simple trade be a legal resident and that a non-Qatari have a Qatari guarantor guarantee all his projects and shoulder on the non-Qatari's behalf the financial responsibility that devolves on him. It is impermissible for a guarantor to guarantee more than five persons, and a guarantor must be financially capable of assuming the aforesaid responsibilities.

It is also permissible for a non-Qatari to work on transient, temporary projects as long as they are undertaken by temporary workers holding permits issued by the Ministry of Labor and Social Affairs to prove the temporary capacity of these projects.

The law makes an exception with regard to the provisions of its Article 1, without prejudice to the provisions of the law for banning the ownership of real estate by aliens, and allows non-Qataris to work in industry or in agriculture by setting up, or by exploiting, the major projects noted in this law, if such non-Qataris have one or more Qatari partners, provided that the Qatari capital invested is not less than 51 percent of the company's capital.

The law stipulates that as an exception to the provisions of this law, it is permissible for non-Qataris, by decree, to invest their funds for the purposes of economic development or of facilitating the performance of a public service or achieving an advantage for the public, whether this investment be made in the areas of agriculture, mining, transportation or tourism or of contracts signed for projects.

With regard to oversight of the implementation of the provisions of the law, the law states that the provisions--on the ban and on the restrictions contained in this law, which regulate the participation of non-Qatari capital in economic activities--are considered part of the general system, and all agreements conflicting with this stipulation are considered null and void and of no legal force.

In accordance with the law, a standing committee will be formed; it will be called the Committee on the Oversight of Economic Activity. This committee will be chaired by the minister of economy and trade, and it will include three Qatari members, a member drawn from among public personages, three members from the Ministry of Economy and Trade and a member each from the Ministry of Industry and Agriculture, the Ministry of Municipal Affairs, the Ministry of the Interior, the Ministry of Finance and Petroleum, the Ministry of Labor and Social Affairs, the Technical Center for Industrial Development and the Qatar Chamber of Commerce.

The law provides that the citizens of the Gulf Cooperation Council [GCC] member countries be treated as Qatari citizens, without differentiation or discrimination, in the domain of the free exercise of economic activity in accordance with the laws that have been promulgated, or that will be promulgated in this respect for the purpose of implementing the provisions of the

unified economic agreement in force among the GCC countries, while taking into consideration the temporary exemption from the application of some provisions of the agreement--an exemption on which agreement will be reached and for which a decree will be issued by the GCC Higher Council under the provisions of Article 24 of the agreement.

The law elucidates that its provisions do not apply to the companies or individuals who are assigned by the state with extracting, exploiting or managing the sites of natural resources under concession or by special agreement. Furthermore, the provisions of this law do not apply to the companies that are founded, or to which a contribution is made, by the government or by other public establishments and public authorities in conjunction with non-Qatari corporate or incorporated persons in accordance with Article 90 of the law for commercial companies.

The provisions of the law also apply to banks and insurance companies, and with regard to these banks and insurance companies, the provisions of the laws specially promulgated for these banks and companies also apply to them, as well as to the process of importing commodities for personal use, but not for sale or for circulation.

12839

CSO: 4404/297

SAUDI ARABIA

SURVEY AIMS AT DETERMINING FACTORY POTENTIAL

Riyadh AL-RIYAD in Arabic 20 Mar 85 p 13

[Article by Sa'd al-Huwaymil]

[Text] Mubarak al-Khafraah, under secretary at the Ministry of Industry and Electricity, announced that the ministry has recently begun conducting an industrial survey of factories that have existed up to 1,404 Hegira.

In an exclusive statement to AL-RIYAD, Al-Khafraah said that the purpose of this survey is to establish the design capabilities of factories and the potentials that have been achieved. He added that under the current survey, the expansion of factories and the diversification of their products will be surveyed. He said that this survey is carried out for the first time in a concerted manner different from that in which the preceding survey had been conducted--a survey that had done nothing more than take samples from factories.

Al-Khafraah added that this survey will be carried out in two phases. All the information that is gained from these factories will be stored in a special center for information. In the coming 8 months, this information will be available to us and to any Saudi investor. He emphasized that information collected in the past consisted of nothing more than expectations over which many questions had been raised. Furthermore, the private sector was apprehensive about entering industry, although industry does not cover more than 15 percent of the local market. He said that an objective of the survey is to know the small factories whose production is fumbling and to try to merge them together, either through these factories themselves or with the assistance of the National Industrialization Company or through the Arab Investments Company or the Arab Company for Arab Investments, of which the kingdom is a stockholder.

Al-Khafraah said that another objective of the survey is to determine the way in which the standards of these factories should be raised from the perspective of mechanization. Some of these factories follow the old method whereby work is concentrated on manpower and whereby work continues to proceed in this direction. In our turn, we try to halt this trend and to raise the standards of these factories.

Al-Khafraha added: we now have 1,785 producers, that is, over 600 million to 1.5 billion. We have counted 300 producing factories. Furthermore, we have lists, which we have prepared, of 561 factory projects which have not been implemented; we now offer them as ready and approved investment opportunities, after preliminary data have been proved, and it is possible for these factories to be productive. Furthermore, they require an in-depth study. He added that at this time there is no interest in industrial projects. However, the complete opposite is happening to us at the ministry. There is the demand by groups that take implementation seriously. Predecessors tried to obtain licenses to set up factories for the sake of prestige and bargaining, but they failed to understand the nature of these factories. He said: It is true that the number of applicants has diminished. However, the quality has risen and the rate of implementation in the industrial cities is heartening in view of the number of factories. We have begun the follow-up phase, so that follow-up will become a priority in the ministry's tasks. Meanwhile, implementation continues in a good manner, and a visit to the industrial estate bears witness to this fact.

He added that the instructions given by His Highness Engr 'Abd-al-'Aziz al-Zamil, minister of industry and electricity, call for the presence of liaison officers within the organization of the ministry: these are new engineers for all industrial cities, for which they are fully responsible. All major and minor events occurring in cities are recorded in the form of ready information, so that it will prove easy to convey this information to another colleague, should the need arise to do this. Mubarak al-Khafraha said: It is imperative that we anticipate, or keep in step with, some events in connection with the fourth plan, which includes numerous organizational projects, so that these projects will start from the right point of departure. Therefore, every engineer employed by the Ministry of Industry will have a liaison officer at his disposal, so that the process of follow-up and organization becomes an easy one. He added that the assets of industry include the availability of accurate information and clarity of vision in connection with requirements. When we are able to achieve these things within the coming years, we will not have any problems with regard to guiding investors and helping them choose industrial opportunities is one of the things for which government quarters are blamed, while businessmen are given a free hand to do what they want. However, our role requires that we help businessmen by clarifying opportunities to them and by indicating to them the kinds of industries to which to turn. Subsequently, businessmen are given freedom of expansion. The ministry has a role to play and, God willing, it will begin to perform it, namely, to carry out opportunity studies. When this basis is laid down, we hope our industrial forward surge will take place.

With regard to the problem of marketing and in connection with merchants proving to be inexperienced in marketing, after industrialization begins, and with regard to the ministry's follow-up role, Mubarak al-Khafraha said: Industry has several roles; opening factories is not the objective. Along with the rise in quality, the studies which have been submitted include a number of ramifications, including the economic part, as well as the construction, financial and marketing parts, and these studies are submitted by businessmen. So far as we are concerned, the concentration on marketing is

the basic thing. It is imperative that investors think of the process of selling commodities before thinking of setting up factories. Through dealings with the existing market and retailers, linkage must be established between factory owners and the current markets. Regrettably, there was a period in which factories concentrated on state projects and forgot the fundamental base, namely, the market. Therefore, the factories did not strike roots for themselves and their return creates more important roots, because tributaries pour into the same mainstream of industrial growth--and these tributaries are not temporary things. Al-Khafrah said: Chambers of commerce play the very important role of helping their members arrange accountancy and marketing courses, and even of intervening to resolve factory problems from the technical angle. Chambers of commerce should not serve as nominal gathering places for businessmen. However, these chambers should work actively in all sectors: they must intervene in contracts and resolve existing problems, such as merging some companies together within specific projects and resolving issues of marketing, as well as interceding with banks in securing guarantees for companies when they try to make exports. We feel that the role of the Ministry of Industry is one of helping companies through all means, and this is our role. However, there remains the role of the businessmen, and through the chambers of commerce, this role becomes more useful and more important because, in this way, they can read each others' minds. Otherwise, communications with businessmen will be severed. We enthusiastically want to serve the businessmen, but this is considered insufficient. For instance, when we demanded that their daily work be limited, they raised a din, although this limitation is to their benefit. The role of the chambers of commerce is one of advertising the national industry in general, and not all industrialists have the ability to market products and to hold a general conception. Furthermore, not all things can be done through the Ministry of Industry and Electricity.

12839

CSO: 4404/297

SAUDI ARABIA

PRIVATE SECTOR'S ROLE IN CHANGING ECONOMY DISCUSSED

London AL-SHARQ AL-AWSAT in Arabic 25,26 Mar 85

[Article by Al-Sirr Sayyid Ahmad: "The Second Conference of Saudi Businessmen Begins Its Work Tomorrow; Private Sector Discusses Its Role in Development and in the Implementation of the Strategy for the Fourth 5-year-Plan"]

[25 Mar 85 p 4]

[Text] The sessions of the second conference of Saudi businessmen will begin tomorrow. The conference will be convened in Riyadh under the slogan "For a Better Participation by the Private Sector in Development." This is the same slogan under which the first conference was convened 2 years ago in the eastern area of Saudi Arabia.

The second conference comes at a very appropriate time. Last week, the new 5-year plan for 1985-1990 was approved and posted. The second strategic basis of this plan advances the need to pursue the policy of giving the private sector the opportunity to perform a great number of economic tasks. The plan specifies 14 ways of fulfilling this objective, ranging from giving the private sector the opportunity to manage operations and maintenance tasks and to own stocks in companies established by the state, to urging banks to extend better facilities to the private sector and to give priority to Saudi contractors, when it comes to the implementation of projects.

This strategy is not a new one, although the new thing about it is the detail that it includes, since Saudi Arabia pursues a characteristic economic policy. On the one hand, Saudi Arabia resorts to the method of central planning by the state, believing at the same time in the philosophy of a free economy--a philosophy which attributes great importance to individual initiative. Meanwhile, through the enormous revenues which have become available to it, the state has undertaken the process of spending on the establishment of projects and the provision of services. It is believed that in the past decade, the state spent a sum within the limit of 1.2 billion riyals.

Perhaps this state of affairs is best summed up in what Eng 'Abd-al-'Aziz al-Zamil, minister of industry and electricity, said to the effect that it might be that Saudi Arabia is the only country in the world to set up successful establishments, such as the Saudi Company for Basic Industries [SABIC], only to

appropriate them to the private sector later, although the opposite practice prevails throughout the world.

The conference, which will convene tomorrow, will face two main questions, that is, the present state in which the private sector lives, and the way to adapt this sector to the conditions which have arisen and which the Saudi economy now experiences due to the two factors of scarce oil revenues on the one hand and the completion of most government-sponsored projects on the other. The second question is whether the private sector is qualified to play the role that is being planned for it.

To answer these two questions, AL-SHARQ AL-AWSAT met with a select group of officials and influential economists in the private sector and held a dialogue with them about both questions.

Shaykh Salih al-Tu'aymi, from his position as secretary of the Riyadh Chamber of Commerce, portrayed the present state of the private sector. He said: "This sector has grown in an abnormal manner in the past decade--a period in which it had begun to assume its identity, because demand by far has exceeded supply. Therefore, many establishments emerged in an atmosphere as far removed as can be from a healthy atmosphere so far as the establishment of a private sector is concerned--an atmosphere of a lack of competition. In addition, this growth was backed by the state. For instance, the contracting sector grew and prospered because of the state-sponsored projects. Industry prospered because of state backing represented by easy-term loans and by encouragement through government purchases. The majority of the members of the public sector slipped into the erroneous belief that this boom would last forever."

Effect of Diminished Activity

Shaykh Salih added that this state of affairs had led to the appearance of negative factors, which have become clear, such as the rise in rents, growing workforces, failure to pursue a sound basis in administration, accountancy and marketing and so on. These negative factors became clearer following the decrease which occurred in the state's activity, since this private sector moved under the aegis of a production of over 10 million barrels a day, which has now dropped to about a third. This means the existence of strong competition for a narrow market. He said that at the Chamber of Commerce, they have 18,700 registered companies, 95 percent of which are in one way or another connected with state activity, and these companies will inevitably be affected by this reduction.

Negative Factors Assessed

Shaykh Salih believes that these negative factors must be redressed by the private sector itself and that the market mechanism will carry out this process, which might lead to numerous bankruptcies and which is not surprising for countries that adopt the method and pursue the course of a free economy, such as Saudi Arabia. Shaykh Salih added that the contracting sector is the one that is most affected by stagnation, and to the contracting sector is connected the sector of the building materials industry and heavy machinery, which had

been imported in large quantities during the period of the boom owing to the desire to complete the implementation of projects rapidly.

Husayn Sujayni, under-secretary of the Saudi Planning Ministry, concurred with this remark. However, he explained it by saying that the 1980-1985 third development plan made an unusual start, which was represented in an increase in oil production and in an oil price hike, which have led to an increase in revenues. Consequently, the trend has become one of achieving projects expeditiously, instead of leaving these revenues as frozen assets in the banks. Therefore, what was, for instance, supposed to be implemented in the fourth year of the plan, came to be completed in the first year of the plan. It is known that the development plan had been laid down on the basis of producing 5 million barrels a day at the price of \$18 a barrel. However, the 1979 Iranian incidents led to a rising demand and to higher prices. Therefore, Saudi production increased to over 10 million barrels, while the price shot up to over \$30 a barrel. Because of this period of increasing expenditures, the private sector lived in the era of the golden boom.

Sujayni added that what many private sector men had not noticed was that this boom would not last forever, even had funds become available, because following the construction of an airport at Jidda or at Riyadh, for instance, no other airport would be built. The same thing applies to roads and to all giant projects--and this was the source of the effect that affected some private-sector establishments, especially those that had not been set up on a sound basis. The establishments that came with the boom will go with the boom. However, those establishments that are administered on the basis of efficiency and of the reduction of expenses will be able to stand their ground, to carry out some projects and to realize reasonable profits.

One wonders: which role can the chambers of commerce play in this respect?

The shaykh answered this question and said: The chamber of commerce will do all that it can to create the circumstances which will help switch to the post-boom period in a way that will not lead to the occurrence of great harm, and this issue will be raised at continuing discussions between the chambers of commerce and the state. He added: "The chamber has completed the preparation of a study on the contracting sector to acquaint itself with the aspects of the problem that is faced by this sector, which seems to have been affected more than the other sectors had been by the changes which have occurred in the market."

Benefiting from Government Expenditures

Dr 'Abd-al-Rahman al-Zamil, under-secretary of the Saudi Ministry of Trade, drew a picture with different details of the current state of the private sector. He began by illustrating the real connection existing between both the Saudi and the world economies and the private sector's reliance on government expenditures. He added that the private sector has drawn maximum benefit from these expenditures. However, this sector was preoccupied with expanding, and the idea never crossed its mind to study the condition of the market, so that it would have expectations on which to base its plans. Therefore, the drop

in oil revenues and in government expenditures came as a surprise which affected the various areas of the private sector's operations. The sector that was most affected by this change was the sector connected with contracts, since it was the most active sector during the period of construction.

Dr al-Zamil directed that the private sector be aware that what happens comes within the context of an inevitable historical change. Therefore, the possibility of returning to the era of the boom is out of the question. The option remains open for every contractor to act to redirect his operations toward new areas and for his mentality and organization to shift toward adapting to the new developments.

Importance of Small Projects

Dr al-Zamil said: "In addition to these developments, and because of the period of the boom, many establishments arose, since the phase required expansion. However, now that the number of projects has been limited, businessmen should not expect any of them alone to be given a whole project. If they want to survive, it is imperative that they grow accustomed to seeking small and medium-size projects and to benefiting from the 30 percent ratio prescribed for them by law. This law requests the foreign contracting companies that win government projects to give a 30 percent of the projects to 100 percent Saudi contractors. In addition, contractors should seriously consider shifting to other developing sectors, such as maintenance and operations.

As Dr al-Zamil believes that the second phenomenon which has caused trouble for the private sector is the establishment by businessmen of four or five companies operating in the same fields, as if one of them would be competing with himself--this is the state of affairs that Dr al-Zamil describes as unhealthy. Now that activity has regressed, a businessman is required to concentrate on a main company to which to give his time and efforts, so that it will function on a sound basis.

Good State of Industry

However, if the contracting sector has been the one which has been most affected by the change which has taken place, Dr al-Zamil holds the view that the remaining sectors have not been affected in a manner worth mentioning. For instance, industry might have been affected in the area of the building industry because of the pressure that has occurred. Even in this respect, perhaps the effect is related to profit, not demand. But the industrial sector in its entirety appears to be in a good state. Dr al-Zamil observed that the rate of settlement carried out by the various industries toward the loans that they had obtained from the Industrial Development Fund reaches 90 percent, which is a very high rate--which means that industry is flourishing.

Al-Zamil added another remark in light of his membership on the board of directors of the Industrial Fund: Last month, the fund held three meetings. At each session, approval was given for 8 to 10 existing projects--further proof of the state of flourish in which this sector lives.

Daily Industrial Licensing

Al-Zamil remarked that some businessmen operating in the contracting field are shifting to the industrial sector in view of the similarity existing between the two sectors. This increasing shifting has led to a growing number of applications being submitted to the Ministry of Industry for the licenses for new industries or for permission to expand--which has led the ministry to issuing a license almost every day. This not only furnishes evidence about the flourishing state in which the industrial sector lives but offers yet further proof of the flexibility which the private sector enjoys and which enables it to switch from one sector to the other. Furthermore, al-Zamil believes that the sales made in the industrial sector are well over 25 billion riyals a year and that there is an increasing tendency toward exporting goods and benefiting from the state's decisions on giving priority to Saudi producers.

The service sector represents another example of a field that does not suffer from any stagnation worth mentioning. Al-Zamil believes that billions of riyals are spent in this sector, in which thousands of workers work and which can serve as breathing space for those who have been harmed by the stagnation in the operations of the contracting market. The agricultural sector is also regarded as a flourishing sector. Al-Zamil expects sales made by this sector to amount to 10-12 billion riyals, which means that this sector is still in a good state, despite the drop in the aid that was being given for the cultivation of wheat following the attainment of the phase of self-sufficiency.

Benefiting from Local Products

Dr al-Zamil concluded by saying: "The private sector complains, and it is entitled to do so. However, this right will not be confined to the private sector. I have criticisms of the private sector too. This sector frequently asks for something, but it does not itself apply it. This sector asks for the state's support through the purchase of its products and through employment of it as a contractor --and the state supports these demands and takes the necessary measures. I ask the private sector to do some soul-searching and to answer these questions: how many contractors have used local products of their own free will, not through official pressure? How many industrialists have used Saudi contractors in building their factories? How many farmers have used Saudi products in building their installations? Should the answers to these questions be in the affirmative, I would feel happier, since I expect that there are some 70 billion riyals floating around in these sectors and, should this sum be exploited through the private sector, it would contribute to increasing this sector's state of prosperity.

"If every Saudi can positively view the establishments owned by Saudis, and if he deals with these establishments, then this will be to the benefit of the public, since most of these establishments are public ones owned by a large segment of the public. For example, there are about 113,000 shareholders in the Saudi National Maritime Transport Company. Therefore, why do not Saudi companies transport their goods with this company? I affirm that the state is conscious and that it is aware of its role to the extent that foreign companies complain about this consciousness. However, in addition to this, Saudi

companies and businessmen should ask themselves: which things have they offered to this sector to which they belong?"

[26 Mar 85 p 4]

[Text] The first episode, which was published yesterday, drew a picture of the present state of affairs in which the Saudi private sector lives. Today's episode addresses future expectations and the private sector's capability of facing up to the role that has been planned for it.

Dr 'Abd-al-'Aziz al-Dakhil is one of the well-known and influential economists in the kingdom. He is the founder and director of the Consultation Center for Finance and Investments. He is also chairman of the board of directors of the Saudi Investment Bank and of the Arab Investment Company. Dr al-Dakhil believes that it is not just to expect the private sector to perform the role which the state had been playing, because of the diversity of this role and its size. However, it is desirable that the role of the public sector should decrease, while the role of the private sector should increase.

Dr al-Dakhil added that one of the best developments that the kingdom has witnessed in the past decade has been the emergence of a nucleus of businessmen using modern methods of performance--in ideas and administration. However, for the private sector to play the role required of it, it is imperative that some things become available. First and foremost, the banking sector should move to the fore to spearhead the private sector's surge forward. The banking system had previously been completely disregarded, and it may be that this disregard was due to the state's financing of all projects--which led the banks to concentrate on trade operations.

In a lecture he delivered last year, Muhammad Aba-al-Khayl, minister of finance and national economy, elucidated the fact that in the past 5 years, the assets of the Saudi banking establishments grew from 52.6 billion rials to 138.1 billion. These banks increased the total credit they extended to the public sector from 19.7 billion to 49 billion, and 20 percent of this credit was channeled toward the trade sector. The minister said that he expected the banks in the coming decade to be able to extend 75 billion rials to the private sector.

But Dr al-Dakhil said that if these banks are meant to operate at the required level, it is imperative that some measures be taken, such as expanding the lending base of the banks, so that they can extend medium- and long-term loans and so that a parallel market through which these banks can become active be created. In the interview with Aba al-Khayl by AL-SHARQ AL-AWSAT last week, the minister emphasized the importance of the role which the banking sector performs in propelling the private sector, asserting that the banks will turn toward expanding their activities in order to offer loans in the productive areas, such as agriculture, industry and so on.

Dr 'Abd-al-Rahman al-Zamil, under-secretary of the Saudi Ministry of Trade, does not accept the criticism leveled at the banks on its merits. He subscribes to the opinion that it is necessary for the banks to operate on a conservative basis, since the funds with which they operate are the funds of the shareholders.

However, he remarks, in light of his experience, that the banks usually do not refuse to fund any industrial project, if its feasibility study is complete and if the opportunities for its success are available. Even more, there are banks which have signed contracts for long-term loans, although these are now few in number, but caution, not refusal, is always required.

Dr al-Dakhil again said that it is possible to increase the general revenue by rationalizing expenditures, increasing dues on some services and lifting subsidies from some commodities, in addition to giving a larger role to the banking sector and, consequently, conducting a deliberate study aimed at increasing customs duties on some commodities--and it is possible to study each case separately. Furthermore, everything should be subjected to study for the purpose of viewing things from the purely economic perspective. Furthermore, the private sector requires clarity in some of the policies which are pursued by some government organs as well as greater cooperation and an exchange of views and information between these organs and the private sector.

Dr Mahsun Jalal is the first Saudi to obtain a doctorate in economics. He is now chairman of the board of directors of many establishments, such as the National Manufacturing Company, the Saudi-Tunisian Investments Company and the Eastern Petrochemical Company. He believes that the period of the boom in which the private sector lived was a short one, that its end came as a surprise to many people and that this end came in a sharp and sudden manner, since it was desirable that an intermarriage should have occurred in accordance with which the state's role would have decreased and the private sector's role would have escalated. Therefore, expecting the private sector to play the role which the state plays in the economy seems to be a demand which is impossible to execute at this time.

Work Opportunities for Saudis

In giving an example of this impossibility, Dr Mahsun said: "The country will face a major issue in the immediate future, that is, providing work opportunities for 100,000 Saudi youths who have studied in the kingdom and abroad. The private sector cannot accommodate all these graduates and, consequently, because of the kingdom's tradition of hiring foreign manpower, it will be preferable and cheaper to procure foreign workers for lower wages and with better experience rather than actually employing Saudi workers for the same jobs. Furthermore, this is one of the issues in connection with which the private sector still needs the state's assistance."

Dr al-Zamil believes that this problem exists. He added that in the past, the state facilitated the process of bringing in foreign manpower. However, at the same time, the state stressed the importance underlying the existence of national manpower. Now, following the completion of most of the state-sponsored giant projects and the growing supply of Saudi manpower in the market, the cost of employing this manpower might not be high. He hopes that the private sector will view this issue objectively, otherwise the state will be forced to intervene. Dr al-Zamil wonders: "Had Germany, for example, allowed all the employers to hire the foreign manpower that they wished to employ, would it have been possible for any German to find work?"

