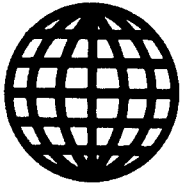


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27 DECEMBER 1988



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CONTENTS

27 DECEMBER 1988

ARMENIAN

- 'National Movement' Spells Out Principles, Aims [Paris GAMK 10 Oct] 1

NEAR EAST

REGIONAL

- Grand Mufti Calls For Restoration of Holy Places by Force [Cairo AL-AHRAR 21 Nov] 4

PALESTINIAN AFFAIRS

- French Warn of Possible Attempt on Palestinian Officials [Paris LE CANARD ENCHAINE] 4
 Egyptian Ambassador Interviewed on PNC, Territorial Response
 [Jerusalem KOTERET RASHIT 16 Nov] 4
 PNSF Calls for Conference To Condemn PNC Resolutions [Al-Quds Palestinian Radio] 6
 Islamic Jihad Sends Letter to 'Arafat [Al-Quds Palestinian Radio] 7

EGYPT

- Commentary Praises Current U.S. Ambassador [AL-AHRAM AL-DUWALI 20 Nov] 8
 Former PM Khalil on Palestinian State Recognition [London AL-MAJALLAH 7-13 Dec] 8
 Egyptian-Soviet Economic Talks End in Moscow [MENA] 10
 Economist Urges Default on Debt [AL-AHRAM AL-IQTISADI 24 Oct] 10
 Bank To Aid Public Companies in Import Payments [AL-AKHBAR 7 Nov] 12
 Investment Authority Vice President Foresees More Arab Investment
 [AKHBAR AL-YAWM 29 Oct] 12
 Authorities Evaluate Prospects, Progress in Increasing Exports [AKHBAR AL-YAWM 29 Oct] 13
 Interior Minister Discusses Recent Arrest Cases [AL-AHRAM AL-DUWALI 25 Nov] 15
 Muslim Brotherhood Leader, Students Arrested [AL-SHA'B 8 Nov] 16
 Muslim Brotherhood Statement on PNC Conclusions [AL-SHA'B 22 Nov] 17
 Labor Party Leaders Urge Islamization, Question NDP Practices [AL-SHA'B 8 Nov] 18
 Attorney General Impounds Monies of Fifty Suspects [AL-AKHBAR 11 Nov] 20
 Statement by Al-Rayyan Owner Lists Holdings [AL-AKHBAR 11 Nov] 21
 AL-AKHBAR Lists National Achievements Over 7 Years [AL-AKHBAR 10 Nov] 21
 AL-AHRAM on Reaction to Palestinian State [AL-AHRAM 21 Nov] 23
 Pope Shinudah Discusses Idea of Coptic State [London AL-MAJALLAH 9-15 Nov] 24
 Report Discusses Reasons for Society's Uncertainties, Despair [AL-WAFD 8 Nov] 27
 Al-Azhar University President Denies Relationship With Israelis [AL-NUR 23 Nov 88] 28
 Editor Makes Distinction Between Islamic Movement, Investment Firms [AKHIR SA'AH 2 Nov] .. 28
 Mansurah Textile Workers Protest Rewards for Management [AL-SHA'B 29 Nov] 29
 Cairo Students Clash With Security Forces [AL-SHA'B 29 Nov] 30

ISRAEL

- Defense Exports to United States, Latin America Increase [THE JERUSALEM POST 11 Nov] 30
 Southern Commander Discusses Gaza, Military Concerns [BAMAHAANE 7 Sep] 32

KUWAIT

- Consolidation Success Forecasts Economic Upturn [ARAB TIMES 30 Oct] 37

LIBYA

Reporter Interviews Trainees for People's Security Program [AL-JAMAHIRIYAH 23 Sep] 39

SUDAN

Writer Calls for Reform of Civil Service [AL-AYYAM 6-7 Oct] 41

YEMEN ARAB REPUBLIC

General People's Congress Elects Committee Members [AL-THAWRAH 12 Nov] 48

SOUTH ASIA

INDIA

Peacekeeping Role, Alleged Hegemony in Region Examined
[Frankfurt/Main FRANKFURTER ALLGEMEINE 11 Nov] 49

IRAN

Laborers Get Further Allowances for Imports [Dubayy GULF NEWS 3 Nov] 50
Law Regulating Transfer of Agricultural Lands Announced [ETTELA'AT 29 Sep] 50
Partitioning Lands Within City Limits Prohibited [ETTELA'AT 12 Oct] 51
Plans for Agricultural Reconstruction 51
Minister Announces Plans for Rebuilding Agriculture [ETTELA'AT 13 Oct] 51
Official on Revitalizing Agriculture in War-Damaged Areas [ETTELA'AT 20 Oct] 52
Currency Black Marketeers Arrested [ETTELA'AT 29 Sep] 53
Commentary Criticizes Isolation From Modern Civilization [ETTELA'AT 16 Oct] 53
Commentary on Government Interference in the Economy [RESALAT 17 Oct] 55

'National Movement' Spells Out Principles, Aims
46050005 Paris GAMK in Armenian
9-10 Oct 88 pp 2, 4

[Statement by the Soviet Armenian Committee of the Karabakh Movement issued in Yerevan on 19 August 1988]

[Excerpts] In the present phase of history, the Armenian nation is a member of a federation of nations which has been declared as a voluntary union of sovereign republics based on the principle of national self-determination. The central authority of this union is committed to represent and to defend the rights of all nationalities and republics in this multinational union in its domestic and foreign policies.

The Karabakh Movement, which has its own history and which has drawn the participation of the entire Armenian nation since February 1988, was formed with the purpose of reinstating the natural and just right of the Armenian people of Artsakh to self-determination—a right which has been repressed since 1921.

While the original purpose of the Karabakh Movement was the reunification of Artsakh with Armenia, in the course of its work it came to encompass all the major issues related to the destiny of the Armenian nation which at first glance may not appear directly relevant to the Artsakh problem. [passage omitted]

The expansion of the Movement's ranks, the incorporation of new issues on its agenda and the readiness of many more people to participate actively in the Movement convinced us that it is necessary to give the Movement a more definite organizational form. To that end, the Soviet Armenian Committee of the Karabakh Movement undertakes to create the Armenian National Movement [Haykakan Hamazgayin Sharzhum], while simultaneously keeping its former name of "Karabakh Movement" until the reunification of Artsakh and Armenia.

Before turning to structural issues, let us enumerate the principles of our movement which stem from the historical experience of the Armenian people and which were more intensely perceived during the events of the last 6 months. Let us also enumerate the goals of the Armenian National Movement [ANM] and the steps we propose to take to achieve those goals.

Principles of ANM

1. It is an undisputable fact that, like all nations, the Armenians can best put their talents to work and contribute to the development of world civilization in conditions of free democracy, without any external pressures and through self-determination of their way of political, economic, social and cultural life. It is also evident that the rights with which an individual is

born—the most important of which are security of life, personal freedom and the pursuit of happiness—may only be preserved under such conditions.

2. The supreme authority of the state is the will of the people expressed through referendums or the decisions of a representative parliament created through free elections.

Any willful repression of the people's will is a violation of the people's right of self-determination as defined by international norms.

3. The most important guarantee of our nation's survival is the Armenian language which, in addition to being a means of communication, is a way of thought, culture and policy.

4. The Armenian nation must rely on its own strength for the realization of its national goals and must not hope for protection from others. Historical experience refutes any claims to the contrary which only serve to prolong our nation's emotional enslavement. The idea that a nation has eternal friends and enemies is also an expression of servility.

5. We reject the immoral and, for our nation, fruitless mentality which sees unnecessary affirmations of loyalty to another nation and expressions of national sycophancy accompanied with exhortations of enmity toward other nations and religions as an act of "diplomacy."

6. Our movement is not directed against any other people. Our principle is to live peacefully and harmoniously with all neighboring peoples. However, we are convinced that peace and harmony can be secure only when they are built on justice and when they do not trample upon the rights of any other nation.

7. In modern international relations national and government interests play a much greater role than religious unanimities or differences. The times of holy wars are over. Ideologies, whose goal is to unite nations of same origins in one state (e.g. Pan-Turkism, Pan-Arabism and Pan-Slavism), have also lost their political potency because today international relations are governed by an awareness of economic, ideological and military interests rather than ethnic or religious universality.

8. External factors naturally play a key role in the history of a nation, but it is dangerous when a nation seeks its successes and failures only outside of itself. Such a mentality destroys the nation's fabric and leads it to self-annihilation. Unfavorable conditions and external pressures may force a nation to retreat, but nations which maintain their faith and their moral and spiritual vigor with regard to the future preserve their national existence and realize their national aspirations.

9. We sympathize with all movements which are based on the principles of self-determination, democracy and social justice. We reject all forms of national discrimination and national fanaticism.

Immediate Goals of ANM

The principal goal of our movement has been and is the reunification of Artsakh with Armenia, the realization of which is closely linked with other unresolved vital issues affecting the Armenian people. Consequently, as a near-term plan of action, the ANM considers it essential to accomplish the following goals each of which is highly significant for the survival of the Armenian nation and the realization of its centuries-old aspirations:

1. To expand the sovereignty of our Republic by taking the following essential steps:

- Secure the economic individuality of the Republic through self-budgeting and self-financing.
- Reinstate Armenian national armed forces units.
- On the basis of Article 80 of the USSR Constitution, establish diplomatic relations and exchange consulates with countries where there are large populations of Diaspora Armenians.

2. To contribute to the consolidation and growth of democracy in our country the interests of the people in mind and knowing that the problems that stand before the ANM can only be solved in conditions of democracy.

3. To implement strictly Article 72 of the Armenian SSR Constitution regarding the official language of the Republic. To that end to draft and to institute legislative measures designed to protect the Armenian language.

4. To ensure that all Armenian children in the Armenian SSR receive their education in their mother tongue and to seek ways of creating similar opportunities for Armenians living outside the Republic.

5. To pursue with persistence the campaign for the preservation of Armenia's nature and the protection of its ecology from pollution, knowing that the grave ecological situation that has been created in the Republic not only threatens the health of the present generation but may also lead to the mental and physical incapacitation of future generations. In particular, to seek the closure of the nuclear power station in Armenia and the Nairia industrial complex.

6. To ensure that the Supreme Soviets of the Armenian SSR and the USSR recognize the reality of the Armenian genocide of 1915 and that they demand from the United Nations to recognize that event.

7. To declare 24 April as a holiday and a day of remembrance for the victims of the Great Genocide.

8. To promote with persistence the demand for the reunification of territories which have historically been part of Armenia and which are recognized as Armenian in international archives, knowing that the realization of that demand is possible only by the implementation of a national policy based on the ideological principles of our movement.

9. To reevaluate the political reputation of Armenian national movements and political personalities of the past.

10. To declare 28 May [anniversary of the establishment of Armenian Republic of 1919-1920] as a national holiday marking the restoration of Armenian statehood and to endorse the tricolor flag of the Armenian republic [of 1919-1920] as a national symbol.

11. To include the entire Armenian nation in the ANM.

12. To ensure the freedom of the Armenian Church, to open new churches if required by believers and to reinstate Armenian national and religious holidays and traditions.

13. To pursue a campaign for the restoration of the historical names of settlements in the Armenian SSR.

The goals enumerated above may be complemented on the basis of proposals and suggestions by the members of the Movement.

Mode of Operation of ANM

From the outset the Armenian people chose the path of constitutional struggle in pursuing the reunification of Artsakh with Armenia. Born of the Karabakh Movement, the ANM must naturally choose the same constitutional path of struggle which we interpret as follows:

1. To utilize fully the rights granted to citizens by the existing Constitution, namely to participate actively in all elections for government and public offices thus ensuring that those elections express the true will of the people; to recall the deputies who do not express or defy that will; and, if necessary, to voice the will of the people through rallies, demonstrations and strikes.

2. To seek the review of those articles of the present Constitution which inhibit democracy and to add new articles which conform with democratic principles.

3. To operate within the bounds of legality while waging a struggle for the reexamination of laws and decrees which are at odds with the spirit of the Constitution and the interests of the people.

4. The ANM may collaborate with organizations in other countries whose mode of operation and political principles and goals are not at odds with ours if that is essential for the resolution of national problems.

5. In the course of its struggle for democracy, the ANM is prepared to cooperate with the authorities of the Republic in all situations where the activities of the latter are in the national interests of the Armenian people.

6. Beside demonstrations and rallies, the ANM must have its printed communication means, such as periodicals and collections of documents, in order to communicate with broad masses of people. [passage omitted]

REGIONAL

Grand Mufti Calls For Restoration of Holy Places by Force

44000173 Cairo *AL-AHRAR* in Arabic 21 Nov 88

[Text] The grand mufti, Dr Sayyid Tantawi, demanded that steps be taken to restore all religious places in Palestine by force. Dr Tantawi called on Arabs to increase their efforts to challenge Israeli hostility against the holy places in Palestine.

The international call to protect the holy places and cultural heritage in Palestine began the day before yesterday, Saturday, and will continue until the day after tomorrow, Wednesday.

The inauguration of the call was witnessed by Dr Tantawi; Pope Shanudah; Dr Muhammad 'Ali Mahjub, minister of Awqaf; 'Abdallah al-Hurani, executive member of the Palestine Liberation Organization; opposition leader Engineer Ibrahim Shukri; and a number of Egyptian and Arab personalities.

Al-Hurani confirmed that the announcement of the establishment of the State of Palestine is the beginning of the road to annihilation of the new, fascist, Zionist state.

PALESTINIAN AFFAIRS

French Warn of Possible Attempt on Palestinian Officials

44000181 Paris *LE CANARD ENCHAINE* in French 16 Nov 88 p 3

[Text] French intelligence services taught the PLO and the Tunisian Government a good lesson. According to information passed on to them by the services, with Paris' consent, an Israeli commando was preparing a new assassination attempt in Tunis against Palestinian officials. Immediate result: Last week, Tunisians noticed that the neighborhoods where buildings and offices housing Palestinians are located were placed under tight surveillance by police and military.

Last 16 April, a team of Israeli agents entered Tunisia easily, before assassinating the second-in-command of the PLO, Abu Jihad, then left without difficulty. Ridiculed, Tunisian authorities have doubtless understood the lesson.

Egyptian Ambassador Interviewed on PNC, Territorial Response

44230030 Jerusalem *KOTERET RASHIT* in Hebrew 16 Nov 88 pp 16, 17, 19

[Report on interview with Egyptian Ambassador to Israel Muhammad Basyuni by Mihal Sela published under the title: "Only Good Can Come Out of Algiers"; in Tel Aviv, date not given]

[Text] Muhammad Basyuni, Egypt's ambassador to Israel, is a graduate of a military academy and holds the

rank of brigadier general in the reserves. Now he is a professional diplomat, something he never forgets for a moment. You can talk to him for hours in a friendly atmosphere, without the tension of formality, but it is very difficult to make him talk about what he does not want to, or to get an unequivocal answer that may reveal a personal preference. Only experts in Arab politics can catch subtle expressions of criticism here and there.

The career of the only Arab ambassador in Israel—who in February will have served 9 years at the Egyptian Mission in Tel Aviv—is quite similar to the career of Israelis of the same age: he was in three wars as an infantry officer, served as a military attache (in Damascus and Tehran), and took off his uniform and joined the diplomatic service when the peace agreement was signed with Israel. In Tel Aviv he was first an adviser, was then promoted to consul and acting ambassador, and has been a full ambassador since the meeting between Peres and Mubarak in Alexandria in September 1986.

At the beginning of this week in his modest Tel Aviv office we asked to hear his evaluation of the chances for promoting peace in the wake of the elections in Israel and the United States, and the meeting of the PNC. Our discussion took place before the decisions in Algiers and, as an experienced diplomat, Basyuni refused to engage in speculation. "According to the issues on the discussion table," he affirmed, "there has undoubtedly been significant moderation in the Palestinian decisions. In themselves the topics on the council's agenda this week reflect the Palestinians' desire for a just peace and for living at the side of Israel."

[KOTERET RASHIT] What is the practical significance of that?

[Basyuni] I have been living with the conflict for 38 years, first as an army officer and as a diplomat over the past few years. I am familiar with all the nuances of negotiations with Israel at all stages and in all the frameworks. I have extensive contacts among the Palestinians in the territories, among PLO leaders, and among all the Israeli political currents. On the basis of all that, I have come to the conclusion that we shall see peace in the area in our days, God willing.

At the moment the Palestinian topic is uppermost on the agenda in the Middle East because new factors have brought to the fore the fact that this problem needs an immediate and speedy solution. The Intifadah, King Husayn's decision to sever his ties to the West Bank, and the efforts of the big powers to resolve regional conflicts—all these factors have created a need to take quick, peaceful steps to find a just solution to the Palestinian problem which is at the core of the Arab-Israeli conflict. As soon as a solution is found to the Palestinian problem, the Arab-Israeli conflict will have been solved, God willing.

Basyuni is convinced that the Palestinians will not deviate from the political path opened up by Egypt. "The Arab summit conference endorsed a peaceful solution to the problem. The PLO agreed with the other Arab state leaders that it is possible to resolve the problem peacefully. The truth is that even the late President al-Sadat had formulated this approach as a guiding line. He established two basic principles: the negotiating table is the last resort for settling conflicts in the area, and Israel is an existing fact with whom the conflict must be settled. Since then all the other factors in the area have adopted that line.

"President Mubarak, too, fully believes that peace is the right way. From this perspective, Egypt found that to achieve peace one must talk with the main sides involved. On the one hand, Israel: How can one deal with the problem without talking with the factor that has de facto power over the land? Consequently, Egypt, who is of course on the Palestinian side, calls for talks with Israel. The sides who want to boycott Israel are wrong. On the other hand, the PLO is the only legal representative of the Palestinians, and the problem cannot be solved without it either. When some people say that it is an organization that uses violence, that is natural, negotiations are always carried on between enemies, and the PLO is the only one with whom a compromise can be reached on the Palestinian topic.

"At the same time, there must be talks with Jordan, who has the longest border with Israel and who has historical and social ties with the Palestinian people. Thus, King Husayn, too, plays a major part on the way to peace, and he must be involved in every discussion.

"After Israel, the PLO, and Jordan, Egypt is the fourth factor: it has excellent connections with all sides and camps, it is the largest Arab country, it has a peace agreement with Israel, it has good relations with King Husayn and with the PLO, and it has a historical moral obligation toward the Palestinian problem. And Egypt will not for a moment shy away from every possible effort required to find a solution to the Palestinian problem."

[KOTERET RASHIT] What was the impact of the Intifadah on the PNC meeting?

[Basyuni] The Intifadah is an expression of accumulated frustration; it is an expression of the position of the Palestinian people in the territories who are attempting to solve their own problem. It is also a message from the inhabitants of the territories to their most superior body.

[KOTERET RASHIT] Is it possible that in certain circumstances a conflict of interests may emerge between the population of the territories and the PLO?

[Basyuni] No such conflict is likely in the foreseeable future. In my contacts with the people of the territories I found that at least 85 percent fully support the PLO.

Some 15 percent, less I am sure, do perhaps oppose the PLO and support Muslim or extreme organizations. I say 15 percent with great caution, and I am sure that those who oppose the PLO are fewer in number than that. The overwhelming majority supports not only the PLO, but Abu 'Amar personally. He represents the moderate line to them.

[KOTERET RASHIT] Is that not 'Arafat's weakness?

[Basyuni] On the contrary, his moderation is his strength, the ones who hold extreme positions are the weak.

[KOTERET RASHIT] Most Israelis do not believe so.

[Basyuni] The coming few days will show that the majority of the Palestinians support a peaceful solution and only want an opportunity to prove it. I am utterly convinced that in the future there will be no reason to use violence. Once the Palestinian problem is justly solved, there will be no need for violence. Who needs violence in the area when there is peace?

Basyuni commented about the elections in Israel: "There is democracy in Israel. The Israeli citizen is free to choose who shall represent him. As a state, Egypt negotiates with governments, not with private individuals, and it will negotiate with any government that is willing to contribute to the peace process, provided it presents a platform acceptable to all sides, in view of the fact that other sides, too, are involved in the conflict in the area."

[KOTERET RASHIT] What was the significance of the Palestinian involvement in the elections?

[Basyuni] There was no involvement, merely the expression of their views, an expression of their hope that the side more likely to advance peace will win. In point of fact, there is something new in the relations in the area. For the first time the Israeli elections were perceived as important for all the sides in the area and in the world, including the Palestinian people.

[KOTERET RASHIT] Egypt is said to have something to do with that.

[Basyuni] The Palestinians do not need a mediator. The PLO has direct contacts with leftist organizations in Israel and there is an ongoing dialogue between them. No, Egypt had nothing to do with it. That is an additional proof of the fact that the PLO wants to find a peaceful solution. Otherwise why would it have been interested in Israel's internal elections? There is no better proof of the fact that the PLO is not using ploys and is not talking about Israel's annihilation or about a policy in stages. The PLO currently talks only about the right to a just peace. That is certainly a new direction.

[KOTERET RASHIT] What was the impact of the Israeli elections on the PNC decisions?

[Basyuni] The Arabs were not waiting for election results in Israel or for a government to be formed. Their present direction was decided long ago at the Arab summit in

Amman, where it was officially decided that the Arab countries should attend an international conference. Now we have to see what kind of government will be formed in Israel. If the new government adopts an approach that is acceptable to all the sides involved, that will give an impetus to the political process. This is like a sports field, no team can play by itself. However, there is no doubt that the ball is now in Israel's court.

[KOTERET RASHIT] Not in Algiers?

[Basyuni] No, the Palestinians already established their policy at the Aqaba summit, when President Mubarak met with King Husayn and Yasir 'Arafat. The very fact of that meeting was a Palestinian agreement to go for a political solution and to an international conference. The PNC will deal not with the principle per se, but with style and procedures, that is what is now on the agenda in Algiers.

[KOTERET RASHIT] The picture that you paint will strike most Israelis as too good. Why should they believe in it?

[Basyuni] It must be understood that peace, and only peace, is the condition for security. One can impose a certain reality by force, but force will not bring peace to anyone. Peace must be just to be permanent. If it is not just and is not achieved with the agreement of all sides involved, then it will not last. As soon as the Palestinian problem is solved there will be no reason for any Arab country to fight against Israel. On the contrary, then we can pool all the defense budgets to develop the area. The price of the two F-15 that fell in the Judean desert would have more than sufficed to take care of all the slums in Israel.

[KOTERET RASHIT] You are described as the main actor in the political process in the area.

[Basyuni] I carry out the policy of the Egyptian Government, which is undoubtedly a peace policy. However, it is true that I live here and that I am involved with all the circles and factors. I meet many people and I feel very close. As the only Arab ambassador in Israel I am naturally an address for the Arabs in the territories and for Israeli Arabs. I am expected to have a better understanding of their hopes and pain.

The truth is that I see myself as leader of the peace delegation, and all my colleagues at the embassy are partners in this lofty objective. I would like the Israelis to understand that no one wants to impinge on their security. They are now faced with a unique opportunity and they absolutely must not miss it.

[KOTERET RASHIT] Will the political decision that will be taken in Algiers calm the spirits in the territories?

[Basyuni] What is happening in the territories is not a problem of another stone and another incendiary bomb. It is an expression of the desire to get to the roots of the

problem. As soon as the hope of a solution appears on the horizon, there is no doubt that it will have a positive impact on the Palestinians in the territories. But if the frustration grows, who knows?

PNSF Calls for Conference To Condemn PNC Resolutions

*JN22N204288 Al-Quds Palestinian Arab Radio
in Arabic 1700 GMT 22 Nov 88*

[Text] At the invitation of the PNSF [Palestine National Struggle Front] leadership, a minipopular conference was held today. The conference was attended by representatives of the popular committees in the following camps: Shatila, Burj al-Barajinah, Mar Ilyas, 'Ayn al-Hulwah, Al-Rashidiyah, al-Buss, al-Burj al-Shamali, B'alabakk, Nahr al-Barid, Al-Baddawi, Tripoli, and al-Biqa' al-Awsat. It was also attended by some Palestinian figures from the camps as well as leaders of the PNSF and the Revolutionary Palestinian Communist Party.

The delegations participating in the conference were unanimous in condemning the 'Arafatist steps and voiced on behalf of the camps' masses their rejection of all the results of and resolutions adopted by the Algiers PNC session.

The secretary of the popular committee in the 'Ayn al-Hulwah camp affirmed that the residents of the Sidon camps adhere to the liberation slogan, armed struggle, and the Palestinian National Charter. He also asserted that the statements issued in the name of the people of the camps are forged and that the popular committee confronted these statements and unveiled their falsehood.

This was also affirmed by the representative of the popular committee of the Al-Rashidiyah camp who said: The Palestinians in the Tyre camps call for the liberation of all the Palestinian national soil and reject all capitulatory solutions or recognition of the Zionist entity.

The PFLP-GC proposed that the conference session be entitled: The martyr Ahmad Husayn Bisharah session. This proposal was unanimously approved. The following agenda was approved:

1. To form preparatory committees in the camp areas to call for convening an expanded popular conference in Lebanon;
2. To form a permanent framework for the popular committees in Lebanon—a framework that will maintain continuous contact with the PNSF leadership and the other nationalist factions; and

3. To hold popular subconferences in the camp areas—subconferences that will prepare for the convening of the expanded central popular conference.

After many deliberations and discussions held in a democratic atmosphere on the conference agenda, the following points, submitted by representatives in the conference, were approved:

1. To elect a permanent committee for the conference—a committee comprising representatives of all popular committees in Lebanon;

2. To form subcommittees. Of these subcommittees, a permanent one will be entrusted with tackling issues pertaining to the popular conference while a preparatory one will tackle issues pertaining to the subconferences. There will be a follow-up committee as well as other subcommittees that will be formed to meet emerging needs, such as those pertaining to social work and reconstruction;

3. To draft a political statement in the name of the conference—a statement containing the constants of the PNSF. The representatives of the popular committees were unanimous on the need to see the PNSF central leadership take the initiative by adopting the call for convening a general Palestinian conference that will serve as a reply to the Algiers PNC session. They also emphasized that the Palestinian masses in the camps support the Palestinian national decision. This also applies to the camps in which 'Arafat continues to maintain a presence, such as 'Ayn al-Hulwah, Miyah wa Miyah, and Al-Rashidiyah.

In conclusion, the statement issued by the PNSF—the Beirut command—said: What is required is to demonstrate speed in effecting moves to bring about the convening of the Palestinian central conference to pull the rug out from under Yasir 'Arafat, his course, and his allies.

Islamic Jihad Sends Letter to 'Arafat
JN23N211088 Al-Quds Palestinian Arab Radio
in Arabic 1752 GMT 23 Nov 88

[Text of letter by Shaykh As'ad al-Tamimi, the religious and political mentor of the Islamic Jihad Movement, to PLO Executive Committee Chairman Yasir 'Arafat; date not given]

[Text] Dear Mr Yasir 'Arafat,

The peace and blessings of God be upon you.

Recognizing the Jews' state and accepting UN Security Council Resolution 242 is like handing over all the blessed land of Palestine with blessings. This land has been the eternal area of conflict between the infidels and

the Muslims. It was lost once in history, but the Muslims did not recognize the Crusader state. Crusader Europe disappeared quickly and we regained our land.

The revolutionaries are tired of the long march. They wanted to recognize the Jews' right to settle and stay in a country which is the jewel of the world. This country is the lighthouse of the Muslims. No, this decision will not succeed. The Jews will not settle in our country.

What happened to the Crusader state will also happen to the Jewish state, where the blessed people in the blessed land are fighting a revolution unprecedented in history. The people are the soldier and the leader. The man leads; the woman leads. The stone-throwing children are the masters in the arena. The Zionist entity is shaken, unsettled, and its dreams are evaporating. It is feeling that the blessed land is rejecting it, the water cursing it, the stones—the stones of the blessed land—are chasing it, and its dreams are being shattered. The Jews are resorting to the rabbies and prelates and entrusting them with the responsibilities. All this pours down the Godly line toward the annihilation of this entity, because those who established the Zionist entity are the seculars. They are not Jews. Those who have helped them are the secular among the Arab rulers and their fans. And they are not Muslims.

The Islamic Jihad Movement letter adds: The battle is that of Muslims fighting Jews, as we were told by the master of existence, Muhammad—God's peace and blessings be upon him—who said the Muslims fight the Jews, who are killed by the Muslims until the trees and the stones say: O Muslim; O slave of God. There is a Jew behind me. Come and kill him. The Jews have to come to power so that the committed Muslims will fight them. What is the meaning of these resolutions which come at a time when the trees and the stones started working?