Dr Mahsun again raised some points which he believes can possibly contribute to placing the private sector on the path of progress. He believes that it is necessary to turn toward the modern system of establishments in the management of business and to abandon the system of forming individual and family companies. Furthermore, it is possible to encourage this role through the establishment of more shareholder companies. At this point, Dr Mahsun added that the Ministry of Trade is adhering to caution in connection with the establishment of these companies for fear of squandering the shareholders' funds. But Dr Mahsun again pointed out that these funds had originally been offered for use in economic and trade work--and this is the kind of work which inevitably entails a risk factor.

Dr Mahsun also noted the aid which the state extended when the private sector was weak and not worth mentioning. However, because of the growth of the private sector and because this sector has been burdened with part of the responsibility for the economy, it needs more backing, not through aid, since this is not practically possible without considering the present aid, pursuing encouragement policies and reorienting this aid and this policy.

As an example, he cites the increasing number of loans and facilities to the factories which will employ a larger number of Saudis or to those factories set up in outlying areas. Dr Mahsun noted another point, that is, that there is a large amount of money frozen in banks, because it is in the hands of some individuals and officials whom the law allows to subscribe to shareholder companies but whom the law does not permit to be founding members. Amendment of this system might stimulate a large amount of frozen money to enter the field of investment on a wider scale.

Dr Mahsun concluded his observations by expressing his hope that the private sector will not disappoint the state, that this sector will become active in the production domains, instead of concentrating only on contracts, and that it will also contribute to shouldering some costs of education.

But has the phase of construction, which the state had been carrying out, indeed come to an end?

Husayn Sujayni, under-secretary of the Ministry of Planning, raises a point whose underlying idea is that saying that the infrastructure projects have come to an end does not mean that the state has finally ceased building. Countries do not stop building, and the United States has continued to build for well over 300 years. It is noticed that the new 5-year development plan introduces well over 3,000 projects, ranging from completing old projects to beginning new projects. Therefore, Sujayni believes that growth will continue at a rate higher than that of the average growth in population. Therefore, the general average of growth in the plan has been specified at 4 percent. Furthermore, the plan has assigned a prominent role to maintenance and operations.

But Shaykh Salih al-Tu'aymi, secretary of the Riyadh Chamber of Commerce, does not believe that the maintenance and operations sector can accommodate and absorb the stagnation from which some sectors, particularly the contracting sector, suffer. Nevertheless, he hopes that during the new plan, the private

sector will make a greater contribution to the national production for the purpose of dispensing, inasmuch as possible, with the foreign companies. This means that the money which had previously been going abroad will remain in the country for reemployment and investment. Furthermore, Shakyh Salih hopes that the private sector will, inasmuch as possible, depend on itself and thus dispense with direct and indirect subsidies, since an economy based on subsidies carries with it the ills of subsidies. If the private sector succeeds in fulfilling this objective, it makes a major contribution to the implementation of the plan.

Dr 'Abd-al-Rahman al-Zamil has great confidence in the private sector's potential. This confidence stems from the fact that, originally, this sector had emerged in an atmosphere of open competition, since Saudi products did not enjoy any protection worth mentioning. To this, Dr al-Zamil added the need for the private sector to rid itself of some negative factors, such as dealings with foreign companies being on a legal and sound basis to avoid falling into the abyss of covering up by way of setting up joint front companies with foreign companies, which will thus be able to evade taxes and compete with Saudi companies. Al-Zamil believes that this problem has led to the issuing of the explanations pertaining to the 30 percent law, which requests foreign companies to give a 30 percent rate to Saudi contractors from within the country. The explanations have come to say that those deserving this 30 percent are 100 percent Saudi companies only.

Furthermore, Dr al-Zamil asked the private sector to think seriously for the purpose of setting up large establishments, since no man can do everything alone--and this is the era of large groupings. Citing an example of this, he said: "Had the owners of central markets cooperated as a group in the area of importation, they would have wielded great negotiating power. In this respect, al-Zamil lauded the establishment of the Refrigeration Transport Company, which now owns 100 refrigerator vehicles--and this is a phenomenon to which attention should be devoted."

Dr al-Zamil attaches great importance to the dynamic nature enjoyed by the private sector in the kingdom. This nature appears in the flexibility with which this sector moves from one area of work to another area and also in the profits which are achieved by the shareholder companies. All the banks, for instance, have made profits averaging 250,000 riyals. The electricity and cement companies have achieved profits ranging from 100 to 150 million. Then, although it has diminished, government expenditures still continue, the proof being that in all budgets, a minimum of 100 billion riyals is allocated to projects, this being a sum equivalent to the budgets of entire countries. It is imperative to take into consideration the fact that this activity of the private sector has produced the result that the funds which previously went to foreign companies are now available in the country, so that they can be reinvested and, thus, reenter the economic cycle.

Added to all these things are the kingdom's relationships with the Gulf, Arab and Islamic countries--relationships which make the Saudi market larger than its actual size. Studies prepared by some Western embassies as guidelines for the businessmen arriving at these embassies mention that when viewing the Saudi

market, one must take into account the other five countries of the Gulf Cooperation Council (Kuwait, Bahrain, the UAE, Oman and Qatar), which are linked to the Kingdom by a unified economic agreement. Also to be taken into account are the foreigners working in the kingdom as well as the pilgrims, visitors who arrive to perform the pilgrimage, and the YAR [as published]. So far as all these aliens and pilgrims are concerned, the volume of the market amounts to approximately 25 million people. In addition to these people, one should take into account some neighboring states, such as Sudan, Iraq and Jordan, which are linked with Saudi Arabia by geographical and human ties. This market adds another 25 million people.

Dr al-Zamil said in conclusion: "The private sector is qualified, and it is even incumbent upon it to play its assigned role actively, since all that had been done during the last three development plans was aimed at reaching this phase. The state's objective is clear, that is, this country should serve as an ideal for the developing states in connection with the need for the existence of a strong private sector, which has been a successful experiment up to this time and which will enable these countries to survive and develop."

12839

CSO: 4404/255

SAUDI ARABIA

COUNCIL OF MINISTERS APPROVES CANCELLATION OF ALLOWANCES

Riyadh AL-JAZIRAH in Arabic 26 Mar 85 p 5

[Article by 'Abd-al-Rahman al-Musaybih]

[Text] The cabinet issued Decree No. 101 on 24/6/1405 Hegira. The decree is based on a recommendation made by the Civil Service Commission at its session convened on 21/6/1405 Hegira. The recommendation concerns the regulation of compensations, benefits and allowances for which disbursements are made to some classes of employees. The decree reduces or cancels some of these allowances, after it has transpired, as a result of intensive studies, because the need exists to rationalize and rearrange these allowances to the benefit of work and in a manner compatible with the desire to assess the performance of government employees.

AL-JAZIRAH asked His Excellency Turki ibn Khalid al-Sudayri, chairman of the General Civil Service Commission, about the new state general budget and the new system for compensations and employment benefits. His excellency answered: This budget is distinguished by its viewing a public office as a means through which the state can extend the various kinds of services needed by society, not as an end in itself. Undoubtedly, this is the proper approach to the administrative reforms which are sought by the government of his majesty the king and which are constantly sought by the state, especially at this significant phase of development in the kingdom.

So far as we at the Civil Service Commission are concerned, we find that the budget has been aimed at rationalizing the granting of allowances and compensations given to the civilian employees of the state organs.

Al-Sudayri added that this rationalization plan stems from the following:

- First, preserving all the salaries, allowances and basic compensations that had been allotted to the holders of public office and that help the holders of office in a logical manner offer high standards of performance.
- Second, striking a balance in treatment and equalization among the employees of the various civil sectors of the government who perform similar work.
- Third, reducing the allowances and compensations which, as practical experience has proved, do not fulfill their sought-after objectives, and for whose

limitation the Civil Service Commission and the General Commission initiated a number of measures a few years ago.

- Fourth, an increasing demand for government jobs due to the fact that manpower is growing because of the number of graduates of universities, institutes and other education institutions.

- Fifth, reconsidering some allowances and compensations that had been approved and adopted in light of the dictates of development in past years and in light of the accompanying increase in the demand for manpower.

In his talk, his excellency then clarified the contents of the fifth decree on the regulation of compensations, which has been endorsed by the Council of Ministers. The decree stipulates the following:

1. The ceiling of overtime hours disbursed to employees (for work done beyond official duty time) will amount to 25 percent of the salaries of employees, instead of the current 50 percent.

2. Only those employees in grade 12 and in lower grades will be asked to work beyond the hours of official duty.

3. Assignment of overtime work during the weekly days-off and holidays will be confined to those whose assignment is needed at border posts, airports, harbors, hospitals, radio and television stations, the Telegraph and Post Office Department, the amirate offices, the royal courts, offices of ministers and similar departments, provided that no more than 50 percent of the basic salary for these days is disbursed to the assignees.

4. All government departments, whose employees are required to participate in the pilgrimage season, must limit the number of participating employees to the minimum limits required, and scheduled compensations should be disbursed only to the employees who participate in religious rites performed at 'Arafat, Muzdalifah and Muna.

5. It is impermissible for the total periods of assignments of employees to exceed 60 days per year, with the exception of employees assigned to Al-Ta'if in accordance with the executive bylaws of the civil service system.

6. Should the period of assignment at any one time exceed 2 weeks, then a relevant decision must be made by the minister concerned or by the competent head of authority.

7. It is impermissible to combine allowances for assignments and compensations for overtime work in the instance of employees traveling on official duty to areas other than the areas of their post.

Second, the allowances, compensations and benefits--specific in Table A appended to this decree--are hereby cancelled.

Third, the allowances, compensations and benefits--specified in Table B appended to this decree--will be amended in accordance with the regulations set out in this table.

Fourth, the aforesaid regulations will be applied to all those working in all the ministries, government authorities, public establishments and public bodies as well as to other general corporate persons and to the departments affiliated with any of these persons, regardless of the provision under which payments are disbursed for allowances, compensations or other benefits, as of 1/8/1405 Hegira.

Fifth, the Civil Service Commission, in conjunction with the competent quarters, will study the status of those working in units affiliated with the ministries, government authorities, public establishments, public bodies and other general corporate entities and will specify the payments to be disbursed to these employees for allowances, compensations and benefits.

Table A. Cancelled Allowances, Compensations and Benefits

<u>Allowance</u>	<u>Ultimate Cabinet Decision</u>
Allowance for oversight work	Cancelled
Allowance for meeting members of the public	Cancelled
Allowance for examination departments	Cancelled
Compensation for assignment to another job	Cancelled
Compensation paid as incentive	Cancelled
Allowance for local treatment	Cancelled
Quarters allowance	a. Stopped for Saudies b. Assignees of living quarters in kind will pay reimbursements for rent paid for comparable quarters, together with payments for value of cost of utilities and services secured, such as water, electricity and telephone
Allowance disbursed to employee only for belonging to a specific organ, regardless of nature of his work	Cancelled

Table B. Reduced Compensations, Allowances and Benefits

<u>Allowance</u>	<u>Ultimate Cabinet Decision</u>
Allowance for training	a. Reduced by 50 percent if training is received within the country b. For those coming from outside the training area, reduced by 50 percent for period following first 3 months of period of program

Table B. (Continued)

<u>Allowance</u>	<u>Ultimate Cabinet Decision</u>
Compensation scheduled for those working beyond official duty hours	Compensation reduced to 15 percent instead of 25 percent
Allowance for outlying areas	Reduced by 50 percent
Allowance for mountainous areas	With the exception of the areas agreed upon by the minister of interior, the minister of finance and national economy and the chairman of the Civil Service Commission
Allowance for continuous travel	Reduced by 50 percent
Allowance for appointment	Reduced by 50 percent to salary for 1 month, instead of salary for 2 months
Allowance for mail sorting officers and mailmen	Reduced by 50 percent
Allowance for mailmen working in government departments	Reduced by 50 percent
Compensation for workers in commercial schools and night sections	Reduced by 50 percent

12839

CSO: 4404/297

SYRIA

COMMENTARY DISCUSSES CAUSES, SOLUTIONS OF TRADE DEFICIT

Damascus TISHRIN in Arabic 27 Jan 85 p 3

[Editorial by Hisham Bashir: "Economy and Desired Balance"]

[Text] We are experiencing a deficit in the trade balance. This is something which cannot be denied and which is reflected in the foreign trade statistics and in the big difference between the value of our imports and our exports. This reality has had an unsatisfactory impact on the value of the Syrian pound versus other currencies, both Arab and foreign currencies.

The deficit is due to several causes, of which we will mention the following:

- The development projects implemented or completed during the 5-year plan and the fixed and semi-fixed assets required for this implementation.
- Our imports of raw and semi-processed materials needed for the operation of many of our plants which do not rely on locally produced raw materials.
- Our imports of luxury and semi-luxury goods, a good part of which can be dispensed with.
- The imports which have entered the country by way of smuggling and have drained large sums in foreign currency and in Syrian pounds which flowed into the neighboring countries.
- The inadequacy of local production to meet the country's needs of manufactured and agricultural products. Adequacy is intended here in the qualitative and quantitative sense at the same time. We must also acknowledge the important role of the widespread phenomenon of smuggling, and of even the legal imports, in blocking the achievement of this adequacy.

If these are the causes, then what are the solutions?

The solutions are not inaccessible. They are within reach of whoever examines the causes objectively and are summed up in a fundamental step which we may figuratively call "self-isolation." We mean by this isolation a new importation policy that reexamines the definition of luxury and semi-luxury goods

and expands by a broad degree the ban on the importation of such goods, even if this does not please some people and if some people feel deprived.

If we do this, then we must strive hard to:

- Raise the agricultural sector's productivity so that it may be able to meet the actual need for foodstuffs, even if this requires focusing on food crops at the expense of industrial crops. In this regard, we believe that it is necessary to curtail the importation of food products, even if pressure is required to change the Syrian citizen's food consumption pattern, which is largely a gained [imported] pattern. We must note here the importance of encouraging the cultivation and production of alternatives to the imports with the same nutritional value of such imports and close to them in flavor.

- Raise the industrial sector's productivity, improve the quality of industrial production and reduce its cost so that it may be able to compete in the world markets, thus making it possible to export this production and to realize a foreign currency surplus that can be used to secure the raw and semi-processed materials necessary for the operation of our plants.

- Protect the local industrial and agricultural products through:

- A. Greatly restricting the imports, even going as far as restricting the imports to raw materials, spare parts and the essential commodities needed to develop the agriculture and industry sectors.

- B. Establishing control over the borders and sealing them decisively and in such a deterrent manner that the smugglers will forget the gaps through which they and their smuggled goods infiltrated.

There remains the question: are we capable of implementing such a policy? The answer is yes. We say to whoever casts doubt on this ability:

Our citizen is fully aware of the national burden he shoulders and he is always ready to sacrifice, even if such sacrifice requires that he do away temporarily or forever with a lot of what he is accustomed to, but on the condition that all sacrifice equally and that others eat, drink and wear only what he eats, drinks and wears.

To put it briefly, our people are prepared to deny themselves this or that commodity, provided that no single group or segment enjoy it and provided that the people feel that there is a serious effort to implement such a policy--an effort embodied in squeezing all aspects of government spending.

8494

CSO: 4404/305

SYRIA

LARGE QUANTITIES OF WHEAT MISSING FROM STORAGE

Damascus TISHRIN in Arabic 27 Jan 85 p 3

[Article by Mamal 'Amir: "13,000 Tons of Wheat Lost in Flourmill and All Are Awaiting Outcome of Investigation"]

[Text] In al-Julan flour mill, as in the Public Flour mill Company and the Public Grain Trade and Processing Organization and in other circles, there are various viewpoints. In these circles, they now wonder: What is the fate of the lost 13,000 tons of wheat? Which is the responsible party? How was this quantity lost? Are the circles concerned with dealing with this issue aware of the problem or is it still a secret to them?

Some whisper: The decision-making circles are not aware of this problem and the proof is that nobody has yet been questioned on the problem. Others say loudly: The report submitted by the committee formed in accordance with Administrative Decree No 49, dated 29 January 1985, is supposed to have reached the authorities to which it was submitted. These people wonder with surprise: Now that the report has been submitted and now that all this time has passed, why is it that nobody has moved a finger? Numerous questions are asked here and there, openly or secretly, seriously or sarcastically. All are awaiting the outcome of this issue in order to dot the i's and cross the t's.

What is this issue, what is the story of the report submitted to the authorities concerned and what is this report's content? These questions and others are the subject of this report.

Beginning of Story

More than 10 months ago, on 29 January 1984 specifically, a committee was formed in accordance with an administrative decree issued by the Public Grain Trade and Processing Organization. This committee included elements from the organization, from the Public Flour mill Company, from the Damascus flour mill branch and an engineer who joined the committee to conduct the technical studies.

Committee's Task

The committee's task, as stated verbatim in the report it submitted to the organization, was to "take stock of the wheat entering and leaving al-Julan

flour mill and to countercheck with the Damascus center committees and with the silos to find out the real quantities of wheat delivered to the flour mill and to determine the volume of the wheat byproducts and flour delivered by the flour mill and the percentage of the amount leaving and percentages of the public tax." In accordance with the minutes of the committees' meetings, this committee was also entrusted to help the other committees to compare their individual records so as to reach the final results through the record books of the center and of the flour mills.

How Far Did Committee Go?

How far did the committee's activities go and what was its conclusion? Kinan al-Nashif, a committee member from the Public Flour Mill Company, said: As soon as we were entrusted with the task and after the silos claimed that there was a shortage in the quantity of wheat in their possession, we proceeded immediately to investigate and to find out whether there was or there was not a shortage and also to find out where the missing quantities went.

Our work at al-Julan flour mill lasted 10 months during which time we examined the entries into and the deliveries from the flour mill. We emerged with certain conclusions. But before citing these conclusions I find it important to cite the following observations which we reached during the preparation of our final report. These observations are:

The workers and officials in charge of al-Julan flour mill warehouses are not qualified to perform this work.

Internal control is absent and does not exist in the real sense of the word. The warehouse keeper works as he wishes.

There are no auditors to task the warehouse keeper for the quantities received or delivered. There are superficial monthly comparisons, often made by telephone.

The change of warehouse keepers occurs at times during which there are no persons responsible for the tasks of collection and delivery. The process of collection and delivery is conducted in a "haphazard manner," thus leading to tampering and to everybody holding everybody else responsible.

The multiplicity of stock-taking and liquidation committees has put the flour mill and its warehouses in countless labyrinths. One committee says there is a surplus and another says there is a deficit.

The last five inventories taken by one committee are inaccurate and the reports submitted by this committee come under the category of deflecting blame.

The accountants and the production supervisors are not qualified. The accountants do not examine the records they receive in order to be able to discover excesses or deficits in quantities handled. For example, there is a deficit of 40,000 sacks. Yet, nobody is brought to account.

Trucks loaded with wheat can enter or exit through the main gate without being subjected to any questions.

Wheat leftovers that had been rotted by humidity in the silos were delivered to the flour mills and were turned by the mills into flour with the purpose of covering their deficit. There is a supply report on this issue. As a result, some of the wheat delivered by the silos had to be returned.

The laboratory does not perform its duty and does not conduct the required tests.

The Damascus branch committee, comprised of six persons, has been conducting the stock-taking and inventory processes for 4 years. This is the committee that has been covering up the shortcomings.

Kinan added that the first question that imposes itself is: is the central administration oblivious to the laxity in the Damascus branch and in al-Julan flour mill, keeping in mind that smuggled quantities were frequently seized by the supply officials and the authorities concerned, with those quantities often destined for confectionary bakeries--private sector bakeries. The second question is: as long as there are monthly counter-checks ['amaliyat mutabaqah] made by al-Julan warehouse keeper, the silos' warehouse keeper and the center's storekeeper, how did the deficit develop, if it were not intentional?

What Did You Find?

We noticed at al-Julan flour mill the entry of 5,027 tons of wheat delivered by the silos to the mill without any record. There were 3,000 more tons entered wrongly in the record books. For example, a quantity of 1,060 tons of wheat were delivered to the mill whereas this quantity was recorded as 160 tons received. There were also seven notes sent by the silos and covering a quantity of 1,700 tons of wheat which were not entered in the records of al-Julan flour mill, even though those quantities were delivered by the silos to the mill in accordance with official receipts.

Qasim Khadim al-Suruji from the accounting department of the Public Grain Trade and Processing Organization said: We, the members of the committee formed in accordance with Administrative Decree No 49 of 29 January 1984, tried hard to put our fingers on the faults and found out that there were intentional mistakes and unintentional mistakes. We prepared a report and left it to the authorities concerned to continue the investigation on this issue.

In the Public Grain Trade and Processing Organization, we found stored grains amounting to nearly 76,000 tons. Of this quantity, exactly 63,000 tons were delivered over a period of 2-3 months. The deficit, amounting to 13,000 tons, thus became evident.

A quantity of 3,000 tons was delivered to al-Julan flour mill without records or with faulty records, i.e., recorded in the silos' books and not recorded in the books of al-Julan mill or in the organization's books.

There was also a deficit of 9,000 tons which were sent by the organization's management to the silos and which were not entered in the silos' record books.

During the audit, we noticed that 5,000 tons out of the above 9,000 tons entered al-Julan flour mill without any records. They were not recorded at the silos or at al-Julan flour mill. As for the remaining 4,000 tons, we did not find them and we do not know their fate. To put it briefly, we found the following situation:

The deficit in the organization was 13,000 tons.

The silos have a deficit of 4,000 tons.

The flour mills have 9,000 tons, of which 4,000 tons are recorded in the silos and not recorded in the mill and 5,000 tons without a record in the flour mill or in the silos. Of the 9,000 tons, a total of 2,800 tons of flour are missing.

Al-Suruji added: It is noticed that there is tampering by an intelligent individual entering the game between the three sides: the silos, the flour mills and the center. He took what he wanted and it is now difficult to discover what he took. Al-Suruji finally added: We found in the flour mills the same situation as in al-Julan flour mill, with 1,000 tons missing.

Muhammad Khayr Jabban, the storekeeper of the Public Grain Trade and Processing Organization, said:

The storekeeper of al-Julan flour mill is the one who informed me of the presence of a deficit of 4,000 tons of wheat and asked me to reexamine the account books. As a result of this reexamination, I became certain of the presence of the deficit.

This also became certain to the members of the committee formed by the director of the flour mills branch in Damascus. This committee found that there was an actual deficit of 3,837 tons between the storekeeper's records and the existing stores.

Jabban added: It was then decided to persuade the silos to make up for the deficit. Contacts were made by the storekeeper of al-Julan flour mill and the director of the silos for this purpose. One of them asked me about what surplus I had after production and I said: I have a surplus of 5,00-6,000 tons.

Where Did This Surplus Come From?

The volume of stored wheat always increases because of the difference between one set of scales and another and because of humidity. In 3 months, 1,000 tons increase to 1,050 tons. As soon as they became certain of the increase, the storekeeper of al-Julan flour mill, the director of supplies of the flour mills and the financial representative met with the director of the silos to take away the surplus wheat and to give it to al-Julan flour mill so as to close the issue.

At this point, Jabban paused and then said: I am a storekeeper and yet I do not know what store I am keeping. They put me in al-Dahadil area far from the warehouse whereas the silos whose stores I keep are located in al-Subaynah area. They used to tell me: The papers will reach you automatically.

Finally, it was agreed to withdraw the surplus quantity and it was actually taken away in the period from 1-19 August 1983 with the knowledge of the director of al-Julan flour mill who had resumed his job at that time. He asked the others to bring him documents so that he could find out what wheat was being shipped to him, whether it was hard or soft wheat, and the reason it was being shipped to him. They told him: What we are shipping is tantamount to mistakes which occurred between us and the silos and we are entering this missing quantity without records. The director told them, according to Jabban: You do this at your own responsibility and I will have nothing to do with it. They agreed and the work went on for 19 days to transport the wheat. This was done with the knowledge of the director of al-Suwayl branch who was asked to tear up the pages in the record book in which the withdrawals had been registered in August. This record book is still with the organization's director of internal control as evidence of the torn pages.