His Eminence Shaykh As'ad al-Tamimi, the spokesman for the Islamic Jihad Movement, adds: The Algiers conference resolutions are rejected by the holy Koran which records the blessed land in eight of its verses. Therefore, it became a part of Muslim doctrine. What is part of the doctrine cannot be annulled by resolutions, councils, meetings, believers, atheists, right, or left. These resolutions are rejected by God's messenger, who preached that we should kill and triumph over the Jews. These resolutions are rejected by 'Umar, Abu 'Ubaydah, Salah al-Din, and Baybars. These resolutions are rejected by the thousands of martyrs over the centuries. They are rejected by the martyrs of the blessed land, from the first martyr who fell to the last martyr of the blessed uprising.

The Islamic Jihad Movement concludes: These resolutions are rejected by Haj Amin [al-Husayni], Shaykh ['Izz al-Din] Al-Qassam, 'Abd al-Qadir al-Husayni, Ibrahim Abu Diyah, Dalal al-Mughrabi, Abu Jihad [Khalil al-Wazir], and Abu 'Ali Iyad. They are also rejected by the Marines martyr who forced NATO to leave Lebanon. They are rejected by the martyr Khalid 'Akar, who shook

the Jewish entity. They are rejected by the martyr who ruined the Metulla patrol and killed 40 of them—the eternal martyr—and who offered it as a present to the blessed uprising. These resolutions are rejected by the RPG children and the stone-throwing children.

EGYPT

Commentary Praises Current U.S. Ambassador
45040069b Cairo AL-AHRAM AL-DUWALI
inArabic20 Nov 88 p 12

[Article by Anis Mansur: "Attitudes"]

[Text] Cairo has a number of admirable foreign ambassadors who were chosen well by their countries. Chief among those is the American ambassador, Frank Wiesner.

I don't know where the U.S. State Department found him. He is an extremely energetic man who, in a very short period of time, managed to get to know a large number of Egyptians of all classes. His memory is legendary. No one knows how many people he hugs and how many men and women he embraces. No one knows how many weddings and birthday parties he has been invited to, and no one knows how many celebrations he attends commemorating the birthdays of holy men in Cairo and elsewhere.

I don't think there is a writer that the American ambassador does not know personally.

I don't think I mentioned the name of someone he did not know or did not want to know better. The American ambassador is very well informed about Egyptian issues and Arab problems. He loves Egypt, and he hopes for its success. He firmly believes that Egypt has everything [it needs] to succeed and every reason to be optimistic. He believes that none of the problems Egypt is facing is new to developing countries or to the superpowers. He believes that Egyptians have to take stock of what they have. He believes Egyptians have a lot, and they should use what they have wisely.

Egyptians have a lot, and stability, peace, production, and prosperity are all possible.

Do you know what the American ambassador did when Najib Mahfuz won the Nobel Prize? He bought every book by Najib Mahfuz that was translated. He bought all copies so he could send them to ambassadors and to all organizations that are involved in the affairs of Egypt and the East and in gauging public opinion. I don't think it unlikely that before sending all these books as gifts to hundreds of people in the world, the American ambassador will send all of them to Najib Mahfuz for him to autograph.

Frank Wiesner speaks and reads Arabic. He is the best and most competent American ambassador Egypt has known.

The strangest thing I heard about him is that he wanted to get to know a writer, but neither he nor the writer had time to make each other's acquaintance. The two met in Mr Wiesner's car, and they got to know each other. Mr Wiesner has to know everyone who writes in Egypt, and that is a step toward eventually getting to know everyone who reads also.

Former PM Khalil on Palestinian State Recognition
45040117 London AL-MAJALLAH in Arabic
7-13 Dec 88 p 11

[Interview with former Egyptian Prime Minister Dr Mustafa Khalil by Ayman al-Sayyad by Mustafa Khalil published under the title: "Jordanian-Palestinian Confederation Is Most Important Issue at Present"; in Cairo, date not given]

[Text] Even though Egypt has officially recognized the Palestinian state, there are those who censure it for delaying the announcement of this recognition. Some have linked this delay to Cairo's commitment to the Camp David accords. This has raised numerous questions regarding Egyptian-Israeli relations and regarding Egypt's role in the Middle East peace process. Ayman al-Sayyad from AL-MAJALLAH's Cairo Bureau has conducted the following interview with Dr Mustafa Khalil, the ruling NDP deputy chairman and the official in charge of the party's foreign relations:

[AL-MAJALLAH] Do you think Egyptian-Israeli relations will be affected negatively by Egypt's recognition of the Palestinian state?

[Khalil] No, rather the contrary. The creation of a Palestinian state is essential and inevitable for the possibility of establishing peace in the area. Resolution 242, which is crucial to the peace process, speaks only of "states" when talking of the right of every "state" in the area to live securely and when it says that by accepting the UN Charter, the member states pledge to act in accordance with Article 2 of the charter. Paragraph 2 of the resolution refers to ending the state of war and to recognizing the political sovereignty and independence of every state in the area in addition to the right of all states to live peacefully. This resolution, which both Israel and the United States consider a basis for negotiation, speaks only of states, which means that it was essential to declare the Palestinian state to enact and implement the resolution. Moreover, the Palestinians' declaration of their own state is likely to solve the paragraph in 242 concerning refugees.

[AL-MAJALLAH] Do you think the Israelis understand the Egyptian step?

[Khalil] Egypt is a sovereign state and is entitled to take any position it wishes. Israel has neither the right to object nor to ask Egypt not to recognize.

[AL-MAJALLAH] But the Israeli Ministry of Foreign Affairs summoned the Egyptian ambassador to hand him an official protest?

[Khalil] Diplomatically, such a step is ordinary. The Israelis are stating their opinion. But this does not mean that it will result in certain consequences.

[AL-MAJALLAH] The Egyptian recognition of the Palestinian state was made during the Washington trilateral meetings to discuss the Tabah issue. Will this fact influence the arbitration decision?

[Khalil] Tabah has nothing to do with this issue. The decision has already been made and the Tabah question is past.

[AL-MAJALLAH] Despite everything, the decision was delayed 5 full days?

[Khalil] The initial Egyptian announcement made immediately after the state was declared was correct. We had to wait to receive the official text from Algiers. States do not take their official positions in reaction to press and news agency reports. It is well known that the Americans said that they would wait for the text. In complex diplomatic issues, the text, rather a single word in the text, is of major significance. For example, there is a difference between recognizing Resolutions 242 and 338 and saying "We agree to negotiate on the basis of the two resolutions."

[AL-MAJALLAH] Even though the Egyptian recognition was finally made, it seemed, however, as if declaration of the state came as a surprise to Egyptian diplomacy which was predominated by some sort of confusion—confusion reflected in reactions throughout a period of 5 days. Some people considered those reactions to be unclear, even contradictory. How do you explain this?

[Khalil] To put it simply, we had to wait for the text, as I have already noted, and had then to study it. The fact is that Egypt supported the Algiers resolutions, including declaration of the state, from the first moment. I believe that this support was clear and unambiguous.

[AL-MAJALLAH] Wasn't there disagreement within the Egyptian administration over the response which had to be shown to make the area's peace efforts successful?

[Khalil] No, absolutely not.

[AL-MAJALLAH] Wasn't there an opinion to the effect that Egyptian recognition of the state may perhaps cause Egyptian diplomacy to lose a degree of flexibility in dealing with the Israeli and U.S. sides? Wasn't this your opinion?

[Khalil] Certainly not. My experience in negotiating with the Israelis does not make such an opinion at all likely. Moreover, the issue raised currently is the international conference. There is a fundamental question mark regarding Egypt's participation in the conference. In what capacity would Egypt be invited to the conference? First, it is not one of the major powers expected to participate. Second, by concluding the peace treaty with Israel, Egypt is no longer a party to the conflict and there is nothing for it and Israel to negotiate on.

[AL-MAJALLAH] There are those who have insinuated that it is necessary to keep the Tabah border issue alive as a justification for Egyptian presence at the negotiating table.

[Khalil] No, rather the contrary. When I recently met with Shim'on Peres at the International Socialist Conference, he stressed to me the need for and the importance of Egypt's presence in the international conference.

[AL-MAJALLAH] What are the features of the future scenario for developments now that the state has been declared and Egypt has recognized it?

[Khalil] We do not interfere in what the Palestinians decide. If they request that Egypt participate in the negotiations, an understanding on future steps must be reached between the two sides. But what is more important is an agreement with Jordan. The form, nature, and timing of this agreement will determine the main features of the future scenario. Currently, the main issue is confederalism, considering that Israel and the Americans reject an independent state.

[AL-MAJALLAH] What is the step Egypt will take?

[Khalil] Simply put, Egypt's role is that of a catalyst, i.e. to try to reconcile the demands of the various parties and to explain the need for re-examination of the U.S. and Israeli interpretation of the Palestinian resolutions, especially the resolution that "domestic struggle is, according to the UN principles, a legitimate right."

[AL-MAJALLAH] Is there hope that the U.S. and Israeli positions will be modified and become more positively responsive to the Algiers resolutions and the peace efforts generally?

[Khalil] Of course. The uprising will develop and will exert pressure. Independent internal Palestinian departments will also be set up. These conditions must inevitably push the issue toward peace.

Egyptian-Soviet Economic Talks End in Moscow

NC28N192888 Cairo MENA in Arabic
1812 GMT 28 Nov 88

[Text] Moscow, 28 Nov (MENA)—The Egyptian-Soviet talks to prepare for the first meeting of the joint committee for economic, trade, technical, and scientific cooperation ended in Moscow today. The Egyptian side in the talks was led by Dr 'Abd-l-'Aziz Zahawi, first undersecretary of the Ministry for International Cooperation. The Soviet side was led by Mardenynov, deputy minister of foreign economic relations [name and title as received].

At the conclusion of the talks, the two sides agreed to cooperate in the establishment of a glass sheet factory in Madinat al-'Ashir min Ramadan and an aluminum factory in Naja' Hammadi, and in the expansion of the iron and steel plants in Hulwan and the electricity station in 'Ayn Musa in Sinai.

The two sides also discussed the possibility of cooperation in several other projects in the industrial, agricultural, transportation, and tourism sectors, as well as renewal of the agreement regarding financial matters affecting the Soviet experts in Egypt and Egyptian trainees in the Soviet Union.

Dr Zahawi stated that the Egyptian-Soviet talks took place in an atmosphere of trust, frankness, and common understanding of the problems and issues of economic and technical cooperation between the two countries, as part of their joint desire to strengthen the ties of friendship and cooperation.

The first meeting of the joint ministerial committee is expected to be held in February. A government loan agreement to finance the projects, the technical studies of which will be completed before that date, is expected to be signed.

Dr Zahawi is due to return to Cairo later today after heading his country's delegation to the joint Egyptian-Soviet talks, which began in Moscow on 21 November.

Economist Urges Default on Debt

45040053 Cairo AL-AHRAM AL-IQTISADI in Arabic
24 Oct 88 pp 14-16

[Dispatch by Hamdi Fu'ad: "Default on the Debt!"]

[Text] Dr Mahmud Wahbah, an Egyptian-born naturalized American, advocates defaulting on debts.

The call is bold and grave. The principle is in need of study.

What would happen if Egypt defaulted on its debts?

Dr Wahbah calls on Egypt to default on debts to America in particular. His call is based on reason and precedent.

Dr Wahbah, the American national, is a successful capitalist and a distinguished economist who has lived in the world of giants and whales. He joined the petroleum battle, waited, and became a millionaire in the world of sharks and oil kings and was able to amass his millions through hard work.

Because of a sense of patriotism and identification with Egypt, and because he is an American national, he advocates nonpayment of debt. This is a grave and bold issue exploded by Dr Wahbah.

Nonpayment of debt is neither a strange phenomenon nor an odd measure in the capitalist world.

America believes in free and bold opinions and welcomes opposing views. Decisions are a result of the interaction of differing and opposing views.

Freedom of expression is fundamental to American society. Expressing an opinion requires courage. Courage demands that you express an opinion and go your way. Opinions do not bring down governments but they explode a problem. The problem is there, the opinion has been expressed, and the word is written. These are the fundamentals of American society which is an open one. Views and opposing views are also the fundamentals and philosophical bases of capitalist society.

I now leave the word, the viewpoint, and the problem to Dr Wahbah:

First, I must admit that my suggestion for defaulting on debts to America may seem strange and unpalatable to the Egyptian reader. I must therefore explain that I am an American national of Egyptian origin who has been living in America for a quarter of a century.

With that in mind, and as far as content and application are concerned, my suggestion itself is 100 percent American and would not seem odd or unpalatable to American readers, and especially to businessmen like myself. I will present the reader with a number of facts as a background to my suggestions.

First, Egypt services American loans by paying more interest than it receives annually in U.S. aid, according to the periodic economic bulletins published by the American Embassy in Cairo, the latest of which was dated last March. I repeat that Egypt annually pays American more than it takes from it. This is a fact well-known to economic experts in America since 1984. It will not change in the future.

Second, there is a systematic and historical correlation between American aid and American loans. The larger the aid the larger the loans.

This is how it was in France following World War I and in India and Latin America in the sixties. In the period from 1975 to 1986, Egypt received a total of \$12 billion

in U.S. aid but owed some \$10 billion in economic debt and, according to the U.S. magazine FOREIGN AFFAIRS, some \$15 billion in military debt. That is to say, total debt to the United States is almost double that of aggregate U.S. aid. The reason is that "aid" is a misnomer since it includes loans and credit facilities that increase as aid increases.

Third, under American law, U.S. aid, be it loans or grants, is to be largely used to finance the importation of American goods and services. As a result, Egypt imported some \$30 billion in goods and services from America between 1975 and 1986 compared to some \$5 billion in annual exports to the United States during the same period. The result is a total imbalance in trade. The more the aid, the more the imbalance against the interests of Egypt and its economy, especially that in price and stipulation, American goods and services are expensive in relation to world markets.

Fourth, America is considered Egypt's largest creditor with almost half of Egypt's external debt. It is a fact that Egypt's external debt is the primary problem that gives rise to its other economic problems, such as sluggish investment, low individual and national productivity, high prices, and commodity shortages. The Egyptian citizen feels the burden of these problems day in and day out. Perhaps that explains Egypt's current interest in negotiating with the World Bank and the Paris Club seeking to reschedule foreign debts to countries other than the United States which could lead to conditions that should be avoided because of their social and political ramifications.

Fifth, Egypt's economic reality frankly says it is not able to service its debts, not to mention paying back the principals. The American bulletin says that Egypt has not met its debt schedule since 1980 because its actual annual national product does not exceed one-fourth of its external debt, measured by the rate of exchange in effect. Moreover, Egypt's annual intake of foreign exchange, used to repay loans and interest, is some \$9 billion while annual debt service, excluding principal repayments, amounting to \$7 billion according to Egypt's prime minister.

Sixth, Egypt needs its entire intake of foreign exchange to finance commodity purchases, not to mention investment and the purchase of capital goods.

The choice is simply between repaying external debts or meeting Egypt's national needs. This is a difficult choice and not a compromise. The sooner Egypt and America recognize this the closer we will come to a solution to the problem.

The choice, in my opinion, should be in favor of Egypt's national needs and I therefore suggest that Egypt default on its debts to America and postpone repayment of debts to others.

Why America, the reader might ask? For many reasons the simplest of which is the sheer size of the debt itself. The most important of these reasons, however, is that the United States considers itself a special friend of Egypt's and that U.S. aid originally aimed at helping Egypt economically but backfired. The friend must now fulfill his promise.

U.S. aid is granted on the basis of two considerations—either need or the ability to pay back. These two factors are inversely related in that the stronger the need for aid the lower the ability to repay. The reverse holds true. Egypt needs aid and its ability to repay is almost nil but Congress based approval of the aid to Egypt on the second factor—ability to repay—because of obvious political reasons, while basing aid to Israel on the first consideration.

To correct the situation, aid to Egypt should be based on need and the inability to repay. The Americans themselves know that, judging by their economic bulletins. Even U.S. civil and commercial law gives the individual or corporation, if unable to repay, the right to withhold payment until it restructures its financial affairs. Everyone knows that Latin American countries withheld repayment during the past few years. Interestingly, this was done with the advice and direction of American financial experts. In fact, the U.S. Government itself guaranteed these loans, which were secured from private commercial banks, and allowed the creation of a special financial market to discount and trade in them.

Egyptian debts were secured directly from the American Government and a solution should therefore be easier to find. My suggestions does not mean an estrangement with the United States; rather it should be accomplished through a diplomatic pact with America in light of the strategic relations between the two countries. Egypt should benefit from America's long experience in this area and should request the use of such American expertise.

Egypt has attempted in the past to have its American debts forgiven. Debt forgiveness is routinely granted Israel every year. Egypt was indeed forgiven some of its debts but those were unfortunately denominated in Egyptian currency. But this is not enough. According to the expectations of current political circles in America, neither Congress nor the U.S. Treasury will accede to that. Egypt's unsuccessful attempts in this area are well known. But Congress and the U.S. Treasury must have an incentive and the only incentive, in my opinion, must be to default. The Americans will then listen to Egypt and even seek a solution to the problem with it.

In short, to default would put America in a position of searching for a solution to a problem rather than itself being the problem. Significantly, both Mexico and Brazil defaulted but still maintained their friendship with the

United States. I imagine that a solution will be found in favor of Egypt in view of its strategic role vis-a-vis American interests in the Middle East, Africa, and the Gulf.

The important thing is that Egypt recognize its self-value and take the first step to gain American recognition of that value.

As for the endless talks with the World Bank and the Paris Club, they will become routine and their results a foregone conclusion after agreement is reached with the United States. Maybe Egypt's current efforts with the World Bank should be spent instead on direct negotiations with the United States since this is where the problem originated and where the solution lies.

Dr Mahmud Wahbah is former professor of business administration and dean of the graduate school of the City University of New York. He is owner and founder of Champion Petroleum Corporation, the third-largest marketer of petroleum products.

Bank To Aid Public Companies in Import Payments

45040072a Cairo AL-AKHBAR in Arabic 7 Nov 88 p 6

[Article by George Jamil: "Important Steps To Solve Public Sector Companies' Liquidity Problem; 152 Companies To Benefit From New System"]

[Text] At a meeting headed by Dr Kamal al-Janzuri, the deputy prime minister and minister of planning, the National Investment Bank agreed to take important steps to solve the problem of the shortage of local currency available to the public sector companies during the plan years. The bank will cover the advance payment for importing the machinery, equipment and raw materials the companies need, and will then offer the local supplier or producer a guaranty to pay the remaining sum. Zafir al-Bishri, the bank's Board of Directors deputy chairman, has stated the above to AL-AKHBAR, saying:

The decision was made on a recommendation by the Central Accounting Agency, and it will contribute to financing the projects of the second 5-year plan. Moreover, it will ease the budget burden and will prevent the freezing of assets. A total of 152 companies, including 117 public sector industrial companies and 35 war industry companies, will benefit from the new system.

Zafir al-Bishri, the National Investment Bank's Board of Directors deputy chairman, added that a contract has been concluded to import and install a computer at the bank headquarters in the next 6 months, thus making it possible to supply all the state agencies with comprehensive data on 3,000 projects and to note the appropriations allocated for each project in local and foreign

currency; the loans, grants, and annual implementation rates; and the obstacles, if they exist. A number of the Investment Bank employees have been sent abroad to train on the computer.

The Investment Bank's Board of Directors deputy chairman further added: The board has also approved two memoranda on the cost, amounting to 25.6 million pounds, of the investment bonds issued by the National Bank in the past 3 years, i.e., since 1984-85, and on paying the interest and prizes due on investment bonds in June 1988, amounting to 53.3 million pounds.

The board also agreed to allow the Egyptian Tourism Company to contribute \$150,000 to the capital of the American Touring Express Company. This sum represents 55 percent of the capital. The board further agreed to (extend the date of the payments due on some loans owed to the Central Bank), amounting to 346.2 million pounds.

Concluding his statement, al-Bishri said: The Board of Directors approved the program proposed for collecting the Investment Bank's assets [debts] and agreed to synchronize this program with the financing expected to be made available to the projects in this current year of 1988-89.

Investment Authority Vice President Foresees More Arab Investment

45040058b Cairo AKHBAR AL-YAWM in Arabic 29 Oct 88 p 5

[Interview with Dr Muhyi al-Din al-Gharib, vice president of the Investment Authority by Mahmud Salim: "The Investment Climate in Egypt Is Improving;" date and place of interview not specified]

[Excerpt] [Passage omitted]

[AKHBAR AL-YAWM] What can you tell us about coordination between the Investment Authority and the various other organizations?

[Al-Gharib] We have embarked on a stage of stepping up coordination with the various ministries, and that will lead to an increase in the number of well-considered industrial, agricultural, and reconstruction projects. A greater measure of industrial and agricultural integration will be brought about, and the ability of the Egyptian economy to become more self-reliant will be developed.

In this regard I would say that meetings are now being held between the Investment Authority and officials in the Ministry of Industry to put together a coherent outline of the projects which will be presented to investors. These are projects that will take into account realizing an appropriate return for the Egyptian economy and for the investor at the same time.

We are concentrating now on manufacturing components for equipment, for machines, for intermediary industries, and for those industries which contribute to the production of machines and equipment.

[AKHBAR AL-YAWM] Arab investments in Egypt have not yet reached the level that had been expected. What is being done now to attract more of these investments?

[Al-Gharib] Arab development funds and financing institutions in the Arab world are now expressing considerable willingness to contribute to the capital of many important projects in Egypt. They also welcome [the idea] of exploring loan offers for these projects. There is no doubt that the willingness of Arab development funds and Arab financing institutions to invest in these projects will go a long way toward bringing these projects closer to implementation in the near future.

Dr al-Gharib emphasized that the next stage will be one in which major change will take place in the cooperation between Egyptians and Arabs in the area of investing in production.

Preparations are now under way to submit a number of integrated feasibility studies on investment and production projects to Arab investors, Arab financing institutions, and Arab development funds. The Investment Authority is presently joining the Ministries of Agriculture, Industry, Reconstruction, and Tourism in agreeing on a number of important projects and preparing studies on them in a manner that is consistent with the priorities of the development plan in Egypt.

Dr al-Gharib said there were about 25 major projects whose purpose was to increase the Egyptian economy's own capabilities, provide employment opportunities for young people, and increase exports.

[AKHBAR AL-YAWM] Does the present investment climate encourage investment?

[Al-Gharib] Most certainly. The investment climate in Egypt at present is improving continuously because of the state's efforts to solve the problems of some companies that are floundering. The investment climate is improving because more coordination is taking place among the various agencies and organizations which are implementing the various policies and measures. Many committees have actually helped solve a large number of existing problems.

Authorities Evaluate Prospects, Progress in Increasing Exports

45040058a Cairo *AKHBAR AL-YAWM* in Arabic
29 Oct 88 p 3

[Article by Ibrahim Rashid: "Increasing Exports Is the Solution: We Are Now Manufacturing Water Purification Plants and Sugar and Cement Production Equipment To Reduce Dependency on Imports"]

[Text] Oil prices fell recently on world markets, and the drop in oil prices led to another decline in the volume of

foreign currency available to our country from exporting Egyptian oil.

This situation had to be confronted squarely to reduce the pressure on the balance of payments and to reduce spending in many facets of production. It was imperative that we start manufacturing capital equipment and creating many intermediary goods to enable the Egyptian economy to become self-reliant.

In this report *AKHBAR AL-YAWM* explores the opinions of a group of experts and industrialists whose efforts made a clear contribution to the realization of significant accomplishments. They fostered and promoted the local manufacturing experience, thereby ending the cycle of losses, raising the rates of export figures, and reducing spending on purchases and travel abroad.

The minister of industry, Engineer Muhammad 'Abd-al-Wahab, was the first to speak. "For quite some time in the recent past we have been anticipating facing such situations. That is why we started stimulating exports by improving goods so we could compete in the world market. The current budget credits the rate of exports with the record figure of 1 billion dollars, and that is a 43 percent increase over last year's rate. Significant progress has also been achieved in production figures. The value of actual production is 11.3 billion Egyptian pounds, and that is a 19 percent increase over last year's production figures."

"We start talking about the industrial companies' budgets next month so we can find out where they stand. Not only will we look into the production rates which have been achieved, or these companies' profits and losses, but we will also look into what each company has done to promote and advance local production and to create Egyptian alternatives, that is, intermediary goods. The aim is to reduce pressure on the balance of payments and reduce the volume of our imports. I now have significant indicators which show that the companies' profits soared to approximately 860 million pounds, an increase of 360 million pounds over last year. Their losses fell from 202 million pounds to 168 million pounds, a 17 percent decline."

Factories for Export

I asked the minister of industry, "In view of the fact that oil prices fell, can industrial exports contribute, even in a small way, by providing foreign currency for Egypt?"

The minister replied, "As I said, industrial exports brought into Egypt an unprecedented 1 billion dollars. In the coming stage we will be concentrating on designating a group of factories which will export a high percentage of what they produce. The Iron Ingots Factory in Idku, for example, will export its entire production of 56,000 tons, worth 100 million dollars. The new factory in Hulwan which manufactures oil carrying pipes will export 95 percent of the pipes it produces, specifically to the United States. Another factory, the aluminum plant in Naj' Hamadi, exports products every year that are worth approximately 200 million dollars. Also, the two

textile plants in Kafr al-Dawwar and al-Mahallah al-Kubra export goods valued at 150 million dollars a year. In addition, they provide the local market with numerous and varied products. Additionally, our exports to the Arab world and elsewhere are growing: We are exporting ceramics, phosphate, gypsum, chemical materials, canned goods, and ready-to-wear clothing."

The minister of industry added, "And yet the important question we are facing is that of promoting industrialization and the production of capital equipment. It has been decided that an expanded conference will be held in the middle of next month to amass all energies so that the rates of manufacturing cars, tractors, buses, and refrigerators can be promoted and total coordination between the production ministries, especially the Ministry of Industry and the Ministry of Military Production, and the private sector can be achieved. We are now drafting a complete working paper to be presented at the conference. We will also present positive examples of what has been achieved in many companies.

"For example, we started producing water purification plants which we used to import. The Ministry of Housing tested this equipment which yielded many positive results.

"We also started producing 90 percent of the equipment used in sugar production, and we are also producing spare parts for sugar refineries.

"The aluminum plants in Naj' Hamadi started manufacturing aluminum ingots. They are also manufacturing equipment for many plants. This equipment was successfully tested. [We are manufacturing this equipment] instead of importing it from abroad.

"We are also in the process of reconsidering and developing small industries in Egypt's rural areas because developing such industries would create employment in rural areas. I asked the Industrialization Authority to provide the necessary expertise for that purpose and to send its experts at no charge to anyone who asks for them. We want good investments for the Egyptian countryside and we want electricity use there to serve a useful purpose."

I told the minister of industry, "Frequent travel by the presidents of companies and organizations has been noticed recently. The president of one organization goes abroad more than 10 times a year; that is, he travels once a month on the average. How can this happen in view of the fact that spending is being reduced?"

The minister replied, "From now on people will travel to stimulate exports. It's useless, however, to go to expanded conferences and discussions which are not serious. We are facing the problem of having a shortage of hard currency, and we must confront it in many ways. We must, for example, reduce purchases. We started a trendsetting experience of agreeing to import from South

Korea the components for producing 300,000 colored television sets. These components would be used by three companies who would not then have to compete with each other. We saved approximately 41 million dollars in this operation. We started the same cost-cutting trend with fertilizer purchases and textile requirements, and that saves a lot. We are facing a crisis, and we must all work together in our efforts to get out of this crisis. God willing, we will succeed."

The Losses of Textile Companies

I asked the minister, "What about losses, especially losses by companies in the textiles sector? What is the way out of this [predicament]?"

He said, "As you heard, the president requested the formation of a committee to look into the public sector's losses. This committee is chaired by Prime Minister Dr 'Atif Sidqi. I would like to say that the number of our companies which are losing money is declining. The information that's available to me indicates that approximately 18 companies are losing money. These companies are in textiles, chemicals, mining, and engineering. But there are entire organizations like food processing plants and steel and mineral plants which realized profits. The Nile Company for Tools and Detergents and the Tanta Oil Company are setting a new trend with their experience. These two companies were always losing money, but they overcame their losses and realized profits. The first one realized 17 million pounds in profits, and the second one had profits of 7 million pounds. Both companies made a profit even though both had been subject to heavy losses and cumulative difficulties."