Jabban added: Al-Julan flour mill obtained during this period all the missing quantities of wheat, which amounted to 4,000 tons. The flour mill thus made up for its deficit. Had it not made this acquisition, the shortage would have surfaced. Finally, Jabban said: I did my duty and did not keep silent on what was wrong.

I went to the organization's general director but he would not receive me and referred me instead to the organization's director of control or of marketing. I did not go to see either because I did not trust them. Instead, I went to the minister of supply at the beginning of 1984. I was received well and referred to the ministry's control director who helped me greatly and put pressure on the organization to form committees to investigate the issue. With the help of the minister and the control director, inventory was taken at the silos so that the old stores may not be mixed with the new, thus eliminating the deficit.

Editor's Comment

This issue, as pointed out in the course of the report, has been in the hands of the authorities concerned for this long period without any decision being made and without clearing the matter.

If there is anything we want to say it is to remind everyone of the necessity of making a decision on this issue and of not prolonging it any further.

8494

CSO: 4404/305

AFGHANISTAN

SOVIETS REPORTEDLY LAUNCH NEW ATTACKS ON REBELS

Penang THE STAR in English 18 Apr 85 p 16

[Text]

ISLAMABAD, Wed. — Soviet occupation troops in Afghanistan have launched two large pre-emptive strikes against Afghan freedom fighters using surface-to-surface missiles and self propelled howitzers for the first time, Western diplomatic sources said yesterday.

They said that in one of the biggest attacks of the year, the Soviets sent hundreds of troops supported by six Frog-7 surface-to-surface missiles four self-propelled howitzers and a large number of MI-24 helicopter gunships to Maidan Shehr in Wardak province, south-west of Kabul, on April 10, 11 and 12.

The Soviets have also carried out a sweep of Paghman, just north of Kabul, known to be a strong resistance centre. Heavy bombing was reported in the area and the Soviets suffered many casualties, including the loss of three helicopters, the sources said.

Fighting in Maidan Shehr reportedly wound down on April 13 but no reliable information on casualties is available. However, Afghan freedom fighters are said to have taken up key positions and mined the approaches to the area, following a tip-off on the Russian move.

The diplomats also reported stepped up resistance in Perwan province and the Afghan capital itself last week. But they did not see any Soviet preparations for the much-anticipated offensive in the strategic Panjsher Valley in Perwan province.

For the first time in four months, the eastern side of the Afghan capital came under rocket attack by the resistance, when six missiles exploded in the vicinity of the Balahisar Fort.

The missiles were apparently aimed at the Soviet-built housing complex at Mikroriyan and the Chaman neighbourhood, where the April 27 revolution day parade will be held. — Bernama-Kyodo.

CSO: 4600/444

AFGHANISTAN

MUJAHIDIN CLAIM SOVIETS MAY MOVE AFGHAN CAPITAL

Penang THE STAR in English 29 Apr 85 p 6

[Text] Kuala Lumpur, Sun--The capital of Afghanistan may be moved from Kabul to Mazarisharif in the north.

Afghan Mujahiddeen representative here, Haji Mangal Hussain, said news from Mujahiddeen intelligence services in Kabul indicates that the Soviets are considering moving the capital there.

"We think the reason is that Kabul is surrounded by mountains and is easily accessible to the Mujahideen to wreak havoc on Soviet installations, residential areas and its puppet regime.

"Mazarisharif in the north is situated on a plain and will therefore be easier for the Soviets to defend," he said at a Press conference in commemoration of the seventh year of the Mujahiddeen struggle against the Soviets in Afghanistan.

Malaysia offered Kuala Lumpur as the point for global distribution of the news on the Mujahiddeen struggle in May last year.

It also provided an office here with a direct telex link between Kuala Lumpur and Peshawar in Pakistan, the base used by the Muslim freedom fighters after the coup in 1978.

"Although the direct invasion of Afghanistan by the Soviets took place in Dec 27, 1979, we mark the beginning of the Mujahiddeen struggle against the Russians from April 27, 1978.

"That was when the regime of President Daud was toppled and Mohamed Taraki, a Soviet-backed communist, came into power.

"The Mujahiddeen will not accept a political solution and will continue fighting the Soviets until they leave Afghanistan and the people to make their own choice of government," Haji Mangal said.

CSO: 4600/445

INDIA

PRESS REPORTS ON ASPECTS OF INDO-U.S. RELATIONS

Indian Embassy Protests Briefing

Madras THE HINDU in English 17 Apr 85 p 9

[Text]

WASHINGTON, April 16.

The Indian Embassy here has strongly protested against the holding of a briefing on the issue of human rights and the Sikh situation in India, in an annexe of the U.S. Congress, with participation by avowed anti-India secessionists.

In a letter to the director of a human rights organisation, Mr. Laurie Wiseberg, the Embassy said it was "unacceptable to us that you should hold a briefing" on the subject.

The Embassy asserted that the "Sikhs have always constituted and have been regarded as one of the greatest of the many communities that enrich the society and culture of the pluralism that is India."

The Embassy refused to take part in the briefing on the ground that "such actions do not help the process of an amicable settlement to the problem."

The briefing was held under the aegis of the Congressional Human Rights Caucus, a public interest lobbying group, and the Minority Rights Group, in collaboration with a Washington-based organisation, Human Rights Internet. It was held in the Rayburn House office building which is an extension of the U.S. Congress premises.

The meeting was attended by self-styled Khalistan protagonists J.H. Bhullar and Ganga Singh Dhillon and addressed by "Sikh community spokesman" Ralph Singh.

Purpose of meeting: Well-informed sources here felt that the purpose of the meeting was to pave the way for a full-fledged hearing by the U.S. Congress on Punjab and to create diplomatic and political embarrassment for India prior to the June visit to the U.S. by the Prime Minister, Mr. Rajiv Gandhi.

Wild charges: Claiming to speak on behalf of the Sikh community, Ralph Singh accused the Indian Government of violating human rights of the Sikhs in Punjab. He alleged that

Sikhs in Punjab could at any time be subjected to arbitrary interrogation by the security forces. Also, according to him, the entire male population of Punjab was wiped out, and "it will take 20 years for an eligible bachelor to appear."

Don't create trouble: Professor Leo Rose of the University of California, who according to the sponsoring associations appeared on behalf of the U.S. State Department, told the participants that the Sikh population living abroad should not focus on creating trouble as "it is very easy for the Sikh community in the U.S., Britain and Canada to go about shouting. They don't have to live in India." On the other hand, the future of the Sikhs in India was going to be based on their ability to come to terms with the rest of the Indian society that protected their rights.

'Sikhs a prospering community': He said there was no economic, social or religious prejudice directed at the Sikh community in India as evidenced by the level of economic success the community had attained since independence. On the Delhi riots that immediately followed the assassination of Indira Gandhi, Prof. Rose said that "in my view there are three or four Congress leaders in Delhi who should be taken out and shot."

Dr. Joshi from the minority rights group said the actual number of Sikhs killed in the Delhi riots was substantially larger than the Government figures. He alleged that the Indian Government had become a partner in a process that is "tearing India apart".

Misinformation campaign: Well-informed observers feel that all this part of a misinformation campaign to defame India and a grand plan by Bhullar and the World Sikh Organisation to change their style of functioning from an ineffective rowdiness to a more suave and polished style of public opinion building.

External Affairs Official's Remarks

Calcutta THE TELEGRAPH in English 19 Apr 85 p 1

[Text]

New Delhi, April 18: The minister of state for external affairs, Mr Khurshed Alam Khan, responding to the unanimous condemnation in the Lok Sabha of US interference in Indian affairs, said today that India would not offer its friendship to any country harbouring Sikh extremists.

In a direct reference to the United States, Britain, Canada and West Germany, Mr Khan regretted that countries claiming to be friends of India were encouraging Sikh extremists.

He was replying to a discussion on the briefing held on Sikh affairs in an annexe of the US Congress. Mr Khan informed the House that the government had made clear in very strong terms to the US government that it would not tolerate such briefings in future. "The Indian government," he said, "will not hesitate to take action and we are not afraid of any country." He said the embassy in Washington had made clear to the US authorities that such briefings were not in the interest of good relations between both countries and should not be repeated.

The Sikhs, Mr Khan said, should realise that a solution to their problems did not lie in these countries but in India.

The entire House, with the noticeable exception of the DMKP and BJP who did not participate in the discussion, unequivocally condemned US "in-

terference" in India's internal matters.

Significantly, the three speakers from the treasury benches, Mr K.K. Tewari, Mr G.G. Swell and Mr Zainul Basher, all asked for the government's explanation as to how two Sikh extremists—D.S. Bains and Bhajan Jogi—had stayed as guests in the foreign dignitaries guest house in Rashtrapati Bhavan in 1983.

Mr Tewari drew the attention of the House to this and was joined by the other two Congress(I) members in demanding a clarification from the government. Mr Tewari wanted to know also how an "important public relations man" from Rashtrapati Bhavan went to Amritsar and disclosed classified information about the Army operation to extremists.

Referring to this Mr Khan said: "Let us be very alert that there is no indigenous hand involved in all this (plan to disintegrate India)." Mr Tewari immediately stood up asking him to be more specific, upon which the minister said he had asked the home minister to look into the matter.

In response to a query he said he would express both his "displeasure and anger" if it was found that Sikh extremists had actually stayed in Rashtrapati Bhavan. "The sanctity and dignity of such institutions, which are the centre of our authority," have to be ensured, he said.

Human Rights Caucus Spokesman

Bombay THE TIMES OF INDIA in English 19 Apr 85 p 9

[Text] WASHINGTON, April 18 (UNI)--THE Congressional Human Rights Caucus, co-sponsor of an anti-India human rights briefing on "the Sikh problem in India" here on April 11, is a part of the United States Congress, its spokeswoman, Ms. Nancy Kohn said.

"Not only did it obtain its funding from Congress but also provided Congressmen with legislative advice on matters of human rights," she added.

Ms. Nancy admitted that "interest being expressed by several Congressmen to hold a hearing on the human rights situation in India." Among them was

Congressman, Mr. Robert Mrazek, Democrat from New York and "key propelling force" for the lobby that wanted a hearing on the subject.

Ms. Lauries Wiseberg, executive director of the Human Rights Internet, another co-sponsor of the hearing confirmed that Prof. Leo Rose represented the U.S. state department at the hearing.

There are indications that a major lobby is at work on Capitol Hill whose purpose is to get a Congressional hearing on the subject of human rights in India and the present position of Sikhs in Punjab.

The primary goal of the lobby is to spread an impression within the USA that Sikhs in India are being denied basic human rights as was indicated by the April 11th special briefing on the "solutions to the Sikh problem" held in an annexe of the U.S. Congress.

The outlines of the lobby that is building up pressure on Capitol Hill is emerging and Hill experts point to the success of the hardline Sikhs led by Mr. J. S. Bhullar, Mr. G. S. Dhillon and Mr. Ralph Singh in creating an atmosphere amenable to their secessionist cause.

A large number of U.S. Congressmen are favourably disposed towards a hearing on the human rights situation in India with reference to the Sikhs.

Observers also believe that the aim of the hardliners now is to tie up the Sikh issue with Indo-US relations and towards that end they seem to be moving via the Congressional door.

In Canada the hardliners are busy propagating their views through intelligent production of newspapers like the "Spokesman" and in the U.S. their target is the Capitol Hill where they conduct personal briefings of Congressmen aided by slide presentations of the plight of Sikhs in India. For example, Mr. Ralph Singh, who spoke on behalf of the Sikh community at the April 11th briefing showed slides of badly wounded and dead Sikhs immediately following the Delhi riots.

Earlier disclosing the "sensitive" information that the U.S. government is one of the funders of the Human Rights Internet, Ms. Wiseberg said that the association received funding from the U.S. Agency for International Development (US AID) under a rule 116E of the US AID. Further, she clarified, that the US government was one of the associations funders which also included Sweden and Norway.

The interview with Ms. Wiseberg pointed to a disconcerting fact, that is, the hardline Sikhs have been striving to gain recognition in Washington for years now and organisations like the Human Rights. Internal are always on the look out for controversy which win them recognition and survival in a very political Washington. It is also clear that the hardliners and the US human rights activists will continue to intensify their lobbying in Congress.

BJP Official's Remarks

Calcutta THE SUNDAY STATESMAN in English 21 Apr 85 p 7

[Text] NEW DELHI, April 20--The April 11 briefing on the "solution to the Sikh problem" held in the USA, in the Congress building, "has caused concern and widespread anguish in India", Mr J. P. Mathur, a member of the Bharatiya Janata Party National Executive, and Mr Ashwini Kumar, a BJP M.P., said here today.

In a joint statement, they said that "explanations issued by the U.S. Embassy in India in this connexion lack conviction. It is not as if India is a closed country, like some of the Asian and East European nations. This is an open country and thousands of Americans and other foreigners are daily visiting and passing through large parts of it. A special hearing on India was not needed to evaluate the human rights situation in the country. That lakhs of Sikhs are working and living prosperously in the country outside Punjab, and many of them in the remotest areas, is a fact known widely in the USA. Therefore, the so-called human rights hearing on the Sikhs of Punjab cannot but be considered mischievous effort of some parties to sour Indo-U.S. relations and pain India black on the eve of the projected visit of the Indian Prime Minister to the USA.

"It is in that country that the facilities provided for the hearing and the presence of certain State Department officials, like Professor Rose, even in their private capacity, lends itself to the interpretation that a section of the Reagan Administration is not averse to the Punjab events being misused. At least, the U.S. authorities should, henceforth, stop, and discourage such anti-India propaganda.

The statement said: "What is even more surprising is that the so-called human rights hearing did not mention one word about the acts of terrorism some of the self-styled protectors of Sikhs' interests are pursuing in Punjab. The death toll has risen to several hundred and only yesterday some more important leaders, including the Congress (I) leader, Mr R. L. Bhatia, were shot at. The assassins are not leaving even respected Sikhs--lay and religious men--alone. That the Akali and the SGPC leaders, like Mr G. S. Tohra, who was released only yesterday, could justify Mrs Gandhi's assassination, should not escape the attention of the self-styled human rights activists in the USA. If they are genuinely interested in the interests of the Sikhs in India, they should disassociate themselves with the Sikh secessionists operating in America".

U.S. To Promote Trade

Calcutta THE TELEGRAPH in English 21 Apr 85 p 1

[Article by M. J. Albar]

[Text]

New Delhi, April 20: A major initiative to improve trade relations between India and the United States is

under way. A body headed by Senator Charles Percy, former chairman of the Senate foreign affairs commit-

tee and one of the most respected politicians in his country, is being set up in the US to promote business relations between the two countries. The formal announcement will be made next week.

Senator Percy met the Prime Minister, Mr Rajiv Gandhi, in Delhi last week in this connection. Among the specific offers he came with was a proposal to sell computers made by one of the largest computer companies in the US, Controldata.

Senator Percy has started his own consultancy firm after failing to retain his Senate seat after the last elections, and Controldata is one of the companies that has hired his services. The Government of India has shown interest in the idea of buying computers from Controldata.

This move is part of the great interest being shown in India by American companies after the last Budget, which has been widely welcomed as a departure from the past by American businessmen who have never hidden their exasperation at both the "Socialist" stress of past Indian governments and the bureaucratic tangles that have in-

evitably accompanied efforts at foreign investment. The *Wall Street Journal* set the tone of the new attitude towards India with an editorial welcoming the finance minister, Mr Vishwanath Pratap Singh's Budget. Mr Rajiv Gandhi was nicknamed "Rajiv Reagan" in that editorial.

The talks between Mr Singh and the US treasury secretary, Mr James A. Baker, recently are also part of this process. US investment in India has tripled in just the last 12 months, and the effort is to keep the trend in the same direction. At the moment, 18 per cent of India's exports go to the United States, and 13 per cent of its imports come from there.

The US ambassador in India, Mr Harry Barnes, has been canvassing the idea of a fund for the promotion of research and development in sophisticated technology in order to improve the reputation of US multinationals in India. The common perception of multinationals is that they exploit and take away from countries like India. The R and D fund will try and show that India can also gain in a relationship with American multinationals.

Festival of India Booklet Scored

New Delhi PATRIOT in English 17 Apr 85 p 1

[Text]

The official calendar of the Festival of India in the US describes Lord Shiva as an "erotic ascetic". Cries of 'shame' and 'it is a blasphemy' echoed through the Lok Sabha on Tuesday as shocked members listened to Mr K P Unnikrishnan, Congress-S brandishing a copy of the glossy booklet, narrate what he called was a tale of "pillage and sacrilege" of the country's cultural heritage to please a foreign audience.

Initiating a call attention motion in the House, Mr Unnikrishnan charged that priceless treasures had been whisked away to the US, many of them at great risk of permanent damage, without basic agreements and guarantees from the US government. To top the cultural injury, religious insult had been added when a statue of Lord Rama had been removed from a functioning temple in Patyur village in Tamilnadu on the eve of Ramnavmi and shipped abroad.

"This is not true. This is a travesty of the truth", Minister of State K P Singh Deo replied. But the Opposition was not willing to believe him. "We have not yet

made a decision on shipping these idols", he said bringing a chorus of angry protests from the Opposition.

For over half an hour, Mr Singh Deo was grilled by Mr Unnikrishnan and Mr S Jaipal Reddy, Janata. The Minister, who had earlier apologised to the House for not being present when the call attention motion was taken up for consideration, gave categorical assurances that there was a Rs 170 crore wall to wall insurance for the art objects and all precautions according to established international practice were being taken for the safety and security of the objects that would be on display at the Festival of India exhibitions across the US.

The Opposition, however, wanted answers to four specific questions: were idols removed from a temple and who removed them? was there a division in the committee of experts who had evaluated the list of "objets de art" for the Festival of India? had as many as 80 objects been shipped to the US without a formal agreement with that country? and was the US dilly-dallying on its own commit-

ments to the festival?

The Minister agreed that 70 to 80 objects had been shipped to the US, where they had been fumigated at the Baltimore facilities and were now in the New York museum where they will be on display. For these, he said an agreement had been reached with the host country. He admitted that agreement on other items was yet to be signed.

Mr Singh Deo repeatedly denied that any idols had been stripped "by the Government" from the functioning temples in Tamilnadu. To Mr Unnikrishnan's persistent queries if any other agency had done the pillaging, Mr Singh Deo was heard saying "we have not done it".

The Minister denied the US was dilly-dallying on anything. He said the India Festival was the biggest thing to happen in Indo-US relations. India itself was spending about Rs five crore whereas US sponsors were spending Rs 18 crore. The Minister pointed out that several artefacts, including ancient statues, had earlier been exhibited in Japan and in the UK during the India Festival, and there had been no protests.

Mr Singh Deo and the Opposition clashed directly on the issue of telling the House about the recommendations of the committee of experts. Mr Unnikrishnan and Mr Reddy insisted that the House had a right to know what the experts thought of the Government's choice of antiques and cultural objects being sent abroad. They said several heads of museums and even the Tamilnadu Chief Minister had protested. Mr Singh Deo said the Tamilnadu Chief Minister had eventually agreed. Anyway, the Government could not place in the House internal notings which would set a bad precedent.

"These are not defence secrets", Mr Unnikrishnan said. "If a precedent is set, then tomorrow he may ask for defence secrets", Mr Singh Deo countered. Deputy Speaker Thambidorai upheld the Minister's right in the matter.

INDIA

CPI DEMANDS LOK SABHA, ASSEMBLY POLLS IN ASSAM

Madras THE HINDU in English 19 Apr 85 p 6

[Text]

GUWAHATI, April 18.

The Communist Party of India has reiterated its demand for holding elections to the 14 Lok Sabha seats from Assam and a simultaneous poll to the State Assembly on the basis of fresh electoral rolls.

In a memorandum submitted to the Prime Minister on April 11, details of which were announced at a press conference here, the CPI called for an expeditious and satisfactory revision of the electoral rolls and an all-party conference attended by the Assam agitators "for a final and satisfactory resolution" of the foreign nationals' issue. It also demanded the effective sealing of the international border with Bangladesh to prevent further infiltration.

Dissatisfaction: The CPI has a lone member in the Assam Assembly and its demand comes in the wake of widespread dissatisfaction about the modalities being followed for the preparation of draft electoral rolls and the filing of claims and objections.

In all, the draft rolls for about 75 of the total 126 Assembly constituencies have been published so far. The State Election Department allowed two weeks for filing claims and objections but this period has been extended by ten days in most cases. The CPI has demanded that the usual 30 days be granted for the purpose.

The party has also pointed to the alleged shortcomings in the enumeration and scrutiny, and said that the State administration was not supplying copies of the 1971 voters' list which formed the basis for revision. There were also reports that detailed lists of foreign nationals who entered Assam during the 1971 Bangladesh war were not made available to the State Election officials. The State police is also believed to have the lists of all those who went back after the war.

According to the CPI, the "phenomenal increase" in the State's voting population, from 61 lakhs in 1971 to 85 lakhs in 1985, could not be entirely attributed to migration from rest of the country. The draft rolls would have been less controversial if the State Government had cooperated.

Cut-off year: The party also wanted those who had crossed over "illegally" between 1961 and 1971 to be divided into three categories.

While the refugees who were registered and rehabilitated by the Government of India should be left undisturbed wherever they had settled down, those who had obtained citizenship certificates during the period too should be allowed to stay in Assam, leaving only those who did not fall under either category to be detected, dispersed and rehabilitated outside the State.

The resolution of the CPI national council, adopted on April 10, does not speak of disenfranchisement of any of these categories. The Assam agitation leaders have been demanding a 20-year disenfranchisement of the "foreign nationals" and this has been a debating point at the recent talks with the Central officials.

The CPI's call, which virtually amounts to a recognition of a mid-decade cut-off year, is linked to the fact that the relief and rehabilitation scheme itself formally came to an end in 1965. A relatively smaller number of persons — about 1,10,000 — are believed to have obtained citizenship certificates.

The agitation leaders are severely critical of the State Governments issuing citizenship certificates and have demanded the withdrawal of that power. Everything about the third category — its strength, group identity, claims of or for Indian citizenship, etc., are even more contentious than those relating to the first two categories.

CSO: 4600/1549

INDIA

PAPERS REPORT VISIT OF PAKISTAN FOREIGN MINISTER

Constructive Talks Held

Calcutta THE STATESMAN in English 19 Apr 85 p 1

[Text]

NEW DELHI, April 18.—India and Pakistan today moved a step forward towards improving their relations, strained for about a year, by deciding to hold the second meeting of the Indo-Pakistani Joint Commission meeting here from June 27 to June 29, reports UNI.

The decision was taken at official talks between the Pakistani Foreign Minister, Mr Yakub Khan, and the Minister of State for External Affairs, Mr Khurshid Alam Khan.

Mr Yakub Khan later called on Mr Rajiv Gandhi.

The first Joint Commission meeting was held in June 1983. The second, scheduled in the second half of last year, was postponed following Pakistan's encouragement to Sikh extremists.

An official spokesman told reporters that the four sub-commissions on economy, trade, travel and information and culture would also meet simultaneously with the Joint Commission.

The spokesman said Mr Yakub Khan also called on Mr G. Parthasarathy, chairman of the Policy Planning Committee of the External Affairs Ministry.

At the talks, Mr Yakub Khan was assisted by the Pakistani Ambassador to India, Mr M. Humayun, the Additional Secretary, Mr Shahriyar M. Khan, and the Director-General (South Asia), Mr Riaz Khokhar, in the Pakistani Foreign Ministry.

Mr Khurshid Alam Khan was aided by the Foreign Secretary, Mr Romesh Bhandari, and the Joint Secretary (Pakistan-Afghanistan), Mr S. K. Lambah, in the External Affairs Ministry.

Speaking for the Pakistani side, Mr Khokhar said the bilateral discussions at various levels were "very useful and constructive." He said Mr Yakub Khan's meeting with Mr Gandhi was friendly and cordial.

Mr Khokhar was of the view that their discussions had contributed in a significant way to improving bilateral relations.

ZIA'S APPRECIATION

President Zia-ul-Haq has appreciated India's efforts at strengthening the forces of peace in the world, particularly after Mr Gandhi's assumption of office.

He said he was "very happy" that Mr Gandhi was taking very "bold steps" both at the national and international levels, to restore and preserve peace.