Breaking Out of the Cycle

Among those who spoke about the public sector's accomplishments and prospects was Dr Muhammad Fu'ad, president of The Nile Company for Oils and Detergents [as published], the company that was always losing money. I told him, "How were you able to turn huge losses into profits? What has been your experience in that regard?"

Dr Muhammad Fu'ad replied, "Management is the foundation of success in any company. Everything that is being said about the public sector not delivering and not meeting expectations is not true. It is enlightened management that determines whether or not a project succeeds, and management has nothing to do with ownership either. When we came to this company, I found that losses were piling up, and we had to stop that. With everyone's cooperation we succeeded for the following reasons:

- "A complete study of costs was prepared to find out what the best method of investing money was.
- "A spirit of affection was spread: Everyone had to have the team spirit because we were all in the same boat.

- "Purchasing operations for [production] requirements were tightened. I would buy only what was required for production so that warehouses would not become congested with unnecessary goods. Such congestion is a waste of invested funds.
- "The question of reward and punishment is a basic one. We honored those who worked hard, but we had the harshest punishment for those who did not do well.
- "This is what we achieved. In 36 months, losses turned into profits: 2 million pounds last year, and 17 million pounds this year."

Another Experience

Tawfiq Zaghlul, president of the Tanta Company for Oils and the Misr Dairy Company spoke about the same subject. He said, "The president asked us to cut spending, and that requires the following:

- "Meticulous adherence to the standard specifications of goods. Scientific averages for all raw materials used in operations are to be set on the basis of application. These averages are to be reviewed, and waste is to be reduced. If we succeed in doing that, as we did in the Tanta Company, we may be able to save millions of pounds.
- "Medical care must be provided to those who are really sick. Everyone should get the care to which he is entitled. We noticed that the right to receive medical care is abused. Since medical treatment is part of people's wages, strict control must be placed on this treatment.
- "The formula of required raw materials must be revised and the quantities required for the production formula must be updated and adhered to. Extemporisation must be avoided. Production supervisors must be held accountable if there is any defect in this formula. With this approach, we achieved record rates in dairy production. In view of that fact, we are hoping that this company will realize profits in the future."

Engineer 'Abd-al-Mun'im al-Manyalawi, president of Misr Company for Engineering and Tools was the last person to talk about the question of promoting industrialization and amassing all energies to confront the pressure of imports.

Mr al-Manyalawi said, "Our company's workshops have good capabilities. We also have a group of experts who pooled their scientific energies together and managed to produce new vehicles. They manufactured vehicles for carrying garbage and trucks that carry oil. All of these used to be imported from abroad for millions of pounds.

"The company's workshops were able to produce 50 garbage collection vehicles, and we are committed to sell these vehicles to governors. We also produced 16 tanker

trucks for the oil companies for carrying kerosene and gasoline. These vehicles are now being operated, and they are carrying petroleum materials to service stations."

Engineer 'Abd-al-Mun'im al-Manyalawi said, "The aim of my recent trip to Poland was to improve production of the microbus. We now have a plan that we are implementing to produce 500 minibuses. In addition, we are exploring with the foreign counterpart [the possibility of] producing heavy cranes. Our company would then be able to produce 80 percent of this vehicle locally. We managed to achieve this progress with the company's trained workers, and that saved millions of pounds which would have gone into the pockets of foreign capitalists in hard currency."

Interior Minister Discusses Recent Arrest Cases 45040080 Cairo AL-AHRAM AL-DUWALI in Arabic 25 Nov 88 p 13

[Article: "Why Have Arrest Warrants Increased Recently and Why Have They Extended to Unfamiliar Cases; Minister of Interior: All Current Arrest Cases, Totaling 1,827 Cases, Are for Serious Specific Reasons; I Am Empowered To Use Emergency Law in All Cases That Affect the Masses' Life, Sustenance, Property or Honor; These Are Justifications for the Latest Arrest Cases"]

[Text] I confronted Major General Zaki Badr, the minister of interior, with the increasing number of arrest warrants which he has issued recently and which people have watched with concern. These warrants have extended for the first time to include new cases that do not fall within the framework of destructive political activity, of religious fanaticism, or of drug trafficking. These cases seem to be ordinary and recurrent infractions which are punishable by the law but which are not serious enough to merit the arrest of their perpetrators. Examples of the latest arrests are the arrest of the owner of a salt factory for adulteration, the arrest of the owner of a gas station for mixing benzene with kerosene, and the arrest of 24 fans of the Suez Soccer Team. In these three cases, the prosecution released the defendants on bail but they were then detained on arrest warrants.

I told the minister of interior that people accustomed to fishing in troubled waters have taken the opportunity of the issuance of the latest arrest warrants to spread among people the belief that use of the emergency law has become boundless. Such people have even gone beyond to what is uglier, alleging that the minister of interior signs in advance blank arrest warrants which he puts at the disposal of the police.

I asked the minister of interior: What is your response?

Zaki Badr, the minister of interior, responded with specific points, saying:

To begin, I will say with absolute clarity that I attribute all the strange attempts against me to the opposition

parties. These attempts are currently taking various forms and colors and are intended to instigate in order to sabotage the country. This is an indubitable fact.

The total number of arrests made up to yesterday amounted to 1,827 cases, including 587 political arrest cases. The political arrests include 502 cases of religious radicalism, 18 communists, and 40 students among whom there is not a single female student. The total number includes 28 arrests for crimes against public property, 4 arrests for economic money-investment crimes, 115 arrests for supply crimes, 195 arrests for drug-trafficking crimes, and 867 arrests for crimes which are said to be ordinary crimes but which are extremely dangerous to everybody.

One of the opposition's tendentious allegations which seeks to instigate the people is the criminal allegation that the minister of interior signs blank arrest warrants. It is certain that every warrant is based on specific facts indicating decisively the presence of a danger and a threat to the people's security, interests, and life. Moreover, arrest warrants seek to deter those who are released by the prosecution on bail but who, as well as others, do not feel immediately deterred to any degree. Consequently, deviation, tampering, and fraud have exceeded all imaginable limits.

In the light of these phenomena, which are destructive to society, I am empowered to use the emergency law in all cases that affect the people's lives, sustenance, property, or honor. I will not back down at all on carrying on with this security responsibility.

It is important to me that we all pause before the justifications for the latest arrests which the opposition alleges represent an absolute use of the emergency law which threatens to turn this law into a boundless law. For example, in the case of the salt factory owner arrested for adulteration, the particulars of the arrest warrant I issued state that the man runs an unlicensed salt production factory in al-Khusus Village, in al-Khanakah District of al-Qalyubiyah Governorate, and that he gets his crude salt from coastal areas and from contaminated sources. A total of 300 tons of salt produced from these raw materials that are harmful to the citizens' health were seized at the man's factory. He was issued a legal citation—Citation No 355, State Security Demeanors, al-Khanakah District, 1988. Can such an adulterator who poses a threat to the people's health be deterred with a bond? Can others be deterred with anything but arrest?

Couldn't the owner of a gas station in al-Fayyum—a man arrested for mixing benzene with kerosin and issued Temporary Administrative Citation No 8923 of 1988 because the criminal laboratory analysis had proven that the gas he was supplying to the rescue police squad vehicles did not meet the specifications—have caused one of the vehicles to explode and result in a tragedy for

the lives of people around such a vehicle? This is in addition to the man's past record. The al-Fayyum governor had issued in 1981 a decision to seize five service stations owned by this man because he had repeatedly tampered with the petroleum fuels he was supplying to government vehicles. The man had also been convicted in six cases of embezzlement and of issuing bouncing checks, the latest being case No 3310, misdemeanors, al-Fayyum District, 1986.

Then there is the case of the 24 fans of the Suez Soccer Team who were arrested not only for throwing bricks and stones at the fans of the al-Zamalik team during the two teams' latest match at Cairo Stadium, but also for throwing paint cans filled with gunpowder at them, not to mention damaging and destroying stadium seats. Citation No 6452—misdemeanors, Nasr City, 1988—was issued for this case. The prosecution then released the defendants, each on a bond of 30 pounds. Can we consider this attack against citizens and public property an ordinary thing? If it were so, the committee concerned with serious crime affairs at the Cairo Security Directorate would not have decided to arrest these people in order to deter and straighten them out and to make them an example for others among whom the phenomenon of rioting and of threatening the lives of soccer match spectators has spread ominously.

An arrest warrant is at times issued against a minor state employee. This seems, of course, surprising to those who are not aware how dangerous is the employee concerned. Let me cite to you here the example of A.Sh.B., a postal service employee who lives in Rawd al-Faraj. Can any of the people among whom this employee moves imagine that this man has a serious record in drug trafficking and that he had been previously arrested in several cases, the latest of which was case No 210, crimes, Rawd al-Faraj, 1988? Can anybody imagine that he is a leading drug trafficker, especially in heroin? He also has ties to drug smugglers on the northern coastline. The security agencies have all this information on this man. Aren't the people entitled to demand that these agencies arrest him to protect the people from his evils?

Muslim Brotherhood Leader, Students Arrested *45040072c Cairo AL-SHA'B in Arabic 8 Nov 88 pp 1, 2*

[Article by Muhammad 'Abd-al-Qaddus and 'Amir 'Abd-al-Mun'im: "Zaki Badr Attacks Opposition Leaderships; Ministry of Interior Continues Its Arrests of Brothers"]

[Text] The government has continued to escalate its police suppression and to arrest Muslim Brotherhood leaders. Engineer Muhammad al-Sarawi, one of the brotherhood's most prominent leaders in al-Jizah, was arrested after his home was stormed and inspected in a barbaric manner last Sunday. In the latest People's

Assembly elections, al-Sarawi was one of the most prominent candidates in the first district of al-Jizah. It is worth noting that Sa'd Lashin, one of the brotherhood's prominent leaders in al-Sharqiyah Governorate, was arrested a few days ago.

Numerous students, physicians and engineers belonging to the brotherhood have also been arrested. The latest to be arrested in Port Said was Engineer Yusuf 'Umar.

AL-SHA'B has learned that the Engineers Union has decided to form a liberties committee and to launch a large-scale propaganda campaign in the public opinion circles for the release of the detained engineers. The security agencies have also confiscated the parliamentary leaflet issued by members of the alliance in the East Alexandria District, arrested the people distributing the leaflet, and shut down the printing press that produces it.

In a related development, the government has launched the university-storming season. The central security special forces and karate teams have stormed the Alexandria Education College and attacked and beat its students severely. It was noticed that for the first time ever, the storming forces were carrying whips similar to those used in South Africa. Alexandria University's security conditions deteriorated severely when the university's Islamic Group insisted on holding a cultural week entitled: "Egypt's Economic Crisis."

The security agencies have also worked to disrupt the symposiums held on this occasion. A total of 45 students have been dismissed as a result.

In another related development, the city of al-Minya witnessed last week tumultuous processions and demonstrations which toured the city streets. Those demonstrations were organized by members of the Islamic Group in protest of banning prayers at al-Rahman Mosque, of cordoning off the mosque with central security vehicles, of the storming of houses, and of offhanded arrests. The security agencies have also continued the arrest campaign in al-Maraghah, Sawhaj.

At another level, Zaki Badr, the minister of interior, unleashed a ferocious attack on the opposition leaders when he received at the Ministry of Interior a number of residents of al-Kawm al-Ahmar, accompanied by a number of the National Party members, in an attempt at reconciliation with the residents in the wake of the acts which the security agencies have committed against them in the past few months.

The minister's accusations have reached some People's Assembly members who belong to the alliance, the chairman of an opposition party, and the chief editor of an opposition newspaper.

Muslim Brotherhood Statement on PNC Conclusions

PM25N160088 Cairo AL-SHA'B in Arabic
22 Nov 88 pp 1-2

[Statement issued by the Egyptian Muslim Brotherhood; date not given]

[Text] Thanks be to God, and prayers and peace for our prophet Muhammad and his companions and kin. The Muslim Brotherhood addressed an open letter to the PNC at the beginning of its 19th session. In that letter the Muslim Brotherhood explained its views on the Palestinian question, based on the following:

1. The cause of Palestine and the blessed Palestinian land is the cause of all Muslims, not just the Palestinians.
2. We have no right to recognize the usurper enemy's presence or entity on any part of Palestinian territory usurped by that enemy.
3. Jihad, with all the necessary preparations for it, is the only way to liberate the entire Palestinian territory, whatever the sacrifices and however difficult the road.
4. Stress must be placed on the need for unity of the Palestinian people and then the unity of the Arab and Islamic nations against the usurping enemy. The Muslim Brotherhood condemns any action that could divide the struggling Palestinian people in particular.
5. The heroic Palestinian uprising must be supported with emphasis on its continuation until it achieves all its objectives.
6. It must always be remembered that the usurping Zionist enemy cannot be trusted and that it does not abide by any international resolution unless such a resolution is in its favor and does not stand in the way of its policy of expansion and aggression.
7. A warning must be sounded against the deceptive peace solutions being suggested because in actual fact they are nothing but a way for the enemy to gradually secure concessions, cool the burning emotions, stop the valiant uprising, and put the entire situation in flux in order to be able to tighten its grip and fulfill enemy objectives.

Now the PNC has concluded its session, declared its independent Palestinian state, and issued its political statement expressing willingness to participate in an international peace conference on the basis of Security Council resolutions 242 and 338, as well as resolution 181, which is tantamount to a recognition of the Zionist entity.

While welcoming and supporting the declaration of an independent Palestinian state, the Muslim Brotherhood emphasizes that the only valid basis is the Palestinian

people's natural right to their state and entity on the entire territory of Palestine, regardless of the UN resolutions which try to give legitimacy to the Zionist enemy on any part of the blessed Palestinian land, because neither the United Nations nor anyone else—not even the Palestinian people—has a right to forfeit a single foot or particle of that land.

If, with God's help, the Palestinian people manage to establish a free and independent Palestinian state in the West Bank and Gaza, it must be emphasized that that must be under no circumstances the end of the road but, rather, a step on the road to the liberation of all Palestine in accordance with the aforementioned principles.

The Muslim Brotherhood once again underlines the need for unity of all factions and sectors of the Palestinian people and the need to avoid anything that might cause division, serve the enemy, and harm the Palestinian cause. It counsels extreme caution against any attitude that might end the heroic uprising or weaken the resolve of the people waging it, for that uprising must continue most strongly until it achieves its objectives.

God is behind the purpose and he is the best master and trustee.

Signed: Muslim Brotherhood General Guide Muhammad Hamid Abu-al-Nasr.

Labor Party Leaders Urge Islamization, Question NDP Practices

45040072b Cairo AL-SHA'B in Arabic 8 Nov 88 p 2

[Article by 'Imad Mahjub: "Islamic Shari'ah Laws Were Drafted and Reviewed 10 Years Ago But They Insist on 'Locking Them Up' in Drawers"]

[Text] The security agencies have been eager to put distance between the Labor Party and its leader on the one hand, and the al-'Adwah masses on the other. These agencies blocked all the means available to the party committee to hold a popular rally at a pavillion in the center of the town or at one of its halls which are opened and decorated for "trivial" people. The Ministry of Interior insisted that the rally be held in the hall of a school that is very far from the town limits. The ministry's sick conduct did not stop at this point but went further to block all the means of advertising the rally, whether by wall posters or loudspeakers, at a time when loudspeakers are used in towns and villages to sell tomatoes, eggs, and junk.

To further torture democracy, the lights on the main road to the rally site were turned off. They darkened the entrances to the school. "Their intention is to extinguish God's Light with their mouths, but God will complete (the revelation) of His Light, even though the Unbelievers may detest (it)." But "God, the Almighty, speaketh the truth" and He lit the place with hearts abounding

with faith and united by their love of God and by the memory of His messenger—faith and love that made the brilliant moon of Rabi' al-Awwal even more brilliant.

With the hearts of hundreds of people—people who stirred the heart of al-'Adwah Town itself—bound to him, Ibrahim Shukri stood in this atmosphere to deliver his address, saying:

Thank you, God, for enabling me at this age to move from town to town and from province to province to meet with these good citizens who aspire for a good life for the people and with these throbbing hearts that believe that Egypt's conditions cannot be set aright by these methods and systems which are remote from the source of the cure, namely God's law.

Shukri added: I will always be proud of these people here and of others who rally behind me and with whom I meet in Egypt's villages and hamlets. We are tied by a covenant to make the Islamic Shari'ah the basis of government. If some people ask eagerly: When will this happen? Then I tell these people and I tell you: The more strongly we demand it, the better we prepare our ranks and mobilize people behind our demand, and the more we succeed in besieging those who fight God's law, the closer we get to our aspirations, sons.

The Islamic laws were drafted and reviewed 10 years ago. But the circumstances changed before the laws could be passed by the People's Assembly and the laws have been locked up in drawers since. Even the ruling party leaders who were enthusiastic about applying Shari'ah have been removed from their positions and replaced by others who lie openly and who allege that the Shari'ah laws were not studied and codified. What evil they speak! After 3 years of study and examination, Dr al-Saddah completed drafting more than 600 articles of the civil law. These articles are completely ready to be presented and debated, if goodwill exists.

In justifying these allegations, one of the National Party's new tailors has stressed to me: In the Constitution, local government affairs come under the part concerning the executive agency. How can the government accept the presence of opposition in a part of its agency?

Concluding, Shukri said: It is your duty, sons, to besiege these [local] government councils. The law gives you the right to attend their meetings. Expose their chicanery. If any of you witnesses an evil, let him correct it with his hand; if not, then with his tongue; if not, then with his heart, and this is the weakest of faith. Set this principle before your eyes and enact it. We have enacted it since the time of the Young Egypt Movement. We fought against prostitution houses and bars, we embarked on battles for the sake of the nation's creed, and some of our men were martyred. After this march, I feel proud of the great success we—I and Ahmad Sayf al-Islam, son of the late Hasan al-Banna, a former grand master [of Muslim

Brotherhood]; Majdi Husayn, the Labor Party assistant secretary and son of the late leader Ahmad Husayn; and Ma'mun al-Hudaybi, son of the brotherhood's second grand master—have achieved in the People's Assembly. These accomplishments are very significant and through them we explore the path we are following. This path is neither short nor easy. But we must continue to work and to exert efforts.

Muhammad Tusun: Our Weapon Is Stronger Than Missiles

Muhammad Tusun, an alliance deputy (from the Muslim Brotherhood), then delivered an address in which he welcomed Ibrahim Shukri and offered a glimpse of his efforts and struggle in the People's Assembly, saying:

This country's condition is amazing. If the opposition leader moves, the eyes of observers watch him. But these observers' eyes are veiled when they look at the corruption that has spread everywhere. There is no might and no power but with God. Entertainment places and amusement spots have soldiers to guard them and mosques have soldiers to storm them! In the absence of Shari'ah and of the nation's intellect and conscience, they are leading the country toward perdition. Leader Ibrahim Shukri has persistently shouted in their ears, never weakening. But they are determined to follow central security's path and option. We will never be intimidated. We possess a weapon that is more potent than intercontinental missiles, namely the invocations of the faithful and of the oppressed. To this invocation, God—may He be praised—responds from His seventh heaven: By My power and majesty, I will give you victory, even if after a while. Our call is, beloved ones, that reforming the country and the people lies in establishing God's book as the ruler on God's earth and among His servants.

Fu'ad Hadiyah: Elections Within the National Party

Fu'ad Hadiyah, the party's financial and economic affairs general secretary, then delivered an address, saying:

If their rule is really sound and if they truly have the majority, then what scares them about struggling Ibrahim Shukri meeting with the people's masses everywhere?

Isn't this democracy? The truth is that one cannot trust their eagerness for democracy. Else, why would they be eager to prevent the opposition from participating in the rule through local councils. Considering that they won the elections to these councils unopposed, then why didn't the National Party hold elections among its members to determine who fills these council seats instead of following the policy of appointing favorites?

I addressed this question to Ibrahim Shukri and he told me that they do not want the breath of democracy to spread in Egypt or in the ranks of the National Party itself because this breath will then spread to the top of the Political Bureau itself.

Wait for U.S. Aid

Deputy Fathi Fadl, the party secretary in al-Minya, then delivered an address welcoming leader Ibrahim Shukri and his companions on occasion of the prophet's birthday which coincided with the October victory anniversary and with the judgement reaffirming Egypt's right to Tabá. Deputy Fadl said:

The conditions in al-Minya Governorate are very strange. The residents of al-Shaykh Mas'ud set up an Islamic complex with intrinsic efforts and without any help from the National Party or from the executive branch. The credit for setting up this complex goes to God and to those who believe in His call—and the National Party is definitely not among them. When they learned that al-Shaykh Mas'ud residents had chosen Ibrahim Shukri to inaugurate the complex, they "raced" to beat him with their presence and they inaugurated the complex, delivering speeches in which they shamelessly lauded each other. Whenever we demand any citizens' rights from them, they say: Wait for U.S. aid.

Mustafa 'Ali also spoke on behalf of the Muslim Brotherhood, saying: Welcome to Ibrahim Shukri. On these blessed days, we also welcome whoever calls for restoring Islam to the nation's conscience.

Colleague 'Azzam 'Ulaywah, member of the Higher Committee (Bani Suwayf), then delivered an address in which he said:

The government began to impose the policy of (crusted bread) on the biggest bakery supplying Bani Suwayf people with bread. The government then applied this policy to four other bakeries and the demand for the two-paister loaf of bread escalated because a person with middle income cannot afford the crusted bread. This is why we have urged the Bani Suwayf masses to boycott and not to buy crusted bread. Here, we warn the government: We can leave the local councils and their elections to you. We can leave the People's Assembly to you. But we cannot allow you to tamper with the people's "sustenance."

Muhammad 'Abd-al-'Azim from the Muslim Brotherhood then welcomed Ibrahim Shukri, a man who needs no introduction and whose struggle on the path of demanding God's law needs no introduction either. 'Abd-al-'Azim then urged people to ponder the prophet's birthday anniversary—may God's peace and prayers be upon the prophet—and to follow its guidance because it

is our weapon in confronting our American, Russian, and Israeli enemies. He said: We are the best nation given to the world when we follow our prophet's path and our God's law.

Colleague Muhammad 'Ali Farraj, the party secretary for al-'Adwah District, spoke at the outset of the rally. He welcomed the opposition leader on his second visit to al-'Adwah and noted his patriotic history and positions.

Shaykh Kamil 'Ulwani delivered a short address in which he lauded the positions of the alliance led by Ibrahim Shukri, and urged the crowds to rally behind the Labor Party and its leader.

Colleague Nash'at Hasan, the secretary of al-'Adwah organization, wondered about the secret behind the rulers' determination to enact French laws and not Shari'ah laws. He then delivered a popular poem welcoming leader Ibrahim Shukri and his companions.

Colleague Muhammad Ibrahim al-Khatib, a party member, talked about the U.S. plot to subjugate the Arab area to the Israeli enemy.

Attorney General Impounds Monies of Fifty Suspects

45040081c Cairo AL-AKHBAR in Arabic 11 Nov 88 p 9

[Article by Jum'ah 'Abd-al'Sabur, Muhyi 'Abd-al-Rahman, and Muhammad Salah al-Zahhar: "Fifty Persons Prohibited From Disposing of Their Monies and Property for Harming Depositors"]

[Text] Counselor Jamal Shuman, the attorney general, has announced the details, facts, and particulars connected with the al-Rayyan Company. Legal accountants, the State Security Agency, and the Securities Market Authority notified the general prosecution of the violations committed by the company owners and 82 judiciary investigation, examination, and audit committees were immediately formed. These committees worked throughout the night and completed their work at an early morning hour. Fifty individuals, namely members of the al-Rayyan family, some of the company employees, and others were proven to have participated in illegal activities and it was decided to prohibit them from disposing of their monies and property.

Following are the details of the statement made by the attorney general:

At midnight on 8 November, the prosecution received a report from the Securities Market Public Authority stating that al-Rayyan Investment and Money Employment Company and al-Rayyan Financial Transactions Company failed to submit on the set date the sound legal notification stipulated in Article 16 of Law No 146 of 1988 which concerns companies that invest monies received.

The authority states in its report that it had received the report, dated 7 November 1988, of the legal accountants appointed to review the financial position of the two al-Rayyan companies, and that this report notes that the accountants had not received a statement of the company's financial position or any related details. The accountants further noted in their report that there are fundamental mistakes in the company's asset accounts and that the company had procrastinated in supplying them with data and documents, thus violating the explicit word of the law.

Control Investigations

The public prosecution has also received the report of the General Directorate for the Control of Crimes Against Public Monies and of the General Directorate of the State Security Investigations. This report says that the officials of the al-Rayyan Company had concealed the company's financial position, had given monies to certain people to be smuggled [out of the country], thus harming the depositors' rights; that the accounts of the company's depositors had been tampered with; and that the statement of the company's financial positions contradicts the truth. Immediately upon receiving this notification and investigation report, the prosecution launched an investigation to verify the presence of enough evidence of the serious accusation charging these people with committing the two crimes stipulated in Articles 16 and 19 of the law on the reception of public monies. The first article concerns failure to provide the aforementioned data within the legally-set period, namely 8 November, and the second concerns the failure of al-Rayyan Company officials to deposit within 3 months of the enactment of this law, i.e., by 10 September 1988, the cash money they hold in various currencies or in Egyptian or foreign securities with one of the accredited banks that are subject to the supervision of the Central Bank of Egypt.

The attorney general said that each of these two crimes constitutes a felony and that the first is punishable by a prison term of up to 5 years and a fine of no less than 50,000 pounds and no more than 500,000 pounds and that the second is punishable by a prison term of 3-15 years and a fine of no less than 100,000 pounds and no more than twice the money received. Moreover, the perpetrator is required to return the monies due to their owners. As soon as the attorney general realized the serious nature of the findings, he issued a decision prohibiting all individuals whose names are included in the investigation report from disposing of or managing their fixed or fluid assets.

Eighty-Two Chief and Deputy Chief Prosecutors

The attorney general also issued a decision appointing 82 chief and deputy chief prosecutors to carry out inspection and audit work in the governorates. They launched their work simultaneously at a preset hour on Thursday

night. These prosecutors delivered all the monies, jewelry, and documents they seized to the Impoundment Directorate which is headed by Counselor Mahir Darwish, a public attorney, who will take stock of the items seized, will appraise the jewelry, and will examine the businesses or companies impounded so that he may, after consulting with experts, entrust them to a party to manage so that their activity may not be forced to stop (the food stores may be opened on the same day).

Moreover, the attorney general has instructed the Financial and Commercial Affairs Prosecution and the Tax Evasion Prosecution to investigate all the crimes based on this law. Under the supervision of Counselor Hasan al-Sharbini, a public attorney, these agencies are currently interrogating Ahmad Tawfiq. The interrogation is conducted by Muhammad Sharin Fahmi, a chief prosecutor.

Statement by Al-Rayyan Owner Lists Holdings
45040081b Cairo AL-AKHBAR in Arabic 11 Nov 88 p 9

[Article: "Ahmad Tawfiq Confesses Before Prosecution: Company Has Holdings in Cyprus, United States, Jordan, and Switzerland"]

[Text] During interrogations by the prosecution, Ahmad Tawfiq has said that the al-Rayyan Company advanced to depositors loans totaling 450 million pounds and \$170 million. He further said that the company has investments in Egypt that cover the remaining fixed and circulated assets. He added that loans were advanced to depositors on deposit guarantees at a monthly rate of two percent of the total deposits and that the loans extended until the time of the [final] profit and loss account. He further added that no budgets were prepared for the al-Rayyan Company's financial transactions, and that the company kept no books. It was proposed last year that the company keep account books but the proposal was not carried out.

Ahmad Tawfiq noted that the company owns 77,000 shares in Faysal's Islamic Bank in Cyprus and \$210,000 in a U.S. company. He said that he has transferred to Egypt and disbursed to the depositors a sum of \$6 million which had been deposited in Jordanian, U.S., and Swiss banks.

He added that a total of 175,000 depositors had deposited 800 million pounds and \$250 million dollars [with his companies]. When asked why he had failed to notify the Securities Market Authority of the size of his funds abroad, he said he did not know the true volume of these funds and "I didn't know that I had liquid assets abroad." He also said that he owns a company in Houston, the United States, under his own name and that he does not know what is the volume of its activities or its capital.

The prosecution will interrogate Majdi Hashish, the companies' accountant, today.

AL-AKHBAR Lists National Achievements Over 7 Years

45040081a Cairo AL-AKHBAR in Arabic 10 Nov 88 p 3

[Article: "What Have We Accomplished Over 7 Years: 9,000 New Factories; 1.1 Million Feddans Reclaimed; 12 Million Tons of Oil Produced"]

[Text]

Housing Crisis: When Did It Start and How Is It Being Tackled?

In the past 7 years, the housing area has witnessed the greatest construction activity in Egypt's history.

In the years from 1960 to 1979 (i.e., throughout 20 years), a total of 762,000 housing units were built at a rate of 38,000 units annually.

This figure does, of course, fall very short of the need and fails to meet the constant population growth. Consequently, the housing crisis developed in Egypt, and some people were forced to live in cemeteries!

All efforts were then channeled to make up for the immense shortage of housing.

In the first 5-year (1982-87) plan, a total of 812,000 housing units were built at a rate of 162,000 annually.

In the second 5 years (1987-92), a total of 1 million units, costing 6.767 billion pounds, will be built at the rate of 200,000 units annually. This means that the housing cost in the two plans amounts to 12.3 billion pounds.

Observation: The number of houses built in the first 5 years of President Husni Mubarak's administration is more than 2.5 times the number of houses built in the preceding 20 years.

Electricity Production Exceeds All Imagination

The electricity sector figures speak of amazing results and accomplishments.

In 1952, the volume of electricity produced in Egypt amounted to 500 million kilowatt/hours.

In 1982 (the first year of the first 5-year plan under President Mubarak's administration), the volume of energy generated amounted to 18 billion kilowatt/hours.

In June 1987 (the end of the first 5-year plan), the volume amounted to 45 billion kilowatts. In June next year [1989], this volume will amount to 56 billion kilowatts, and will rise to 77 billion kilowatts by the end of the second 5-year plan in 1992.

The sums of money spent in the first 5-year plan and to be spent in the second 5-year plan will amount to 9.2 billion pounds. This figure alone amounts to 38 times the sums of money spent on electricity from 1960 to 1979.

Observation: The increase in electricity generated last year equals 1.5 times the electricity generated from the High Dam. This increase was achieved in record time to deal with the danger of the water shortfall and, consequently, with the loss of electricity from the High Dam.

Drinking Water and Sewerage: Billions of Pounds Underground

Egypt's drinking water and sewage facilities have devoured billions of pounds in the form of underground projects which the people cannot see but whose results they can feel.

Were it not for the billions of pounds spent, Egypt's cities would drown in sewage water, and homes and residences would have no drinking water.

The sums spent on sewerage projects from 1960 to 1979 did not exceed 723 million pounds, a rate of 36 million pounds annually.

The sums spent in the first 5-year plan amounted to 2.9 billion pounds, a rate of 600 million pounds annually.

The sum to be spent during the 5 years of the second plan will amount to 3.442 billion pounds, a rate of 700 million pounds annually. This means that the sum to be spent in 1 year will equal the sum spent in the 20 years from 1960 to 1979.

Observation: As a result of these projects, drinking water production has increased vastly. In 1952, production amounted to no more than 1.1 million cubic meters. It amounted to 6.3 million cubic meters in 1982 and will rise to 12.4 million cubic meters [annually] by the end of the second 5-year plan, i.e. to twice the volume at the outset of the first plan.

Sewage disposal capacity amounted to 4.7 million cubic meters in 1982 and will increase to 11 million cubic meters by the end of the second plan.

Desert Invaded in Form of New Towns

One of the biggest accomplishments achieved in the past 7 years was the creation of new communities in the desert, beginning with the construction of new towns to constitute the nucleus for these communities.

A total of 12 new towns have been built, including 7 towns that have been fully completed. These are: The 10 Ramadan, the 6 October, al-Sadat, the 15 May, al-'Amiriyah, al-Salihyah and Dumyat towns.

A total of 436 factories have been built in these towns, including 259 factories in the 10 Ramadan Town, 104 factories in the 6 October Town, 37 factories in al-Sadat Town, 29 factories in al-'Amiriyah, and 7 factories in al-Salihyah.

Observation: The total cost of these towns amounts to 6.8 billion pounds.

Telephones Are Speaking Again

In 1952, there were no more than 90,000 telephone lines in Egypt.

By 1982, the number had risen to 510,000 lines. But 200,000 of those lines were silent and unable to speak.

It was impossible to make any investment or to turn the wheel of production when internal and external telephone communications were disrupted.

Enormous projects were launched to increase the telephone network's capacity and the following has been accomplished:

By June 1989 [as published], the number of telephone lines rose to 1.6 millions, i.e. to three-fold the number existing 7 years earlier.

The number of external line circuits, totaling 798 circuits in 1982, rose to 4,900 circuits.

Automatic telephone lines had covered seven cities only. Seven 7 years later, these lines now cover 140 cities.

Observation: By comparing the figures, it becomes evident that from 1952 to 1982 no more than 14,000 lines were installed annually. This figure jumped to an average of 162,000 lines annually from 1982 to 1987, i.e. it increased by more than ten-fold.

Longer Road Network and Increased and Varied Means of Transportation

The length of the road network increased enormously in the past 7 years.

In 1952, Egypt's road network was no more than 3,600 kilometers long. By 1982, its length amounted to 15,300 kilometers, growing at a rate of 390 kilometers annually.

By 1987, the network reached 29,000 kilometers in length, growing at a rate of nearly 2,000 kilometers annually, i.e. by five-fold the road length opened and paved [annually] in the preceding 30 years.

There were 866 railroad cars in 1952. This number rose to 2,210 by 1982 and leaped to 3,150 cars in 1987.

There were 20 ships in 1952. This number rose to 70 by 1982 and to 143 ships by 1987.

Production Sectors

Industrial Sector:

The public and private sectors' investment in the 1982-92 period will amount to 19.965 billion pounds, including 7.86 billion for replacement and renewal.

The number of factories licensed to be set up in the past 7 years amounted to 9,000 factories with an investment cost of 14 billion pounds.

Agricultural Sector:

The agricultural sector's investments during the first and second 5-year plans amounts to 3.8 billion pounds aimed at increasing both plant and livestock production. A total of 1.078 million feddans have been reclaimed, covered drainage has been completed for 1.768 million feddans, and general drainage for 2.088 million feddans.

Major Leap in Tourism

Tourism Sector:

A total of 180 new hotels have been built and the number of hotel rooms has increased by 12,280 rooms, amounting to 1.5 times the number of rooms available in 1981. The number of tourist nights has risen from 9.3 million nights to 17.9 million nights, i.e. nearly doubling.

From Our Country's Wealth

Oil production has increased by nearly 12 million tons. This production amounted to 32 million tons in 1981. Gas production has also grown nearly three-fold from the past production of 2.3 million tons. The refining capacity, amounting previously to 15 million tons, has grown by nearly 11 million tons annually. The longest networks have been built to transport oil and gas. The length of the petroleum networks has reached 2,283 kilometers and of gas networks 1,927 kilometers.

Egypt's Voice Everywhere

The number of radio stations has risen to 228.

The number of television stations has risen from 50 to 169 stations.

The network's size has grown by nearly four-fold.

Egyptian television transmission strength has grown from 150 to 400 [as published].

AL-AHRAM on Reaction to Palestinian State

JN23N162488 Cairo AL-AHRAM in Arabic
21 Nov 88 p 7

[Editorial: "From One Side"]

[Text] Perhaps the strangest reaction to the proclamation of the Palestinian state was the one that rejected the Palestinian state because it was announced unilaterally. Those who adopted this strange stand think that this proclamation should have come as a result of negotiations. If one asks: Negotiations with whom? The direct answer would be: With Israel, of course, which rejects the establishment of the state with or without negotiations and declares this publicly at all levels of authority.

The first cause of astonishment in this regard is that Israel itself was set up in the heart of the Arab world without negotiations with the Arabs. In fact, it was established by a UN resolution that the Arabs rejected at the time. Although the Arabs, particularly the Palestinians, have returned after a long time to proclaim their state based on the legitimacy of that resolution, some people still believe that the Palestinians' right to their state is rejected on the pretext that it came as a result of a unilateral proclamation. Yet, Israel proclaimed itself unilaterally 6 months after the 1947 UN resolution, and the first to recognize it was the United States.

Although Israel proceeded with a unilateral expansion process after its establishment, it was still accepted internationally, even without determining its permanent borders. Today we hear those who defend its right to continue the occupation and to use all kinds of weapons and schemes against the Palestinians in order to subdue or dislodge them contrary to the UN resolutions. All they ask Israel to do is to improve living conditions and to lessen its grip, which it continues to use unilaterally. In fact, there are those who consider the Palestinian state invalid because it has no borders, although the UN resolutions give it the right to establish itself on the West Bank and Gaza.

If the return to international legitimacy as stated in the UN resolutions is the right of every party, how can this right be recognized for one party and withheld from another? Why do some people quickly accept partition in one resolution in favor of one party and withhold it for another party? Why was Israel, which was established under a UN resolution, allowed to reject the other UN resolutions? Why was the Palestinians' right accepted and later rejected?

The one side issue raises many questions, but the one ready answer is that those who stand behind it raise the issue merely for the sake of provocation, disregard, and contempt.

Pope Shinudah Discusses Idea of Coptic State
45040054 London *AL-MAJALLAH* in Arabic
9-15 Nov 88 pp 25, 27

[Interview with Pope Shinudah, head of the Coptic Church in Egypt, by 'Abd-al-Latif al-Manawi in Cairo; date not given]

[Text] Ever since Pope Shinudah became the head of the Coptic Church in Egypt, he has been playing more than the religious role which his predecessors played. In the final days of the late President Anwar al-Sadat's administration, a violent clash between al-Sadat and Pope Shinudah occurred, leading al-Sadat to decree that the Coptic Pope was to be placed under house arrest in Wadi al-Natrun Monastery. Pope Shinudah remained under house arrest from September 1981 until December 1984 when President Husni Mubarak decided to terminate that measure. Much has been said about the Copts in Egypt and about plans that seek to establish a state for the Copts in Upper Egypt. Much has also been said about a role of some sort that is being played by the head of that religious group.

AL-MAJALLAH met with Pope Shinudah in Cairo. It conducted a candid interview with him that dealt with numerous issues, including the attitude of Egypt's Copts toward visiting Israel and the nature of his relationship with President al-Sadat. These are the details of the interview.

[AL-MAJALLAH] As far as you know, are there armed Christian groups in Egypt?

[Shinudah] (Decisively and quickly) That is impossible.

[AL-MAJALLAH] Not even for self-defense?

[Shinudah] Not even for that. If such groups existed, security agencies would have exposed them. Christianity does not believe in violence at all. In fact, it constantly urges people to forgive and endure. Although the state has been fighting terrorism for many years and although it has conducted many searches for unauthorized weapons, no announcement has been made that an armed Christian group was arrested or that one armed Christian was ever detained.

[AL-MAJALLAH] Some Christians say that extremist tendencies sometimes make them feel insecure. What can such a sense of insecurity lead to?

[Shinudah] Christians have very good relations with their fellow Muslims who are moderate. But the extremists work against the state first, and they also work against Christians. We Christians are tired of attacks on us and on our places of worship; we are tired of being harmed in other ways. That is where the danger begins. Otherwise, Christians and their fellow Muslims live together in an affectionate climate. We have many Muslim friends who are moderate, and we share some of

their ideas. To me, this is the pressing question: Can extremists be won over by an affectionate approach? I don't know. If we could have a dialogue with them, an affectionate approach may yield a favorable outcome. But such a dialogue has not yet taken place.

[AL-MAJALLAH] Does this question indicate a willingness on your part to initiate a dialogue?

[Shinudah] We are willing to make any initiative. Good things can come out of a spirit of affection. Should there be a dialogue, however, with whom will that dialogue be held, and how and when will it be held? What will be the subject of that dialogue? I have never met an extremist, nor have I ever had a conversation with one. If extremists denounce Muslims who differ with them on some particulars and consider them nonbelievers, what will be their attitude [toward people of] another religion?

[AL-MAJALLAH] It is being said that there is a plan to partition the area and to spread conflict and civil strife in it. Do you believe that the climate in Egypt has been prepared for the implementation of such a plan?

[Shinudah] That can never happen in Egypt. The nature of Egypt differs from that of a country like Lebanon. In Lebanon, the existence of many armed militias is the source of danger. Each sect has its own army. Egypt, however, has one Army, the national Army, and it has no militias at all. The second point of difference lies in the fact that Lebanon has numerous states, each of which conducts policy and manages internal conditions for Lebanon. In Egypt, that is not the case.

[AL-MAJALLAH] Visiting Upper Egypt gives one the impression that the area is a ticking time bomb which is about to explode. Do you believe the matter is that dangerous?

[Shinudah] Sometimes a few attacks come to light, and the state arrests the attackers. The situation, however, is not as bad as a ticking time bomb. It is not that dangerous: the state has control over security, and the occasional transgressions which occur are attributable to the presence of a few radical leaders in those areas.

[AL-MAJALLAH] It is being said that there is a plot to separate Upper Egypt from the rest of the country and establish a Coptic state there. It is being said that you are personally supervising the execution of this plot.

[Shinudah] (Pope Shinudah laughs and says): We heard this rumor for the first time in a speech by the late President Anwar al-Sadat. He didn't say there was a plot, but he did say that such an idea had been presented to my predecessor, Pope Kirillus, when he visited Ethiopia in 1965. When that idea was presented to the pope, he became angry and he quickly left Ethiopia and came back to Egypt. The former president said that only three people knew of that incident: Pope Kirillus, President 'Abd-al-Nasir, and al-Sadat himself. [When al-Sadat

related this story], the pope and President 'Abd-al-Nasir had already passed away. Actually, we have Pope Kirillus's passport, and it shows that he stayed for a long period of time in Ethiopia on the two occasions when he visited that country. He did not tell anyone that any such idea had been mentioned. At any rate, the implication of President al-Sadat's talk is that the idea of a Coptic state was just an idea—I don't know whose—but that it was rejected outright and was never developed into a plot. These stories are pure fiction. Does it make sense for the Copts to leave behind all their sacred objects which are scattered all over Egypt and take as theirs the one region of Asyut? Are Copts naive enough to leave their towns and villages and congregate in one district? Can they give up their Egypt, the country where they lived for thousands of years? Can they leave Egypt and settle for one part of it? Can they give up their affiliation with the entire country and become affiliated with a small part of it? Can Egypt be divided into three states: Asyut, North Asyut, and South Asyut? Anyone who wants to travel from one of these three states to the other would have to obtain an entry visa to enter the other state! If Copts were to accept such a proposition—and it is impossible that they would accept it—will the state accept it? This would be unbelievable, and it would be naive. This is merely a made-up story that was told for public consumption. Nothing like that happened, and, in fact, nothing like that can be carried out.

Sunday Schools

[AL-MAJALLAH] Among those matters which public opinion thinks are enveloped in mystery is one that has to do with Sunday schools and Friday lessons. Some people believe that these constitute some of the settings for organizing Coptic groups.

[Shinudah] Sunday schools do nothing but offer religious instruction: nothing more and nothing less. The French came to Egypt after the French Revolution, and they spread their beliefs. When the British followed them, many religious denominations, other than the original one, found their way into Egypt, and many churches were organized for these sects. It was therefore necessary to teach children about their religion and their orthodox faith. All Sunday schools are just classes which are held in churches. Anyone can find out about the courses and lessons which are taught there. Sunday schools never served any other purpose. But let's be practical in thinking about this. When President al-Sadat issued his stern decrees in September of 1981, did any Copt in Egypt take action? Had there been organized groups, that would have been an opportunity for action, isn't that right?

[AL-MAJALLAH] You brought up an important point here, but that point too needs clarification. You said that no one in Egypt took action when al-Sadat issued his decrees, and yet Egyptian Copts in many countries did, especially in the United States. What is the relationship

between the Egyptian Church and Copts living abroad? To what extent does the church control these Copts and to what extent is it capable of getting them to take action?

[Shinudah] I will tell [you] what happened. The Egyptian Church does not deny that many of its members went abroad. Since we don't want those emigres to become part of a Western society whose traditions may not be compatible with theirs, and since we also don't want them to lose touch with Egypt and with the Egyptian Church by joining other Western churches, we thought it was necessary to establish Coptic churches in Europe, America, Canada, and Australia. All these churches are loyal to Egypt, and each church publishes a magazine whose articles deal only with religious affairs. When one church wants certain things, it makes its request through the Egyptian Embassy. This does not mean, however, that Coptic groups which are independent of the church and do not follow its written directives do not exist in the West where ample freedom enables members of these groups to criticize the President of the United States himself, not to mention others. In fact, these people can even criticize the church itself. But these people represent their own personal opinions based on the freedom they have in their lives. The moot question here is this: To what extent does the church control emigres living in Western countries where they have personal freedom and do not accept the church's directives on what they write nor consult it on anything? It's been said that when Pope Shinudah is asked to control these people abroad, he is being given political authorities at a time when his interference in politics is unacceptable.

[AL-MAJALLAH] Does the Coptic Church in Egypt play a certain role or exercise any influence in formulating policy? What are the boundaries of the church's relations with politics?

[Shinudah] First of all, what is meant by politics? Second, you are a journalist, and your questions have political implications. If I don't answer your questions at all, you will say that the head of the church in Egypt is not free to speak his mind and that he must be subject to pressures. If I answer your questions, some people may consider my answers political interference. And if the church does not speak up in certain situations, its posture would be considered passive, and the church is not supposed to assume a passive, silent posture. The church is a national church.

[AL-MAJALLAH] What I mean by the church's relationship with politics is to ask if the church in Egypt is involved in shaping public opinion among the Copts on any matter.

[Shinudah] Not at all. Copts are in all political parties in Egypt. Even the Islamic Alliance had one Copt heading one of its lists of candidates for the recent parliamentary

elections. That man became a member of the People's Assembly. We don't interfere at all in people's political liberties, and we don't apply pressure to anyone.

[AL-MAJALLAH] Do you believe that allowing political parties to exist can defuse the situation, or will that be tantamount to adding fuel to the fire?

[Shinudah] The establishment of political parties on a religious basis is prohibited by law in Egypt. I do not wish to interfere in this matter.

Al-Sadat's Days

[AL-MAJALLAH] It's been approximately 8 years since the events of September 1981. Don't you believe that in one way or another you were a catalyst in starting that fire which broke out? Don't you believe that your decision to cancel all Easter celebrations helped make the situation more critical?

[Shinudah] At that time Copts were subjected to continuous attacks. All I did was report their complaints to the president, President al-Sadat, who saw my reports as a form of political activity. But we did not take part in starting anything that was inflammatory because we were the ones who were being attacked. The state has evidence now to show that those who were attacking us then were dangerous. No one can prove that the Copts' posture was one of aggression. When we complained to the president, he saw our complaints as political intervention. To whom do we complain then, when he was the one in charge at that time? The holiday was a very normal thing from a religious standpoint, but from a psychological standpoint, however, we were in no condition to rejoice and celebrate. Let me say here for the record that what we did was sound the alarm for danger ahead. Had the president heeded our advice and arrested the attackers, he could have escaped the danger which led to his death.

[AL-MAJALLAH] At one time you told al-Sadat something to the effect that all Copts were on his side?

[Shinudah] I have always been frank. When I agree with something and my conscience helps me in that regard, I express my agreement in certain, specific points. There is no doubt that President al-Sadat, especially early in his term, achieved things that were beneficial to the country. I used to speak with him in all candor, and without hurting his feelings, I went very far in telling him about our complaints. I told him once, "Mr President, we see you as an arbitrator, not an opponent."

[AL-MAJALLAH] If you could turn back the clock, would you make the same decision?

[Shinudah] I don't believe that we can turn back the clock. If we could, I would have to take my complaint to the head of state. The law does not prohibit complaints. But the president paid no attention, and he always said that the whole country was on his side.

[AL-MAJALLAH] It seems that this experience gave you good insights into al-Sadat's character. Would you agree with Muhammad Hassanayn Haykal's statement that the two of you have similar personalities?

[Shinudah] In what way are we similar?

[AL-MAJALLAH] In your sense of self. That is why the clash between the two of you was unavoidable.

[Shinudah] While al-Sadat had a sense of himself, I had a sense of what was happening to the Copts then. We all believe in self-denial, and we don't believe in having a sense of ourselves.

[AL-MAJALLAH] When did the differences between you and President al-Sadat start to surface?

[Shinudah] They started when al-Sadat got to the point of not accepting any opposition from anyone, no matter who that person might be. Because the West had put him on a pedestal, he couldn't accept any criticism or opposition from the East. Therefore he took our complaints to be a criticism of his regime. That was the first point about which we disagreed. Had he sat down with us and listened to us, we could have resolved any differences, but he didn't. His last meeting with the synod was in September 1977.

[AL-MAJALLAH] In numerous statements you affirmed that Copts would not go to Jerusalem unless they went there with their fellow Muslims. In a recent statement you said that the Copts' pilgrimage to Jerusalem depended upon a solution to the problem of al-Sultan Monastery.

[Shinudah interrupting] The problem of al-Sultan Monastery is a small problem inside a larger one. The conflict between us and the Jews about the monastery is a direct one, but the bigger conflict is represented by the general national problem in the region. We can't ignore the feelings of our brothers in the entire region because those feelings go beyond the immediate small problem of the monastery. It may be because of that attitude that a solution to the al-Sultan Monastery has been delayed.

[AL-MAJALLAH] How would you comment on the fact that a few Egyptian Copts did make the pilgrimage to Jerusalem?

[Shinudah] This rarely happens. Those who are concerned about being in the good graces of the church would not go to Jerusalem. I believe that the few who did go acted as individuals and do not represent a general trend. The general trend is well-known.

[AL-MAJALLAH] What is the current status of the problem of al-Sultan Monastery?

[Shinudah] When the problem started in 1979, we took the matter to a Jewish court, and the Supreme Jewish Court ruled that the Copts were entitled to that monastery. But the Israeli Government saw the matter as a political problem rather than a judicial one, and the matter stopped there.

Report Discusses Reasons for Society's Uncertainties, Despair

45040069a Cairo AL-WAFD in Arabic 8 Nov 88 p 3

[Article by Tal'at al-Maghrabi: "How Long Will the People's Sense of Frustration and Despair Last? 'Ulwi Hafiz: '70 Percent of Egyptians Are Living Below the Poverty Line; a Constitutional Change Is the Solution;' Dr Yusri 'Abd-al-Muhsin: 'We Are Experiencing a State of Collective Depression'"]

[Text] Negativism, a sense of despair, and feelings of indifference, frustration, and pessimism about the future are among the most obvious phenomena in Egypt. A sense of despair and frustration appears to be evident everywhere. It can be seen on buses, in factories, at the university, in the fields, and on the street. It takes on many shapes and numerous forms. It may appear, for example, in an angry tone heard clearly on a bus when any dispute arises between passengers. It can be heard in a university student's angry reply when one asks him about the job he would like to have in the future. In the best of cases that student would come back with a bitter response, saying, "Any job would be better than unemployment." What is the reason for the sense of despair and for the pessimism that people feel about the future? What will be the consequences of that? What can be done to improve this extraordinary situation?

A Sense of Fear of the Future

'Ulwi Hafiz, the Wafd member of parliament, thinks Egyptians fear the future because they have lost their sense of security. Fear of the future has become a general phenomenon, especially among the young who are facing difficulties inside and outside the home. Young people are also facing difficulties in schools, in institutes, and in universities. Life has become full of complexities and problems, and there is no glimmer of hope for reform or correction. The map of poverty in Egypt has also grown, and 70 percent of Egyptians now live below the poverty line, facing irrational, continuing price increases. In the meantime unemployment has become widespread, and millions of young people do not work because there are no employment opportunities. Were we to add that liberties are restricted in Egypt by extraordinary laws which deny people the freedom to say what's on their minds and what's in their hearts correctly and accurately, that power in Egypt relies on a large stick and an open prison where thousands of innocent people are being held because the Emergency Law, which is a threat

to everyone at all times, is [still] being enforced, [we would realize that] all these factors are scaring people and making prospects dismal for everyone. These factors are making Egyptian citizens feel like strangers in their own country. To that we add that television programs which are seen by humble people show manifestations of exorbitant wealth at official receptions. Some plays and advertisements shown on television provoke the feelings of Egyptian citizens, whose housing conditions are inhuman. Suffice it to say that millions of human beings are living among the dead and in tombs.

I believe that as a result of all these phenomena, despair and a sense of not belonging have become the norm in Egypt today.

Amending the Constitution Is the Solution

'Ulwi Hafiz goes on to say, "In my opinion, the solution starts—as opposition forces in Egypt have always demanded—with amending the country's Constitution. The articles of the Constitution should include guarantees for a person's liberties in Egypt. The Constitution must guarantee that government serve the people and not dominate them. We must then get rid of all emergency laws and decrees."

Collective Depression

Dr Yusri 'Abd-al-Muhsin, professor of psychology at Cairo University, thinks that the state of general despair which is now widespread among the people has become so pervasive and so evident it can be considered a sense of collective depression that has spread among people like an infection. The reason why a sense of despair has become widespread among the various classes may lie in the fact that people are not reassured and do not feel safe about the present and the future. That is due to the fact that conditions and decrees on all levels are changing overnight. In addition, people are not given opportunities to express their opinions. And that, too, is due to poor economic conditions and to the sense of self-alienation and alienation from others which Egyptian citizens feel.

How Long Will This Sense of Despair Last?

Dr Yusri 'Abd-al-Muhsin replies, "This state of despair will last as long as its causes persist. The solution is to give people an opportunity to express their opinions and vent their feelings. People must be given an opportunity to participate in making decisions, and the masses must be given an opportunity to stick together. The masses must also stick together with responsible officials on all levels and in all the various specializations."

Dr Hasan al-Sa'ati, professor of sociology at the College of Arts, 'Ayn Shams University, says, "Of course there is despair. There is general despair. It's not important here [to find out how widespread] despair is, but what is important is to interfere before it's too late. Despair has

spread everywhere because corruption has become widespread, and the authors of corruption are not held accountable. Why don't we do what was done in the Soviet Union and step in to purge the country? We are supposed to learn from events that happen around us. Soviet officials used to hold the same office more than 10 years, but Gorbachev limited that period to 10 years only, provided that the term is gradually shortened until it is 7 years."

Muslims Are Optimistic

Dr Muhammad al-Sanhuri, professor of the prophetic tradition in the College of the Principles of Religion, says, "Muslims must always be optimistic; they must never be pessimistic, and they must never despair. This is because despair is a sign of a lack of faith. God Almighty does not like those who despair, and He hates those who become despondent. God Almighty said, 'Say: "Servants of Allah, you that have sinned against your souls, do not despair of Allah's mercy, ..."' [al-Zumr: 53]. God Almighty also said, 'Do not despair of Allah's spirit; none but unbelievers despair of Allah's spirit' [Yusuf: 87]. Regardless of how severe matters become and how gloomy the world becomes, Muslims must realize that God's mercy is infinite, regardless of what happens to them. Muslims must realize that God can change their conditions in the blink of an eye. God's mercy is infinite and can make everything possible. The prophets set a good example for us because they were able to change societies and to change people's bad habits. Had anyone of them despaired or become frustrated, he would not have been able to resist corruption. The statement, "It's no use," which is now on everyone's lips indicates a weakness of the spirit and a failure of the will. One can forget about any society that becomes afflicted with such ailments. Muslims must resist, and they must not surrender. They must resolve to change corruption."

Al-Azhar University President Denies Relationship With Israelis

45000064 Cairo AL-NUR in Arabic 23 Nov 88 p 1

[Text] Dr 'Abd-al-Fattah al-Shaykh, president of al-Azhar University, has denied the existence of a cultural relationship between the university and some Israeli educational authorities as had been rumored lately. He asserted that the university did not receive any Israeli delegation and that it will not permit any Israeli to enter it.

Dr al-Shaykh pointed out the fact that since he had become the university president, no Israeli educational or noneducational party had asked to visit al-Azhar University; and that if such a party had made such a request, it would have been promptly rejected.

The president of al-Azhar said that strong relations exist between al-Azhar University and the Islamic University in Palestine.

The university has also received, this year, the general administrator of the Islamic University in Gaza, a meeting which revolved around the strengthening of cultural and educational relations between the two universities.