The Pakistani President was addressing a delegation of Sikh pilgrims from India which had gone to Punja Sahib in connexion with the Baisakhi celebrations.

Mr Paramjit Singh who had led the 700-strong group of pilgrims, said after his return from Lahore this morning that a 21-member delegation had called on General Zia at his Army House residence in Rawalpindi on April 14.

India's Ambassador to Pakistan, Mr K. D. Sharma, also accompanied the delegation.

HINDU Analyst's Report

Madras THE HINDU in English 23 Apr 85 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 22.

The Foreign Minister of Pakistan, Mr. Yaqub Khan, returned to Islamabad today after a fruitful visit to Delhi with some degree of satisfaction that the latest than in Indo-Pak relations was opening new possibilities for restoring the missing element of mutual faith in each other's desire for normalisation.

Though he had come primarily to attend the non-aligned coordination bureau meeting on Namibia, he utilised his four-day stay to meet all the key figures in the Government to get across his message that Pakistan was keen on better relations with India, if only because it had nothing to gain from continued confrontation.

The main point he made during his talks with the Prime Minister, Mr. Rajiv Gandhi, and other prominent personalities in Delhi was that Pakistan was prepared to go along with the step-by-step approach preferred by India, but in its view this process should be reinforced with a parallel dialogue on the no-war issue, after the joint commission has met at the end of June and set the right tone for such a two-pronged effort.

The earlier preference of Pakistan for starting off with a no-war pact and then working towards a phased normalisation of relations in other spheres was given up during the visit of the Foreign Secretary, Mr. Romesh Bhandari, to Islamabad to get the stalled dialogue restarted soon. The Pakistani leaders agreed with the Indian contention with some reluctance that a gradual move towards normalisation, culminating in a no-war pact and not commence with it, was more desirable in the present circumstances.

No-war concept: Now Pakistan wants the two Foreign Secretaries to meet after the ministerial meeting of the joint commission at the end of June in Delhi to resume the earlier discussions on the subject. The point that Mr. Yaqub Khan made during his latest talks in Delhi was that if the two sides are able to evolve a mutually acceptable no-war concept, it would go a long way in accelerating the process of normalisation of relations.

The attempt to synthesise the Indian draft for a comprehensive treaty of friendship and cooperation with the Pakistani formulation for a simple agreement on non-aggression into a single document ran into difficulties at the last round of talks between the two Foreign Secretaries in Islamabad over the Indian insistence on retention of the clause restraining both sides from offering bases to third countries for whatever reason.

When the former Foreign Secretary, Mr. M. K. Rasgotra, offered to accept any alternative provision that would serve the same purpose, his Pakistani counterpart, Mr. Niaz Naik, promised to present a revised draft the next day but he backed out at the last moment. Though he said that a new formulation would be forwarded through the Pakistan Ambassador in Delhi after his Government had given due thought to it, no such draft has been received by India to this day covering this crucial issue.

Big risk: If the latest Pakistani idea of a meeting of the two Foreign Secretaries after the joint commission meeting is accepted, there will be a big risk of the whole process of normalisation grinding to a halt again in the absence of any progress on the no-war proposition. It is for this reason that India wants the no-war proposition left aside for the present, while the two countries proceed with the improvement of relations in other spheres.

The Pakistan Government has also hinted about its readiness to sign an anti-hijack agreement with India, provided it also covered terrorism. The implication is that there should be a mutual commitment on non-encouragement of political insurgency on either side, which means that India must refrain from sympathising with or supporting those actively opposing Gen. Zia-ul-Haq's rule in Pakistan in return for a Pakistani commitment not to encourage the Sikh extremists.

The Pakistan Foreign Minister had at least succeeded in impressing the Indian leaders about his country's compulsions for seeking better relations. To this extent his visit to Delhi proved to be a bigger success than expected even by those who have been genuinely striving for normalisation.

CSO: 4600/1548

INDIA

MAJOR OPPOSITION PARTIES SILENT ON CPI-M PROPOSAL

Calcutta THE TELEGRAPH in English 22 Apr 85 p. 1

[Article by Manini Chatterjee]

[Text]

New Delhi, April 21: The Opposition parties' response to the CPI(M) initiative to hold a meeting on the lines of the 1983 Calcutta conclave has been lukewarm.

The CPI(M) general secretary, Mr E.M.S. Namboodiripad, had invited all the Opposition parties barring, the BJP and the Akali Dal, to consider a joint programme against the Budget and against the largescale electoral malpractices that had taken place.

The only parties to have even replied to Mr Namboodiripad are the DMKP, and the Janwadi Party of Mr Chandrajit Yadav and the Congress(J) of Mr Jagjivan Ram. The CPI general secretary, Mr Rajeswara Rao, in his reply, made it clear that a joint programme against the Centre's economic policies was not feasible since most of the parties did not share a common approach to the issue.

Though the CPI(M) letter was sent at the end of last month neither the Janata party nor the Congress(S) has replied yet. They are still "considering" a reply outlining their views on the proposal, but party leaders indicated that they were not too keen on going back to conclave politics.

The Janata Party general secretary, Mr Bapu Kaldate, was critical of the manner in which the proposal was put forward "If we are serious about it, instead of making announcements to the press of holding a conclave, it is better to have serious thinking and prepare for a common approach." After a broad agreement was forged, the parties

could start their action from below and only then "take a decision for action at the national level," he added.

The Congress(S) general secretary, Mr K.P. Unnikrishnan, was equally dismissive and felt the idea was vague and was not followed up by any concrete proposals.

Mr H.N. Bahuguna, new DMKP vice-president, seems to have been behind the party's enthusiastic response. He is reportedly keen to promote ties with the Left parties in order to change the Lok Dal's present image. Mr Bahuguna also met Mr Namboodiripad earlier this month to discuss the proposal.

However, the CPI(M) too, no longer seems keen on the idea and Mr Namboodiripad, when contacted, said the letters had been sent to all the parties that had attended the Calcutta conclave (with the exception of the Akali Dal and inclusion of the Lok Dal) only to discuss the two issues and a possible united programme. The party has no plans to follow up the invitation. Moreover, several parties, have decided to hold their own anti-budget rallies and meetings on May 1 and no coordinated effort has been mentioned.

The poor response of the Opposition parties indicates a significant change in their attitude in so far as they have rejected the notion of a broad-based Opposition unity. They feel they have wasted valuable time chasing the mirage of unity during the last few years and their inability to achieve anything till the last minute cost them heavily at the polls.

INDIA

REPORT ON GANDHI SPEECH TO AIR FORCE COMMANDERS

Bombay THE TIMES OF INDIA in English 23 Apr 85 pp 1, 9

[Text] NEW DELHI, April 22--THE Prime Minister, Mr. Rajiv Gandhi, said today, that some of the statements made by the Akali leaders released from detention had not helped improve the situation and cautioned these leaders from taking a particular direction since they would later find it difficult to retract.

The gravity of the Punjab situation was reflected in the fact that Mr. Gandhi brought it up in his address to the three-day Air Force commanders conference.

Mr. Gandhi expressed his concern over the induction of sophisticated arms into Pakistan and also referred to developments in Sri Lanka which were "causing great worry to us." It appeared as though the Sri Lankan leaders were not in a position to take strong decisions, Mr. Gandhi said.

The acquisition of arms by Pakistan had reached its highest level. Ostensibly, these arms were meant to counter the Soviet presence in Afghanistan but "we must be vigilant", he said.

He said during his visits abroad next month, he would try to project India's point of view and see how the security environment in the region could be improved.

In Punjab, the government was fighting the extremists and not the Sikhs. He urged the nationalist Sikhs to come forward and join hands to fight the extremists. Efforts had been made in Gujarat to give a communal turn to developments as in Punjab. However, he said all such efforts had failed in Punjab, and, called upon people to fight communal forces.

Emphasising the need for unity, Mr. Gandhi pointed out that even sophisticated equipment could prove ineffective against a dedicated and united people with a high morale, as it was evident in Vietnam.

The best way to counter any challenge to the country's security was to build up unity and oneness. "It is because of this oneness that India had remained India for 5,000 years. "This is the inherent strength of our society which we must preserve."

The country, he said, had passed through an unprecedented crisis last year, but it had demonstrated that its system could face to all the challenges.

The prime minister also said expectations and aspirations of the people were rising and this called for a rapid social change. A peaceful, security environment was needed. However India had taken steps to strengthen its security forces.

Pointing out the need for additional mobilisation, Mr. Gandhi said that the exercise through conventional taxes had reached its limits. He clarified that there was no basic change in the government's attitude towards the public sector or in its anti-poverty policies.

Reviewing the progress in modernisation by the Air Force, Mr. Gandhi said the process must continue. He emphasised the need for improving the training standards and fighting capability. Flight safety had improved but it was still causing concern.

Air-chief Marshal L. M. Katre, the chief of the air staff, outlined various measures being taken to improve the fighting and maintenance capability of the Air Force as well as flight safety. He said short services commission was being introduced to attract young talent from engineering and other branches.

The defence minister, Mr. P. V. Narsimha Rao, will address the conference tomorrow. Besides Mr. Rao, senior officials of the defence ministry were among those who attended the conference today.

The prime minister at a function at the Air Force headquarters presented the Air Force overall sports championship trophy and the chief of the Air staff trophy (also known as the Sardar Baldev Singh challenge cup) to Air Marshal Vir Narain, Air officer commanding-in-chief, training command.

CSO: 4600/1556

INDIA

PAPERS REPORT ON PUNJAB DEVELOPMENTS, ISSUES

Akalis Turn 'Hawkish'

Bombay THE TIMES OF INDIA in English 16 Apr 85 p 1

[Article by Subhash Kirpekar]

[Text] AMRITSAR, April 15--THE Akali Dal, the SGPC, the five high priests and the militant AISSF appear to have tacitly made common cause on the one solitary issue of persuading the entire community that much more than has been conceded can be extracted from the government if only they continue to adopt a tough and belligerent posture.

One manifestation of the Sikh leadership choosing to continue on the path of confrontation may emerge while giving away the proposed bravery awards in June. The highest of these awards may be named after the tenth Sikh guru, Guru Gobind Singh, sources said.

The raising of pro-Bhindranwale and pro-Khalistan slogans during the Baisakhi procession and at the SGPC honours ceremony, which was disrupted by the AISSF boys, are regarded here as signs of trouble.

The government's conceding three of the seven Akali demands, far from creating a positive impact here, have only served to fuel the flame of hatred and bitterness against the government. Even though the Sikhs at large tend to welcome the step taken by the government, the community leadership is opposed to the display of any goodwill towards the government.

"This is the first break that has come our way after 10 months of stagnation," said captain Amarendra Singh of Patiala while referring to the general mood of frustration that is provoking some elements to honour relatives of the assassins of Mrs. Indira Gandhi.

Riot Probe

Another piece of evidence contributing to the heightening of the attitude of confrontation is the strident criticism of the government by Sant Harchand Singh Longowal, president of the Akali Dal (L) and Mr. Jagdev Singh Talwandi, president of the Akali Dal (T). They are goading the community to virtually opt for Khalistan.

They maintain that the Akali Dal has so far not adopted any resolution demanding a separate Khalistan and only Dr. J. S. Chauhan and Dr. Shillon have raised this demand. But their indirect support to the idea is made quite clear.

What is helping the hardliners now is the government's vacillation on issues like ordering a judicial inquiry. The initial stand of the government was that such an inquiry was not needed. Now it has announced that the probe will be held. This aspect is being exploited to the hilt.

Similarly, the shift in the stand of the government on the Anandpur Sahib resolution is also assisting the militant Akalis. On this issue, there is a great deal of resentment in the Sikh leadership which feels that the resolution was exploited by the Congress during the Lok Sabha election on a nationwide basis "to belittle the Sikh community."

In fact, it is this kind of "bungling" that has prompted Mr. Talwandi to say that New Delhi, even though stoutly opposed to the very idea of the creation of Khalistan, would hasten the process of the formation of Khalistan.

'Mass Contact' Plan

To a very large extent, the "mass contact" programme launched by the Congress earlier this month has now been virtually washed out. It was just beginning to gain momentum when the announcement came. Even Sant Longowal felt it necessary a day before the announcement came to publicly call for a halt to the Congress campaign in its tracks. Some degree of demoralisation can be discerned in the Punjab Congress camp.

The lifting of the ban on the AISSF virtually took the Sikh leadership by surprise. Though it was one of the seven "conditions" listed by the Akalis, they never seriously imagined that the government would oblige so soon. When the ban on the AISSF was imposed last year, the government said this was necessitated by its "anti-national" activities and because some of its members were indulging in acts of terrorism.

These are serious charges. But now it is claimed by the government that it has received information that the AISSF wants to participate in nation-building activities. In the absence of any statement from the AISSF along these lines, it is difficult to imagine what is the government's source of information.

The lifting of the ban on the AISSF will undoubtedly bring forth the demand for the release of Mr. Manjit Singh, the new AISSF president and successor to Amrik Singh. Mr. Manjit Singh is presently in detention in Jodhpur. He is the younger brother of Mr. Amrik Singh who this correspondent met in Akal Takht on the evening of June 3 last during what was Bhindranwale's last interview with a journalist.

Interview With Governor of Punjab

Calcutta THE TELEGRAPH in English 16 Apr 85 p 7

[Interview with Arjun Singh, governor of Punjab, by Rita Sharma; date, place not specified]

[Text]

Q: *Everybody believes that the Prime Minister chose a successful and astute politician like you with a specific plan in mind. What do you hope to achieve here?*

A: This impression is baseless. The Prime Minister is not the type to command people to do a particular job or to dictate to them. He did call me but there was no definite brief given to me. He only made me understand the overall situation and has left it to me to handle.

Q: *What do you think of Punjab today?*

A: I think Punjab is derailed and I shall try to put Punjab back on the rails, economically, socially and politically.

Q: *What steps do you propose to take?*

A: Mr Rajiv Gandhi has already paved the way by announcing an economic package at Hussainwala on March 23. These proposals will help Punjab regain its old momentum. The establishment of an Integral Coach Factory will not only provide jobs but also promote ancillary units. Farmers will benefit by the bonus on wheat when the Thiem dam is complete. It will provide more irrigation and power. Equally important is the announcement on the cultural complex in northern zone. This will help the youth to find an outlet for their abundant energy.

Q: *Do you think these are solutions to a problem like in Punjab? Also don't you think Punjab needs a political solution?*

A: No single solution can help Punjab. As I said before we need to look after the economic and social problems. And, of course the political ones too.

Q: *What will the shape of a political solution be?*

A: Whatever critics may say, the entire effort is to find an overall solution. An end to the

problem has to evolve by itself and one cannot produce a solution on demand. However, I am hopeful.

Q: *What is your reaction to the hardening stand of the Akali leaders, particularly Sant Harchand Singh Longowal, who was the leader of the moderates?*

A: It is understandable that even leaders like Sant Harchand Singh are adopting a hard line. I expect that things will change over the next few days. Let me refer to the incidents in Patiala where Akali youths kept out members of the All India Sikh Students Federation and even physically prevented them from climbing on to the stage. (This interview was taken before Sant Longowal presented a 'saropa' to Bimal Khalsa, wife of Beant Singh at Ropar and honoured the father of Satwant Singh, both assassins of Indira Gandhi.)

Q: *It is reported that your senior adviser, Mr R.V. Subrahmaniam, has met Sant Longowal after his release. What was the outcome of their talks?*

A: Mr Subrahmaniam met the Sant only when he was in jail. As far as I know, he has not met the Akali leader since his release.

Q: *Is it not possible that your senior adviser met Sant Longowal without your knowledge?*

A: (laughs) And there the matter stands.

Q: *A successful chief minister's appointment as governor is a major political development. Your actions and the changes you have brought about have impressed everyone*

A: I am not here to impress anyone. My immediate task is to have a feel of the situation. I want to restore to each political party their legitimate right to function freely and express

their opinions fearlessly. This will give me a chance to assess the situation correctly. The Cabinet subcommittee which has already visited the state is also contributing towards this. I intend to make all-round efforts, not confining myself to politics alone. This is what the Prime Minister is sincere about. I don't want to leave anything undone. I want to complete the tasks entrusted to me.

Q: After you complete your task here, you are reportedly joining the Union Cabinet. Which portfolio would you prefer?

A: You are going too fast (laughs).

Q: Next to politics your favourite subject seems to be culture?

A: (smiling) What makes you think so?

Q: Bharat Bhavan at Bhopal, the Khajuraho dance festival which is now nearly an international event, popularity of tribal culture in Madhya Pradesh...

A: Yes. I strongly feel culture is a very important part of our life.

Q: What made you think of the Bharat Bhavan project?

A: Oh, that is a long story. It all started with a routine circular from Indira Gandhi way back in 1973 to all the states. The letter suggested that the states set up separate cultural departments, build cultural complexes and thus provide a constructive outlet for the abundant energy of the country's youth. I immediately set up a separate cultural department and asked Mr Ashok Bajpai to plan the cultural complex.

Q: But no other state took notice of this circular?

A: I think I should only bother about my having taken note of the well meaning letter. So we embarked vigorously on the plan and invited Mrs Gandhi to lay the foundation

stone in 1974. However, then the Emergency was declared and during the Janata regime the Bharat Bhavan project was shelved. Fortunately, I came back to power as chief minister and we restarted the project in 1982. Mrs Gandhi came to Bhopal to inaugurate the country's first government-sponsored cultural complex.

Q: What is your opinion of the Prime Minister's announcement about the north zone cultural complex?

A: It is another step forward in Punjab. We are already working on the project. We would like to open the north zone cultural complex at the earliest.

Q: Where do you propose to open this complex?

A: Though we have not taken any definite decision, it will most probably be set up in Chandigarh. Not only is Chandigarh centrally located but, it has a fairly developed cultural infrastructure.

Q: Will this complex be on the pattern of Bharat Bhavan?

A: No, I don't want a replica of Bharat Bhavan. We have to come up with a better idea. We should develop Bharat Bhavan.

Q: How best can our cultural heritage be preserved?

A: I personally feel that while urbanisation has added to the development of classical forms of our culture, it has unfortunately adversely affected the folk forms. If the existing cultural forms are to be rescued from extinction or revived, it is essential that the performing artists are adequately compensated financially. We should make culture an economically attractive alternative.

Q: How has the Khajuraho classical dance festival got its unprecedented success and fame?

A: You know, this Khajuraho festival has a very amusing background. One day, when I visited these magnificent temples, I was struck by the beauty of the sculptures. On my return I asked Ashok (Bajpai) whether we could coax the stone figures to walk out of their niches? He said, "It's rather fertile as a piece of imagination." But I was bent upon it so I said "Can't you do something like what I imagine?" The outcome was the annual Khajuraho classical dance festival. Dancers from every Indian school of classical dance emerge out of the temples and perform against the backdrop of the richly-carved walls.

Q: With your arrival in Punjab could we hope of some annual festival like Khajuraho?

A: I don't think we should repeat the Khajuraho experiment. But, yes, we can think in terms of some novel ideas of holding a folk dance festival. Don't you think the northern region has a strong tradition of folk dance? Many robust and scintillating forms. I feel what we really need in Punjab is physical and financial encouragement in the form of easily available facilities and attractive remuneration.

Q: How is it that Madhya Pradesh, which had no strong theatre tradition has still successfully prospered under B.V. Karanth in Bharat Bhavan?

A: I think it is a misconception to say that Madhya Pradesh had no strong theatre tradition. I feel that every region has one or many folk and other cultural forms, either in a vibrant or moribund style. We just provided adequate patronage in Madhya Pradesh and now the cultural scene has come alive.

Q: I wish you good luck in tackling the Punjab problem.

A: Thank you, but I need more than good luck!

INDIA

ANALYST REPORTS ON PROCEEDINGS OF NAMIBIA MEETING

Arrival of Area Leaders

Madras THE HINDU in English 18 Apr 85 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 17.

The Foreign Minister of Pakistan, Mr. Yaqub Ali Khan, arrived here today for bilateral talks tomorrow on Indo-Pakistan relations, before the commencement of the extraordinary ministerial meeting of the Non-Aligned Coordination Bureau on Namibia.

He will first call on the Minister of State for External Affairs, Mr. Khurshed Alam Khan, tomorrow morning followed by detailed discussions on Indo-Pakistani relations in which senior officials of the two Governments will take part.

After a luncheon given in his honour by the Minister of State for External Affairs, Mr. Yaqub Ali Khan will meet the Chairman of the Policy Planning Committee, Mr. G. Parthasarathy, for further discussions on specific aspects of bilateral relations. He will later round off the day-long discussions with a call on the Prime Minister, Mr. Rajiv Gandhi, to convey a personal message from the Pakistan President, Gen. Zia-ul-Haq, reiterating his desire for better bilateral relations.

Apart from discussing mutually convenient dates for holding the next ministerial meeting of the joint commission in Delhi, which was put off last year following the virulent anti-Indian campaign in Pakistan in the wake of the Punjab developments, the two sides are not expected to make any big headway during these talks other than assuring each other in more reassuring terms of their readiness to work together for peace and stability in the sub-continent.

The stalled no-war dialogue is no longer regarded as a starting point for normalisation of relations, but it is now seen only as a culmination of the process of rapprochement leading step by step towards better understanding and wider cooperation. The tone for this new approach was set during the recent visit of the Indian Foreign Secretary, Mr. Romesh Bhandari, which helped to improve the atmosphere and create a climate of conciliation.

'Timely, significant': It was in this context that Mr. Yaqub Ali Khan said that he was holding these talks with the Indian leaders in a spirit of "mutual benefit and good neighbourly relations". He added: "My visit to Delhi is timely and significant as it is taking place after the recent elections in both India and Pakistan".

The Afghan Foreign Minister, Mr. Shah Mohammed Dost, who also arrived in Delhi today, to attend the non-aligned conference, had a brief meeting with Mr. Khurshed Alam Khan on the impending talks in Geneva with the U.N. Secretary-General's special emissary, Mr. Diego Cardovez, acting as an intermediary between Afghanistan and Pakistan.

The Babrak Karmal Government in Kabul is prepared to talk directly to Pakistan, but the Zia regime in Islamabad has been refusing to have any such open contact with it.

It is, therefore, highly unlikely that the Afghan and Pakistan Foreign Ministers would meet even socially as guests of their Indian hosts during this non-aligned conference. But they are not averse to exchanging messages indirectly through leaders of third countries that have fairly good relations with them. So it would not be surprising if some such thing is done during their stay in Delhi in the light of the talks that Mr. Bhandari had in Islamabad and Kabul on the subject.

Surprise at Colombo decision: The Govern-

ment of India was hoping to have further discussions on the Tamil problem with the Foreign Minister of Sri Lanka, Mr. A. C. S. Hameed, who was due to arrive tomorrow to attend the non-aligned conference. But he has cancelled his trip to Delhi saying that "I won't be able to go because of the unfortunate Muslim-Tamil conflict in the Eastern province".

What is surprising from India's point of view is not just the cancellation of Mr. Hameed's visit, but the inexplicable decision of the Sri Lanka Government not to send even its Foreign Secretary, Mr. W. T. Jayasingha, to this conference.

The Sri Lankan delegation will be led by its High Commissioner in Delhi, Mr. Bernard Tilakratne, and only a director in the Foreign Ministry dealing with non-alignment, Mr. G. Wijaysiri, is being sent from Colombo for this purpose.

Security measures:

PTI reports:

A special round-the-clock vigil has been mounted on Afghan and Iranian refugees and other foreign students in the capital, as part of the security measures for the Non-Aligned Foreign Ministers Coordination Committee meeting on Namibia, which opens tomorrow.

Vigyan Bhavan, the venue of the meeting, India Tourism Development Corporation run, Ashoka Hotel and the special VIP arrival zone of the Palam airport have been cordoned off by the BSF, CRPF and the Indo-Tibetan Border Police Force commandos.

Intelligence men are keeping a special watch on the Palestinians here, in view of recent reports that some of the rival Palestinian factions had sneaked in marksmen to hit pro-Arafat men here.

A representative of Mr. Yasser Arafat, the PLO Chairman, would be attending the meeting, as the organisation is a full-fledged member of the Non-Aligned movement.

Message from FRG, U.S. Criticized

Madras THE HINDU in English 19 Apr 85 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 18.