Editor Makes Distinction Between Islamic Movement, Investment Firms

45040075 Cairo AKHIR SA'AH in Arabic 2 Nov 88 p 5

[Hamid Sulayman editorial: "Investment Firms and Islamic Movement"]

[Text] The principles of Islam, as an applied creed, are an argument against those who practice them, not vice versa. This is a rule applicable to any religious or secular creed. Historically, the mistakes of the Ommyads and the Abbasides do not condemn Islam, and the mistakes of the socialists in Egypt and in communist Yemen do not condemn socialism. Economically, Islam condemns, for example, any attempt at monopolizing, exploitation, or aggrandizement at the expense of others. When a group like the al-Rayyan Group or the al-Sa'd group violates these principles while veiling itself with the superficial symbols of Islam, such as growing beards and donning brilliantly white gowns, such action condemns the al-Rayyan and al-Sa'd geniuses, but not the principles of Islam nor the Islamic system.

Because the crimes of the al-Rayyan family and their likes against Islam and the Islamic movement exceed by far their crimes against the thousands of depositors, I again say that the steps taken by the prime minister are not enough. They must be arrested politically, and must be tried for their Islamic "claims" and for the crimes they have committed against Islam and Islamic Shari'ah. Islam is the state religion, not just the people's religion.

All the letters I have received demand not only arresting these people but also subjecting them to torture until they bring back the depositors' monies from abroad.

If the enlightened Islamic movement explicitly supports any modern Islamic practice that tries to embody Islamic principles, be they political or economic, in a manner compatible with the spirit of the age, then this movement stands ferociously against those who use the Islamic facade as a means to defraud people and to collect their monies under the guise of "Islamic transactions," thus exploiting the "spirit of piety" among ordinary Egyptians and their desire to avoid illicit money and the suspicion of profit from usurious transactions.

This movement also condemns strongly the naive method employed particularly by the al-Rayyan and al-Sa'd families who highlighted their long black beards in their advertisements to inspire greater trust among people in their "religious Islamic" affiliations, as if the strength of affiliation with Islamic principles is tied to the length of the "beard" or the shortness of the "gown!"

We have been disgusted with this kind of repulsive "dervishism" for hundreds of years, not to mention our repulsion for its evil "implications" that contradict the practical spirit of Islam which stresses that God looks at the hearts and the actions, not at the pictures and images.

Now that the hidden has become known, it is regrettable that what remains in the Egyptian people's mind of the image of one of those ugly beards with which the Egyptian press confronted its readers every day is what remains of Rasputin's image in the Russian people's memory. Thus, Egypt's enlightened movement is the first to condemn such firms that have "employed" Islam and exploited "its slogan" for cheap and evil personal gains.

Experiences such as this are the "gravest affront" to the Islamic movement, principles, and system. They represent the biggest "ax" for destroying the Islamic concept and they are allied with all the international plots that seek to distort the image of Islam and the Muslims.

Regrettably, some naive writers who have sold their pens cheaply to the anti-Islamic media try to attach these developments to the Islamic movement falsely, unjustly, and without any proof. They say that the likes of al-Sa'd and al-Rayyan are affiliated with the Islamic movement!

I defy these hired writers to prove the presence of any relationship between these firms (which have exceeded 100 in number) and any Islamic movement. What is al-Sa'd's, al-Rayyan's or al-Huda's relationship with any domestic or foreign Islamic movement? The history of most of these people begins, regrettably, with the accumulation of some wealth in the Gulf or from trading hard currency in Egypt. This is unless some people believe that growing beards and shortening gowns are the only license of affiliation with the Islamic movement. Such a belief evokes as much pity as anger.

To be precise, the only firm whose owners are, as everybody knows, connected with the biggest Islamic movement is the al-Sharif Company. Therefore, it is no coincidence that all official statements have excluded this company from any charge or suspicion of fraud.

This is because this company does not make a business of the Islamic slogan but tries to embody the principles of Islam in the area of economic investment in Egypt. As a result, all of this company's monies are in Egypt, most of its subsidiaries operate in the area of productive investment, and its assets cover and exceed the monies of its thousands of depositors.

In the heat of the assault on the investment firms' deviations, we must, therefore, make a distinction between those firms that have used the Islamic symbol to offend the Islamic system and those who have tried to apply Islamic principles in a modern way that serves the masses of depositors without embroiling them in transactions prohibited by the Islamic economic system,

especially since some of those who are hostile to Islam and to the enlightened Islamic movement take the opportunity to demolish whatever is connected with Islam under the guise of defending the depositors' interest whereas the true interest that motivates them is connected with serving their communist, secular, or fanatical sectarian affiliations.

This is one point.

The second point is that the Islamic movement is asked to have the courage and the ability to purge its ranks of those who belong to it "in name" and who offend Islamic principles "in deed." Some of the zealots in this movement are, as a result of emotional assessment, happy to support whoever raises an Islamic slogan. They rush to encourage such a person with "soul and blood" without making sure of how sincere are those who raise the slogan of the Islamic principle and how serious they are in their endeavor to implement the Islamic system. This has happened with some of the symbols of this movement who joined the boards of directors of some of these firms as managers or advisers.

This mistake must not be repeated.

It is easy to rescue the reputation of Islam from some "impostors" or from those who force themselves on the Islamic arena and who, having concealed their intentions behind their "beards" and their false masks of "piety," wander among the people. But what can we say about some shaykhs and some preachers who have unwittingly fallen into the snares of these frauds? The Islamic movement must have the ability to criticize itself from within. Some of this movement's leaders must also have the courage to admit their mistakes, especially since acknowledgement of mistakes is one of the virtues which all the "virtuous" urge us to develop from the time we are children.

Mansurah Textile Workers Protest Rewards for Management

45000070 Cairo AL-SHA'B in Arabic 29 Nov 88 p 2

[Text] Production workers in the Daqahliyah Spinning and Weaving Company demonstrated in Mansurah last week and called a strike protesting the distribution of 30,000 pounds in the form of incentives and rewards to one of the division heads and certain directors, excluding the workers.

The workers refused to work and, in their march, called for the firing of the chairman of the board of directors. They rejected his oppressive policy and also criticized the laxity of some members of the board of directors.

Cairo Students Clash With Security Forces
PM02D163088 Cairo AL-SHA'B in Arabic
29 Nov 88 p 1

[Unattributed report: "Bloody Clashes With Security Forces In Student Elections"]

[Text] The most violent student elections Egypt has ever witnessed ended Saturday. One student was martyred in Al-Zaqaziq and scores were injured, some seriously. Hundreds of Islamic trend students were detained. Despite this, the Islamic trend won most of the seats.

State Security Intelligence last week arrested and kidnapped student leaders to prevent them from taking part in the elections. Then Intelligence used direct force inside the university campus, rigging the elections and tampering with the results in collaboration with certain deans, as Dr Nu'man Jum'ah—a key Wafd Party figure—did at Cairo University's Law Faculty.

Furthermore, the NDP took part in rigging the elections and tampering with their results with the security forces, which turned the universities into military barracks. Officers and NDP leaders carried blank arrest warrants.

ISRAEL

Defense Exports to United States, Latin America Increase

44000120 Jerusalem THE JERUSALEM POST
in English 11 Nov 88 p 20

[Article by Judy Maltz]

[Text] From the look of things, Israel's defence industries may finally be enjoying a long-awaited recovery. Suddenly—as if out of the blue—countries, left and right have been throwing lucrative \$100m., \$200m., and even half-a-billion dollar military contracts in their direction. Not to mention the \$10m. here and the \$15m. there from "a certain country" for "certain types of advanced military equipment".

For two of the biggest defence companies—Israel Aircraft Industries and Tadiran—this year has turned out to be a record one insofar as military export orders are concerned. Both firms have been awarded prestigious Pentagon tenders along with huge contracts from various Latin American countries. At the same time, they have been chosen to take part in joint ventures with some of the biggest international names in the business.

Smaller and less well-known Israeli defence enterprises have also been enjoying their share of the booty. So much so that the inevitable conclusion that emerges is that the country's best-known export industry is finally back on the golden path.

Or is it?...

Not exactly, according to top executives in the country's weapons business. In their opinion, the slew of big contracts won by local companies in recent months is not indicative of any new trend in the industry. Rather, it is almost pure coincidence; or, better put, a matter of good luck.

"It just so happens that all at once the defence budgets of five different countries were supplemented a little, and we happen to be the beneficiaries," says a top official at Tadiran. "In this business, it's all coincidence," echoes a colleague at IAI.

The problems that have plagued the defence industry over the past several years—namely sharp cutbacks in orders from the Defence Ministry and the frozen exchange rate—they say, have not disappeared. But it may very well be that the shrinkage of the local market has been a key factor behind the sudden growth in export orders.

Another point worth considering is that industrialists in general are reluctant to admit that times are good. How then can they justify asking the government for a devaluation or for export "incentives"? Even more to the point, how then do they account to the one or two thousand workers they have just fired because of lack of funds?

One possible conclusion is that Israel's defence industries may not be undergoing a recovery, but may finally be coming of age. Little more than a year after the traumatic decision to cancel the Lavi project, they are probably adapting to the painful realization that "big brother" is no longer around to keep them afloat. And for that reason, they had better do their darndest to find new markets and develop new products, so as to become viable economic entities. According to one Tadiran official, it's now a matter of fighting for their own bread.

Along with more aggressive export marketing, this maturation has entailed adopting a more businesslike approach to producing and selling arms—an approach which until now had been almost foreign to the industry. More specifically, it has meant not expanding simply for the sake of getting bigger and not producing another product just because it looks good or has a nice ring to its name. What it has also meant is some very serious cost-benefit analysis when considering new projects or ventures, accepting orders only when there is money to be made, diversifying into new products and markets, so as not to find all their eggs in one basket again—and basically, just paring down to a manageable size.

As more and more companies have been moving out of the domestic market—not all by choice, obviously—and into exports, another longer-term change has become discernible.

While years ago, the Defence Ministry, in its capacity as "big brother," had subsidized the local defence industry, this situation has to an extent reversed itself today. As most companies have found new export markets to replace the Defence Ministry, they have been able to continue supporting large production lines. Consequently, should an emergency arise, the Defence Ministry will always be able to rely on them for its own needs.

IAI today exports 70 per cent of its production, selling only 30 per cent to the Defence Ministry. A decade ago, the exact reverse was true. Contributing to its record backlog of orders of \$1.7b. this year are a \$500m. contract to sell airborne systems to a certain Latin American country; another half-a-billion dollars worth of orders from a number of countries for its Barak sea-to-sea missiles; a \$200m. contract to sell Kfir jets to Colombia; a \$160m. contract for the Arrow Project—the development of anti-tactical ballistic missile system for the U.S. Strategic Defence Initiative programme; and a \$60m. contract to develop night navigational systems for the Cobra helicopter.

In contrast to the past few years, when the United States accounted for the bulk of IAI's business, this year Latin America reassumed its traditional role as the company's key customer. One possible explanation for this shift is that with defence budgets around the world staying put and even shrinking demand has shifted from high-grade to low-grade weapons. In other words, it's now easier for IAI to sell some Latin America country a bunch of old Kfir planes, which have undergone a bit of upgrading work, than to sell a Western country some advanced, but far more expensive, state-of-the-art electronic equipment.

Still bitter about the scuttling of the Lavi, IAI officials insist that the burst of orders in recent months does not come in place of the fighter plane. These contracts would in any event have come IAI's way, even if the Lavi project were still under way, they say, since the company has always had the inherent capabilities to undertake such work.

Moshe Ortasse, the head of IAI's electronics division, one of the company's more lucrative units, says all his efforts these days are being geared to producing weapons which will answer the three main problems of the modern battlefield: identifying and locating the enemy threat; suppressing or destroying the threat; and requiring as little time as possible between its appearance and its neutralization. Hence, the division's specialization in the areas of radar, electronic warfare ("soft killing"), smart bombs and tactical missiles ("hard killing"), and command control systems.

But since the military market has its natural limits, Ortasse believes in "taking the technologies we've already developed and finding niches for them in the civilian sector"—a direction which is gaining popularity

among other defence firms as well. The main civilian areas he is currently examining are space, information, and medical instrumentation.

The Ofea-1 satellite, which is still in orbit, was designed and manufactured by engineers at IAI's electronics division. IAI officials say they have had "encouraging calls" from firms around the world interested in embarking on joint projects in the space field. Once the ball gets rolling, they estimate the potential of the space market for IAI will be at least \$50m. a year. The company has just started conducting a survey of the various space programmes around the world in order to examine possibilities for participation.

With regard to medical instrumentation, a field which may seem far-fetched for a company like IAI, Ortasse says his division is currently working with Bar-Ilan University to develop a system which can detect cancer through a quick blood test. "It's the same principle involved here as in war," he notes; "it's a matter of identifying the threat as soon as possible."

Reaching maturity at IAI has also meant an end to constantly putting itself out on a limb and embarking instead on projects together with other firms. The company's electronics division currently has some 50 lines of cooperation with companies around the world, including the United States, Spain, Japan, Italy, West Germany and Korea. "Assuming that the Defence Ministry budget is not going to grow in the future," says another senior company executive, "our main area of hope lies in joint ventures and industrial alliances with partners in the U.S. and Western Europe."

The bottom line at IAI seems to prove that the new strategy is working. After losing some \$96m. last year, the company turned in a small but very meaningful net profit of \$500,000 in the first six months of this year. Needless to say, this token achievement came at the expense of the dismissal of over 3,000 workers.

Acknowledging that this was an exceptional year with regard to export orders, Tadiran officials are reluctant to attribute their success entirely to marketing skills. "If the German Defence Ministry had no money," says one executive, "it wouldn't matter how aggressive our marketing campaign was."

The value of Tadiran's orders this year have reached a record of \$1.1b. Just last month, Tadiran won two important military contracts, worth a total of \$200m. from two unidentified countries. In the summer, together with General Dynamics, it was awarded a giant Pentagon contract the value of which has been estimated at several billions of dollars over the next 15 years. And since then, it has won another \$135m. contract to supply a certain Latin American country with military communications equipment and systems.

But being more aggressive has not necessarily helped Tadiran in the long run, company officials argue. In fact, becoming more competitive has meant lowering their prices which in turn has translated into a cut into profits. "Five years ago, in this industry, if you got a \$2b. contract, you could be sure to earn about \$250m. on it," says one company official. "These days, you dance a hora if you manage to break even on it." Still, Tadiran's management expects to show a profit in the second half of this year, after losing \$25m. in the first half. This again comes at the expense of 2,000 jobs at the company.

What is also misleading about this year's record figures on export orders, the officials explain, is that the bulk of them are long-term and some will not even begin for a few years. Which means that it will be some time until they are reflected in Tadiran's operational and financial results.

Imanu'el Gil, the president of Elbit Computers, is even less inclined to believe that the fortunes of the country's defence industry have taken a turn for the better. In his opinion, what has happened over the past few months is merely a coincidental "bunching together of big contracts."

Gil argues, in fact, that there has been no recovery whatsoever in the industry. Over the past two years, he says, Elbit's backlog of orders has remained unchanged at about \$250m. Unlike other defence companies, however, Elbit has consistently shown a profit over the past several years.

"I believe there is very little room for growth in the military market," says Gil, "since at least until 1992, there is no indication that defence budgets around the world will increase. What Israeli companies have to do is start exploring the civilian sphere." Taking his own advice to heart, Gil has increased the civilian side of Elbit's business to 30 per cent today, from 20 per cent just a few years ago.

One company where this shift is not as viable an option and may, in fact, be one of the reasons why it has still not risen from the doldrums is Rafael—the Defence Ministry's Weapons Development Authority. Beset by losses for several years, Rafael is now having problems getting the government to finance its research and development activities. Why should we give Rafael money to develop secret weapons, the Defence Ministry argues, when they will inevitably be sold to foreign countries and may even end up being used against us? But then, Rafael argues back, how can we be expected to make any money if you won't buy from us and we can't export?

Getting back to the defence industries as a whole, it seems clear that their good fortunes of late are due partly to good luck and timing, on the one hand, and to their aggressive fight for survival, on the other.

True, the big contracts may not keep coming their way. But it seems that many companies have already grasped one of the key rules to running a viable business: When your sales drop, you cut your expenses accordingly to ensure that you still come out with a profit.

It can be argued that Israel's defence industries are not undergoing a full-fledged recovery, and they are certainly far from raking in the bucks. But it cannot be disputed that the hard-learned lessons of the past few years are beginning to bear fruit.

Southern Commander Discusses Gaza, Military Concerns

44230012 Tel Aviv BAMAHAHE in Hebrew
7 Sep 88 pp 11-14, 29

[Interview with southern regional commander Brigadier General Itzik Mordekhay by Yitzhaq Toniq; date and place unspecified]

[Text]

[BAMAHAHE] How would you define the current situation in Gaza?

[Mordekhay] There is a small but hard nucleus within the area which thinks that it can activate other processes through violence and friction. The majority of the public living in the strip is tired of the so-called "awakening," and wants to return to normal life. They understand the damage caused to them. It is clear that there is friction between Army forces and civilians, and that damage is being caused, but we are trying to minimize the damage to life and property. Daily life regarding work and other areas is disrupted, and it is not easy for an entire society to live with very acute basic problems.

[BAMAHAHE] Has there been a decline in the amount of activity in Gaza?

[Mordekhay] Although I know that every rock and local disturbance seems insufferable from the standpoint of reserve personnel serving in Gaza, there has been a very low level of activity in the Gaza Strip for the past 2 months.

Nonetheless, as one who was in Gaza a year and a half before the breakout of events, and who spent another half year in the midst of events, especially during their first weeks, I am aware that the potential hidden in this human mass can cause us very serious problems.

Since mid-January, I think that we have been gaining gradual control over events in a relatively effective manner. Likewise, we have found solutions regarding tactics, the deployment of forces, the activation of resources, and the exploitation and coordination of all forces and resources at our disposal in order to carry out the mission of lowering the profile of violence to a minimum.

[BAMAHANE] Do you mean restoring the situation to its previous status?

[Mordekhay] In my estimation, yes; however, it should be remembered that the residents themselves have also come a certain distance. The disturbances made them the focus of the domestic and world media, and they have discerned that it is in their power, as it were, to disrupt certain systems; nothing is more serious than someone who reaches the conclusion—even if it is incorrect—that he can engage in activities and disrupt processes.

At the same time, I am convinced that the majority of the residents of the strip are frustrated completely by the results which they achieved relative to the scope of their personal and public investment, and the damages they have incurred. The results have so far been very meager. Every intelligent person must engage in self-examination as to whether this process is worthwhile or not.

[BAMAHANE] Difficulty continues to exist with regard to identifying the organizers and the inciters, despite the lengthy period available for studying the matter; why have they not been located?

[Mordekhay] Over time, we have indeed been able to locate a nucleus identified as the prime mover, as proven by the number of administrative detainees, sentences, and, in fact, the number of people in prisons in Israel. This is a strong indication that the organizers are being apprehended, and we currently have evidence which argues that the arrests and sentences were not coincidental.

The vast majority of these people were arrested and handled on the basis of information from the security services, or other information brought to our attention. The results prove that our information was absolutely accurate.

Notwithstanding, if you ask me if we detained all those who carried out activity, or all those who have the potential to do so, the answer is certainly not. Behind every local leadership arrested for inciting incidents, there is an additional nucleus, which is naturally less capable and less attractive than the preceding nucleus. The existence and continued growth of such nuclei is a central problem. To use a botanical analogy, we have not, in my estimation, reached the roots of the leadership foci and uprooted them. We have managed, in the field, to damage all those elements which incite events.

[BAMAHANE] What are the difficulties related to reaching the root of the matter?

[Mordekhay] A portion of the prime movers can be designated white-collar people. They are behind the events, and their hands are not soiled by the events themselves. The second component, which is much more

serious and dominant, is the religious nucleus, the religious leadership. We have an interest in making every effort not to be dragged into a situation in which the struggle becomes a struggle in the religious field. The State of Israel would incur considerable damage if this friction is transformed into religious friction. Therefore, we are treating the religious leadership with kid gloves, and we are not dealing with the mosques or with religious foci unless we are absolutely certain that they are a prime inciter of violent activity, and unless we have no other choice.

Another difficulty is in the area of declarations. There is no doubt that there is a guiding hand which coordinates between Judea and Samaria and Gaza. However, once this guiding hand completes its task, it is a very simple matter for it to issue declarations to radio, television, and the press, and from there, via all sorts of improvised means, to the field.

[BAMAHANE] In which areas are the organizers attempting to incite the public, and to continue the incidents?

[Mordekhay] There are attempts to continue a wave of incidents at a very low level, and on very defined days—what we nickname a “deluxe uprising.”

If there is a body which is organizing incidents, it can be said, to its credit, that it has managed to discern two basic things: What it can do, and what it cannot do. For example, in Gaza, there is the matter of the exchange of identity cards, which affects 150,000 people. We have made people realize that they must engage in a dialogue with the civil administration to update all of their basic data, and to pay all of their obligations both on an individual level and on a public level. Whoever, for any reason, has an outstanding account or obligation in relation to Israeli rule in the Strip, or to the State of Israel, or has a criminal file in Israel, is arrested.

Not surprisingly, within a few days they realized that they could not oppose this issue, and they backed off. They very hastily reached the conclusion that they cannot refuse to go to work, and there have been few subsequent disruptions regarding this issue. In the area of agriculture, industry, small businesses, and other economic areas, they reached the conclusion that they have no chance of achieving results by pitting themselves against the government.

In recent days, they attempted to create some opposition to the exchange of vehicle permits, but I have no doubt that we will ultimately check all vehicles in the Strip, issue new permits and new numbers to them, and that their owners will pay their obligations, including the vehicle fee which we determined.

They have concluded that they can play on emotions on very defined and specific occasions, such as Martyrs Day, Deportees Day, Students Day, and all types of such

days. They can also achieve gains, albeit minor gains, in the field at the local level if they succeed in connecting the nationalistic motive to the religious motive. In recent months in the Gaza Strip, two people were killed and one girl was accidentally killed; this is a very narrow scope of incidents.

[BAMAHANE] How do you explain the intensity of incidents in Gaza compared to incidents in Judea and Samaria?

[Mordekhay] I do not accept this. I think the opposite is correct. It should be understood that the fundamental problems in the strip are seven times more acute than those in Judea and Samaria, and we remember the early 1970's, and the terror activity then.

In the course of all the years, Gaza, with its complicated problems, has been a hard nut to crack, and I would say that the State of Israel does not have a solution for the problems of the Gaza Strip.

I mean the geographic and demographic problems, the acute religious problems, the economic and social problems, and the problems of the large refugee camps within the scope of a large population. It is impossible to compare these basic problems to those of any other place, certainly not to those of Judea and Samaria. The Gaza Strip also has a block, or blocks of [Jewish] settlements, which are all linked to a central movement axis which could be disrupted relatively easily. Therefore, I do not wish to make comparisons with Judea and Samaria.

[BAMAHANE] What is the influence of the Jewish residents in the area?

[Mordekhay] The opinions and outlooks of the Jewish residents of the Gaza Strip do not differ in their essence and pivotal point from those of Jews in Judea and Samaria. I think that we have succeeded in doing two central things, namely, we are coping with the problems of the Strip, and we are reducing the amount of violence to a low level.

Attempts to compare one region to another are in some cases incorrect and misleading. I know that the media puts "territories" in the headlines, however there are significant differences between the problems of the Strip and those of Judea and Samaria, and I suggest that solutions or correct answers be found for each region instead of considering them together.

At the same time, I think that the operations which we undertook in the Gaza Strip caused the residents to realize that they are up against a well-oiled and trained system that knows how to operate, and this reduced the scope of activity on the part of the other side, and the scope of damage.

To my regret, we have not succeeded in putting a decisive end to the problem in 2 months, because the basis of the problem is the very large population of 650,000 people distributed over 360 square kilometers. We have not succeeded, nor will we will succeed in blunting the basic problems, because they are not within the purview of the Army's activity. We have succeeded, however, in coordinating the instruments and the system in such a way that we are providing business-like responses and reducing the scope of the violence to a very low level.

[BAMAHANE] How do you define your relations with the Jewish residents in the area?

[Mordekhay] Relations between myself and the Jewish settlements are very good. I regret that the media attempted in the past to inflame passions. It is forbidden to create confrontations among the general population living in the Gaza Strip, for I am responsible for the lives of Jews and Arabs. I think that, with the exception of an isolated incident, the residents of the Katif Block [of Jewish settlements] proved that I was correct; I do not distinguish between one child and another nor between one person's blood and that of another. We want to improve life, and fairness requires the preservation of the lives of all residents.

I think that a system of very personal and very positive relations has developed between the Jewish settlements and the IDF and its commanders. It is my duty to ensure their safety and security as is the case in any other mission given to us. I do not mix personal notions with national security tasks assigned to me. There is no connection, and I am not prepared to speak about my personal conceptions regarding political matters. However, in the area of defining objectives, missions, and goals, there is no doubt that part of our mission is to ensure quiet, peace and security for all residents of the Strip, including the Jews who live there, by force of the law, and by force of the Israeli Government.

[BAMAHANE] An important question: To what extent do the Jews living in the Gaza Strip influence events?

[Mordekhay] There is no doubt that they have an influence. The predominant factor in Jewish-Arab relations is settlement [activity], and the life which they share on one hand, and which, on the other hand, contains all the antibodies which they arouse in this parcel of land. Any venting on this subject would lead immediately to areas which I have no interest in discussing.

[BAMAHANE] You mentioned the importance of the media regarding incidents. You are personally cited as having harsh arguments against the media.

[Mordekhay] I live, and want to live in a democratic state. I understand the meaning of democracy, and it is absolutely clear that there can be no democracy in which there is no freedom of speech, nor freedom for the public to be informed and to express an opinion.

Nonetheless, it must be understood that we are coping with an unprecedentedly difficult and complex problem whose components include competition for Israeli and world public opinion. It should be remembered that residents of the territories have in time become aware of the significance of the media, and how, through the correct use of the media; they can achieve objectives such as these and others which are in opposition to the objectives, missions, and goals of the security system.

The acceptance of information which is inaccurate, uncorroborated, and sometimes tendentious from all types of elements in the field causes immeasurable damage to the State of Israel from its own standpoint and from the standpoint of the external public, and has more than once resulted in injustice and damage to the security forces operating in the field. I do not have—God forbid—the slightest complaint against the media when it is attempting to report factual information from the field with accompanying analyses. However, I know that some journalists—and I say this delicately, and not, God forbid, in order to hurt them—sometimes do not perform their work reliably. There is no absolute reliability regarding the information which they receive, the headlines which they use, and the analysis which they make. When this causes damage to soldiers, commanders, and the systems under my charge in the field, it is my personal duty in terms of conscience and ethics to appeal to public opinion in this regard.

[BAMAHANE] Has the Army perhaps caused the problem?

[Mordekhay] I think that the Army is truly responsible for part of the problem, because our system of spokeswomen and information within the Army and the State of Israel is not structured well enough and correctly enough to give responses, even in the personal area.

Until the breakout of events, there was one commander—with the rank of 1st lieutenant, who was initially in the regular Army, and later in the career Army—in the entire system of spokeswomen of the Southern Command. When events erupted, a spokesman with the rank of major was appointed and stationed permanently in the Strip, but this does suffice to give a suitable response to the local and world media according to the way it operates.

[BAMAHANE] Do you make this argument in the different forums of the security system?

[Mordekhay] I bring it up in the different forums, and I am aware of the difficulties and the limited resources which exist in the security system for the provision of

solutions in all areas. Let us return for a moment, however, to the media, and examine the events which occurred in the first days [of the uprising] in the Gaza Strip, and the publication in the HA'IR newspaper concerning the incident at the Shifa Hospital. I was at this place personally, and the following day I reported accurately on the incident itself. At the time, I stated: If they want, they can investigate. When they investigated, I requested not to be involved, and I assumed a completely neutral position. And wonder of wonders, after a cursory investigation, it emerged that every word in my report was correct.

[BAMAHANE] Was this exceptional incident exploited exhaustively as an example?

[Mordekhay] It was not an insignificant incident. A very respected Israeli journalist contacted me and said: You are mistaken. I responded: If I had been mistaken, I would have at least drawn personal conclusions, because I was at the site personally, and I saw the incident and investigated all of its aspects.

Take the case of the little boy. It was reported that the security system was using boiling water to injure infants and children. This is blood libel. However, it took 2 to 3 weeks to investigate the matter and conclude that the story was unfounded.