The Prime Minister, Mr. Rajiv Gandhi, personally received the head of the Palestine Liberation Organisation, Mr. Yasser Arafat, when he arrived today to attend the extraordinary ministerial meeting of the Non-Aligned Co-ordination Bureau on Namibia, just as he did yesterday to extend this special honour to the President of the South-West African People's Organisation, Mr. Sam Nujoma.

These two legendary figures, who rank with the heads of Government of other member countries of the Non-Aligned Movement, are sharing the limelight with the Chairman, Mr. Rajiv Gandhi, at this conference.

The inaugural session of the three-day ministerial meeting of the Bureau will open tomorrow with the observance of a minute's silence in memory of the late chairperson of the movement, Indira Gandhi, before the Prime Minister addresses the gathering with an opening statement on the importance of this occasion. It will be followed by a brief speech by Mr. Nujoma on the Namibian situation setting the right tone for the discussions and the adoption of a declaration.

An interesting development today was that the West German Charge d'Affaires, Mr. Wilfried Vogeler, conveyed a message from his Government reaffirming its support for the Security Council Resolution 435 of 1978 providing for free and fair elections in Namibia under U.N. supervision, the withdrawal of South African control over the territory and its emergence as a fully sovereign and independent nation.

Not so categorical

Though the other four members of the western

contact group—the United States, Britain, Canada and France—have also opposed the South African move to set up a puppet regime in Namibia, calling it a transitional Government which is competent to declare unilaterally the independence of the territory under its auspices, none of them has come forward as West Germany has done to reaffirm quite categorically that it unreservedly stands by this Security Council resolution. Senior officials of the 80 odd non-aligned countries who met today to adopt the agenda and finalise the draft declaration suggested that the non-aligned community should press for an early meeting of the Security Council to devise ways and means of compelling South Africa to implement the 1978 resolution. The officials endorsed the 15-page Indian draft with some minor variations, urging wide ranging sanctions against South Africa to isolate the racist regime, followed by speedy steps to bring about Namibian independence.

U.S. criticised

At today's meeting the U.S. came in for strong criticism for its policy of "constructive engagement" with South Africa, a euphemism for condoning the repugnant policies and actions of its racist regime. The Foreign Secretary, Mr. Romesh Bhandari, who presided over the meeting, called for a reversal of this ill-advised policy which only encouraged South Africa in pursuit of its "dilatatory and dishonourable" tactics for avoiding the implementation of the Security Council resolution.

The officials considered the continued impasse as a grave threat to peace in southern Africa, where a serious situation had arisen in the wake of the massing of South African

troops in northern Namibia and southern Angola for some military action to frustrate the U.N. attempts to resolve the Namibian problem. They regarded the U.S. supported attempt to link Namibian independence with the withdrawal of Cuban forces from Angola as part of a diabolical bid to prolong the South African dominance.

A meeting of the action committee on Africa was also held to consider the critical economic situation created by the widespread drought leading to great distress in the vast continent. The committee will be meeting again tomorrow to finalise the proposed assistance programme to help the African countries develop agriculture.

Session Opening, Dissident Walkout

Madras THE HINDU in English 20 Apr 85 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 19.

The non-aligned nations today severely condemned the diabolical decision of South Africa to instal a puppet interim government in Namibia, urged the U.N. Security Council to take all possible steps to thwart its evil designs to defy the U.N. resolutions, and appealed to the world community not to recognise this illegal regime which was only a disingenuous facade for perpetuating its racist rule.

The very first step that the extraordinary ministerial meeting of the Coordination Bureau attended by over 80 member-countries took at the opening plenary session, after the chairman of the Non-Aligned Movement (NAM) inaugurated it with a stirring call for concerted action, was to adopt a statement unanimously pleading for prompt action by the Security Council to prevent the South African bid to foist a so-called transitional government on Namibia in complete violation of U.N. resolutions.

Provisional Govt. next?

As Prime Minister of India, Mr. Rajiv Gandhi announced amidst thundering acclamation the Indian decision to accord full diplomatic status to the SWAPO representative in Delhi, describing the South-West African People's Organisation as the "sole authentic representative of the Namibian people". It was regarded by the assembled delegates as a historic event and unmistakable prelude to the formation of a provisional government by SWAPO to counter the insidious South African move to foist what was being described as an internal government of the so-called Multi-Party Conference, a pathetic pawn of the white racist rulers, to stage an unilateral declaration of independence at an appropriate moment.

Departing from the printed text of his inaugural address, Mr. Rajiv Gandhi spoke with great passion, fully reflecting the outrage of the non-aligned community over this brazen South African attempt to bypass the U.N. resolutions calling for withdrawal of its army followed by free and fair elections. The vibrant phraseology of

his speech, and his impassioned plea to the international community not to allow this monstrous defiance, set the right tone for the fervent appeals made by the leaders of other non-aligned countries to the big powers, especially the United States, not to condone the sins or collude with the South African racist regime in this sinister conspiracy to prolong and perpetuate the subjugation of the Namibian people.

"The issue now", Mr. Rajiv Gandhi said, "is whether a wronged and dispossessed people will be supported or deserted by the world body", stressing that what South Africa was doing was "a challenge to the United Nations". He then posed the question: "Will the U.N., now in its 40th year, fulfil its moral and political obligations or will military and economic might prevail over right?"

In an obvious reference to the way some of the big Western powers have been ignoring the U.N. call for sanctions against Pretoria, the Prime Minister observed: "It is their continuing collaboration in the political, economic, military and nuclear fields that has reinforced South African belligerence". The repeated U.N. pleas for a boycott of the repugnant white racist regime had been frustrated because of this open and hidden abetment.

The three-day conference commenced with the observance of a one-minute silence in memory of Mrs. Indira Gandhi, the late chairperson of the non-aligned movement. The leaders of SWAPO and PLO, Mr. Sam Nujoma and Mr. Yasser Arafat, sat with Mr. Rajiv Gandhi and the chairman of the conference, the Minister of State for External Affairs, Mr. Khurshed Alam Khan, along with the president of the U.N. General Assembly, Mr. Paul Lusaka of Zambia, who had come specially to attend.

Walk-out by 3 nations

But a jarring note was struck by the leaders of the Iranian, Libyan and Syrian delegations who walked out when Mr. Arafat rose to address the conference. The Somalian delegation

tried to block the inclusion of Ethiopia among the panel of 13 vice-chairmen representing different geographical regimes. Though all those who participated in today's discussion spoke with one voice in support of Namibia, some of the pro-Western countries were rather circumspect in their references to the attitudes of the big powers, notably the United States.

Nujoma seeks sanctions

The SWAPO leader, Mr. Sam Nujoma, submitted a memorandum to the bureau meeting urging the imposition of an oil embargo on South Africa, mobilisation of international opinion in favour of Namibian independence, sustained moral, material and diplomatic support

for its freedom struggle, increased contributions to the non-aligned special fund for Namibia, intensification of publicity abroad to expose the cruelties and injustices being perpetrated on the Namibian people, a special meeting of the Security Council to deal with the South African move to set up a puppet regime, and total opposition of South African attempts to link Namibian freedom with Cuban troop withdrawal from Angola which had no relation to it.

As today was the 25th anniversary of the formation of SWAPO, Mr. Rajiv Gandhi released a commemorative stamp issued by the postal department to mark the occasion.

Second Day's Session, Diplomatic Moves

Madras THE HINDU in English 21 Apr 85 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 20.

The three-day extraordinary Ministerial meeting of the non-aligned coordination bureau on Namibia will conclude tomorrow with the adoption of a declaration on an action programme to frustrate the sinister designs of South Africa to perpetuate its racist hegemony over this mandated territory.

The action programme calls for a two-pronged approach combining a "massive diplomatic offensive" to isolate South Africa from the comity of nations with increased monetary and material assistance to the South West African People's Organisation (SWAPO) for its fight against Pretoria's colonialism.

The assembled Foreign Ministers and other heads of delegations were heartened by the U.N. Secretary-General's severe condemnation in New York of the South African bid to defy the Security Council's resolutions by installing a puppet transitional regime of its henchmen in Namibia as a prelude to a unilateral declaration of independence.

As the general discussion continued on the second day of the conference at the open plenary sessions, the leaders of the more important non-aligned countries met privately to discuss how best they could thwart the South African bid to retain its control over Namibia under the guise of an internal settlement. Despite complete unanimity among the non-aligned community on the need for joint action, there were some differences over the nature of the proposed action.

Joint military intervention: Some African countries led by Libya, which were not content with the call for mere economic sanctions against South Africa, wanted to stiffen the declaration with an unmistakable threat of joint military intervention by the non-aligned community if it refused to withdraw from Namibia unconditionally in compliance with the U.N. resolutions.

But the more moderate countries like Nigeria felt that the stage had not been reached for contemplating such an extreme step with wider repercussions.

The draft declaration has exhorted all member-States of the U.N. to sever all links and dealings with South Africa, pending the imposition of mandatory sanctions against its under Chapter VII of the Charter.

The proposed measures include the observance of an oil embargo, disinvestment of existing interests and prohibition of new investments withdrawal of over-flight and landing facilities for aircraft and docking rights to ships prohibition of the sale of kruggerands and all other gold coins minted in South Africa, strict observance of sports and cultural boycott, and ratification and implementation of the international convention on the suppression and punishment of the crime of apartheid.

The declaration also calls upon non-aligned countries to contribute generously to the Solidarity Fund for Namibia, extend political and material help to the SWAPO as the sole representative of the Namibian people and closely coordinate their strategy at the U.N. and work together in mobilising world opinion, especially in countries whose policies and practices are at variance with the relevant U.N. resolutions.

The first country that has followed up the Indian example of granting diplomatic status to the SWAPO representative Iran, whose Foreign Minister, Mr. Ali Akbar Velayati, announced the decision at this morning's plenary session.

U.S. stand: The American Embassy in Delhi also released the text of a speech by the Secretary State, Mr. George Shultz, explaining the U.S. position and presumably to rebut the criticism that its policy of "constructive engagement" with South Africa was only encouraging the racist rulers to defy international opinion.

The U.S. claimed that it had on the contrary helped to defuse the dangerous situation in southern Africa and brought Namibia closer to its independence by encouraging South Africa and Mozambique to end their tensions and also by bringing about an understanding between South Africa and Angola to phase the pull-out of the remaining South African troops from the occupied part of southern Angola with the withdrawal of the Cuban forces.

Calls on P.M.: Many Foreign Ministers and leaders of delegations of countries like Afghanistan, Algeria, Angola, Bangladesh, Cyprus, Cuba, Ethiopia, Egypt, Iran, Iraq, Mauritius, Madagascar, Nigeria and Syria called on the Prime Minister, Mr. Rajiv Gandhi, today with messages from their Heads of Government.

Though he is not participating in the discussions

of this conference, Mr. Gandhi has been keeping himself fully informed of the cross-currents of the views expressed on the proposed action programme.

As Head of the host Government and chairman of the non-aligned movement, Mr. Gandhi has been taking care to ensure that the main focus of attention was not diverted from the Namibian issue by not holding even private discussions on other contentious issues like Afghanistan, Iran-Iraq war or the Palestine question.

But the eight-member group on Palestine—consisting of Algeria, Bangladesh, Cuba, India, PLO, Senegal, Yugoslavia and Zambia—which was set up at the time of the Delhi summit, met today under the chairmanship of the Minister of State for External Affairs, Mr. Khurshed Alam Khan, to get a comprehensive briefing from Mr. Yasser Arafat on the latest situation.

Final Day, Report on Declaration

Madras THE HINDU in English 22 Apr 85 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 21.

The three-day extraordinary ministerial meeting of the non-aligned coordination bureau concluded today with an appeal to all countries to "increase their diplomatic, political, material and military assistance to the South West African People's Organisation (SWAPO) with the aim of helping it intensify its armed struggle" against South African refusal to end its illegal occupation of Namibia in compliance with U.N. resolutions.

The bureau which reaffirmed the legitimacy of the freedom struggle of the Namibian people "by every means at their disposal, including armed struggle," called upon the member-States of the U.N. to sever diplomatic relations with the South African racist regime and to reject its deceptive attempts to instal a puppet Government in Namibia in the name of an internal settlement as a prelude to a unilateral declaration of independence.

The 12-page declaration adopted unanimously by the special ministerial meeting in the form of a final document asked the chairman of the non-aligned movement to urge the Security Council to hold an urgent meeting to resume consideration of the Namibian issue and give effect to earlier resolutions.

The bureau directed the Foreign Ministers of some of the non-aligned countries to participate in such a meeting for conveying the deep anguish of the movement and to press for firm action to compel Pretoria to comply with the Security Council's resolutions.

U.S. move criticised

In appealing to the Security Council to act in a decisive manner in fulfilment of the direct responsibility of the U.N. to bring about Namibian independence, the declaration noted with grave concern that the vetoes exercised by one or more of the western countries had prevented the Council from taking effective steps against South Africa under Chapter VII of the

Charter which empowers the U.N. to impose mandatory sanctions.

In this context, the declaration severely condemned the U.S. attempt to establish a link between the South African withdrawal from Namibia and Cuban pull-out from Angola, to transform what was fundamentally a decolonisation issue into an east-west problem.

The Indian draft had referred to the Namibian people's right to resort to all means at their disposal, including armed struggle, to gain their independence, but it did not specifically urge members of the non-aligned movement and other countries, as the revised draft has done, to extend more material and military assistance to help intensify the armed struggle. Nor did it suggest severance of diplomatic relations with South Africa as part of the action programme included in the declaration at the behest of some of the African States.

The final document adopted at the concluding plenary session contained several verbal changes to stiffen the wording and to reflect in fuller measure the deep indignation of the non-aligned community over the outrageous behaviour of the South African regime.

Apart from proposing an oil embargo, the action programme called for disinvestment of existing interests and prohibition of new investments, cancellation of overflight and landing facilities for aircraft and docking rights to ocean vessels, prohibition of the sale of krugers and other coins minted in South Africa, strict observance of sports and cultural boycott and ratification of the international convention against apartheid.

It also suggested a world wide media campaign to mobilise international opinion against the continued South African refusal to withdraw from Namibia in open defiance of the U.N. resolutions.

Conscription condemned

The coordination bureau condemned conscription by South Africa of all able-bodied Namibians into tribal armies to precipitate fratricidal conflicts, besides militarising Namibia for use as a base for aggression on Angola and other frontline States.

It also denounced the systematic plunder of Namibia's mineral wealth by South African companies and their international associates leading to a rapid depletion of its natural resources.

The Minister of State for External Affairs, Mr. Kurshed Alam Khan, who wound up the three-day deliberations, said that the timing of the Security Council meeting would be decided in consultation with the frontline States to enable them to participate in the discussions. The declaration and action programme adopted by the bureau meeting represented, in his view, the broad consensus within the non-aligned movement.

A major outcome of the bureau meeting has been the emergence of the SWAPO with enhanced stature following the Indian initiative in granting diplomatic recognition to it. The declaration paid an eloquent tribute to its exemplary leadership of the Namibian freedom struggle. The constructive attitude of the SWAPO in accepting the U.N. resolutions, it was stressed, stood out in stark contrast to South Africa's intransigence, duplicity and prevarication.

Apart from the U.S., the one country that came in for severe condemnation was Israel, which was accused of colluding with South Africa, sharing the same racist attitudes. The similarity of their aggressive attitudes and the philosophy of hot pursuit adopted by both the

regimes, the declaration noted, posed a grave threat to peace.

At no international conference, at any time, had so much attention been devoted to a single issue as had been done in the case of Namibia at this non-aligned ministerial meeting in Delhi. And in every sense, it had come to be regarded by the Third World as a kind of litmus test for assessing the attitudes of the western powers, especially the U.S., over the demand for eradication of the remaining vestiges of colonialism and racism in the African continent.

'A challenge to U.N.'

NEW DELHI, April 21.

The Minister of State for External Affairs, Mr. Kurshed Alam Khan, said here today that South Africa's fraudulent "internal settlement", a unilateral step in direct contravention of the U.N. Security Council resolutions posed a "major challenge to the authority and credibility of the U.N."

Winding up the discussions at the ministerial meeting on the non-aligned coordination bureau on Namibia, Mr. Khan, who was the conference chairman, said in the days ahead the non-aligned movement would have to push forward efforts to strengthen the material and moral bases of the South West African People's Organisation's support and sustenance and to strive on all fronts "to force the Pretoria regime to come to heel".

Commenting on the 17-point action plan unanimously adopted by the plenary in a 10-minute closed session, Mr. Khan said the conference had called upon the U.N. to effectively assert its authority in this regard.

CSO: 4600/1555

INDIA

MATERIALS OF NONALIGNED MEETING ON NAMIBIA

Gandhi Opening Address

New Delhi PATRIOT in English 20 Apr 85 p 8

[Text] Following is the text of Mr Rajiv Gandhi's speech at the inaugural session of the ministerial meeting of the Non-Aligned Coordinating Bureau:

Honourable ministers, heads of delegations, excellencies, ladies and gentlemen:

More than a 100 nations are represented here today with one purpose to express solidarity with Namibia, that brave nation yearning for freedom. It is a great cause that brings us together, for the call of freedom is ever exciting and ennobling. The people of India are proud to play host to this meeting. On behalf of them all, I offer you a warm welcome. We specially value the presence in our midst of Mr Sam Nujoma, President of the South West Africa People's Organization and the true voice of Namibia. We greet him warmly.

India, may I say, has always felt close to Africa. For centuries ships plied between our coasts and built up links of commerce and culture. Colonialism, which was a curse on both of us, tied our political fates closer together. Mahatma Gandhi symbolised this connection. It was in the laboratory of South Africa that he forged that priceless political weapon, non-violent mass action, with which he later won freedom for India.

A few days from now, in Bandung, a meeting is being held to mark the 30th anniversary of the Afro-Asian conference of 1955. What Jawaharlal Nehru had said at Bandung three decades ago rings in my ears today. "There will be no yes-men any longer in Asia and Africa", he declared. About Africa he said: "There is nothing more terrible than the infinite tragedy of Africa in the past few 100 years".

This tragedy continues. Even though country after country has won political freedom in Africa since Bandung, the consequences of the brutal economic exploitation and the long suppression of the human spirit persist. The drought and famine, the suffering and death

that afflict large parts of Africa today are not the result of the unkindness of weather alone or of the incapacity of governments, but the continuing consequence of the structural imbalances imposed by colonialism. They have been aggravated by the policies adopted by the powerful to prevent many nearly free countries from becoming economically viable. The colonialist attitude of plunder has not disappeared. If anything, there is a new emphasis on grabbing strategic materials. Besides, in Namibia as well as South Africa, there is the direct affront of racialism. For all of us in the Non-Aligned Movement, the historical battle against colonialism continues. Two years ago in this very hall, the Seventh Non-Aligned Summit declared its support for the Namibian people. We solemnly reaffirm it today.

It is no more than 100 years since imperialism first cast its covetous eyes on Namibia. Since the end of the First World War, South Africa has tried directly or indirectly to annex South-West Africa and make it its fifth province. The ravages of "settler-colonialism" imposed by South Africa in the land under its military occupation are there for all to see. For close to 70 years since its seizure of Namibia, South Africa has practised unabashed deception and illegality. These moves were exposed and castigated first in the League of Nations, then in the United Nations. In clear violation of the mandate of the world community, the South African regime has fortified and militarised the territory. Today the regime's military build-up in Namibia has reached a new peak where there is one soldier for every 12 Namibians, perhaps a record in the history of colonialism. This military might is aimed at terrorising the Namibians into withdrawing their support to South West Africa People's Organization and for aggressive strikes against neighbouring States.

How has a minority regime defied the world community for so long and with such impunity?

Because of open and hidden abetment from others. Some countries have sworn by racial equality with their left hand, but with their right hand supported the Pretoria regime. It is their continuing collaboration in the political, economic, military and nuclear fields that has reinforced South African belligerence. The world organisation has repeatedly asked for a boycott of the minority regime, but its wish has been repeatedly frustrated. We are advised to be realistic and constructive — good sentiments applied to an undeserving purpose. The involvement of important transnational corporations in the economy of racist South Africa and in Namibia is sought to be justified on grounds of benefits that accrue to the black population there. In Reality the Africans are getting batons and bullets. The recent killings of innocent civilians in Uitenhage is another reminder that the racist rampage continues.

Just a few years ago, Namibia's progress towards independence appeared so sure. Today it has become a casualty to power politics and multinationals' profit. In the process, the very credibility of the institution that had guaranteed this independence, the United Nations Security Council, has come under question. This issue now is whether a wronged and dispossessed people will be supported or deserted by the world body. It is thus a challenge to the United Nations. Will the United Nations now in its 40th year, fulfil its moral and political obligations or will military and economic might prevail over right?

The responsibility of the United Nations for the independence of Namibia must once again be strongly affirmed. Proposals by South Africa to push the role of the United Nations to the background must be resisted. This gathering of the Non-Aligned Movement proclaims that Namibian independence is the direct obligation of the United Nations. The Security Council must seek new ways to enforce resolution 435 (1978). That resolution remains the only acceptable basis for a peaceful settlement of the question of Namibia. We oppose any effort to by-pass the United Nations and promote spurious schemes of internal settlement.

Through 25 years of travel and tribulation, South West Africa People's Organisation has spearheaded the struggle of the Namibian people. We salute South West Africa People's Organisation for the courage and single-mindedness of its brave warriors. Under Mr Nujoma's inspiring leadership, South West Africa People's Organisation has shown far-sightedness, determination and resilience in its political and diplomatic responses. It has striven to promote a negotiated settlement of the Namibian question. This attitude has been in contrast to the duplicity and intrigue of the minority regime in South Africa. The latest turn in Pretoria's game is the attempt to set up a 'transitional Government' with a so-called "multi-party conference", indeed to fabricate possibilities of unilateral declaration of independence on the part of this puppet body. We must not let this pass.

South West Africa People's Organisation is the sole authentic representative of the Namibian people. It must receive greater political sup-

port as well as more tangible material assistance in pursuing its struggle. Today we observe the 25th anniversary of the establishment of South West Africa People's Organisation. All of us must demonstrate our solidarity with South West Africa People's Organisation through concrete pledges of assistance to the non-aligned solidarity fund for the liberation of Namibia. India on its part will make a further contribution to the fund. I am glad to announce that the Government of India has decided to accord full diplomatic status to the South West Africa People's Organisation representative in New Delhi.

Our meeting takes place at a time of great international anxieties. Of late, there have been some encouraging statements on the part of the major military powers seeking negotiations on the arms race. We welcome these moves. But we hope that it will not be a case of one step forward, two steps backward. For we find that each word of peace is accompanied by two of menace. Meanwhile research on new weapons systems continues relentlessly. Death is pursued in the name of life. The very existence of humanity is entrapped in the nose-cones of these frightful paraphernalia of destruction. This is what makes disarmament the great imperative of our day. That is why the Non-Aligned Movement lends its full backing to any initiative that promotes disarmament.

While the world as a whole has to be made safe for life, each region cries for peace and dignity. No meeting of non-aligned nations can remain silent to the sufferings of the Palestinian people and their righteous struggle for regaining their homeland. We declare anew our support for the Palestine Liberation Organisation. There are tensions and conflicts in South-West Asia and South-East Asia. The tranquillity and independence of people in Central America continues to be imperilled. We reiterate our support to the endeavours of the Central American countries to pursue their social, economic and political progress without interference and intervention. Another area of the world where the security environment has steadily deteriorated is the Indian Ocean region, where military build-up is being pushed ahead at a feverish pace. The Indian Ocean must be a zone of peace.

Everything that affects peace, everything that abridges the freedom of nations, everything that aggravates international economic disparities, is of concern to the Non-Aligned Movement. But the focus of today's meeting is on Namibia. Its freedom must be expedited. Years ago, at Lusaka, at the only Non-Aligned Summit to be held south of the Equator. Indira Gandhi had said that she could hear the heartbeats of Africa. The beats of freedom's drum in Namibia and South Africa reach us here in New Delhi and reverberate all over the world. We must at this meeting draw up a programme of action which will show the brave fighters of Namibia that the Non-Aligned Movement means business. I am sure you will want me to send back this message to our brothers and sisters of Namibia and South Africa: "You are one of us. We are with you — today and always".

I have great pleasure in inaugurating this meeting.

Text of Statement

Madras THE HINDU in English 20 Apr 85 p 7

[Text]

NEW DELHI, April 19.