I am concerned about public opinion, but it is less dominant in my view. In my view, it is more important that we be pure and clean. Therefore, I need to check every incident and determine its significance from the standpoint of the Army, and from the standpoint of ethical values in dealing with a very difficult and complicated problem, namely Army operations against civilians. Some people speak of purity of arms, and the criteria which are applied to an army when it faces another army. Here, it is a matter of an army facing civilians. Therefore, it is important to me, in terms of the humanitarian and ethical values of the IDF, to investigate each case.

On the basis of my experience, including that from the recent period, it seems to me that the press does not always wish to investigate and ascertain all the facts. When a journalist attempts to investigate an incident which occurred a half year ago, they tell him, fine, we will provide you with all the information. However, the journalist does not wait, and issues inaccurate headlines which are neither correct nor factual. I make this statement on the basis of my personal knowledge and connection. It seems to me that the press occasionally does not wish to be reliable, consistent, or exhaustive in its approach. Journalists—for the sake of getting a headline—sometimes cause personal or public damage, and significantly hurt security systems which are endeavouring with all their power to cope with the problem while simultaneously trying to protect the lives of our own people. I think that the media cannot stand on the sidelines as a soccer referee, or as an observer on the side,

and collect information without checking its veracity, accuracy, relevancy, and the degree to which it might serve objectives damaging to us.

It is legitimate for them to criticize the security system and to criticize me personally. It is legitimate for them to criticize the system for which I am responsible. It is not legitimate for them to cause damage by criticizing the security system on the basis of incorrect and unverified facts, and occasionally tendentious conclusions. It is my duty to oppose this phenomenon with all my strength and power, and not to shrink in the face of it because it might damage me personally.

[BAMAHANE] Have there been published cases in which the criticism was justified?

[Mordekhay] There have been cases uncovered or reported by the media, which we later checked and verified with the result that some people were brought to trial. In these cases, I believe that we are ethically indebted to the media, for it sometimes covers specific incidents that we cannot reach inasmuch as we do not have information from the field on every incident. We are definitely taking measures for which the media deserves a lot of credit.

When you honor and esteem someone, you are capable of accepting criticism from him, even if it is inaccurate and not completely factual. But when an incident is not reported accurately, and the reporter is superficial and does not verify information, the only recourse is to call the newspaper for your own well-being, and move forward.

[BAMAHANE] Some argue that your relation with the media is still influenced by the personal injustice caused to you in the entire course of the Shabak [General Security Services] incident [in which a bus hijacker—or hijackers?—died in Shabak custody].

[Mordekhay] Anyone who has followed the Shabak incident, can argue the opposite. I bear no malice whatsoever toward the systems with which I have since worked in the conflict. Since becoming a regional commander, I have worked with the security service, and it is difficult to imagine any better system, which I would even call a fraternity. I have nothing against the media, including those same media elements who gored me from the right and left. I did not go out against them, and I did not attack them. I also stated that as long as the true facts have not been completely clarified, it is legitimate and even moral to gore, and make personal attacks. I have tried with all my power to cope and emerge stronger, and not weaker from this affair.

Despite the fact that this has accompanied me for more than a year, I have succeeded in overcoming all tendencies toward despondency, and have remained a human being, a commander, and a fighter. I have also retained my morality and ethics, and have not been drawn into incidental matters.

[BAMAHANE] Have you once thought about a situation in which three Shabak personnel would not tell the truth; have you thought about how you could continue to exist in such a situation?

[Mordekhay] I do not want to be drawn into the details of this incident. I assume that some day I will write extensively on this incident and about all the wars in which I took part. I adhered to the truth with all my power. I did not attempt to shrink from the moral and ethical aspect, and the truth came to light ultimately.

[BAMAHANE] A few months ago there was another case of a bus which was hijacked by terrorists. Again, this time as regional commander of the south you were at the site and were the commander of the operation to assault and regain control of the bus. Is it possible to command such an operation without the memories and residue from the past immediately coming to mind?

[Mordekhay] I must point out that in those phases of the incident, the main thing which preoccupied me was truly how to solve the problem from a humanitarian and professional standpoint as best as possible.

When I examined myself in the first moments of the incident, in the course of making on-site considerations and ordering the assault to enter the bus, it seemed to me that it was impossible to expect a more prudent and correct functioning and operation of the systems.

I am pained at the loss of life of the two women and the man. I am doing everything in my power to maintain a close connection with the three orphans of Victor—may his memory be a blessing—and I take them personally to events which we organize at the command.

With regard to the earlier Shabak incident, I repeated tens of times: If I were to find myself again at the Dir al-Balah intersection, and was ordered by the chief of General Staff, as was the case, to take command of the incident and prepare units to take control of the situation, I would employ exactly the same means, and I would carry out the same operations deemed necessary from beginning to end. In the final analysis, I believe that these actions were correct for the purpose of neutralizing the disaster which occurred. Some day, when all of the details and events are disclosed and detailed, it will be concluded that it was necessary to operate in precisely this manner. I do not wish to enter into greater detail at present.

[BAMAHANE] We have not yet spoken about other missions on the borders with Egypt and Jordan. Is it possible that nothing is truly happening there?

[Mordekhay] Regarding the Egyptian border, there are the peace agreements. With respect to the Jordanian border, there are in fact no agreements, but the border is peaceful. I think that it is in Israel's interest that it have

quiet and secure borders, and that it be possible to move along these borders freely, and to undertake construction and production activities along them.

At the same time, in my view, there is no contradiction between the preparation of systems whose primary objective is to ensure the security and existence of the State of Israel, and a situation of peace and security. On the contrary; anyone wishing to strengthen peace should prepare for war. The stronger, more secure, and better trained one feels, the greater are the chances that one will reject war and not promote it.

We are establishing a security system which runs along the 400-kilometer-plus length of the border with relatively few resources and forces. These borders are quiet and secure.

In addition, I would like to re-emphasize that the State of Israel and the IDF must not be quiet or lulled asleep. It is necessary to prepare our systems in anticipation of the day on which they might be tested. I believe that I put in full days; I am preoccupied mainly with preparing operative plans, training the commands at different levels, and providing intensive training to regular units, infantry, artillery, and other units located in the region of the command. An outstanding example is the Giv'ati Brigade which has come a long way from its formative phases to be a confident and capable force. Anyone who has experienced or seen the brigade's final regimental exercise knows where the Giv'ati Brigade stands today.

Finally, I am very preoccupied with the integration of Army and civil systems. It seems to me that anyone who cursorily examines what has been happening in the Southern Command during the last 2 years, sees that there is no military event which is not integrated with the civil system.

This includes athletic events, educational events, and cultural events. I am not exaggerating when I say that the Southern Command gladly took upon itself a very significant portion of the "To the Negev" events. When it was suggested that we become involved in these events, I said: Yes, we will become involved in them. If you take a look at the development towns and the settlements in the South you will see the Army's contribution to the civil system as well as the integration of civil and Army systems, which has been carried out in such a way that both systems have emerged as winners. There has never been such activity on this scope, which contributes to public and civilian life in the Negev.

[BAMAHANE] However, in this regard you hear people saying: Itzik Mordekhay is certainly preparing for himself the groundwork for other positions after his service in the IDF.

[Mordekhay] Anyone who made such statements in reference to me should be ashamed. I have no further comment. I know cynics, and I know people who are

unfavorably disposed to every national activity you undertake. It can be argued in response to such people that I did not actually take any position outside of the IDF, even though I had more enticing offers than perhaps anyone in the State of Israel.

[BAMAHANE] Were there many people who were truly surprised after the rumors were fabricated?

[Mordekhay] Perhaps. I know that they were surprised, but the security field is closer to my heart, and as long as I feel that I can contribute to the security field with my power and spirit, I will do so. Incidentally, I also was involved in similar [public service] activities when I was the commander of a regiment on the Lebanese border, and when I was the commander of the Company Commanders School. The network of relations which I formed on the northern border in difficult moments has endured more than all the cannons and tanks in the North. I hope that the Negev and the Southern Command will not have to face similar challenges. I believe that the relations which have developed between the civilian population and the Army strengthen both systems. I have no personal intentions in this area. I have only national intentions. How could it be otherwise in the case of one who, instead of devoting more to his personal life or to personal areas, devotes every one of his free moments to the public areas to which he is assigned, and who is able to see results and networks of relations as well as a little happiness in the eyes of the children, the elderly, and the citizens whom he is entrusted to protect.

On this occasion of the New Year, and the Festival of Tabernacles, I want to convey my best wishes, blessings, and esteem to the residents of the South, to the Southern Command, and to the commanders and fighters. I wish for the people of Israel at home and in the diaspora, many years of quiet, security, and creativity.

KUWAIT

Consolidation Success Forecasts Economic Upturn
44000081 Kuwait ARAB TIMES in English
30 Oct 88 p 11

[Text] There is a growing belief that the consolidation process, initiated four years ago with the aim of putting the Kuwaiti economy on a more sustainable growth plan, has started to bear fruits.

For the first time since 1982, the non-oil gross domestic product has shown a positive growth in 1986, notwithstanding the collapse in the world oil market. Value-added in the non-oil sectors amounted, then to KD3,156 million, up 6.4 per cent on the previous year, according to Kuwait Interim Economic and Financial Report published by NBK [National Bank of Kuwait].

Overall GDP was, however, down 15.6 percent to KD4,998 million, under the impact of a considerably reduced oil sector contribution. Conversely, the share of non-oil activities in total GDP showed a substantial increase to 63 per cent in 1986, up from 50 per cent in the previous year.

Among the fast-growing non-oil sectors, manufacturing—including petrochemicals—registered a substantial 47 per cent increase to KD555 million.

Construction, in contrast, continued to reflect subdued activity with the sector's value-added amounting to KD156 million, down from KD198 million in the previous year.

Trade, wholesale and retail, suffered a limited KD30 million drop to KD470 million. Other major sectors witnessed no significant change.

Headway

The considerable headway achieved in the implementation of the "Difficult Credit Facilities Settlement Programme" is gradually restoring confidence to the financial sector.

Initially, the programme—which guarantees the rights of depositors and the banks' shareholders' equity as of end-December 1985—has had a slow start. But gradually, as debtors' sentiment turned more positive, the enforcement of the scheme gathered pace.

Data revealed by the Central Bank show that, as at January 7, 1988, banks have "technically" completed settlement agreements for 92 per cent of the total non-performing loans outstanding.

In a separate development, the Kuwait capital market, after a 5-year moratorium, has been reopened for foreign borrowers with the launch of a KD20 million (\$71 million), 7-year public bond issue for the Republic of Finland, the largest ever single public issue launched in the KD bond market. This was soon followed by a KD30 million (\$106 million) 7-year public issue arranged and lead-managed by the national Bank of Kuwait on behalf of the World Bank.

Tangible

Last year saw the first tangible results of the three-year-old effort to rationalize public finance. The closing accounts for 1986/87 show, indeed, that the drop in total revenues to KD1,731 million was, to some extent, offset by a substantial eight per cent drop in actual spending. This leaves a strictly defined deficit of KD1,129 million.

The new budget for 1987/88, announced on June 30, 1987, is a mere confirmation of the government's fiscal orientations set in the previous year. The anticipated

gain in revenues (3.5 per cent)—mainly derived from firmer oil prices—will be used to finance a similar increase (3.4 per cent) in spending.

Development expenditure will benefit from a significantly higher increase of 7.5 per cent, clearly reflecting authorities' concern to support the productive sectors.

Besides, wages and salaries are set to increase by 10 per cent.

The resulting budget deficit, scheduled at KD1,179 million, will probably turn out to be much smaller than projected.

It is of significance to note that the Kuwait State Reserves, estimated at KD25 billion by mid-1986, continue to provide a comfortable cushion to the country's public finance.

About KD14.3 billion are held in the Reserve Fund for Future Generations and the remaining KD10.7 billion are held in the State General Reserve.

In a move aimed at providing partial funding to the budget deficit as much as introducing more flexibility in the money market and financial system, the Council of Ministers approved, last September, legislation enabling the government to launch a public debt programme to the tune of KD1,400 million.

The new instruments will be issued to the bearer and may be purchased by Kuwaiti as well as non-Kuwaiti individuals and institutions.

Underwriting will, however, be restricted to banks and financial institutions subject to Central Bank supervision. The debt instruments will range from short-term 91-day Treasury Bills up to 10-year Treasury Bonds. As from Nov 21, the Central Bank started to invite tenders for the debt issues. This proved to be a great success, with the third issue (the last in 1987) attracting bids for KD722 million, 4.8 times the total on offer.

From a different perspective, 1987 was recorded as a particularly eventful year in terms of the Kuwaiti dinar exchange and interest rates. Breaking with a two-year-old bearish undertone, the KD staged a marked recovery, not only against the weakening dollar but also vis-a-vis other major currencies.

In May, a downward adjustment brought the KD off a 7-year record high of 268.86 fils, but left it at levels significantly firmer than in the previous year.

Decline

The sharp decline of the dollar, in the wake of the sharp fall in the international stock markets, gave a strong boost to the dinar against the dollar but resulted in a relatively modest slide vis-a-vis other currencies.

Finally, as regards interest rates, monetary authorities were keen on installing a more flexible and market-oriented system. In March 1987, the Central Bank announced the overhaul of the 10-year-old lending interest rate structure.

In the meantime, it was endeavoring to guide money market rates downwards. The latest such move, enacted in November, was ½ per cent cut in the discount rate to five per cent. For the foreseeable future, the market expects KD rates to steady around their present low levels.

The world's stock markets suffered a major setback in October 1987 when in a few days the gain of the previous months—years in some cases—were completely reversed. The crisis began on what was called Black Monday, on October 19, when the US Dow Jones Industrial index plunged by a record 22.6 per cent, 508 points, conjuring a spectre of a 1930's style depression.

LIBYA

Reporter Interviews Trainees for People's Security Program

45040057 Tripoli AL-JAMAHIRIYAH in Arabic
23 Sep 88 pp 10-11

[Article consisting of short interviews with trainees in the people's security program by Naji Ibrahim: "Downfall of the Government's Official Police Force"; first five paragraphs are editor's introduction]

[Text] Equipped with the same enthusiasm and determination they had when they crushed the government and cleared the way for the age of the masses, today the masses in Libya are making progress in their efforts to do away with the remaining governmental agencies. These agencies were associated with oppression and terrorism, and they were engaged in tyrannical practices against the masses.

Today, the masses are taking action to complete the historic march which started on the second day of March 1977.

The local people's security program is one of the blocks used to build the state of the masses. It is one in a series of episodes in which people are taking control of official institutions. A link in the chain of the government's monopoly will have been broken when the people's security program becomes a reality. By destroying the police agency and replacing it with a popular alternative, the masses will have taken strong steps toward building a model state of the masses.

As they make daily progress in the effort to destroy traditional and official government establishments by abolishing the police and official companies, the masses are confirming the state of the masses. They are taking control of all their capabilities and creating the executive

agencies which can implement their decisions. By destroying the police they are bringing an end to one form of domination, putting an end to fear, and bringing tyranny and terrorism to an end. Security will not be established by wishing for it or by coining slogans about it. Nor will it be achieved under the existing official agencies. Security will be achieved only when each member of a basic people's congress joins the local people's security program and when individual members of a single neighborhood become active members of the people's security program. The only guarantee that the state of the masses will be protected, that the people's authority will be affirmed, and that the direct people's democracy will be protected is that all resources protecting the sovereignty of the masses be controlled completely and totally by the masses. To guarantee protection for the state of the masses, all agencies must be controlled by the masses. Unless the masses control security agencies and the police and unless they take prompt action to abolish the traditional army and to seize weapons, power and resources will be in jeopardy.

Establishing a local people's security program is no less important than organizing basic people's congresses. It is in connection with the masses' control of official institutions, specifically in the context of their seizure of security posts to build a model state of the masses, that AL-JAMAHIRIYAH conducted this photo report in which volunteers in the people's security program at the People's Congress in al-Mansurah and at the People's Congress in the administrative district of Abu Silim were questioned. (The Editor)

[AL-JAMAHIRIYAH] Your name, if you please.

[Answer] Ahmad al-Sharif.

[AL-JAMAHIRIYAH] Your main occupation before joining the people's security program?

[Answer] A secondary school student.

[AL-JAMAHIRIYAH] That is wonderful! It's great! This did not affect your studies, did it?

[Answer] Not at all, because my dream has been to contribute to the preservation of security. I wanted to be one of those instrumental in putting an end to one official agency. I believe that security will not be achieved unless people become involved in the people's security program. I am certain of that.

[AL-JAMAHIRIYAH] Can any individual join such a program and successfully graduate from it?

[Answer] As you see, anyone can do it. As I said, I am a student, but I joined the program and I graduated.

[AL-JAMAHIRIYAH] Are there no difficulties?

[Answer] None so far. I am certain that in time any difficulties will be surmounted. Even if such difficulties existed, they would be insignificant.

[AL-JAMAHIRIYAH] What are the subjects that are being taught to you?

[Answer] We are taught, of course, subjects that are related to security, especially since we will replace the official police. We are taught about such things as motorcycles and identity cards. Other colleagues received training in other areas of specialization.

[AL-JAMAHIRIYAH] What is the motive behind this enthusiasm that I see now in front of me?

[Answer] It is the responsibility of every male and female citizen to see to it that we build a model state of the masses, that we protect the people's authority, and that we achieve security.

[AL-JAMAHIRIYAH] Thank you and we wish you success.

[AL-JAMAHIRIYAH] I see that you're standing beside a motorcycle. Have you been trained on that motorcycle?

[Answer] As you see, yes.

[AL-JAMAHIRIYAH] Your name, please!

[Answer] Muhammad Maylud 'Uraybi.

[AL-JAMAHIRIYAH] What do you do for a living, Muhammad?

[Answer] I am a student in the College of Pharmacology at al-Fatih Medical University.

[AL-JAMAHIRIYAH] You are a student too? It is a good and positive indication to see that students are the first ones to join this program.

[Answer] This is our mission as students. We are role models, and we set an example. We are moved by a desire, reinforced by faith, to build a model society that is unique in the world. In that society we, the masses, would control all resources.

Everyone has the opportunity to fulfill his mission and contribute to the construction of a model state for the masses.

[AL-JAMAHIRIYAH] I moved to the left where everyone was in line, standing next to his motorcycle. I saw nearby a young man whose enthusiasm was evident and who appeared to be young. I approached him, and he greeted me. A smile of admiration was my response to this greeting.

[AL-JAMAHIRIYAH] What is your name?

[Answer] 'Abd-al-'Ali 'Umar.

[AL-JAMAHIRIYAH] What was your main occupation before joining the security program as a volunteer?

[Answer] Student.

I repeat the question: "A student volunteering for the people's security program! Seeing that the majority are students like yourself keeps enthusiasm alive!!"

He replied enthusiastically and earnestly, "Yes."

[AL-JAMAHIRIYAH] Is there a difference between you and individuals in the traditional police?

[Answer] Yes, you mentioned that the police are traditional, and we are individuals in this country who are full members of the people's congresses. We are one of the products of the popular organization.

But the police, which you described as traditional, have a history. In the past they were called the ruler's stick, and even now they are still being called that in surrounding and neighboring countries. The police were founded to consolidate a certain regime and impose obedience to a certain ruler. But we, members of the people's security program, were founded for exactly the opposite reason. We were founded to confirm and consolidate the people's authority and bring an end to an epoch of fear, terror, and tyranny experienced by citizens under the presence of governmental police agencies.

I saw a young man in the middle who gave me the impression that he wanted to talk to me. I approached him and told him, "You may have overheard the conversation I had with your colleagues."

[Answer] Not all of it.

[AL-JAMAHIRIYAH] At any rate, AL-JAMAHIRIYAH congratulates and salutes you, too.

[Answer] Thank you and welcome.

[AL-JAMAHIRIYAH] What is your name?

[Answer] 'Abd-al-Razzaq Khalifah Qarawash, a production worker at the Iron and Steel Complex.

[AL-JAMAHIRIYAH] Is your goal the destruction of the official police and its replacement with a people's alternative?

[Answer] Yes, of course. We have been striving for that for a long time. We contacted our colleague who is in charge of the justice sector, and we managed recently to achieve this goal, which is now an existing fact just as is the people's authority. The people's security program guarantees and protects the people's authority.

[AL-JAMAHIRIYAH] Are you finding any difficulty in implementing security functions during the training period?

[Answer] Not at all. [Security people] are just like us. The only difference is that they received training and entered into this profession. However, one does not have to be a policeman to perform security functions.

Misbah Muhammad al-Sumu'i, a secondary school student who volunteered to join the people's local security program in the administrative district of Abu Silim:

[Answer] I joined this program because I believe in this advanced, cultural concept which can protect what has been gained, defend what has been achieved, protect the people's authority, and, consequently, build the model state of the masses in which everything—power, wealth, and weapons—would be controlled by the masses.

Libya is the world's foremost country for security. Libyans have the responsibility of setting an example as a model of this phenomenon. They have to join the people's security program as soon as possible to bring an end to the traditional official agency.

Abu 'Ujaylah al-Mabruk 'Ajjaj, a civil servant:

[Answer] We will become the nucleus in the groundwork which is being laid for the people's security program. The masses will lay this groundwork, working side by side with the people's congresses. We will have the honor of having responded to continuous prodding from the leader of the great 1 September Revolution. He prodded us to act against the remaining traditional institutions which have nothing to do with the people's authority. There is no need for these institutions to claim that they are protecting the masses or guarding the people's gains. In a people's society, the masses have the upper hand, and they are expected to safeguard those gains.

Sa'd Rajab al-Maraki, an employee of the local security branch in the administrative district of Abu Silim:

[Answer] Any individual or member of any basic people's congress can join the people's security program. He can, accordingly, learn all the lessons which are delivered quite honestly. The course usually lasts for at least 2 months. At any rate, the duration of the course is determined by each people's committee, and the volunteers themselves determine that.

Among the functions of a people's security volunteer are those of preserving the accomplishments of the great 1 September Revolution. He must also protect his own gains and safeguard himself and his own family. He is a unique and new role model; there is no one like him in the world.

We met the member in charge of the justice sector of the basic people's congress in the administrative district of Abu Silim. He said, "Every member of a basic people's congress has the right to join the people's security program. This stems from the faith we all have that security is everyone's responsibility."

Regarding the subjects taught to volunteers, the head of the justice sector added, "These consist of lectures on security and training in [the use of] various weapons. Volunteers also receive training in putting out fires and in traffic [control]. All this training takes place after normal work hours.

"There is then a determination and a firm intent to build a model country whose example can be followed by the world. In that country all capabilities and resources would be controlled by the people. There would be no obstacles, no impediments, and no difficulties—all of which can be eliminated with determination.

"We have resolved to destroy all institutions that stand in the way of the masses' leap forward and interfere with the completion and consolidation of a model state for the masses."

SUDAN

Writer Calls for Reform of Civil Service
45040049 Khartoum AL-AYYAM in Arabic 6, 7 Oct 88

[Article by Dr 'Abd-al-Sami' 'Umar of Khartoum University's Law College: "Civil Service Caught Between Rock of Law and Hard Place of Politics"]

[6 Oct 88 p 3]

[Text] A lot is being said about the public or civil service these days. Some of what is said seeks to lift the injustice to which the civil service is subjected and some seeks to enhance, improve, and develop the performance of this service's agencies. On top of this and that, tendencies inclined toward the so-called politicization of the civil service are looming on the horizon, even though these tendencies are wrapped in the cloak of concern for the civil service's interest and benefit.

Nature's rebellion and the hardships experienced by the country in the past 2 months have, among other things, focused light on the civil service and on many of its agencies and bureaus, either criticizing them extensively and boringly or praising them.

Dr Fadlallah, the minister of civil service and administrative reform, has taken the initiative, launching a harsh and harmful attack on the civil service and stressing that the service is experiencing worrisome and widespread corruption and laxity. Dr Fadlallah has also said that he plans to formulate a general administrative reform strategy and to draw up an immediate plan to tackle the flaw in the laws and regulations, to restore discipline, and to

combat laxity. The minister has further defended the ministers' power to retire civil service leaders in the public interest. The minister has also been kind enough to state that in case a civil servant is done an injustice, the courts are the final judge in this democratic era (AL-USBU', 14 September 1988).

One day after the minister of civil service and administrative reform made his statement, his excellency the esteemed prime minister declared at a public rally in the town of Wad Madani—a rally which included the leaders of the public authorities and establishments and of government units—a different philosophy and a policy based on the "method of assent" because this path is, in the prime minister's opinion, the framework needed to ensure the impartiality of the civil service and to eliminate the causes of dealing with the service politically, thus greatly stabilizing civil service agencies' performance (AL-AYYAM, 15 September 1988). Instead of waving the thick stick of the minister of civil service and administrative reform, the prime minister decided to conceal the stick and to offer the fresh carrot of assent.

History may or may not repeat itself. This is not something that concerns us or that falls within the sphere of our interest. But when the current prime minister was prime minister in a previous era, he said upon forming a committee to organize the civil service on 10 August 1966, i.e., nearly a quarter century ago: "We will accomplish nothing unless we seriously and firmly tackle the administrative agencies' problems and the problems of discipline and decisionmaking in the security agencies. It is toward this end that we will channel a large part of our effort.

"The civil servant's conduct, the minister's relationship with the civil service, purging and developing this service, tying promotion to ability, ensuring the civil servant's rights and protecting the public from administrative injustice have all become a part of the responsibilities of a committee that has been appointed to present a plan to deal with civil service problems. Matters cannot be set aright unless these problems are corrected. We hope that this committee will complete its plan within 1 month and that it will enlist the help of capable and experienced civil service elements to draft the plan. If approved by the Council of Ministers, we will implement this plan firmly and justly." (Report of the Civil Service Organization Committee, volume one, page 4)

The prime minister's current reliance on the method of assent when viewing civil service issues, compared to his reliance on the opinion of capable and experienced elements nearly a quarter century ago, perhaps demonstrates to observers that al-Sadiq al-Mahdi has developed from a romantic or a dreamy idealist politician into a pragmatic and practical ruler. This development seems to neither diminish stature nor call for criticism. However, it constitutes no part of our current discussion.

We believe that the civil service is undergoing a definite ordeal. We do not claim that we are aware of all the dimensions and causes of this ordeal. Our colleagues at the Sudanese Academy of Administrative Sciences are better informed and more experienced in this regard. But within the limits of some of what we know, we wish to draw attention to this issue because reminding may perhaps eliminate the silence and remove the clouds engulfing this issue.

The different regimes have had a varying view of this country's civil service. At times, we have seen the regime enchanted by the civil service, as if it were a beautiful young lady, and we have seen the service get so inflated that we feared it might fly sky high. Under another regime, we have seen it disintegrate into shambles. A third regime has tried to corrupt it politically and to sterilize it professionally. A fourth regime has tried to stress its neutrality and to turn it into an ax with no handle, thus making it an ax causing no fear and no concern.

Shaking Up the Civil Service, Ordeal in Figures

A most painful thing to the civil servant is what people have come to acknowledge as arbitrary or offhanded dismissal or the abolition of a job position to get rid of a civil servant in a most unjust manner. Before we cite some law provisions hanging like a sword over the civil servant's head, it might be beneficial, though distressing and disgraceful, to cite some figures to attest to the true nature of the massacre and to reflect the true nature of the ordeal:

A. The total number of civil servants dismissed from the service from 1958 to 1964, i.e., during President 'Abbud's regime, was 51.

B. The total number of civil servants pensioned off on compulsory retirement from October 1964 to the end of 1965, i.e., the October revolution period, was 31. (Report of Civil Service Organization Committee, volume 2, pp 16-21)

The number of service years lost as a result of dismissal from the service amounted to nearly 300 years under President 'Abbud's regime whereas the number of service years lost due to compulsory retirement during the October revolution period exceeded 230 years, that is if 55 is calculated as the retirement age. But if we assume that those civil servants could have continued to serve until the age of 60, then we must add 225 years to the service years lost under President 'Abbud's regime and 180 years to those lost during the October revolution period, thus raising the total number of service years lost during the two periods to 967 years or nearly one full (millennium). The enormity of those years becomes horrifying when we remember that the civil servants whose service was terminated included a large number of

undersecretaries, agency directors, assistant undersecretaries, and managers. They also included a large number of other no less important civil servants in the various branches of the civil service.

C. The number of civil servants retired from July 1986 to June 1988 for the sake of the public interest was 321. (Source: Hasan Babakr of the Settlements Department of the Civil Service Affairs Bureau)

D. We have encountered numerous difficulties in our effort to get the actual figures on the number of civil servants dismissed from the service during President Ja'far Muhammad Numayri's administration from May 1969 to March 1985. But with the appreciated effort of brother Yusuf 'Abd-al-Rasul from the committee to reinstate civil servants, we have been able to get the following figures:

A total of 1,200 civil servants were reinstated and 400 civil servants had their pension issues settled.

A total of 250 workers were reinstated and 350 workers had their pension issues settled.

Brother Yusuf 'Abd-al-Rasul has also told us that these figures do not include the employees and workers dismissed from the private sector and the companies because the role of the committee to reinstate the dismissed was a purely advisory role in this area. Moreover, most of those dismissed were from the agricultural sector. We, on our part, believe that these figures must be taken with great reservation because they do not include those who did not apply to the committee for the reinstatement of the dismissed to be reinstated in their jobs or to have their pension problems settled. This group includes a large number of dismissed who went [to work] abroad, who experienced a strong feeling of injustice, or who were too proud to apply for (charity) from the committee for the reinstatement of the dismissed.

Consequently, it will not do us much good to base our analysis on 1,600 as the figure for the civil servants arbitrarily dismissed during the 16 years of President Numayri's administration. We hope that we will be soon able to get the actual figures on those dismissed.

Moreover, numerous difficulties have prevented us from determining the total number of civil servants dismissed during the transitional period following the 1985 uprising. However, there is nothing to make us assume that this number is smaller than the number of those dismissed during the July 1986-June 1988 period noted in the abovementioned Paragraph C, especially since we have become certain that the number of those dismissed from the higher leadership echelons in the period from 12 May 1985 to 6 December 1986 was 31 civil servants. (Source: General Secretariat of Council of Ministers)

We see nothing to prevent us from stressing that the arbitrary dismissal of civil service employees is practiced

with the same greedy appetite during the so-called periods of totalitarian government and periods of party plurality and liberal democracy. President 'Abbud's administration perhaps was—and this may surprise many people—the least unfair and unjust to the civil service. Some people may argue that we should not use the average number of people dismissed annually under a certain administration as a criterion to compare the civil service conditions under the various administrations, especially since we have acknowledged our inability to get the number of people dismissed during President Numayri's administration and in the postuprising transitional period and since, moreover, the civil service has grown manifold throughout the various administrations.

We respect this argument against our assumptions. But we still adhere to our assumptions, especially in light of the painful fact which confirms that all the regimes that have ruled this country have resorted to the same laws and regulations to practice their oppression against the civil service. It is perhaps not hasty on our part to point out that the current regime is more boastful than others in adhering to the dictates and rule of the law. But this same regime has deprived the civil service even of the small degree of weak protection which the military or totalitarian regimes gave it. This is why the current regime's violation of the principles of ordinary justice, of the laws and of the Constitution is a greater cause of surprise, frustration, and resentment.

Rock of Law

Sudan's law is characterized by enacting extensive legislation to deter and intimidate civil servants. Most of this legislation dates back to 1904, i.e., to the first years of the Anglo-Egyptian rule. From the perspective of Sudanese legislative history, we should not attribute the introduction of these legal provisions to this totalitarian or military regime or to that democratic regime, even though all the regimes that have ruled this country resorted to diverse devices to maintain this legislation and have constantly and detestably moved to intensify and stiffen it so as to strike the civil service's soft fingers with an iron fist.

A. Pension Law:

The well-known Article 26, Paragraphs A and B, now valid in accordance with the 1975 civil service pension law, emanates from Article 32, Paragraph B, of the 1916 government pension law which was preceded by the 1904 government pension law. This article took a prominent place under the name of Article 30, Paragraph A, of the 1962 civil service law, issued by President 'Abbud's administration. The article reads as follows:

"Article 30, A: Any civil servant may be pensioned off at any time during his service in either of the two following cases:

"A. If the position he occupies is abolished. In this case, the civil servant is compensated by adding to his actual

service the equivalent of 1 year for every 4 years between his retirement date and the date on which he reaches the age of 55.

"B. If the minister concerned recommends the civil servant's retirement in the interest of the service, and if the prime minister approves the recommendation."

The October revolutionaries found their desired object in this legal provision and practiced the gravest degree of political and legal sadism under the slogan of "A Purge Is a National Duty" while totally disregarding the dictates of the law, of the constitutional provisions, of political judiciousness, and of administrative sagacity. The ruling regime established in 1969 relished the legal conditions embraced by the October revolutionaries and by the bearers of the banner of democracy who followed them until the 1975 civil service pension law was issued. But the 1975 law introduced an amendment not contained in the previous laws by giving the individual dismissed the right to appeal the dismissal decision to the president of the republic who then makes the (final decision) on the dismissal within a month of the date of dismissal.

Those who staged the April 1985 uprising found nothing to tempt them (to change) what they had inherited from their fathers and forefathers since the days of colonialism and of the preceding totalitarian and democratic regimes. Thus, they maintained the sanctity of Article 26, Paragraphs A and B, but were kind enough to give the individual dismissed the right to respond to the reasons cited in the recommendation for his dismissal. This is a superficial amendment that does not touch on the crux of the problem, does not observe the principles of ordinary justice, and offers nothing worthwhile. (See memorandum prepared by Lawyer Sayyid 'Isa on this issue on behalf of the Lawyers Union)

The miserable history of Article 26, Paragraphs A and B, continues to fluctuate, and the current government surprises us with a provisional decree, signed by the Presidential State Council chairman on 9 September 1987 and by Presidential State Council Member Idris al-Banna on 5 June 1988—a decree called, after being approved by the Constituent Assembly, the (amended) 1988 Civil Service Pension Law. With this provisional decree, it seems that the components of legislative disdain and of a political and cultural regression have been made complete, considering that the dismissed civil servant's superficial right to appeal his dismissal to the president of the republic has been eliminated. This provisional decree has been planned to give the power of dismissal to any officials holding top leadership positions in the (prime minister's office) and to any officials holding lower leadership positions in the office of the minister concerned. This means that the decree has transferred the power of dismissal from the Council of Ministers to the prime minister and to the minister concerned—a transfer which provides greater opportunity for engaging in arbitrary dismissal.

B. The Civil Service Law:

The civil service pension law had previously provided for dismissal in the interest of the service. But the civil service law of 1973 gave the president of the republic broader powers to dismiss a civil servant in the public interest. Article 24 of that law reads:

"The president of the republic is empowered to dismiss, through means other than the disciplinary course and according to procedures he establishes, any individual holding a leadership position from the service if he deems that such a dismissal serves the public interest."

In 1974, a slight amendment was introduced empowering the president of the republic to dismiss a civil servant in a leadership position or to take any measures against him. It is worth noting that the 1975 civil service pension law stipulated that retirement in the public interest be based on a recommendation by the minister concerned, provided that the recommendation is not approved until the charges made against the civil servant concerned are investigated and until he is given the opportunity to defend himself. This law was amended in 1981, abolishing the requirement of investigating the charges and of basing the retirement on a recommendation by the minister concerned. The amended law requires instead that the minister concerned notify the civil servant of the reasons adopted in the recommendation within a maximum period of 15 days of issuance of the [dismissal] decision and that the civil servant be given the right to appeal the decision to the president of the republic within a maximum of 1 month of the date of the decision.

Then followed the bill on miscellaneous amendments "emanating from promulgation of the constitution" of 1406 of the Hegira. This bill abolishes the requirement of notifying the civil servant of the reasons adopted in making the retirement recommendation within a given period of time and the right of appealing to the president of the republic. It only calls for giving the civil servant concerned the opportunity to respond to the reasons cited in making the recommendation, without setting any time limit. As we have already noted, those who drafted the provisional decree which amended the civil service pension law on 9 December 1987 and 5 June 1988 resented the small degree of protection the previous laws had given the civil servant. Consequently, that provisional decree is more intransigent and more unfair than all the previous laws.

C. Good of Civil Service and Public Interest

In all these laws, the question that arises is: What is the "good of the service" and what does the legislator mean by the "public interest?" What is the criterion to determine either as a basis for pensioning off a civil servant?

When mentioned in any branch of law, these two phrases, like their progenitor, namely "public policy," are characterized as headstrong bucking horses. They are hard to control and it is hard to define their meanings.

This vagueness and ambiguity in the goals of the phrase "public interest" and the possibility of exploiting this phrase in an ugly manner is perhaps what motivated his excellency the minister of finance and economy, Dr 'Umar Bashir Fadlallah at the time, to issue on 30 September 1987 a decree which he called the "decree on terminating service in the public interest," in accordance with the powers vested in him and with the provisions of the 1975 civil service pension law. In accordance with this decree, any worker mentioned in Paragraph 2 of the decree may be pensioned off if any of the following characteristics apply to him:

Mismanagement; misuse of position for personal benefit; professional misconduct; spreading a spirit of laxity, discouragement, and public frustration among workers; failure to implement instructions which result in public harm when not implemented; concealing information connected with his job performance; leaking work secrets; exploiting job potentials for purposes other than the work objectives; and past affiliation with the disbanded security agency as an employee, collaborator, or informer.

It seems that Dr Bashir 'Umar's usual transparency and his objective academic (approach) motivated him to attempt to contain the evils of the vague public interest criterion used by the politicians as a pliable instrument to drive away leadership capabilities. He is to be commended for this attempt which is the first of its kind since 1904. But the characteristics spelled out by Dr Bashir 'Umar's decree as controls to determine when the public interest is undermined are extremely flexible. The decree is phrased mainly in a loose literary language which is alien to the language of legislation and which, we do not doubt, has left the door open for dismissing a civil servant for the feeblest reasons. Moreover, the attempt of the then minister of finance and economy came out in the form of a decree whereas its purpose was to define the meaning of the phrase "public interest." It is our opinion that the right and proper place for such a definition is in the crux of the law and not in a decree issued in accordance with the law. Moreover, this effort sought to deal with the harm emanating from the pension law but did not touch on the chapter concerning dismissal for the good of the service or the powers of the president of the republic or of the prime minister. Furthermore, the decree on terminating service for the public good is no more than a signal to the other ministers to determine what undermines the public interest. The ministers thus become judge and jury, and the civil servant is denied the right to learn the reasons for his dismissal, to respond to these reasons, or to appeal the minister's decision on the applicability of the characteristics that determine what undermines the public interest. In any case, the provisional decree of 30 September 1987 and 5 June 1988 amending Article 26, Paragraphs A and B, of the civil service pension law makes the decree of colleague Dr

'Umar Bashir a mere academic endeavor. Moreover, this decree speaks of the public interest whereas its subject matter concerns pensioning people off for the good of the service. This is a faulty reading of the law and proof that the decree on terminating service was drafted hastily and without carefully seeking sound legal advice. We believe that this decree is disgraceful and futile and we doubt that it is binding.

[7 Oct 88 p 3]

[Text] The first part of this article discussed the civil service ordeal emanating from arbitrary dismissal, pointed out a number of unjust laws governing the civil service, and demonstrated in figures the enormity of the loss resulting from pensioning off people. This second part points out further laws and proposes a number of means to rescue the civil service:

D. Civil Service Accountability Law:

Our successive governments have not been satisfied or content with the abovementioned legislative swords hanging over civil servants' heads and thus added to them the 1976 Civil Service Accountability Law. Article 6 of this law states:

"Any civil servant or worker who disregards or refuses to obey any valid decree, statute, or law or any legal order issued to him by his superior; who neglects, obstructs, or refuses to perform his duty; who displays, through either action or refrainment, behavior incompatible with the performance of his duties or unbefitting his official position; who leaves the service on a felony charge or is convicted of such a charge; or who is declared bankrupt by a specialized court shall be tried in accordance with this law, provided that no other civil or criminal procedures to which he may have expose himself may be undermined."

Penalties imposed in accordance with this law range from censure to dismissal. The violations may be examined by an agency council or a higher council. The law grants the right of appeal and review and the right to defense by a lawyer. Appeals are made to the Labor Appeals Commission which examines the appeals submitted by civil servants, except for appeals made by civil servants in leadership positions against any appointment or promotion decision or against application of the civil service laws and regulations. This law empowers the president of the republic to refer, depending on his assessment, the appeals submitted to him by civil servants in leadership positions to the Appeals Commission for its opinion. The Appeals Commission's decisions are final and must be implemented.

Regardless of the gaps, flaws, and deficiencies in the 1976 Civil Service Accountability Law—and they are many—a question must be asked: What use is it to maintain the provisions concerning pensioning off civil servants for the good of the service or in the public interest in accordance with the retirement law and the

civil service law, what use is it to maintain these provisions when the Civil Service Accountability Law has been passed? Not much thinking and investigating is needed to make one conclude that the political authority has not wished to relinquish the domination it has over the civil service or the pleasure it derives from the power of these and other extraordinary laws.

We are greatly saddened by the deadened conscience, not to say ill will and short-sightedness, which tempts the decisionmaker to end the service of a civil servant in a leadership position or in a lower position by resorting to the civil service retirement law or the civil service law rather than to the Civil Service Accountability Law.

The Civil Service Accountability Law itself has its own flaws and shortcomings. The decision of the Labor Appeals Commission is final and binding. Our courts have, timidly at times and fearfully at others, customarily refused to review or to impose judicial control on this commission's decisions (see the administrative appeal made in the case of al-Tayyib Ibrahim 'Abbud against the decision issued by the Civil Service Appeals Commission on 7 June 1987).

Despite our respect for the esteemed professors who have worked with the Civil Service Appeals Commission, this commission, by virtue of its structure as a branch of the General Civil Service Commission, does not enjoy full independence or the desired impartiality because the esteemed head of state, in consultation with the Council of Ministers, appoints the General Civil Service Commission. The esteemed head of state, and before him the esteemed Sovereignty Council, has customarily approved the candidates nominated by the Council of Ministers in this connection (provisional constitution, 130-31). To insure the Civil Service Commission's efficiency and impartiality and in order that the head of state's power to appoint it may not continue to be superficial, we believe the head of state should select the commission from among candidates nominated by the legislative authority or the appointment should be made with the legislative authority's approval.

E. Special Legislation:

The injustice of the laws that permit pensioning off or dismissing a civil servant for the good of the service or in the public interest has proliferated to include the judiciary authority and the Attorney General's Office, meaning that this injustice has spread to the very den of the law protectors and defenders.

Article 67, Paragraph A, of the Judiciary Authority Law of 1405 of the Hegira states the following:

"Despite any provision in this law to the contrary, the president of the republic may, on the recommendation of the head of the judiciary, dismiss or pension off any judge for the good of the service."

This law was abolished by the Judiciary Authority Law of 1406 of the Hegira. The new law says that the accountability procedures may be generally sound. It also abolishes the power to dismiss or pension off a judge for the good of the service. As for our colleagues in the Attorney General's Office, they continue to suffer under the strain of the threat of dismissal or of being pensioned off for the good of the service in accordance with Article 35, Paragraph A, of the Attorney General Law of 1986. This article states:

"Despite any provision in this law to the contrary, the head of state may, on the attorney general's recommendation, dismiss or pension off a legal counselor for the good of the service."

We perhaps recall the counselors' massacre or the massacre of the "nine great ones" who were pensioned off from the office by colleague 'Abd-al-Mahmud Hajj Salih when he was attorney general, under the canopy of the good of the service and the public interest. We do not find it unlikely that the day will come when these counselors will return to work in the Attorney General's Office to improve, develop, and enhance the good of the service.

F. Civil Service Controls Law of 1982:

This law was issued to join the jungle of similar laws designed to deter and oppress the civil service and to establish discipline in it. This is a strange law which was abolished on 6 September 1987 after it had caused numerous injustices and great harm. It seems that this law was intended to tackle the issue of delegated or loaned civil servants who fail to return to their jobs upon completion of the delegation or loan period. The law permitted giving the civil servant one opportunity for a single 5-year delegation or loan period throughout his professional or practical life. The provisions of this law apply to all civil servants. Accordingly, a civil servant may be dismissed for several reasons spelled out in Article 7, Paragraph A.

4. Collusion in Evil

It seems to us that Sudan's various political regimes would not have persisted in dismissing or pensioning off civil servants in accordance with the corps of fierce laws which we have already cited in detail if those regimes had not found those who cheered and applauded the injustice and offenses they committed in total disregard to the principles of ordinary justice, of supremacy of the law, and of the Constitution.

Those cheering and applauding the loudest on such partisan occasions are people who occupy the second leadership line. We find them to be optimistic and to be greeting each other with joy over the fact that the "coast is clear for them" to assume the top leadership positions. The conduct of some of these people may reach the level of conspiracy. This is a condition which reflects a desire

for the illicit, poor education, and the absence of an upright moral character. These people are followed by the leaders of trade unions and professional organizations. We find these leaders engage in feverish campaigns, in inciting sentiments and firing up emotions, and in forcefully pushing the decisionmaker to sweep away the centers of corruption, to purge the service, and to uproot every plotter and every custodian. These leaders look forward to seeing people who are loyal to them or who favor them and sympathize with them replace the dismissed. All this is done with total disregard for the rules of the law.

We rarely hear such trade union leaders protest a dismissal or pensioning-off decision unless the end of the whip touches one of these leaders' backs or the backs of leaders tied to them by political or intellectual loyalty or loyalty of interest. We find such conduct to be extremely detrimental to the ethics of unionist action and to the requirements of upright professional character. To these two types of people who collude in evil, we add the general political climate which prevailed in certain periods of the country's history. The political climate currently prevalent among us is perhaps the best example of what we are saying.

5. Options:

In this country, we have become accustomed to clinging to lofty slogans as if they were rites and to including them in our charters, constitutions, and laws. We go all out in our efforts to twist and turn words to create these slogans and then our actions and modes of conduct come to expose our ill will and to ridicule these slogans. For example, our permanent Constitution and the provisional constitutions preceding and following it—and we have been destined to live in an eternal state of movement from one constitution to another, a state perhaps reflecting many of our deep-rooted nomadic characteristics—stipulate that the civil service shall be independent, neutral, and subject to the dictates of the law. We are all certain that the civil service is not independent, that it has no opportunity to be neutral, that it is definitely not subject to the rule of the law, and that its affairs are not managed by the law.

We brag about equality. Our Constitution states that we are equal before the law, that the citizens are equal in rights and duties, and that they shall have equal employment opportunities without any discrimination because of (lineage), race, color, sex, religion, or political belief. But we constantly make decisions, pass laws, and issue legal opinions that deface and distort the Constitution. Then society's leaders, opportunistic upstarts, academicians, and opinionmakers come to justify whatever they wish to justify and to philosophize to their heart's desire, muddling through haphazardly and chaotically and without any sense of guilt.

We are a people who fall passionately in love with the call for reforming the civil service. No political regime has ruled us without forming committees, building platforms, and writing reports to achieve this end. We

believe that the hope to achieve this reform is nonexistent, even if we devote to it a ministry carrying its name—and such a ministry is the most immortal legacy of the May revolution!

The latest committee to examine the civil service affairs was the committee headed by Karamallah al-'Awad. That committee was formed on 9 June 1985 and it issued its report—the report of the Technical Committee for Assessing the Course of the Civil Service and for Enhancing Its Performance—in January 1986.

On pensioning off or dismissing civil servants, the recommendations of Karamallah al-'Awad's committee were disappointing because the committee followed a traditional course that seeks to amend and patch up the unjust laws in force. The committee confused public interest and the good of the service as two criteria determining the termination of a civil servant's employment. It did no more than propose that the dismissal and retirement procedures and other procedures be enacted after the civil servant is given the opportunity to be heard and to defend himself. The regulations spell out the hearing and defense procedures. As usual, the technical committee found it necessary to review the existing laws and to draft the proper recommendations to amend them so as to protect the workers' rights and to ensure that the work proceeds in the best manner possible (the technical committee report, page 130).

But this committee did well to recommend abolition of the Civil Service Controls Law of 1983. On 27 September 1988, another committee began its meetings to review the civil service laws and regulations.

We believe that the current condition is crooked and that the approach to reforming the general civil service has revolved throughout the years around recurrent central points. The reform is published in reports, with each report regurgitating the recommendations made by others. Every amendment of any civil service law has been preceded by mobilization and clamor for reform. But as soon as the clamor subsides, we repeat the same thing all over. One of the most distinctive characteristics of the regimes that have ruled Sudan is that of shaking the civil service, driving away civil servants, and crowning such action with the formation of committees to organize the civil service, to correct its course, and to enhance its performance.

We believe that we should break away from this vicious circle and should direct our attention to the following because we are calling for rescuing the civil service and because the time of the luxury of pondering has ended:

1. Efforts must be made to discuss seriously the issuance of a law called the "worker protection law" so that it may protect the civil service workers from the executive authority's domination, may transform the Constitution's principles and provisions from slogans into facts and rights, and may provide civil servants with the guarantees of sound accountability and a fair trial.

2. To help achieve the above, efforts must be made to issue a complete law to govern the procedures of judiciary review or control over the executive authority's actions because it is no longer acceptable that such an important matter be left to a silent or improper law of procedures. Neither is it acceptable to leave this matter to be governed by the jurisprudential background or legal education of the judge appointed to examine it. If this education is Anglo-Saxon, then there is hostility toward and lack of trust in whatever pertains to the administrative law or lack of complete understanding of the arts and objectives of judiciary control. If the education is founded on the continental judiciary system or the civilian (Egyptian) system, then there is total enchantment with and blind and breathless pursuit of evil restraints.

3. Efforts must be made to issue a unified law to govern all that pertains to the civil service instead of the currently-existing scattered laws and articles which are amended according to whim and caprice, and the temporary orders issued in part by people who do not even pay any attention to the text of the articles to be amended.

4. A national general civil service commission must be formed beyond the scope of its old legacy and its conventional framework to become an independent reality as well as a law operating effectively to perform its duties and to accomplish its objectives. Such a commission's powers and means to implement and accomplish its objectives must be reformulated. In this regard, we have a broad opportunity to enlist the experience of other countries.

To examine the abovementioned proposals, we believe that the unionist and professional organizations of all the civil service workers, whether these organizations are angels of concord or devils of dissent, must be brought to participate. Otherwise, the issue will be entrusted to individuals selected by virtue of their positions or to those who have turned working in technical or national committees into a permanent profession.

YEMEN ARAB REPUBLIC

General People's Congress Elects Committee Members

44040139 [Editorial Report] The Sanaa Arabic-language daily AL-THAWRAH reported on page 3 of its 13 November 1988 issue that the General People's Congress opened its fourth convention on 12 November

1988 and elected the following congress members to committee positions:

—Organizational Oversight Committee:

President: 'Ali Muqbil Ghuthayyim

Rapporteur: Isma'il al-Wazir

—Planning and Economic Affairs Committee:

President: Dr Hasan Makki

Rapporteur: 'Ulwi Hasan al-'Attas

—Defense and Security Committee:

President: 'Abdallah Husayn al-Bashiri

Rapporteur: Dirham Nu'man

—Education, Culture, and Information Committee:

President: Muhammad Salim Ba-Sanduh

Rapporteur: Dr Yusuf Muhammad 'Abdallah

—Administrative Development and Reform Committee:

President: Yahya al-Mutawakkil

Rapporteur: 'Abd-al-Karim Taqi

—Public Services Committee:

President: Husayn al-Muqaddami

Rapporteur: Muhammad Yahya al-'Adi

—Drafting Committee:

President: Dr Ahmad al-Asbahi

Rapporteur: Muhammad Ahmad al-Mahzuri

—Politics and Unity Affairs Committee:

President: Muhammad 'Abdallah al-Iryani

Rapporteur: 'Izz-al-Din al-Mu'adhdhin

INDIA

Peacekeeping Role, Alleged Hegemony in Region Examined

46200001 Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 11 Nov 88 p 12

[Commentary by Erhard Haubold, Colombo: "India As Regional Policeman and Hegemonic Power"]

[Text] Colombo, November—The coup attempt in the Maldives suited Indian Prime Minister Rajiv Gandhi to a T. It enabled paratroopers, "Black Cats," and other elite units to demonstrate how to stamp out a small fire in the neighborhood and be back home by the next day. Gandhi said he was proud and there was thunderous applause in parliament. The Maldives allow one to forget—at least for a moment—the great difficulties the Indian Army is experiencing in northern and eastern Sri Lanka where Indian Army-trained Tamil guerrillas continue their bloody delaying action for the 16th straight month. The police action in the Maldives helps divert attention from domestic political difficulties—a strategy that has failed in the case of Sri Lanka.

In Sri Lanka they deny that New Delhi had dispatched its soldiers even prior to receiving the official request for assistance from the hard-pressed government in Male. "We forwarded the message" they say at the defense ministry in Colombo. Of course, the Indians "then wanted to go it alone." Sri Lanka's offer to send a unit of the "Special Task Force" familiar with Male airport was turned down in no uncertain terms. Two newspapers published in Colombo have drawn parallels between the Maldives and Sri Lanka in their editorials: In both cases "Tamil terrorists" forced heads of state to ask India for help. A clever stratagem of the Indian secret service that for years directed and financed the training of the Tamil guerrillas in southern India? At the defense ministry in Colombo they say that that is too farfetched. Allegedly more realistic is the observation that the superpowers are happy to leave regional policing matters up to the Indians. In both cases the United States explicitly approved New Delhi's intervention.

When the action in the Maldives is forgotten—and that could be soon—the public in India and Sri Lanka will again be concerned with the Tamils. The "peace agreement" ("accord") is unpopular in both countries and is said, with little exaggeration, to have only a single partisan in Colombo: President Jayewardene. He explains to every visitor—and it must be painful for New Delhi—that he is no longer losing a single soldier in the fight against the guerrillas, but that India has suffered 700 killed and several thousand wounded since March of last year and is spending 10 million rupees each day, "something we could not afford." Following ancient tradition, he is supposed to have seized the hand of the enemy Gandhi and "saved" the Sinhalese majority. He needs the Indian "peacekeeping force" so that his army can combat the terror of the JVP (Janatha Vimukthi

Peramuna) "People's Liberation Front" in the south of the island. Prime Minister Gandhi has offered aircraft and helicopters for transport, a "friendly act" that certainly has failed to produce the desired domestic political results in India thus far. Parents of those killed as well as retired officers ask in numerous letters-to-the-editor why and for whom the young soldiers died.

A new president will be elected in Sri Lanka in December. Central issue of the campaign: the Indian troops in the north and east—between 50,000 and 100,000 strong. Both candidates, Prime Minister Premadasa and opposition leader Bandaranaike, have promised to break the "accord" and want to send the "jawans" home within 24 hours. But what if the Indians do not go, if they are prevailed upon by the newly-formed Council of the United Northeast Province, where the Tamils are in the majority, to stay? It is becoming painfully clear to many Sinhalese what having a colossal neighbor means: limited sovereignty. No friend or superpower lifted a finger in June of last year when the Indian Air Force, violating Sri Lanka's airspace, dropped food and medicine for the Tamils over Jaffna. The fighter escort of Mirage 2000 aircraft was a blunt warning: Colombo broke off its partially successful military operation "Vadamarachchi," which had not been intended to conquer the separatists, but to force them to the negotiating table.

Security Minister Lalith Athulalchmudali, the responsible "little man's McNamara" and one of the brightest in the cabinet, was forced to come down a peg and give up his hopes of succeeding Jayewardene. He characterizes the peace agreement with India as "well intentioned but mad." Had they listened to him, rebel leader Prabhakaran, who had been flown to New Delhi for the signing of the agreement, would not have returned to the jungles of Sri Lanka again, but would have been detained in India. Had they allowed his soldiers the "victory of Vadamarachchi, then in the meantime we would have reached the point where the Indian Army is now." What applies to the Indian Punjab and to Ireland, also applies to Sri Lanka: The terror of the "Liberation Tigers of Tamil Eelam" is not easy to overcome. The struggle against Prabhakaran's people cannot continue for another 20 years because they are fearless racists, devoid of political ideology, who are fixated solely on the goal of an independent Tamil state ("Eelam"). In Colombo they do not believe that India wants that, if only because of its own difficulties in the Punjab and in Tamil Nadu.

But in the case of the peace agreement, New Delhi was not only thinking about the Tamils, but was pursuing foreign policy goals: a "Trojan horse for keeping Sri Lanka on course." Indeed, the opinion is widespread that while it is true that the Indian "peacekeeping force" is fighting the Tiger guerrillas, it does not want to completely eliminate them because one day "leverage" over Sri Lanka might be needed again—a group of partisans which the Research and Analysis Wing (RAW) is said to have financed and trained, initially for intelligence-gathering purposes, even prior to the 1983 racial

unrest in Sri Lanka. For this very reason, as well as out of consideration for Tamil Nadu, where 50 million Tamils live, Tiger boss Prabhakaran is not killed even though the Indian Army knows precisely his whereabouts. Other observers in Colombo contradict this, of course.