The following is the text of the statement condemning South Africa's decision to instal a so-called "internal administration" in Namibia.

"The Ministers of Foreign Affairs of the Co-ordinating Bureau of Non-Aligned Countries, meeting in extraordinary session in New Delhi, have learnt with profound indignation that the racist South African regime has decided to proceed with its sinister scheme to instal yet another puppet regime in illegally occupied Namibia.

This manoeuvre by the racist regime of South Africa to instal a so-called 'international administration' in Namibia constitutes the most brazen defiance of the United Nations, in particular the Security Council, which declared in its resolution 439 (1978) that any unilateral measure taken by the illegal occupation regime in Namibia is null and void. This illegal action has evoked universal disapproval.

Since the General Assembly revoked South Africa's mandate over Namibia nearly two decades ago, the Pretoria regime had been consistently demonstrating its intention to impose an 'internal solution' in Namibia in utter disregard of the demands of the Namibian people for self-determination and genuine independence and of the will of the international community.

The Ministers energetically condemn and reject this latest action by South Africa and call upon the international community to condemn it and refrain from according any recognition to this latest ploy of the racist Pretoria regime to perpetuate its illegal occupation of the territory by impeding the implementation of the United Nations plan for the independence of Namibia, embodied in Security Council resolutions 385 (1976) and 435 (1978)—the only acceptable basis for the peaceful transition of the territory to independence.

In the face of such blatant violation of the relevant United Nations resolutions on Namibia, in particular, Security Council resolutions 435 (1978) and 439 (1978), the Council should proceed forthwith to initiate appropriate actions under the Charter of the United Nations, including Chapter VII thereof, so as to ensure racist South Africa's compliance with the aforementioned resolutions.

The movement of non-aligned countries once again reiterates its firm and unwavering commitment to the heroic struggle of the Namibian people for freedom and national independence, under the leadership of the South West Africa People's Organisation (SWAPO), the sole and authentic representative of the Namibian people.

CSO: 4600/1554

INDIA

REPORT ON FINANCE MINISTER'S SPEECH TO IMF PANEL

Bombay THE TIMES OF INDIA in English 19 Apr 85 p 1

[Article by J. N. Parimoo]

[Text] WASHINGTON, April 18--INDIA's finance minister, Mr. Vishwanath Pratap Singh, yesterday proposed a five-point programme of action to improve global economic policies.

He told a meeting of the interim committee of the International Monetary Fund (IMF), that from the perspective of developing countries the economic affairs at present looked unsatisfactory and unstable and that the situation would continue to remain uncertain so long as present international policies were not changed.

Conference on Money

As one of the main planks of his five-point programme, Mr. Singh once again called for an international conference on money and finance which should have universal participation and not be confined to only a select group of industrialised countries as proposed by the United States.

The finance minister said, "it is clear to us that the international monetary and financial system has serious shortcomings and needs a thorough restructuring. We understand that an initiative has recently been taken which might lead to a meeting of industrial countries to discuss issues relating to the international monetary system.

These and related matters are of crucial niterest to the entire international community and must be discussed in an appropriate forum. Therefore, there is an urgent need for an international conference on money and finance with universal participation to identify key problems and propose necessary solutions".

Mr. Singh's reference was obviously to a recent statement of the U.S. treasury secretary, Mr. James Baker, that his country, favoured the proposal of an international conference on money and finance. It is believed that the U.S. agreed to back the proposal under French pressure.

France, it is understood, refused to support the American proposal for a new round of trade talks under the auspices of the General Agreement on Trade and

Tariff (GATT) so long as the Americans did not also agree to a simultaneous international conference on monetary reform.

The proposal had originally been made by the underdeveloped world. It was forcefully put forward at the Delhi non-aligned conference under the chairmanship of the late Mrs. Indira Gandhi. It received backing from the French President, Mr. Francois Mitterrand, but was rejected by the U.S. and some of its allies.

A qualified acceptance of the proposal by the U.S. might, it is feared, defeat the very purpose because the conference envisaged by the U.S. would have the limited participation of a select group of industrialised countries.

The Americans do not want to lose their near-monopolistic hold on the World Bank and the IMF. They fear that at a truly international conference, the developing world might assert its majority voting strength and thus control the debate on monetary reform.

The interim committee is the apex policy-making body of the IMF.

In his address earlier, Mr. James Baker explained the U.S. position. He said the conference would be held within the framework of the IMF and it would be merely a "high-level meeting of the major industrial countries." The main purpose would be to "strengthen the international monetary system through the IMF".

New Allocation

Therefore, Mr. Singh was quick to explain that this was not what the developing countries had demanded. His action programme included a substantial new allocation of special drawing rights (SDRS).

"At this meeting, we must endeavour to reach a positive conclusion on this long-pending issue. The SDR is not a red-herring: It is an integral part of the IMF system. It is the funds and, therefore, the interim committee's duty to promote the role of SDRs", he added.

A large increase in the flow of official development assistance to the developing countries and a withdrawal of protectionist measures by the developed countries are among the other important points of the Indian finance minister's action programme.

There was nothing that was done by any of the groups of finance ministers here in the past two days that would suggest any change in the rigid positions taken by the countries of the north and south. A news report from the Latin American country, Peru, yesterday morning seemed to have shaken some of the ministers from their complacency.

The Lima report said that Mr. Alan Garcia, who could become the next President of Peru, had warned that his government would bypass negotiations with the IMF and that under his regime Peru would promote joint action by Latin American countries on seeking new terms on outstanding commercial bank loans.

PTI adds: Mr. Singh told the interim committee that the world economy had been on a "roller coaster" and from the perspective of the developing countries the state of global economic affairs was "very unsatisfactory".

Inadequate Mix

The rate of growth in developed countries in 1984 might not be sustained in future years, he said, adding that it was doubtful if the present inadequate mix of their economic policies would be substantially corrected.

High interest rates, misaligned and volatile exchange rates and other problems could continue to put severe economic burdens on developing countries and make debt servicing particularly difficult, Mr. Singh said.

The finance minister said there should be a large increase in the flow of official development assistance to developing nations. The next replenishment of the International Development Association (IDA), should be negotiated at an appropriately high level and fund quotas and the capital base of the World Bank should be increased.

The U.S. assistant secretary of the treasury, Mr. David Mulford, has made it clear that the U.S. views the present international monetary system as requiring no major reforms. This, he said here on Tuesday is also expected to be the conclusion of the group of ten industrial countries studying the subject, PTI reports.

The system is not perfect. Everybody knows, there are certain problems and the aim here is to assist without disrupting the process, he added.

CSO: 4600/1552

INDIA

ONGC CHAIRMAN: OIL SELF-SUFFICIENCY BY 2005

Bombay THE TIMES OF INDIA in English 20 Apr 85 p 15

[Text] AHMEDABAD, April 19--THE Oil and Natural Gas Commission (ONGC) has adopted a new planning model to take the country's oil industry into the 21st century.

It has also adopted a new priority in exploration of on-shore areas which have much more oil potential than off-shore areas, to achieve self-sufficiency in crude oil.

This was stated by Col. Satpal Vahi, chairman of ONGC, while laying the foundation-stone of a multi-storeyed housing complex for the commission employees. The nine-storey building will have 204 flats.

Neither Mr. Naval Kishore Sharma, Union minister for petroleum, who was to lay the foundation stone, nor the chief minister, Mr. Madhavsinh Solanki, who was to preside, attended the function.

Col. Vahi said that the 20-year perspective plan drawn up to the year 2004-05, with two 10-year operating plans, helped the commission in marking out technology and manpower resources. Because of the perspective, the government had raised the plan outlay for the current financial year from Rs. 4,788 crores to Rs. 7,608 crores.

By 2004-2005, the expected crude oil production would be 100 million tonnes as against the demand of 90 million tonnes.

On-Shore Reserves

The ONGC chairman said that the country was producing two-thirds of its current output from the oil reserves of nearly 11,050 million tonnes in the Bombay high off-shore area. It had not yet fully exploited the huge reserves of around 2.65 billion tonnes in the on-shore areas. Therefore, the priority had to be changed to secure quick results which would help reduce the vast drain on foreign exchange reserves through imports.

Col. Vahi said that oil exploration was a "grand success story" with excellent results, producing 22.6 million tonnes of oil and 2.7 billion cubic metres of natural gas, which was nearly 285 per cent better than in 1980-81. The commission had made a profit, before tax, of Rs. 1,768 crores.

As far as the western region was concerned, he said that it had exceeded its target of 3.9 million tonnes of crude oil during the year by 0.01 million tonnes. It produced 656 million cubic metres of natural gas as against the target of 620 million cubic metres.

Col. Vahi said that the commission had invested Rs. 870 crores in Gujarat so far and would be investing Rs. 305 crores during the current financial year.

The commission chairman said that of the total estimated reserves of 17 billion tonnes of crude oil, the country had so far explored only four billion tonnes.

Col. Vahi said that the commission was investing Rs. 30 crores in modernising communication, including that via satellite, and Rs. 80 crores on a computerisation programme, which would make oil exploration and manpower resources effective. He added that the commission was spending around \$ 250 million on research and development alone to obtain optimum results.

Earlier, welcoming the guests, Mr. R. Srinivasan, member (personnel) ONGC, said that the commission had planned to construct 500 flats per year for five years to accommodate its staff. The western region plan was to spend Rs. 100 crores for constructing 8,000 flats. The three nine-storied buildings, for which the foundation stone was laid in the Chandkheda area outside the city, are estimated to cost around Rs. 2.5 crores. These would be completed by June next year and would be handed over to the employees by early 1987.

CSO: 4600/1550

INDIA

PAPERS GIVE DETAILS OF CHARGESHEET IN SPY CASE

Parallel Conspiracies Alleged

Calcutta THE STATESMAN in English 16 Apr 85 pp 1, 9

[Text] NEW DELHI, April 15--The charge-sheet in the spy case, which was filed on Monday, gave a new direction to the story, by pointing to two "parallel conspiracies" instead of one. According to official sources, the charge-sheet mentioned that it was due to the exposure of one "spy ring" that the other was exposed.

According to the charge-sheet, the "second spy ring" was being operated by H. N. Chaturvedi, who was an assistant to a senior official in the Commerce Ministry. It was reportedly alleged in the charge-sheet that he used to pass on classified information to two businessmen, B. K. Aggarwal of Delhi and Ashok Kumar Jaithka of Ludhiana, who have also been arrested. This once again strengthened the earlier speculation of a substantial part of the information being passed on to East Bloc countries, since both Aggarwal and Jaithka had business links with these.

About the "first" spy ring, the charge-sheet alleged that Coomar Narain was its "kingpin" while Yogesh T. Maneklal was the "brain" behind it since 1979. As proof of this, it was said that the fortunes of S. L. M. Maneklal Industries had had an upswing that year. It was also alleged that the spy ring had penetrated the highest levels of the Government by the beginning of 1982.

The charge-sheet, it was learnt, mentioned six diplomats as being the "main beneficiaries" of the classified information passed on by Coomar Narain. The diplomats, it reportedly said, were from France, Poland and East Germany--two from each country.

It was also mentioned in the charge-sheet that three of the six diplomats had left India immediately after the preliminary raid on the Hailey Road office of Coomar Narain. Of the other three--Lt-Col. Alain Bolley of the French Embassy, Ottoweicker of the East German Embassy and Jan Hoberla of the Polish Embassy--the charge-sheet mentioned that they had either been withdrawn by their respective countries or had been expelled.

The 2,100-page charge-sheet, which was filed in the Patiala House Court of the Additional Chief Metropolitan Magistrate, Mr Bharat Bhushan, reportedly mentioned that the classified information related to defence, commerce and external affairs.

Among the defence secrets, the charge-sheet reportedly mentioned contracts with the USSR and details of Army manoeuvres. It also mentioned that the members of the alleged spy ring had obtained the codes used by the Indian intelligence agencies. The details of how the code was obtained had earlier been mentioned in the confessional statement of Swaminath Ram, an employee of the President's Secretariat, who had also been arrested, according to court sources.

The 30-minute proceedings in the court of Mr Bharat Bhushan, during which the charge-sheet was submitted, started at 2-50 p.m. Immediately after that, the charge-sheet, which was sealed, and two trunk-loads of documents which had been brought to the court, were taken away by the special public prosecutor, Mr B. R. Handa, in a car provided with an armed police escort.

The official complainant in the charge-sheet is Mr R. S. Sahaye, a Deputy Commissioner in the Special Branch of the Delhi Police. Coomar Narain and the seventeen co-accused, as well as the firm of S. L. M. Maneklal, have been charged under Sections 3 (spying), 5 (wrongful communication), 9 (attempts at incitement) and 15 (offences by companies) of the Official Secrets Act, together with Section 120-B of the Indian Penal Code, which deals with criminal conspiracy.

Among the documents, which included the confessional statements made by many of the arrested persons and the statements by the 188 witnesses in the case, many were believed to be "sensitive".

The prosecution reportedly claimed in the charge-sheet that many of the documents were seized from the house of T. N. Khar, former secretary of Dr P. C. Alexander, who was the Prime Minister's Principal Secretary at the time the spy ring was exposed. Dr Alexander, it was understood, had been named as one of the witnesses.

Khar had been the only one among the arrested men who had persistently pleaded his innocence in the case, and challenged all the claims of seizures made by the investigating agencies. He had also been among the few arrested men who had never offered to make a confessional statement. Most of the others arrested had first made confessional statements and then sought to retract them.

All the arrested men are to be produced in court on Thursday, when their present period of judicial remand ends. It was learnt that copies of the charge-sheet would be provided to the arrested men and their lawyers on Thursday. Only two copies of the charge-sheet had reportedly been made so far, one for the court and the other to be kept by the prosecution. A number of lawyers defending some of the 18 arrested men given copies of the charge-sheet today.

Mr Bharat Bhushan reportedly granted the prosecution an exemption from the preliminary examination of the complainant and the witnesses, and their daily appearance before the issue of summons to the suspects for trial.

Involved Diplomats Named

Bombay THE TIMES OF INDIA in English 19 Apr 85 p 1

[Text] NEW DELHI, April 18 (UNI)---ELEVEN Soviet, French, Polish and East German diplomats "actively" involved in the spy ring uncovered in January this year were intelligence operatives, according to the prosecution.

While the Russians received government documents from businessmen B. K. Aggarwal and Ashok Jaidka, two intelligence operatives each of the French, Polish and GDR embassies were fed with classified information by Coomar Narain, Delhi-based regional manager of S.L.M. Maneklal Industries Limited.

The complaint, filed in the court of additional chief metropolitan magistrate, Mr. Bharat Bhushan and made available today to the 19 Indian accused, names five Soviet officials and two officials each of the French, Polish and GDR embassies as having been involved.

It says the facts of the case has confirmatively disclosed that the foreign agencies in New Delhi had independently hatched and implemented a conspiracy aimed at obtaining through illegal methods, official information.

All For Money

The five Soviet officials were Leonid Burnev, B. G. Krylov, G. N. Rudnov, S. L. Khelebnikov, and Portnov.

The French were Lt. Col. Alexi Morvan, deputy military attache of the French embassy, and his successor Lt. Col. Alain Bolley.

The two from the Polish embassy were Jan Haberk and Rezej Pawlikowski and the GDR embassy officials Deiter Becker and Ottoweitkus.

The complaint says that one Polish, one French and two Soviet diplomats left India since the ring was broken.

The complaint says the business of the Maneklal company increased manifold, Aggarwal's business turnover with the Soviet Union increased from Rs. 12 lakhs in 1979 to Rs. 19 crores in 1982.

In one of Aggarwal's meeting with H. N. Chaturvedi, he had sought the 'brief' prepared for the Indian Prime Minister in connection with the then projected visit of Soviet president Leonid Brezhnev, for which he offered to pay Rs. 5,000, says the complaint.

The complaint says P. Gopalan, Coomar Narain's main contactman in the Prime Minister's secretariat, had received Rs. 140,000, Amrik Lal, Rs. 65,000, A. P. Sarathy Rs. 30,000 and S. Sankaran about Rs. 7,500 from Coomar Narain.

H. N. Chaturvedi received Rs. 40,000 from Jaidka and Rs. 80,000 from Aggarwal.

Maneklal used to send Rs. 80,000 to Rs. 90,000 per month to Coomar Narain for meeting his expenses on collecting information, the complain revealed.

UNI adds: D. P. Antia, chief executive of the marine division of S.L.M. Maneklal Industries Limited, has admitted having shared with Polish embassy officials classified information received from Coomar Narain.

In his statement dated February thirteen, Antia said that during 1973 to 1978, the company's business with Poland was in a very bad shape. Maneklal had then instructed me to maintain very close contacts with the Polish consulate. Under his instruction, Antia stated, he shared with Polish officials classified information received from Coomar.

Antia mentioned Nipin Seth and K. K. Narayanan as being other top executives of the company receiving documents from Coomar Narain.

Documents received by him pertained to matters of the Hindustan Shipyard, Visakhapatnam, Cochin Shipyard, G.R.S.E. and S.F.D.C., he said. He had also received from Coomar Narain a classified report on the Anole fertiliser project, he stated.

Meanwhile, committal proceedings in the case began today in the court of the additional chief metropolitan magistrate, Mr. Bharat Bhushan.

Moscow Visits Noted

Bombay THE TIMES OF INDIA in English 22 Apr 85 p 1

[Text] NEW DELHI, April 21 (PTI)--SECRET reports on American activities in India, on China and the situation in Punjab were among the classified documents sought by Soviet intelligence men here from the two accused hosiery businessmen in the Coomar Narain espionage case, the chargesheet against the 19 accused is believed to have said.

The chargesheet reportedly quoted accused Ashok Kumar Jaidka, who was having trade links with the Soviet Union, as having disclosed during interrogation that he had visited Moscow twice in August and September last year. During his second visit, he met Mr. Portonov, a Soviet official who was in the USSR embassy here in 1974.

The chargesheet said that Mr. Portonov had asked Jaidka to provide him with reports on China prepared by the Indian intelligence agencies. This would help in promoting his business with the Soviet Union, he was told.

Jaidka, the chargesheet said, procured some documents from the accused H. N. Chaturvedi and handed over these to G. P. Semelinikov, who was a member of a Soviet trade delegation visiting India from November 25 to December 9 last year.

The chargesheet said that Jaidka paid Rs. 20,000 to Chaturvedi for giving him two lots of classified reports.

It said that Jaidka again went to Moscow on December 17 last and handed the secret reports over to Mr. Portonov there.

The chargesheet mentioned that Mr. Portonov advised Jaidka to hand over the reports in future to Mr. S. L. Khelebnikov of the USSR embassy in Delhi itself.

Accused B. K. Aggarwal, who was also having trade links with the Soviet Union, started giving documents to B. G. Krylov, an official in the Soviet trade office here, at the latter's request during business visits since 1980.

It reportedly quoted Aggarwal as having said that Krylov had mentioned to him that the Soviet Union was interested in what was happening in India's neighbourhood.

Aggarwal's business with the Soviet Union was progressing leaps and bounds and he was keen to oblige the Soviets in whatever way possible, it reportedly said.

The chargesheet reportedly said Aggarwal used to procure the desired documents --from Chaturvedi for a price of Rs. 1,000 for each paper.

Aggarwal used to pass on these documents every month to Krylov at the latter's residence, till he left India in 1983, it is believed to have said.

After Krylov's departure, Aggarwal started giving the documents to another Soviet official in the USSR trade centre here, G. N. Rudnev, the chargesheet is understood to have mentioned.

The chargesheet reportedly pointed out that neither Krylov nor Rudnev made any payment to Aggarwal for the documents. The understanding was that they would help Aggarwal in promoting his business with the Soviet Union, it reportedly said.

The chargesheet reportedly quoted S. Swaminathan, a prosecution witness, as having disclosed that S. L. M. Maneklal Industries had collaborations with companies in the GDR, Poland, France, West Germany and Switzerland.

As a result, Swaminathan disclosed in a statement before a magistrate that Coomar Narain had established contacts with embassies of these five countries.

The chargesheet reportedly said that Swaminathan had revealed that he had seen officials of these five embassies visiting Coomar Narain's office at 16 Hailey Road during daytime.

CSO: 4600/1552

6 June 1985

INDIA

ARMY CHIEF OF STAFF CHRISTENS NEW BATTLE TANK

Calcutta THE SUNDAY STATESMAN in English 21 Apr 85 p 12

[Text] MADRAS, April 20--General A. S. Vaidya, Chief of the Army Staff, sprang a surprise here yesterday when he christened the main battle tank of the Indian Army, made at the Combat Vehicle Research and Development Establishment in suburban Avadi over the past decade and a half, costing over Rs 600 crores, as "Arjun", after the legendary Mahabharata warrior, instead of "Chetak", the wonder horse which carried Maharana Pratap after one of his feet was cut off in the battle of Haldighat.

The "Arjun" which Gen. Vaidya inspected yesterday, was not even indigenous. Its engine was supplied by Motoren-Und Turbinen-Union of West Germany. Dr V.S. Arunachalam, Scientific Adviser to the Defence Minister, confessed that the first prototypes and the "pre-production" series of the MBT would be fitted with imported engines.

Gen. Vaidya hoped that those who manned the tank, the "first to have been designed and developed in our own country", would have the bravery and accuracy of Arjun, the great archer.

Dr Arunachalam, describing the salient features of the "arjun", said that it was one of the best tanks in the world. It incorporated a powerful gun with lethal powers which could be used in daytime as well as at night.

Many people associated with the development of the MBT expressed their disappointment over the naming. They felt that Chetak, by which the project was known all along, was more appropriate.

Chetak symbolized the secular spirit of the country. In the battle of Haldighat, the Commander-in-Chief of Maharana Pratap, who was killed while trying to save the Maharana, was General Hakim Khan Soor and the forces of Emperor Akbar was led by a Hindu Rajput General, Raja Man Singh.

CSO: 4600/1551

IRAN

LIBERATION MOVEMENT REMAINS REGIME'S LAST LEGAL OPPOSITION

Paris LE MONDE in French 2 May 85 p 4

[Text] Tehran--The leaders of the Islamic Republic are relentlessly continuing their attacks on Mehdi Bazargan, who was the head of the provisional government formed by Imam Khomeyni shortly before the revolution and who currently presides over the National Liberation Movement of Iran (MLI), which is generally considered here to be the last legal opposition to the Tehran regime. Speaking at prayers on Friday 26 April, the all-powerful Højjatol-Eslam Rafsanjani denounced the "defeatism" and the "spirit of surrender" of those who had formed the 1979 provisional government. "At the time," he said, "they were afraid of America and its friends, and now they fear Iraq. Thus they are taking part in a worldwide conspiracy aimed at pushing us into a compromise with the enemy, while President Saddam Husayn finds himself in a difficult position."

That same theme was dealt with during two previous Friday prayers by President Ali Khamene'i and Imam Khomeyni himself, in his homily of 18 April at the husseiniye (religious meeting place) in Djemaran, alluded to "voices being raised in Iran" for the purpose of "urging us to make peace with Saddam Husayn."

This unrelenting effort against Mr Bazargan and his MLI friends cannot be explained on the basis of the movement's real strength; since the resignation of the provisional government in November 1979, under pressure by the students who had occupied the United States Embassy, that strength has been marginalized little by little. Early in 1980, Mr Bazargan was forced to give up his candidacy in the presidential election, after the arrest of one of his close associates, Mr Abbas Amir Entezam. Entezam was the former ambassador to Stockholm who was accused of "espionage for the Americans" and who is still in prison. However, in March 1980 the MLI won relative success in the legislative elections by getting five of its members elected to the Majlis (the Iranian parliament), including Mr Bazargan himself and Ibrahim Yazdi, who had been his foreign affairs minister in the 1979 provisional government.

Bazargan and his friends then used the Majlis' rostrum to denounce "the climate of terror and vengeance that holds sway in Iran" and the "summary executions" that followed President Bani Sadr's dismissal. However, they were less and less heard, their words often being drowned out by the hoots of Ayatollah Khalkhali and the extreme reactionaries who were demanding that they be expelled from the parliament, or even that they be put to death. The newspaper MIZAN, which served as their organ, was soon banned, and the five MLI deputies were unable from then on to express themselves except through tracts, booklets or pamphlets, distribution of which was systematically hindered by the various groups of hezbollahis (followers of God) who held sway in Tehran.