President Jayewardene says that his successor, whoever he may be, will not send the "peacekeeping force" home before Sri Lanka's Armed Forces are able to assume control in the north and east. Men and money are needed for that. In fact, renewed negotiations on the presence of the Indian soldiers are not forthcoming—at best negotiations on four points in the so-called Annex to the "Indo-Sri Lanka Agreement" are. In the Annex, Sri Lanka promises to take into consideration certain Indian "concerns." These relate to the presence of foreign secret service personnel and military advisors (from Israel and Great Britain); access to Trincomalee and other harbors; the repair and operation of the large oil storage tank installations left behind by the English; and finally, the foreign radio stations which in Sri Lanka not only operate relay stations, but which could also be employed for "military and secret service purposes." The "Voice of Germany" with its large station on the east coast is not meant by this, but rather the "Voice of America," whose technology, India apparently fears, could also be used for communications with submarines and for transmissions into ethnically "touchy" areas of the Soviet Union.

India has not insisted on compliance with these points and is, moreover, itself about to upgrade the Israeli representation in Bombay. As far as Trincomalee is concerned, in Colombo they say that New Delhi is a "prisoner of British colonial history." The feasibility of refueling in midair and on the high seas also reduces the strategic importance of one of the most beautiful natural harbors in the world. Thus far, nothing has changed in regard to Sri Lanka's "moderate neutrality," its aloofness from the Soviet Bloc, and its unequivocal condemnation of the Soviet invasion of Afghanistan.

IRAN

Laborers Get Further Allowances for Imports

46000030a *Dubayy GULF NEWS in English*
3 Nov 88 p 13

[Article by Arun Solomon]

[Text] Iranian laborers employed in the Gulf countries have been given special permission to import rice and vegetable oils with an additional allowance of 20,000 tomans (approximately Dh 10,000) reliable sources said yesterday.

The re-export of rice and vegetable oils will be restricted to Iranian laborers who are registered with their country's Ministry of Labor and in possession of their identity cards.

There are 60,000 Iranian laborers working in the UAE, mostly in low-paid jobs, but till the middle of this year only about 25,000 had registered with the Iranian Labor Ministry through their country's diplomatic missions in the UAE.

As news of the exclusive rights granted to the laborers spread with the posting of a notification at the diplomatic missions in the country, laborers rushed to them to register.

Consequently, sources said yesterday that the missions are now crowded with laborers to acquire the valuable ID cards which would entitle them to send back the much-needed commodities to their home country and in the bargain make a neat profit too.

Reliable sources explained that the new method for the import of the commodities by Iran was different from the former ID Card allowances which were the entitlement of a majority of the Iranian citizenry.

They explained that re-export of these commodities by individual laborers would be difficult and most probably a new pattern of trade would emerge.

The scenario could be that Iranian merchants would buy stocks of the commodities with their own monies outside Iran and ship them back with the allowances permitted to the laborers whose rights would be bought.

Iran has allowed the import of six items, but rice and vegetable oil are now the sole re-export right of the laborers.

They already have permission to take back goods worth about 100,000 tomans as personal baggage but such goods are subject to customs duty and should accompany the passenger and not be on the list of restricted items.

Sources from Tehran said yesterday that the government was devising methods by which it would not have to release much-needed foreign exchange to traders to import goods or even to pay for them itself through its agencies like the cooperatives.

They also added that a third category of items which may be allowed to be imported could be released very soon and might include electrical and electronic items.

Law Regulating Transfer of Agricultural Lands Announced

46400018b *Tehran ETTELA'AT in Persian*
29 Sep 88 p 4

[Text] Mashhad—ETTELA'AT correspondent: With the approval of the Expediency and Discernment Council the preliminary provisions for the execution of the "J" section of the law regarding the transfer of agricultural lands as sanctioned by the Islamic Revolution Council, were prepared. Through the execution of this regulatory

law the problem regarding the unutilized lands of Khuzestan, Sistan and Baluchestan Provinces and other regions of the country will be resolved.

Hojjat ol-Eslam Fazel Harandi, representative of Ayatollah Montazeri in the council for the assignment of land, who was speaking before the members of the said council in Mashhad, while announcing the above, further added: In the future, one more year of grace period will be given to the proprietors of uncultivated lands which have been left unutilized for five years, so that the owners can take appropriate action to revive the said lands, otherwise such lands will be re-assigned to the farmers.

He went on to add: In the future policy of land re-assignment throughout the country, the problem of water and land will be resolved in favor of the deprived individuals and the former executive regulations will be duly amended.

While pointing out the fact that so far about 600,000 hectares of uncultivated land have been distributed among landless farmers, he further emphasized that during the reconstruction period the councils in charge for re-assignment of land will give priority to the warriors and the families of the martyrs.

Ayatollah Montazeri's representative while stating that the grace period for cultivation has been increased from three 3 to 5, further said: On the basis of the permit issued by the Expediency and Discernment Council, with the supervision of the councils for re-assignment of land, the deeds for the lands temporarily under cultivation will be re-issued under the name of the farmers and based on the prevailing regional prices the original land owners will be compensated the value accordingly.

He also stated: Until now up to 600,000 hectares of the farming lands in the northern part of the country have been converted into citrus groves and this trend has to come to a halt as soon as possible and the conversion of farming lands into orchards, factories or housing units should be stopped.

In conclusion, he added: So far the situation of 40,000 villages throughout the country with regard to the layout of their farming lands have been determined and in future these lands will be used toward self-sufficiency of the country and for cultivation of needed products. During three days of the seminar, the aforementioned council will also investigate other issues pertaining to this organ.

Partitioning Lands Within City Limits Prohibited
46400018c Tehran ETTELA'AT in Persian
12 Oct 88 p 3

[Text] Tabriz—ETTELA'AT correspondent: According to the new instructions for action by the Ministry of Housing and Urban Development, the conversion and partitioning

of farming lands and orchards within the city limits throughout the country will be prohibited.

Engineer Hashemi, deputy minister of housing and urban development, while making the above statement at the regional seminar of the directors general and deputy directors of the housing and urban development department in Tabriz, further added: According to these new instructions for action which in conjunction with article 14 regarding the city land law will be shortly announced to all the housing and urban development departments of various provinces, only in 32 cities of the country which have been determined to be essential and important from the viewpoint of land ownership and re-assignment of land, if the necessary or needed land cannot be assigned from the cultivated or unutilized lands, the government can make use of the existing farming lands to meet the needs of the farmers, otherwise any kind of conversion or partitioning of land in other cities will be prohibited.

Furthermore, based on the aforementioned instructions for action, the owners of farming lands and orchards will be given permission to build one dwelling unit, of up to 250 square meters for their families. With regard to large agricultural lands which have not been partitioned and which belong to several owners, if each and every owner possesses a complete deed of ownership, the said owner can, according to the conditions explained above, build one dwelling unit on his own land.

Plans for Agricultural Reconstruction

**Minister Announces Plans for Rebuilding
Agriculture**

46400023a Tehran ETTELA'AT in Persian
13 Oct 88 p 4

[Text] Shiraz—ETTELA'AT correspondent—Renewed utilization of natural resources, the timely procurement of agricultural institutions, price supports for factory goods, and the reconstruction of lands destroyed in the war areas were announced as the Ministry of Agriculture's chief policies for the period of reconstruction.

ETTELA'AT's Shiraz correspondent reports: Dr Kalantari announced the above during an interview in Zerqan. During the interview he also mentioned other Ministry of Agriculture programs. He said: Reducing the costs of producing crops, supporting private investment in agricultural affairs, adhering to research in planning instead of applying personal tastes, guiding the cooperatives under the Cooperatives Organization and the Bank of Agriculture, and implementing a comprehensive agriculture plan are among the Ministry of Agriculture's other priorities to increase production and support producers.

The minister of agriculture discussed the state of preservation, revitalization, and protecting natural resources. He

said: Natural resources are the foundation of agriculture, and they will be made available to the people with regulations for utilization, revitalization and protection after the necessary research is conducted.

Dr Kalantari discussed farm support policies. He said: The project to insure basic crops is gradually being implemented, and we are trying to make wheat and rice insurance generally available for the future. Likewise, one of our insurance projects is to insure farmers against accidents.

He then discussed the Ministry of Agriculture's animal husbandry programs. He said: Our programs in this regard include ending cattle imports, utilizing government and private resources to convert ranches to heifer production centers, procuring needed cattle feed, expanding livestock health care and purchasing surplus tribal livestock.

He added: So far about 90 percent of the investments have been made to convert the large ranches to heifer production centers, and with the complete implementation of this project every year about 6,000 heifers will be produced, while our imports after the revolution reached about 2,000 head.

Official on Revitalizing Agriculture in War-Damaged Areas

46400023b Tehran ETTELA'AT in Persian
20 Oct 88 p 4

[Text] Economic Service—The chief of the Agricultural Expansion Organization stressed the necessity of implementing the agricultural expansion law in the areas of agriculture and animal husbandry.

Engineer Asghari, speaking with correspondents at a press conference at this organization's Karaj headquarters, likewise announced: If this law is implemented all areas with water delivery of more than 200 litres per second will be recognized as agriculturally ready and become subject to the Agricultural Expansion Law in the areas of agriculture and animal husbandry.

He added: This law, which has been approved by a special Council of Ministers commission composed of the ministers of finance, plan and budget, reconstruction crusade, agriculture, and power, is now before the Interests Designation Assembly.

The chief of the Agricultural Expansion Organization said: Following the enactment of the Agricultural Expansion Law in 1354 [21 March 1975 - 20 March 1976], 30 agriculturally ready regions were identified, 12 of which were approved by this organization. The Agricultural Expansion Organization then increased this figure to 83 regions, and these areas may increase in the future.

Reconstruction of Agricultural Sector in War-Stricken Provinces

Engineer Asghari then discussed the many losses incurred during the imposed war in the agricultural sector in the war-stricken provinces. He stressed that government policy is based on reconstruction coupled with practical and technical revitalization. He said: We predict that if we have 1.102 billion tumans credit for the current and coming years, we will be able to implement 17 projects and programs in the war-stricken provinces.

He added: Of this amount of credit, which has been approved by the National Reconstruction Staff, this organization needs 235 million tumans in rials and 325 million rials in foreign exchange for the second six months of the current year [23 September 1988-20 March 1989] to rebuild and revitalize the losses sustained in the war-stricken provinces. Likewise, for the coming year [21 March 1989-20 March 1990] 320 million tumans in rials and 211 million tumans in foreign exchange are needed.

Continuing his remarks, the chief of the Agricultural Expansion Organization discussed the project to build auxiliary irrigation networks and to build and revitalize farms. He said: So far 28 projects have been studied and implemented in this regard. Likewise we are studying, planning and implementing for 500,000 hectares of lands using the waters of the great dams in connection with the construction of auxiliary irrigation networks and drainage systems.

He said: The organization's other projects include the implementation of national water conservation projects, and in this regard we have two chief projects. One of these, which began last year under the prime minister's supervision for 20 percent of the water-carrying rivers in the framework of a 10-year Reconstruction Crusade and Ministry of Agriculture plan, is the national project to cover the traditional rivers.

The chief of the Agricultural Expansion Organization added: So far 1,078 kilometers of rivers have been converted to canals, designs have been made for 2,354 kilometers of rivers, and 3,286 kilometers of rivers have been identified. As the result of implementation of the project to cover rivers, last year 8,500 litres of water per second were saved, and so far this year 350 kilometers of rivers have been made into canals and 3,000 liters of water per second have also been saved.

He also cited the comprehensive pressurized irrigation projects as another water conservation project. He said: In this project, whose studies lasted 30 months, all areas suitable for implementation of the pressurized irrigation projects, using methods ranging from rainwater to seepage, are being identified, and the conditions for their expansion are being studied. At the same time, planning is being done to improve the efficiency of the pressurized systems and to expand their construction.

He added: Since 1365 [21 March 1986 - 20 March 1987] 10 reservoir dams with a capacity of 40 million cubic meters of water have been designed, and construction has begun on some of them. Likewise the construction of 16 other reservoir dams is also being studied or planned.

Currency Black Marketeers Arrested
46400018a Tehran ETTELA'AT in Persian
29 Sep 88 p 2

[Text] News Service: The commander of the Islamic Revolution Committee of Tehran in an interview with ETTELA'AT this morning announced: The project for rounding up the unauthorized dealers of coins and foreign currency in Tehran's Ferdowsi Avenue was put into effect and 138 people were arrested.

Regarding this matter, brother Ahad Qaza'i, commander of the Islamic Revolution Committee of Tehran also told our correspondent: The operation for rounding up the unauthorized dealers was put into action by the guardians of the Islamic Revolution Committee of the 14th district of Tehran together with the Intelligence and Operation Unit of the said committee. As our political and social research had indicated and as it was common knowledge, hundreds of unauthorized individuals were blatantly buying and selling coins and foreign currency at the intersection of Istanbul and Ferdowsi Avenues and also along Manuchehri and Ferdowsi Avenues, as well as in the Golshan Passage, to the extent that they physically hampered pedestrian traffic and caused a lot of discomfort and inconvenience, particularly for the female pedestrians along the sidewalks. In order to remedy the situation, the necessary restraining judicial order was obtained and thereafter the first phase operations regarding rounding up of these individuals was put into effect.

Furthermore, Mr Qaza'i indicated: Many other stores with legitimate business permits for conducting various other businesses had also switched to buying and selling coins and foreign currency, and thus openly doing business contrary to the prevailing guild rules and regulations. With due regard to the fact that the responsibility of Business Ownership Department falls on the shoulder of the Islamic Revolution Committee, about 60 guild units were recognized as violators and their stores were closed.

Moreover, until now [9:30 in the morning] 138 individuals have been arrested and during preliminary investigations 45 persons have been found guilty while the investigation further continues.

He also added: From the individuals who were charged with violation about 200,000 dollars cash, 6,000 German marks and a large amount of gold coins have been seized and confiscated. On the other hand, in case it was proven that the foreign currency draft of these individuals have passed through legal channels, their money will be appropriately returned.

The commander of the Islamic Revolution Committee of Tehran Province further added: In the former Passage of Kuwaitis on Ferdowsi Avenue, we have come into situations where we have to deal with decisiveness with certain individuals who violate the rules.

He emphasized: Any other type of business establishment which switches or converts to dealing with coins and foreign currency will run the risk of closing its doors by the government. It is hoped that a proper solution will be found for this social dilemma by the pertinent authorities.

In conclusion, he pointed out: With regard to the purchase and sale of foreign currency a lot of swindling and fraudulent acts take place which cannot be controlled or followed up by the judicial and disciplinary authorities, since the identity of many of such swindlers remain unknown.

Commentary Criticizes Isolation From Modern Civilization

46400029 Tehran ETTELA'AT in Persian
16 Oct 88 pp 1, 2

[Commentary by Mohammad Javad Hojjati Kermani]

[Text] Outside intellectual circles, the negative aspects of the onslaught of modern civilization have emerged in full force in Islamic societies, thanks to the absence of the vanguard of the religious culture. The infatuation with this onslaught in the public life of Islamic societies has manifested itself in the following ways:

The trampling of religion and religious shrines, the acceptance of acts forbidden by God, the spread of various forms of ethical corruption, the spread of unveiled and ostentatious attire among women in public gatherings and places, the showing of sexy films in the cinemas, the opening of nightclubs for various forms of debauchery, drinking and gambling, the distribution of photographs of naked movie stars, the issuance of various kinds of lewd and unpleasant music, the spread of false and deceptive values, capricious fashions, colorful clothing, styles of dress, behavior, speech, and comprehensive efforts aimed at creating an appetite for infidels and the desire to act, speak, and look like the Europeans, and finally alienation, destruction and the complete metamorphosis of religious and national cultural identity.

This negative aspect of civilization oozes from its source. The European renaissance and the beginning of the new age in the West came with a vigorous revolution against religion and the clergy, and this spirit was born with the new civilization. The civilization actually spread through the world along with its unsavory twin, and wherever it went it brought its twin. But what could we do? It must be admitted that it was not easy to stop a flood which apart from its foreign source, has roots in the pleasure- and ease-seeking earthly self and in human

excitability and unruliness, especially such a flood bringing the weapon of knowledge and advancement. At the same time, however, our ancestors did not follow that path. The question now is, was the spread of corruption, paganism and intellectual and political imperialism that came with the entry of civilization from the West to the East and the Islamic East caused by the absence of religious and theological missionaries? Or was it these honest heirs and revolutionary guards and the righteous men of piety and excellence who withdrew from academic, political and social affairs because of the corruption of the environment and the un-Muslim and ethically corrupt nature of the harbingers of the new civilization? Or was such a situation produced, like many natural and social causes, partly by this and partly by that, as the aggregate result of a series of interactions?

This is a long social-philosophical discussion that deserves much research. For this discussion we will simply observe that it is a safe assumption that if our theological and religious society had not fled from confronting the enemy invasion and had not become isolated, and if it had not deliberately withdrawn from the knowledge, information and requirements of the new civilization, and if it had not given up its position as leader of the people, it would not have given the sheep to the wolves, and it could have put up a strong dam against many of the unsavory and uncivilized byproducts of civilization, and while accepting the positive, progressive, academic and truly 'divine' aspects of civilization, it could have said 'no' to its negative values. After the passage of a century or two, this is what we once again want to do in the Islamic Republic, and even now we are faced with difficulties on another level. Now we can look at the past with clearer vision and make use of it for building the future. Really, why did our forebears react with obstinateness and prejudice against everything (yes, everything) that came along with the new civilization?

In my view, these people had a most sacred and even pious motivation: to protect their independence, religious and national honor, self-sufficiency and lack of need for foreigners. In practice, however, what they did had exactly the opposite effect of their sacred goal. This is a great lesson for us at the new stage of the revolution that can help us, with our sacred objective, not to walk the path leading away from the goal. What mistake did we really make in the past? To use a poetic expression that expresses the reality more elegantly, our mistake was that, faced with the flood that inevitably came our way due to the difference in height (a society of science and an ignorant society), we tried to fight the present and the future by fleeing to the the past. We temporarily got ourselves out of the path of the flood, and without taking into account the flood's increasing backing, since it was but the beginning of a storm of knowledge in the spring of a new season of human life, we imprisoned ourselves in the houses of the past. As if trembling and chilled by the breeze of the springtime of knowledge and civilization, wrapped in our blankets, we crouched in a corner.

We moaned and wailed because the people were swimming in the flood of the new civilization. We did not see the growth of the flowers, fields, meadows, and blossoming trees of the civilization, we did not taste its fruits until the end of summer when the civilization had taken over everything; we did not come out of our room and did not open our blanket.

The truth is that with our incorrect conclusions concerning the reality of civilization, we tried to stop whatever came our way from non-Muslims by force, and this was not possible. Since a new spirit was coming to life in 'time' and the dead earth had come to life, and since our people had come to life like another dead person with the divine blast of the messiah of civilization, and since they wanted to rise up from the bed of the centuries and put ignorance behind them and walk towards light, knowledge and perfection, it was an impossibility for us to stop the roaring flood of civilization. It would have been possible, however, with involvement, effort and struggle, for us to pull the corrupt and stinking corpses the flood of civilization brought with it out of the water, to bury them, and to prevent the contamination of our pure and chaste spiritual environment. With faith in the springtime of knowledge in the life of mankind and participation in bringing prosperity to the garden of civilization, we could have pulled the poisonous weeds from this garden and rid it of pestilence, rather than leaving the garden with all its freshness and blooming, and leaving the hungry and the thirsty, or the people seeking perfection and progress, on their own to pick, because of their severe thirst and hunger, every fruit that came to their hand, even if poisoned or diseased, to be eaten greedily, and leaving them to slake their thirst and be poisoned with any contaminated or poisoned water.

Our mistake was in thinking it would be possible to live without the new civilization, when the matter was actually a question of life or death for humanity... The continuation of human life would come with poisoning and sometimes fatal illnesses, but the other choice was death and destruction, and everyone prefers life to death, even if it comes with illness.

The new civilization required the continuation of a 'growing' life for humanity. Otherwise, humanity would have died in ignorance. It was a divine blessing for the eyes of humanity to be opened to the world, for mankind to become familiar with the laws of creation, to conquer space, to overcome the force of gravity, and, using familiarity with the laws of light and by understanding the elements and substances of the earth, the sea and space, to navigate the skies, to go to the depths of the sea, and to unveil the world's astonishing, beautiful, and exciting secrets—from atoms to planets—in this great book written by the wise, kind, beautiful and all-powerful creator of the world. Yes, life without knowledge is death, and knowledge is the life of mankind. God places man above the angels with this privilege, and he says to the angel, 'I know verily what you do not know.' In this view, civilization and religion spring from the same

source. In this view, both knowledge and religion come from God, one with revelation to the prophets and the other with inspiration to scholars. Both the bearers of revelation and the bearers of inspiration, with effort, struggle, self-control, avoiding passions, and with rigour, great trouble and constant struggle have been able to earn the grace of God. Religion and knowledge are the two wings of humanity for flying the material and spiritual skies. By choosing correctly and by employing God-given wisdom, we can rediscover the truth of both, have faith in both. In accordance with the verse about 'those who bring knowledge and faith', we can become armed with both weapons. This is a very great and weighty historic mission on the shoulders of all the world's aware and free Muslims, and especially us, who claim to be the vanguard of the new age of Islam. If we want to carry this mission to the world, we must get a head above them, and this cannot be done unless we bring ourselves up to them scientifically. This cannot happen unless we strive ceaselessly to make up for our scientific shortcomings and backwardness. This cannot happen unless, as Islam and the Koran have taught us, we respect knowledge and learned men and show humility to knowledge and learned men. It is the duty of society's teachers and religious leaders to teach the place of knowledge and scholarship to the people through religious teachings, and drive society towards progress.

On the other hand, a presence on the social and political scenes, an active role played by the religious scholars and seminaries in the various aspects of the daily lives of the people in such a way that the people regard the great ones as their helpers, sympathizers, and helpers in the tasks of their lives, will have an undeniable effect attracting the people to knowledge and religion. I myself have seen the deep effects of goodness, piety, asceticism and service to the people in attracting the people, several examples of which I will present in the next article.

Commentary on Government Interference in the Economy

46400028 *Tehran RESALAT in Persian*
17 Oct 88 pp 1, 12

[Commentary by Ahmad Tavakoli]

[Text] In previous issues it was shown that government interference in economic affairs, despite repeated reminders from the Imam and the leader of the revolution, is still quite widespread. With statistics and figures it seems to have become clear how this interference, which was presented as the only way to save the deprived from the problems of inflation and unemployment and to prevent profiteers from accumulating wealth, has itself intensified the problems of the oppressed and created billions for the newly wealthy. In this final installment of the article we will deal with the role of nationalization in creating and intensifying administrative corruption and social and economic discrimination.

One of the aims of this extreme government intervention is to prevent abuses by profiteers and gold diggers and to spread equality and justice. To achieve this aim, the emphasis was laid on corruption, and general regulations to monitor it were established. Under these conditions, anyone wanting to meet an economic need must negotiate a maze and prove his worthiness with numerous documents. It is natural that government workers and the government's trustworthy individuals and institutions are subject to this requirement as well, and this creates new problems for the government itself. To solve them it is beginning to allow exceptions. Sometimes these exceptions are granted in accordance with special government laws and regulations, and most of the time they are designated on the job and with case-by-case recommendations. Such a practice is the beginning of separation between officials and persons prominent in daily affairs from the masses, and is the first step towards administrative corruption and the emergence of favoritism and influence. We will give only a few examples to clarify the matter.

The Urban Lands Law was written to prevent high prices for land and housing, and it forbade the trading of land in the cities. This law caused a sharp increase in the prices of land and housing. The government, which was forced to transfer some personnel to Tehran to make use of fresh manpower, and the Majles deputies, who came from the municipalities to Tehran, were faced with housing problems. In order to resolve this problem guidelines setting special priorities were established by the government and given to the Ministry of Housing. Based on these guidelines, persons with an established need, such as ministers or special officials, would obtain land or housing without waiting or observing legal regulations.¹ The implementation of these guidelines meant that many ministers, deputy ministers, general managers, Majles deputies, some clergy and others have enjoyed this privilege, and while the pressure of high prices for housing rentals, land, and construction has squeezed the life out of most of the people in a city like Tehran, those who ought to take a back seat to the masses in terms of benefits have been able to obtain land easily, obtain construction permits without difficulty, and, using their positions, to obtain building materials easily as well and then get housing in the choice northern areas of Tehran, from Shahrak-e Gharb to Tehran-e Pars.

The interesting thing is that some of those who righteously chant slogans in support of the oppressed and accuse others of supporting the capitalists have been the most conspicuous participants in these activities, and have built magnificent homes in Za'faraniyeh, Ellahiyyeh, Farmaniyeh and other parts of Tehran.

Another example is the non-government schools. As we all remember, until 1365 [21 March 1986-20 March 1987] the most intense slogans were against the non-government schools and aimed at preventing the people from providing education. The Ministry of Education

and Training vigorously opposed the small number of these schools that had remained with the approval of the Revolutionary Council, so that His Holiness the Imam, in Khordad of 1365 [22 May-21 June 1986], gave a clear warning to those who were sabotaging the establishment of this type of school. This pressure and obstruction to the establishment of non-government schools took place when the children of many officials of the Ministry of Education and Training and other officials were graduates of these very schools or were studying in the few remaining schools of this type.

Since the registration of their children was a problem due to the fact that they were not residents of the school district, the Ministry of Education and Training issued guidelines to these few schools permitting the acceptance of the children of ministers and Majles deputies, even if they were from another district. Of course some of the clergy also took advantage of this exception.

In the granting of agreements in principle for production work or export and import permits, priority is given legally and illegally to government companies and non-profit organizations and institutions established by political leaders and clergymen. Many of these institutions are fulcrums of political power. The Raja Foundation could be mentioned as an example, founded by several Majles deputies and deputy ministers. Its initial capital was a volume of the glorious words of God, but it did a few hundred million in trades, and it enjoys priority in all economic areas!

There are also numerous examples in the distribution of goods, for which almost all the people know of instances. It is not a bad idea, as an example, to compare the Ministry of Commerce Worker's Consumer Cooperative Store and some other stores of this type with other cooperatives.

In other words, nationalization of affairs closes the door to the people, but it opens a window for the privileged. Giving priority to government leadership leads to the concentration of all the resources of the lives of the people in the hands of government employees. Employees are faced with many difficulties in managing their lives on the minimal salaries they have. Those with financial resources and wealth or political influence use connections and bribery to resolve their problems, and in so doing they solve the problems of some employees as

well! That is, the unworthy and the corrupt, whether they be people living a life of ease, opportunist politicians, or the agents of crime and treason, are exempt from pressure while the rest of the people endure the pain and problems of the fatal disease of nationalizing affairs. The trial of the officials in the Prophecy Foundation which is taking place these days shows how enormous profits can be made under these circumstances by seeking favor and influence with corrupt or unaware elements within a government organization.

The great harm done by nationalizing affairs is that the people gradually turn away from regulations and legal systems and conduct their business by creating shadow governments with no regard for the official government and system. This problem and its dangers demand a detailed discussion.

The worst effect of nationalizing affairs and preventing involvement by the people is this very growth of corruption and social discrimination and the separation between the people and the government. This is damage that cannot be compared to anything else, and if it continues it will rot the system from within.

With the hope of a day when Islamic regulations and the deliberations and guidance of the leader will be acted upon properly, and the people will not be called upon solely for the purpose of saying 'God is great'.²

Footnotes

1. Of course the officials themselves knew the people did not accept such practices, and for this reason these guidelines were stamped 'confidential' and never officially made known to the people!

2. In this very matter the Imam of the nation addressed the government to discuss the need for popular participation on 8 Shahrivar 1363 [30 August 1984].

Nothing can be done without support from the people. Support is not a matter of the people saying 'God is great'. This is not support. Support is their cooperation. Cooperation is their cooperation in commerce. You must give them an opportunity to cooperate. It is not as if for example, God forbid, the bazaar is corrupt from one end to the other. Of course a few corrupt people will be found in the bazaar, but there are many upright, religious and competent people in the bazaar.

10

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