Wounded and Beaten

Drawing the logical conclusion from this situation, Mr Bazargan, 9 months before the legislative elections of 15 April 1984, let it be known in a speech to the Majlis that his group would boycott the election if nothing had been done to re-establish public freedoms, especially the right of speech and assembly. Mr Bazargan pointed out that some of the opposition deputies could not even visit their districts without being beaten and expelled by their opponents. A conference on freedom of elections, which was to bring together, at that time, some 500 sympathizers at the MLI headquarters, was prohibited by order of the Interior Ministry. Which did not prevent the members of the Islamic Republican Party from wrecking the movement's offices, taking away with them files, equipment and all the money the organization had in its coffers. Majlis Deputy Hachem Sabbaghian, who complained to parliament about the ill treatment that he and Mr Yazdi were subjected to on that occasion, was wounded and beaten in the very chamber of the parliament under the undismayed gaze of its president, Mr Rafsanjani. The latter would maintain afterwards that Mr Sabbaghian "abused his office of deputy by assaulting one of his colleagues, whose turban he had snatched while shouting, "Don't beat me."

In those circumstances, the MLI decided not to participate in the April 1984 legislative elections, believing that they had lost all legitimacy. Mr Bazargan and his friends nevertheless carried on their fight through the publications whose distribution they controlled, more or less successfully. Last September, Mr Bazargan's work, "la Revolution en deux mouvements [The Revolution in Two Movements]", in which the head of the MLI denounced the monopoly on the government held by the religious, was an important success in bookstores--more than 100,000 copies sold in a few months--, making complete the exasperation of the "radicals" who were trying to discredit the imam's former prime minister by once again brandishing several "compromising" documents discovered "by chance" in the United States Embassy.

On 6 February last, the hezbollahis of Tehran's public prosecutor, Mir Emadi, attacked the MLI headquarters, while Mr Bazargan was preparing to deliver a lecture there on the occasion of the sixth anniversary of the Islamic revolution. As usual, the furniture and typewriters were destroyed, the documents were burned and some of the movement's militants were beaten up. What was more serious, Tehran's public prosecutor, who had organized the whole operation from the top of a building across from the MLI headquarters, this time ordered the movement's offices closed. When Mr Bazargan protested that decision and asked that his headquarters be reopened, Tehran's prosecutor let him know that the MLI would be authorized to function normally if the militants pledged "that they would not provoke the hezbollahis any more."

Number One Adversary

Since then, the activities of the MLI, which no longer even has a headquarters where its members can meet, have been reduced to a bare minimum. However, as shown by the weekly attacks on the movement during Friday prayers in the courtyard of the university before tens of thousands of Iranians, the MLI remains one of the favorite targets of Islamic radicals. The movement headed by Mr Bazargan, in fact, is still the number one ideological adversary of the

Tehran regime, precisely because it belongs to the Islamic seraglio of which in the beginning it was one of the essential components. For the religious establishment the MLI represents a challenge that is all the more unacceptable because it claims to be creating a modern state without sacrificing religious beliefs and hopes to build a bridge between the traditional and the modern Islam. Mr Bazargan's movement also enjoys a certain prestige in the intellectual and technocratic circles linked with the old Mossadeghist National Front. Moreover, its "Islamic legitimacy" has been acknowledged on several occasions by Ayatollah Montazeri, the presumed successor to Imam Khomeyni. Montazeri has often intervened personally to put an end to the attacks on the movements by the radicals.

In any case, what seems to have irritated Mr Bazargan's adversaries most is the fight he has been waging for some time to "find a just and honorable solution" to the war with Iraq. A telegram on the subject sent on 18 March last to Mr Perez de Cuellar, the secretary general of the UN, from 60 important persons close to Mr Bazargan, aroused the anger of President Khamene'i. Mr Bazargan and his friends seem to have done it again, this time by sending a letter, according to certain well-informed circles in Tehran, to all the members of the Higher Defense Council, in which they instructed them to inform the imam of the disastrous consequences for Iran of continuing hostilities with Iraq, asserting that after the Khorramshahr victory over the Baghdad forces in July 1982, "this war is no longer sanctioned and is even accursed according to the Koran."

The MLI's opposition is all the more poorly accepted in high places because it seems to be contaminating certain circles that are close to the Islamic government. That was why the League of Theology Professors of Qom, an organism that is especially influential in the clergy, sent a letter to the imam in which it described in an extremely pessimistic way the economic situation of the country and the impasse in the war. That letter, which was signed by such notables as Ayatollahs Azeri-Qomi and Mechkini and Public Prosecutor Sanei, regretfully finds that "the regime no longer has the same authority over the populace," and asserts that if it takes too long to find a solution to the grave economic problems, the situation will rapidly become "uncontrollable". It concludes: It will be necessary to pray to God to preserve us from the explosions that might then occur."

8946

CSO: 4619/50

IRAN

THOUSANDS SAID DETAINED IN ANTI-WAR DEMONSTRATION

Paris LIBERATION in French 26 Apr 85 p 26

[Text] About one thousand Iranians, including men, women, and young people, have been held prisoner in Tehran since last week for having participated in a pacifist demonstration in the Iranian capital against the Iran-Iraq war, the International Human Rights Organization (IGFM) announced Thursday in Frankfurt. The prisoners were "arrested in a completely arbitrary way," the humanitarian organization added, and launched an appeal to the West German government and to CEE leaders to come to the assistance "of these persons who took great risks in becoming involved in a non-violent way in favor of peace." "In view of the previous examples of the fate the Tehran regime inflicted on Iranian prisoners, we urge you to come to their aid quickly," the IGFM requested.

Moreover, Iran may be in a position to use poison gas for the first time on the occasion of the forthcoming offensives against Irak, the Department of State spokesman declared Wednesday in Washington. "We know that Iran has sought to develop a chemical arsenal and could now be in a position to use such arms," he stated. According to the American weekly, NEWSWEEK, and the daily newspaper, LOS ANGELES TIMES, Iran is preparing to launch a major offensive against Basra and reportedly intends to use poison gas during that attack.

As for the Hojjatol-Eslam Hachemi Rafsanjani, president of the Islamic Iranian Parliament, on Wednesday evening he accused the French government of not allowing doctors to discuss the condition of gassed Iranian soldiers treated in Parisian hospitals.

Six wounded Iranians have been transferred to France since the end of March. Two died 18 April.

The IRNA agency cited doctor Baux, head of the division for victims of third-degree burns at the Saint-Antoine hospital in Paris, who had stated that the French government did not allow him to speak to the press about these wounded persons.

9772

CSO: 4619/47

IRAN

LEGAL OPPOSITION WANTS JUST, HONORABLE END TO WAR

Paris LE MONDE in French 2 May 85 p 1

[Interview with Mr Bazargan and Mr Yazdi, leaders of the National Liberation Movement of Iran, by Special Correspondent Jean Queyras; date and place not specified]

[Text] Before discussing the Gulf War and "the necessity to negotiate with the enemy", Messrs Bazargan and Yazdi, the two principal leaders of the National Liberation Movement, who represent the legal opposition, both commented, in an interview with our special correspondent, on Tehran's internal situation.

[Question] Will you be running a candidate for the presidential election that is to take place next summer?

[Answer] Our potential participation will depend on the legitimacy of the presidential election, that is, on the way in which the rights and freedoms of the people, which are written in our constitution, are respected. To organize the election under the present conditions of censorship and the absence of freedom of the press, of assembly and of speech, can only pervert the legitimacy of the election. We will not run a candidate unless popular rights and freedoms, as written in the Islamic constitution, are respected, and unless the opposition is at last authorized to publish its own newspapers, to meet in complete freedom and to function without being threatened incessantly. We have previously raised these demands, before the 1984 legislative elections, and it was precisely for that reason that our movement's headquarters were attacked and wrecked at that time.

[Question] Are you hoping that your movement will ultimately be authorized to function normally?

[Answer] The authorities or their agents, when they attacked, plundered and closed our movement's headquarters last February, committed a very serious error, even as far as their own interests are concerned. Actually, they really demonstrated to the Iranian people and the entire world that they cannot tolerate an opposition, even if it is loyal to the Islamic Republic and faithful to the revolution. Those acts gravely undermined the reputation of our leaders, and that is why some of them protested the closing of our movement's

headquarters and asked that it be restored to us. But unfortunately, for the moment, we see no encouraging sign in that direction. And that in itself clearly shows the extent of the oppression to which our society is currently being subjected.

[Question] Do you think the present regime can "liberalize itself" some day?

[Answer] It is difficult to foretell the future. Some of our leaders do not believe in what is written in our constitution concerning the rights of the people. Others are of the opinion, however, that the opposition must be tolerated and given the freedom to act to preserve the reputation of the Islamic Republic. Naturally, the latter are in the minority and lack the necessary influence and power to enforce their point of view. As long as the balance within the government remains as it is now, we see no hope for liberalization.

However, if changes occur at the very heart of the government, and if the population's discontent begins to show itself in the form of protest movements for the purpose of achieving their rights, there is a chance that there will be more freedom and less constraint on the part of the authorities.

[Question] What are your thoughts on the problems of war and peace in Iran?

[Answer] We consider Iraq, beyond a shadow of a doubt, to be the aggressor and the country that started this war because of an historical error in calculation. Also, it must assume the responsibility for this war and pay reparations for this error and this aggression. However, to solve the problem and end the war, we believe it is necessary to negotiate with the enemy in accordance with the Koran's teachings and the traditions of the Holy Prophet.

In addition, we believe in nonintervention in the internal affairs of states and that it must prevail in the field of international relations. We do not believe that to continue the war can be of any usefulness whatsoever to the peoples of Iran and Iraq. We think that the only ones who are profiting from this war are the super-powers and the manufacturers and merchants of arms. We believe, therefore, that everything must be set in motion to bring the war to a just and honorable end, to the advantage of both the Iranian and Iraqi nations.

On the other hand, we consider the recent UN initiatives, in the course of which Iran agreed to negotiate the problem of the peace on two conditions, to be positive steps.

[Question] What are your thoughts on the future of the Islamic Republic? Do you believe that one day you will take part in the government in Tehran?

[Answer] Unless there is some change in the policy and behavior of the authorities, we are in danger of seeing an intensification of the political, social and economic crisis. If that happens, the Islamic Republic will face serious and dismal threats. On the other hand, if changes occur in the direction of a strengthening of the people's rights and freedoms, and if a new policy based on wisdom, foresight and sound management of public affairs prevails, there will be some hope for the future.

Because people still prefer the republic over any other form of government. However, we are deeply worried about the way the present situation is developing, the behavior of our leaders, and our increasing dependence on foreigners. As far as our eventual participation in the Islamic government is concerned, that will depend on the changes we have already mentioned.

8946
CSO: 4619/50

6 June 1985

IRAN

TREATMENT OF IRAQI POWS DENOUNCED

Paris LE FIGARO in French 5 Apr 85 p 81

[Article by Robert Lacontre]

[Text] The photographs which we are publishing show an Iraqi prisoner dragged by a truck so as to be torn apart before being finished off by rifle fire. This execution took place at the end of February in a camp in the vicinity of Tehran. This scene was photographed by a mini-camera without the knowledge of the guards.

Dr Mohammed el-Mashat, the Iraqi Ambassador in France, confirms the authenticity of this document and adds: "Massacre of our prisoners is an everyday matter. Often, Iranians mutilate them or kill them in public like dogs. The barbarism of the fundamentalists goes beyond anything one could imagine. Each day dozens of our soldiers are horribly tortured in the camps."

In 4 and 1/2 years of war, the Iranians have taken around 50,000 Iraqi prisoners; the Iraqis have taken 9000, including thousands of children from 10 to 12 years of age. I visited a children's camp near Baghdad. It is monstrous. But they are well treated, well fed, and well cared for. When they are freed, Khomeyni refuses to take them back. No country wants any part of them since they are dangerous, "insanely fanatized," the camp doctor explains to me.

The International Red Cross has been unable to visit any prisoners on the Iranian side, with the exception of a model camp.

However, numerous oral accounts of dissidents, of opponents, and of refugees show how Khomeyni cruelly treats prisoners of war. The latter are first sorted out according to religion, non Shi'ites being the worst treated. All must side with Khomeyni and agree to wear badges with the picture of the ayatollah. Those who refuse are immediately beaten in front of their comrades. Members of the Ba'th party are tortured before being executed. Christians must be converted to Islam and officers are placed in solitary confinement.

Thousands of prisoners have already been liquidated. Massacres have taken place in the camps of Heshmetya, Kojan, Serya, Barndok (eleven in all). The

most revolting massacre took place at Bsytine where 5000 prisoners were buried alive.

Mental tortures are added to physical tortures (electricity, "baignoire" [bath], deprivation of food, burns, sexual abuse of the youngest soldiers). Those who refuse to spit on the portrait of the "Satan," Saddam Husayn, are not allowed to say their prayers. Many are publicly exposed to a frenzied mob which stones them or drags them through the streets by cars until they are torn apart. The Iranians have also taken civilians, and even women, as prisoners.

9772

CSO: 4619/47

IRAN

BRIEFS

MOJAHEDIN, KURDS RELATIONS SEVERED--The alliance that for almost 4 years has united the two principal Iranian armed opposition movements, the People's Mojahedins (the Islamic left) and the Kurdish autonomists of the PDKI (Kurdish Democratic Party of Iran), has just been broken, it was learned on Friday 26 April in the exiled Iranian opposition circles in France. A spokesman for the National Resistance Council (CNR), an organism created in exile in 1981 that made the alliance a reality, asserted that the PDKI "got themselves excluded from the CNR" by refusing to sign a document in which the Kurdish autonomists permanently renounced all contact with the Iranian government. Mas'ud Rajavi's Mojahedins had violently criticized the negotiations entered into in 1984--since broken--between the PDKI and representatives of Tehran. In early April the Mojahedins ordered the PDKI to prohibit any contact thereafter with Tehran, which the Kurdish autonomists refused to do. On the contrary, the latter justified their "preliminary negotiations" with the Iranian authorities by the need to have recourse to any means to obtain autonomy. At the PDKI's Paris office, no value is placed on the "exclusion" measure, even while they admit that there are "numerous divergences" dividing the party of Abderrahmane Ghassemlou from the Mojahedins. [Text] [Paris LE MONDE in French 28-29 Apr 85 p 2] 8946

CAR DELIVERY RESUMES--UK Talbot, a British branch of the Peugeot-Citroën group, signed a petroleum barter agreement with Iran, permitting it to resume its deliveries of automobiles and spare parts out off since December. Thanks to the resumption of deliveries to Iran, which represent about one-third of its sales volume, Talbot was able to call back to work as of the first of April a thousand of its employees who had been laid off for 2 months. The barter agreement provides for the sale of Iranian crude oil on the free market through the Krupp Oil company. The income from these sales will be paid to Talbot for its delivery of automobiles (around \$200 million per year.) [Text] [Paris LE MONDE in French 3 Apr 85 p 27] 9772

CSO: 4619/47

PAKISTAN

SCIENTIST DISCUSSES PAKISTAN'S NUCLEAR CAPACITY

Rawalpindi HURMAT in Urdu 2-14 Mar 85 pp 7-21

[Interview with nuclear scientist Dr Abdul Qadeer Khan in Kahuta, date not specified]

[Text] The anti-aircraft guns and missiles pointed upwards as we traveled in a car driven by a brigadier in uniform. The number of anti-aircraft guns, missiles and radars increased as I looked at the mysterious road leading to the enigmatic building where (according to the Western press) Dr Abdul Qadeer was busy making the Islamic Bomb. Hot weather had set in, but it was not hot enough to require airconditioning. Still the brigadier turned on the airconditioner. Perhaps the brigadier, like myself, was feeling the emotional heat of the environment.

The antennas of the radars were spinning fast while the gunners stood erect behind the anti-aircraft guns. They seemed to be looking for something in the sky. We could see pedestrians walking along the road, but I think they were not way-farers but were employees of the intelligence and security agencies. Then a check post came where the brigadier slowed the car. A sharp-eyed security guard looked inside the car and saluted the brigadier, and the car sped up again. Then the second and third check posts, next the region of top security, and lastly we entered the "danger zone." After a few yards the car stopped in front of the office of "the Invincible Scientist." Another brigadier waiting for us there led us to the office of Dr Abdul Qadeer Khan.

As a government servant and now as a journalist, I have had the opportunity of meeting many towering personalities, not only of Pakistan but of the world, including military rulers and prime ministers, but the excitement and suspense that I experienced before meeting this great son of Pakistan was perfectly new to me. Dressed in a deep blue suit, almost six-feet tall, Dr Abdul Qadeer stood up to greet me with his winning smile. I could not take my eyes off him. He said, "Let us sit down and have some coffee." The table was laden with all sorts of foods and drinks. He made tea with his own hands. I was studying his sweet smile and soft cultured speech. An image of good manners and dignity, he looked more like an athlete than a scientist. I was trying to size him up when Dr Qadeer said, "Please drink your coffee."

When we began to talk I saw the real Dr Abdul Qadeer Khan. Clearly, what he told me in confidence cannot be made public, but I could see that he was in a state of great emotional turmoil. He has achieved a great deal but he wants to achieve more. He talked with the dignity of a man inspired by firm convictions. I could see that like Iqbal's Man of Faith he was in a state of deep emotional stress over the pitiable state of Muslims in general and Pakistanis in particular. He seemed to be helpless in the face of the predicament in which he had to work. I talked to him for about three hours. I asked him direct as well as indirect questions; delicate as well as blunt questions, but his answers were ever patient and precise. (HURMAT and myself are grateful to the doctor for taking me into his confidence and answering my questions.) I wanted to talk to him more, hence another interview was scheduled. HURMAT is the only weekly in Pakistan that has had the honor of interviewing the doctor twice within a few days. It is the only weekly that has been permitted to take his photographs. In the past only one of his pictures (which had been taken during his stay in Holland) has been published in the Pakistani press. The new pictures were not to be published for security reasons, but we are grateful to the doctor for allowing us to take them.

Dr Abdul Qadeer is the symbol of Pakistan's astounding progress in the field of atomic energy. Dr Abdus Salam, before him, startled Western minds by winning the Nobel Prize for physics, and now Dr Abdul Qadeer's successful research has surprised the world. Dr Abdul Qadeer is one of the handful of truly great men we have in the country. The pride of Muslim scientists, Dr Abdul Qadeer is basically a mineralogist. But, besides minerals, he gives special attention to the study of physics, electronics and the working of machines. He is an expert in all the sciences which are essential to achieve success in the modern age. What makes his achievement outstanding is the fact that he comes of a simple middle class family and has become a world renowned scientist by his own personal efforts. He could, like millions of other Pakistanis, pass his life merely as the inspector of weights and measures in Karachi. But maybe he read Iqbal's poem "Sultan Tipu's Testament" with great attention and consequently turned his "small stream into a stormy river." Many obstructions must have stood in his way. The giants of despair and discouragement must have tried to dishearten him too. But it is a fact that he who borrows light from his own inner self never fails to shine.

Now let us talk about that achievement of Dr Abdul Qadeer for which he was first made a target for litigation in the Netherlands and then a victim of brain-washing. The most important part of atomic fuel is the enrichment of uranium. This is something that took countries like Britain, Germany and the Netherlands 25 years with the help of many scientists, after spending thousands of millions of dollars. A developed country like Japan has managed to construct a small pilot plant after spending \$640 million. America is erecting a centrifuge plant in Portsmouth, Ohio at the cost of \$10 billion which will start working in 1989. Contrary to them all, Dr Abdul Qadeer has found a method of enriching uranium at very little cost in a very short time. People of the West are concerned about Dr Abdul Qadeer's achievement for two reasons: 1) If it is possible to enrich uranium by a low-cost formula,

why are they spending so much money on it? 2) They are frightened at the prospect of the Muslims learning the very secret that they have been trying their utmost to keep hidden from them.

Like a good Muslim Dr Qadeer attributes all his outstanding achievement to the grace of God. He is grateful to his wife for giving him the peace of mind essential for doing sustained work, and thanks his colleagues, without whose devotion and tireless work he could not have achieved much. His valuable life, the pride of the Muslims and of Pakistan, is the chief target of attack for the enemies of the Muslims and Pakistan. All of us know how Yahya Almashhadi, the prominent nuclear scientist of Iraq, was murdered in broadday light in the Hotel Maridian of Paris. Those murderers must be making schemes for destroying Dr Abdul Qadeer, too, But I am sure he will remain alive and active with the good wishes of the one billion Muslims of the world.

After a careful scrutiny of the situation, I can say that though the security of Kahuta is satisfactory, I am not satisfied with the measures taken to protect this great personality of Pakistan. Dr Abdul Qadeer is perhaps the only person who has added to the honor of Pakistan in Asia. Because of his achievement every Pakistani can hold his head high. That is why our enemies would be glad to do away with him. When he goes from Islamabad to Kahuta in his bullet-proof car, security cars go before and after him until he reaches his office safely. His office is protected too, but there is no satisfactory arrangement for the doctor's personal security. When he goes to Karachi, according to information I obtained, he is exposed to danger. When during the interview the doctor opened his brief-case, I could see a shining revolver in it, but what is the use of a revolver against the latest automatic weapons and missiles fitted with telescopes? I suggest that stricter measures be taken for the security of this world-famous scientist. I am making these suggestions because HURMAT received information 2 months ago that pointed to a danger to both the doctor and Kahuta. It is a mistake to suppose that the situation has changed after the death of Mrs Indira Gandhi. A HURMAT team is busy preparing a title story from the information received from different sources. HURMAT's issue of the first week of April will disclose where the danger lies.

After two long meetings with Dr Abdul Qadeer I have come to the conclusion that, like President Ziaul Haq, humility and modesty are his most prominent traits of character. He has a relaxed personality. I personally think that he has not received the honor and recognition that he deserves for discovering the process of enriching uranium for peaceful purposes. Both the government and the people are to blame for it. True, an association in Lahore has given him a gold medal, but is that all he deserves? I think that the president should, in a special meeting of the federal cabinet, heads of the armed forces, chief justice of the Supreme Court, the provincial governors and other dignitaries of the country, bestow on the doctor the highest decoration of the land. Why is Pakistan, where every Tom, Dick and Harry is getting medals, ignoring the man who has helped his country to join the ranks of the scientifically developed countries of the world? Another

suggestion I want to make is that in order to overcome the energy crisis in the country, the out-dated Pakistan Atomic Energy Commission be overhauled and its leadership be given to Dr Abdul Qadeer, who is Iqbal's Man of Faith. At present the said Energy Commission is nothing more than a white elephant. We cannot expect this commission to solve Pakistan's energy crisis. It needs an overhaul. Dr Qadeer has made Pakistan an atomic power. He has performed a miracle that could not even be imagined in a third world country. He is a brave and patriotic man with a lot of knowledge and experience. He is managing Kahuta project with its thousands of workers with great ability. I am certain that if he is given the control of a board comprising the Pakistan Energy Commission and other related departments, he will manage it with great ability and take it to great heights. Under his care this department will set up atomic power plants all over the country and bring atomic energy within the reach of every one. This is the need of the time and the only solution to our energy problem.

(Dr Abdul Qadeer interviewed by editor of the HURMAT in his office at Kahuta, time not specified.)

[Question] What is the "Dutch Scandal"?

[Answer] This is the law suit the Dutch government brought against me. They got a bad name because they indicted me without giving me a chance for self-defense.

[Question] What has become of the appeal you entered against this unilateral indictment?

[Answer] You know the law-suit was brought against me without my knowledge. I came to know about it only two days before it was to be settled on 14 November. I sent two telegrams to the Dutch law court, which they received but still they indicted me out of malice. I have made an appeal against that indictment. Two famous Dutch lawyers and two Pakistani lawyers, S.M. Zafar and M.B. Zaman, will be appointed to fight my case in the law court. Other great lawyers from England, Germany and France who have knowledge of international law have been consulted in this matter. All of them say that this law suit is based on malice and ill-will and has no status according to international law. Last year when my appeal was read for the first time, the public prosecutor's demand for my arrest was rejected by the high court. A second hearing of my case will take place on 14 March. My Pakistani advocates will then be present in the court. My Dutch advocates have informed me that the public prosecutor will ask the court to send the case back to the lower court, since many laws had been broken during its hearing at the lower court and during the preliminary investigation. If we had not presented an appeal, the public prosecutor would have been very pleased to get me indicted unlawfully and maliciously. I am sure the Dutch high court will do justice in this case, since the Netherlands is famous for justice all over the world. Why should anybody be punished for misconduct by some low-grade officials?

[Question] Will you please tell me how and when you thought of serving your country with your knowledge and experience in your special field. Did

you make a proposal to the government, or did the government take the initiative?

[Answer] When I went to Europe for higher studies I intended to come back to work in Pakistan. I took the subject of metallurgy partly because in Pakistan there are very few experts in this field, and partly because we cannot make progress in industry without learning this subject. I kept visiting Pakistan even when I was in Europe.

I intended to return as soon as I got a chance of working here. I came to Pakistan at Christmas of 1975 and fell ill. My family persuaded me to stay in Pakistan. I found a good job in the Ministry of Finance where I directed many technical projects with the help of my special skills. I was offered the management of this project during those days. My first project proved to be a great success and I completed it with the help of a team of very good co-workers. It was the result of the hard and selfless work of my colleagues that Pakistan is today one of the five or six nations of the world with know-how in the enrichment of uranium. We are very grateful to President Ziaul Haq, and Finance Minister Mr Ghulam Ishaq Khan for the encouragement they gave us. They will go down in history for the help they have given us in our work.

[Question] We have heard the name of Kahuta only recently, but it is said that you started working on the project long before the newspapers ever wrote about it. Please tell me how you kept the project secret from the public eye for so long and also tell me how the work was started.

[Answer] As you know, the Western powers do not want any developing nation to become so highly developed as to become independent of their help and patronage. Hence, when we started this project at the end of 1976 it was decided to keep it secret until we had procured all the necessary equipment. The site of Kahuta was selected at that time. I requested the government to give us the services of the Engineering Corps of the land army so that the work could be done with speed. The president as the commander-in-chief of the army gave the services of a very active and competent team under the leadership of Brigadier Zahid Ali Akbar Khan (now lieutenant general and corps commander). We explained our needs, to them, and first General Zahid and then General Anis got the plan completed, and none of our enemies came to know about it. By then we had prepared the designs for all the things we needed for the project. As you know when a big project is started, first of all a "feasibility report" is prepared. Then models are prepared on the laboratory scale, and then the pilot plant is built. Only after that, work is started on the industrial level. This was the first plant on which everything was started simultaneously. On one hand the plant was under construction and, on the other, we were making experiments on the laboratory scale. We had decided to make Pakistan one of the foremost countries in this field, and with the grace of God we have succeeded in our mission. We have completed the project in record time. We were in great trouble in the beginning, since no country was willing to give us the technology we needed. On the otherhand if any other countries had discovered what we were trying to achieve they would have made life unbearable for us. When our secret was

discovered, President Carter stopped our aid, and the whole of the Western world as well as India began to attack us like jackals. Our enemies were defeated because my colleagues and I had made everything in our own country. Now, if needed, we can build 100 plants like Kahuta in Pakistan. We are proud of the fact that we have created in 6 years and without much expense a technology that the Western countries discovered in 30 to 35 years after spending billions of dollars. We can conclude that Pakistanis can achieve everything if they work with sincerity and determination.

[Question] Can you compare the Kahuta project with the nuclear capability of developed countries like, let us say, Britain and France?

[Answer] In the enrichment of uranium, Pakistan is equal of the United States, Britain, the Netherlands and Germany. We are ahead of Japan and India in this field. Thus my colleagues and I can claim that we have done our duty in this field.

[Question] Being a Pakistani, I would like to know what our position is as compared to that of India as far as nuclear capability is concerned.

[Answer] As I have said before, we are ahead of India in the matter of the enrichment of uranium, and India will not be able to compete with us for many years to come. But in other fields, e.g. reactors, heavy water, fast breeder reactors and reprocessing, India is ahead of us and we shall have to work very hard in those fields.

[Question] Is it enough to enrich uranium in order to get atomic energy? How can this technology help us when we have no nuclear power plants?

[Answer] Nuclear power plants are needed if we want nuclear energy, but these plants cannot work without nuclear fuel. If we have nuclear plants but no nuclear fuel the result will be exactly what happened at the nuclear plant at Karachi. Our enemies stopped giving us fuel and as a result the plant stopped working. Now we have decided that no power is going to humiliate us in the future. That is why we have arranged for the nuclear fuel first. Now when we get a new power plant we shall work it with our own atomic fuel. Building reactors is not a part of our duties or I assure you we would not disappoint the nation in that respect.

[Question] Though the government of Pakistan has announced time and again that they have not interest in making an atomic explosion, I just want to know if the enrichment of uranium has given us the capability for making such an explosion?

[Answer] The president and I, myself, have announced again and again that our atomic program is meant for peaceful purposes only. We want to help in the welfare of our country. Still people go on talking against our atomic program. My colleagues and myself have the capability for doing everything for the protection of the country's security and ideology, but all we want to do is to help in the progress and prosperity of our homeland.

[Question] You once said in an interview that, if the president were to decide, you would not disappoint the nation. Please explain that.

[Answer] Well, I mean exactly what I said. You must have heard the political leaders declare that, if ever the defense of the country's security and integrity requires, they would sacrifice their lives for it. That is exactly how the scientists and engineers of the land think, too. I meant to say that if the president gives the order to protect the country with the help of our special capability, we would sacrifice our lives and fulfill his orders.

[Question] Suppose the government tells you in the beginning of March that an atomic explosion has to be made on 14 August. Have you got the technical capability to fulfill this order within the next 4-5 months?

[Answer] You are giving us too little time. Even a baby cannot be born in such a short time. It takes longer than that to sink a tube-well. We should not make a joke of the matter. The president has often announced it, and many countries including the United States have come to believe that our atomic program is meant purely for peaceful purposes. We have no intention of using atomic technology for any other purpose.

[Question] Some people say that Pakistan has already made the atom bomb. They say that when uranium is enriched for making bombs no experimental atomic explosion is necessary. Is it true?

[Answer] All this is mere gossip. Our program is meant only to meet the ever-increasing need for electricity in our country. As for the question of an experimental atomic explosion, there is no difference between plutonium and enriched uranium. There are a few basic experiments which, with present-day technical expertise, help one to determine whether one is in a position to make an atomic explosion. For example, Japan, Germany, the Netherlands, Sweden and Switzerland are all in a position that even without conducting an experiment they can make an atomic explosion when they need it. They have all that they require to make an atomic explosion.

[Question] The country has been in great trouble owing to a shortage of electric power. When will your atomic capability start working for the country?

[Answer] At present we have only one atomic power plant in Karachi, with a capacity for producing 130 megawatts of electricity. Owing to a scarcity of atomic fuel, it could only produce 30 megawatts. Now maybe it is producing a little more. Had a thermal station not been started at Karachi, the people there would have been in exactly the same predicament in which the people of Pindi and Islamabad find themselves. Our government has been inviting tenders for the establishment of an atomic power station but to no avail. Even if a tender does come and is accepted the power station will start working only after 10 years. By that time conditions will have become worse than they are today. It is better, even essential, for us to start some thermal stations and overcome the scarcity of electricity in the

country. It is a great shame and a proof of our incompetence that our capital, where the representatives of all countries reside, is always sunk in darkness at night. If we start a thermal station at Islamabad it will not mean much work and will not take much time. In this way the representatives of other countries, who are our guests, will not get an impression of our incompetence. I really feel ashamed when power goes off at night.

[Question] The federal minister of planning said recently that no Western power has offered tenders for building an atomic power station at Chashma, because the United States is using its influence against Pakistan. Can Pakistan not build this power station by its own efforts, or with the help of friends like China?

[Answer] No tenders have come for the Chasma power plant and none will come. We are deceiving ourselves when we think that someone will help us. No Western country will give us reactors unless we slavishly accept all its conditions. As I said before, even if we do conclude a contract with some country to build a power plant, the benefits will not start coming before 10 years. Our needs are urgent. We should have started work on our own reactor as soon as Canada stopped the supply of atomic fuel in 1974. During the last 11 years we could have learned to build reactors that could produce 100 MW of electricity. If India and Korea can do it why cannot we do something that requires only an elementary knowledge? We have wasted a lot of time. Our country has many excellent scientists and engineers who, if given an opportunity to work, will not disappoint the nation. China, according to press reports, is working on a 300 MW reactor. I am sure they will be successful, as they are an industrious nation and believe in being self-sufficient. China is our friend, and now that it has become a member of IAEA [International Atomic Energy Agency], we can, according to a pact, join them in building reactors for peaceful purposes.

[Question] Britain's DAILY TELEGRAPH has written that Pakistan has the capacity to make six atom bombs annually. Does the capacity for making six bombs mean that we have made some progress in the atomic field?

[Answer] Building six or even sixty bombs is not proof of progress in any way. We have to judge how a country uses this capacity for the welfare of its people. Take the example of India. They made their first atomic explosion in 1974, but, even after 11 years, millions of their people sleep on the footpaths, and the trucks of the country come in the morning to collect their dead bodies. What is the use of such capacity that does not help us to feed and house our poor? Our atomic program is geared to peaceful aims and the nation will soon see the results.

[Question] Is Pakistan self-sufficient in uranium and other atomic minerals? Can we export purified uranium?

[Answer] The Pakistan Atomic Commission is in charge of the work being done on atomic minerals. According to their report Pakistan is self-sufficient in this matter. I can say nothing about the export of enriched uranium. The government will decide about it. At present the enriched uranium will be

saved for our own use. This will make us self-sufficient in atomic fuel when we (with God's help), set up our own reactor. Enriched uranium is very costly; 3-percent enriched uranium, which is used in the reactors, costs about 25 million rupees per ton.

[Question] The Western media say that China helped Pakistan in its atomic program. How far is that true?

[Answer] The Western media want to give China, our best friend, a bad name. They also want to prove that we are quite incompetent. If you study the facts, you will find that neither Britain nor France was helped by the U.S., nor was China helped by the Soviets, to become an atomic power. Atomic technology is not a car factory or a flour mill that could be exported from one country to another. Every country has been very responsible in this matter. Only the Soviets, in their enmity for China, helped India to become an atomic power. But for the Soviets, India could not have made the atomic bomb for a long time to come.

[Question] A few months back Mr Sethna, the former chairman of India's Atomic Commission, stated that Pakistan could not have made any progress in this field if China had not helped it.

[Answer] These shop-keepers think Pakistanis are inferior to them. Allamma Mashriqi, Professor Salimuz Zaman Siddiqi, Professor Raziud Din Siddiqi and Pro Salam have disproved their boast. These Pakistanis rank among the foremost scientists of the world. We have great ability and we have done the job by our own efforts. It sounds childish, but if Mr Sethna would try to compete with me in the presence of a team of experts, I would show him which of us has greater knowledge in this field. I am sure he will not even be able to stand before one of my colleagues.

[Question] The Western mass media seem to be suffering from the phobia that if Pakistan makes the atom bomb, it will be passed on to other Muslim countries and will ultimately be used against Israel. Why do they fear, it, and why do they think the Kahuta project is getting monetary help from some Muslim country?

[Answer] Western countries are not above making false statements to serve their own purposes. You realize it every 3 years when their secret papers are made public. One is astonished at the lies that even their responsible officials tell. The reports about the sinking of the Argentine ship "Belgrad" is a case in point. As I said before, atomic technology is not a method of growing food-stuffs that you could export to another country. Our program is meant for peaceful purposes, and there is no question of our making or exporting atomic bombs to other countries. Pakistan will continue to cooperate with other Muslim countries under the supervision of an international commission. As for Kahuta, it has been built entirely by our own men and money. I can tell you that we have completed this job with less time and money than any other country in the world.

[Question] U.S. Senator Allen Cranston, speaking on international terrorism, expressed the fear that all Islamic states would join Pakistan in its atomic program. Why is he so scared about it?

[Answer] Senator Cranston has the wrong impression that Pakistan will serve up atomic technology to another country on a platter. This senator, who is under Jewish pressure, is considered their representative. That is why he is always foremost in all pro-Jewish movements. Israel has lost the sympathy of the world by its aggressive policies, but when this senator cries "wolf," he generally succeeds in getting help from the Western countries for Israel.

[Question] What is your impression as a Pakistani citizen and intellectual about our country having the Soviets as antagonists and the Western powers suspicious of us because of our atomic program?

[Answer] The situation is certainly dangerous. On the one hand, the Soviets have aggressively occupied Afghanistan and their close relations with India are a danger for us. Continuous attacks on our borders to harass us are part of the anti-Pakistan policy of the Soviets. On the other side, our so-called friends in the West are always criticizing us for our atomic program. Their media are engaged in a pernicious propaganda campaign against our nuclear program.

[Question] When will the nation see the fruits of the Kahuta project managed by a great scientist like you? The nation has lost faith in most others, but we will believe in what you say.

[Answer] It is true that people have lost faith in the self-styled engineers and scientists, who only come on the scene to make speeches, write articles, give a few facts and figures, have a good time and then leave without having achieved anything for the nation. My colleagues and I have discovered a way of making atomic fuel, which will help the nation to save a lot of foreign exchange. If the government ever decides to sell atomic fuel or the technology, they can earn millions of rupees for it. At present we are saving the fuel for our own future needs.

[Question] A few weeks ago India's Prime Minister Mr Rajiv Gandhi said that if Pakistan builds atomic weapons, India will have to revise its own policies.

[Answer] This is mere hypocrisy of these shop-keepers. When India made an atomic explosion 10 years ago, was it merely a game of fireworks on Diwali? I know, and hardly anybody will disagree with me, that India has been preparing atomic weapons during the last 10 years. They blame us only to deceive the world. Neither Nehru nor the Gandhi family is trustworthy. The late Mr Gandhi, Nehru and Mrs Indira Gandhi are notorious for the contradiction between their words and deeds.

[Question] Do you and your colleagues have the capability for building an atom bomb?

[Answer] If I give a direct answer I will be misunderstood. Hence I will explain: When an architect sees a building, he scrutinizes it and tries to

think if he can make a similar design. When a mechanical engineer sees a machine, he tries to figure out how the machine works and tries to think if he can make it himself. My colleagues and I have studied all that has been published about atomic weapons. We have often discussed it and come to the conclusion that what the United States achieved 40 years ago and India achieved 10 years ago is not beyond our abilities, especially when we achieved the more difficult object of the enrichment of uranium. We will meet with hurdles but they will not be unsurmountable. But as our government wants the atomic program to be peaceful we have to keep it peaceful...

[Question] Everybody is astonished at the fact that a metallurgist like you has achieved so much in the atomic field. What is your secret?

[Answer] I am not only a metallurgist, but a physical metallurgist, which is very important in industry. Physical metallurgy deals with the study of the formation of different metals, and their technical usefulness. It studies all the metals on earth including uranium. That is why metallurgy is considered to be the backbone in every industry. Everybody knows that, in advanced countries like the United States, Britain, France, Germany and the Netherlands, metallurgists have proved their worth by achieving the success of projects that had international bearing. One of them is the British physical metallurgist Sir R.B. Nicholson, who is at present chief physical metallurgist, Sir Allen Catrell, was chief scientific advisor to the British government. He did memorable work on reactors. A physical metallurgist is directly connected with every other technical and scientific field. His knowledge and experience are panoramic. That is why a physical metallurgist has to work harder than anybody else. I have succeeded in the enrichment of uranium, because I have been a physical metallurgist for the last 15 years. But on the whole the honor should go to my fellow engineers and scientists who worked with me night and day to achieve this success.

[Question] Dr Usmani was a good atomic scientist. Under his care the country made great progress in this field. He organized the atomic power plant at Karachi and the Nuclear Institute of Nilore. The Atomic Energy Commission has not done anything worthwhile since 1972. On the other hand, the atomic power plant at Karachi, after remaining closed for many years, is now producing at about 20 to 25 percent of its capacity. Let alone working for health or agriculture, [the commission] is not even producing electric power. What do you think about it?

[Answer] The Atomic Energy Commission is a separate department and only those in charge can make a statement about it. Or you as a journalist could study the matter yourself.

[Question] People of many countries work in the offices of the International Atomic Energy Agency in Vienna. Does this office employ experts or do people become experts after they have been working there?

[Answer] There is a general misconception about IAEA being a sort of department of the experts. It is nothing of the sort. It is nothing more than a supermarket, which has one manager, and every department has a

supervisor. Just as the manager in the supermarket has to keep an account of the goods in every department, so the director general of IAEA has to keep an account of the number of generators working in each country and the number of factories connected with atomic industry. It is just like the supervisor of a supermarket who keeps the records of all the goods that have been sold. As the person who controls the arrivals and departures of the planes at an airport is not an expert at building airplanes, in the same way the supervisors of the different departments in IAEA have to record how a reactor worked in a certain country, and how much atomic fuel was used. It is, pure and simple, a clerical job for collecting facts and figures. People working here are not experts either on the subject of the atom or on atomic technology. It is a political job. If the government of Pakistan decides to send you there as a representative they cannot refuse to employ you.

[Question] You have international fame in the field of atomic energy. The success of the Kahuta project and the president's statement in an interview given to a British newspaper, saying that Pakistan has achieved the know-how to enrich uranium, prove that you are an expert in this field. If you were to be sent to Vienna to represent Pakistan do you think you could do anything useful for the country?

[Answer] As I said before, there is nothing but clerical work to be done there. You sit in an office and collect facts and figures, and occasionally go to observe some atomic constructions in other countries. The officers spend most of their time attending parties which is against my nature. I am used to doing technical work in the plant, and I am quite satisfied with my job. This work is a challenge to us and I have accepted the challenge. Your heart would be warmed to see how diligently my colleagues work.

[Question] What work, besides enrichment of uranium, would you like to do?

[Answer] The government knows all about our abilities and faults. Whatever duties we are given will be fulfilled to the best of our abilities. We will not rest before we have completed our work.

[Question] Pakistan has invited tenders for the construction of the Chasma power plant which will generate 900 MW of electricity. I think it is not in our interest to have one power plant of so much strength. Everybody knows that atomic power plants cannot work continuously, and have to be stopped after a few weeks. Imagine what will become of the factories that will be running off power from that plant. We have a shortage of power in any case, and when this power plant stops, we shall not be able to find a substitute. That will lead to a lot of trouble. What do you think about it?

[Answer] You are neither a scientist nor an engineer, but you seem to be wonderfully well-read in this field. It is a fact that our national circuit has so little electricity that 900 MW will not make any difference. You know that the power problems of the public in Karachi were solved only when a thermal station was built there. It is better for us that, rather than have one power station of 900 MW, we should set up four or five stations of 200 MW in

different parts of the country. Even when one or two of them stop working, there will be no power crisis in the country. This is my personal view and other people may not agree with me. Moreover, we should learn to build our own power plants. If India can do it so can we. We cannot blame others for our own shortcomings.

[Question] It has been said that the choice of Kahuta as the site for an atomic plant was a mistake by the previous government. This place, it is said is insecure because it is within easy reach of India. Can not a better place be found for it?

[Answer] The site of Kahuta was not chosen blindly, nor are such decisions made by one individual. When it was decided to shift the capital from Karachi to another place, the choice of the place where Islamabad was founded was not made in a day. Nor was the choice made by one individual. The choice of Kahuta, too, was made after a great deal of deliberation. We made a survey of many places, and went to many places by helicopter. Many times, high-ranking defense officers accompanied us. We compared many regions and, at last, Kahuta was chosen.

[Question] What were the reasons for choosing Kahuta rather than any other place?

[Answer] Well, firstly, we wanted this project to be set up near an airport, since we were in a hurry and wanted the necessary things to reach us by air rather than by sea. We wanted a place where transport was easy and utilities like water and electricity were available. We wanted to be near a big city, so that the scientists and engineers could live there, and their children could get an education. For all these reasons Kahuta was thought to be the best site for the project. We wanted to be near the capital because in our work we needed the government's help continuously. This place is proper even for security reasons.

[Question] What other places were considered and rejected?

[Answer] There were many such regions.

[Question] You say that Kahuta is a proper place even for security reasons, but an Indian journalist has disclosed that according to former Chief of Staff Air Marshal Anwar Shamim, who said it to some Pakistani newsmen, Pakistan could not defend Kahuta since India could reach it in 3 or 4 minutes. The air marshal had further criticized the previous government for setting up an atomic plant in such a vulnerable place. But you say that it is a proper place even from the point of view of security.

[Answer] Kahuta is not an undefended place for anybody to grab. In the words of Foreign Minister Sahabzada Yaqub Khan, if Kahuta is attacked it will mean open war, and Pakistan has the strength to repulse such an attack. Our president, who happens to be the head of the army and has 40 years of experience behind him, knows how to defend the country. I, as the director of the project, have nothing to fear since the president knows the importance

of the project and has made every arrangement for its defense. You should not worry about it. As for the question of the Indian air force's being able to reach it in 3 to 4 minutes, tell me if there is any place in Pakistan that the Indian air-force cannot reach in a short time? Pakistan is large in area but it is not wide. Did not, during the last two wars, Indian air-forces bombard Lahore, Peshawar and Karachi? In the same way, no important city of India was out of reach of the Pakistan air-force. If they bombarded our targets, we bombarded theirs. As I have said, it will mean open warfare.

[Question] The bureaucracy in Pakistan has a bad reputation. Everybody complains that these people do not let anything move forward. Do the bureaucrats cause delay in your work?

[Answer] No. Ours is a federal project and everybody cooperates with us. We have no complaints against anybody. We are grateful to President Ziaul Haq and Finance Minister Mr Ghulam Ishaq Khan who have always cooperated with us. Without the patronage and personal interest of the president we could not be where we are today. The bureaucracy has never stood in our way.

12476

CSO: 5100/4744

SRI LANKA

PAPER CONDEMNS DRUG TRAFFICKING BY EELAMISTS

BK291700 Colombo SUN in English 20 Mar 85 p 7

[Editorial: "Narcoterrorism"]

[Text] Slowly but surely the macabre realities of Lanka's guerrilla menace and its own octopus like links to the international terrorist network seem to emerge. The latest being the remarkable disclosure made by the Italian justice authorities on Monday.

According to first reports, over 100 Tamil youths have been arrested for allegedly setting up a narcotics ring connecting several key Italian cities including Rome.

This Italian connection of Lanka's so-called 'Narcoterrorists' does hardly come as a surprise.

But the fact that a large number of these agents of terror have been apprehended should make the gullible sympathisers of Eelamists see the realities that they have chosen to ignore.

These terrorists are not only waging a war against the people of Lanka and their democratically elected government but they are in the process causing untold misery and general havoc among the youth in the West.

The Italian authorities have found a large stock of hardcore narcotics in their possession. They have also discovered that these Lankan youths have been operating a 'heroin-for-guns' trade with the notorious Mafia.

Last year the West German and French authorities apprehended several bogus Lankan asylum seekers when they tried to smuggle in heroin. A large number of these youths are at present languishing in West Berlin jails.

The Eelamist lobbyists who canvas worldwide support for a separate state cannot continue their chicanery on the unsuspecting sympathisers anymore. What their 'side-kicks' or rather the proteges have been doing in Italy is ample testimony to the diabolism that is being perpetrated on the innocent youths of those countries.

The so-called human rights crusaders and other political nousey parkers who have continued to treat these terrorists as 'freedom fighters' or militants should hang their heads in shame and face up to reality.

It is quite apparent that separatist guerrillas are indeed working hand-in-glove with notorious terror networks abroad. They are raising funds evidently through trafficking hardcore drugs like heroin and opium.

They have become a part of the 'Narcoterrorism' network that is now causing serious problems to the free world. A few days ago authorities in the United States blamed the world banking system for turning a blind eye to the sources of billions of 'dirty' dollars laundered through its channels. Weapons for terrorists operating all over the world including Central America and South Asia are purchased with money realised from the sale of South American cocaine or opium from the Golden Triangle and Golden Crescent suppliers.

The Lankan Government should seek worldwide support against these terrorists who are in effect smugglers of death and destruction: though most of them have disguised themselves as fighters for a separate state. The Eelamists and their political supporters in Tamil Nadu should hold themselves responsible and culpable as well to the heinous crimes committed by the agents of 'Narcoterrorism.'

CSO: 4600/354

- END -