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REGIONAL AFFAIRS

EXPERTS DISCUSS PROPOSED GCC GAS PIPELINE

London AL-MAJALLAH in Arabic 10-16 Sep 86 pp 30-31

[Article: "The Proposed Gas Pipeline For the Gulf Cooperation Council States Will Achieve Great Benefits"]

[Text] "The future will belong to gas, just as the past belonged to oil" is what energy experts say whenever the occasion arises. The Gulf Cooperation Council [GCC] states have begun gathering up the threads for building a natural gas network for the GCC member states, to carry gas from those countries with a gas surplus to those with a gas deficit, and from those countries least able to use and most able to export to those states most able to use gas and least capable of exporting it.

As soon as the GCC states decided to embark upon this huge project, experts in each state began drawing up technical and economic feasibility studies about the possibility of implementing this project at this particular time, the advantages it would offer, and what returns might be expected from it.

Is this project still advantageous now, after all the changes which have taken place in the Gulf recently following the drop in oil prices and the resultant drop in all the GCC states' revenues? Will the added value which this vast project might achieve be greater than, or at least equal to, its enormous costs? Is the need urgent enough for the area's states to construct this pipeline? Once the pipeline is built, will the cost of exporting gas among the GCC states be less than the cost of importing gas from outside the region? These and other questions have cropped up recently on the Gulf economic scene, now that the studies for this big project have been completed.

Dr al-Mu'jil: The Project Will Bring About Balanced Growth

AL-MAJALLAH met with Dr 'Abdallah Hamad al-Mu'jil, secretary general of the Gulf Industrial Consulting Organization. Viewing the project from the standpoint of national interest, Dr al-Mu'jil stressed that this project would greatly benefit all the GCC states by eliminating the bottlenecks which could occur with other energy sources from other countries, and would help bring

about balanced regional growth. That is, it would strengthen natural gas-based industrial development projects in those GCC states which have no gas surplus, and would reinforce the trend towards more industrial projects. In addition, this project would lead to the optimum usage of the gas available to some GCC states such as Qatar, which has huge reserves of natural gas and associated gas.

In Dr al-Mu'jil's opinion, there is no conflict between the natural gas line between Kuwait and Iraq and the proposed GCC gas pipeline, since the latter would complement the former. Furthermore, the existing Iraq-Kuwait gas network would facilitate the functioning of the larger natural gas network planned for the GCC states.

Meanwhile, Bahrain National Gas Company (BANAGAS) Board Chairman Shaykh Ibrahim bin Rashid Al Khalifah said, with regard to estimated gas capacity, that Bahrain produces two types of gas. The first is so-called natural gas, of which Bahrain has enough for 60 to 70 years' consumption. The life expectancy of these reserves depends on future natural gas consumption and future discoveries. At the same time, the BANAGAS board chairman stressed that at the present time, Bahrain does not intend to prospect for natural gas or discover more of it, because prospecting costs more than using natural gas or exporting it to GCC states and other countries.

The second kind of gas produced by Bahrain is known as associated gas, which is connected with oil production and will last as long as the oil. Therefore, Bahrain's surplus of this kind of gas is not very large when compared to its present production of 170 million cubic feet a day. There is a plan to increase production capacity to 250 million and perhaps even 300 million cubic feet a day during the next few months, once the economic studies are finished and the costs and returns are estimated.

At the present time, Bahrain exports all of the major components of associated gas (propane and butane) to East Asian countries. As for the rest, i.e. the natural gas, all of it is pumped to the Bahraini aluminum company and used to generate the electricity needed to smelt aluminum at the plant.

Shaykh Al Khalifah: High Costs and Commercial Returns

In response to AL-MAJALLAH's question about the feasibility of building a natural gas pipeline for the GCC countries, Shaykh Ibrahim bin Rashid Al Khalifah said that such a project could be carried out at the present time in spite of its high costs. He explained that this project primarily depends on the current natural gas demand in the area's countries. The question arises whether the purpose behind this project is political or commercial. Will the prices correspond to world prices, or will they be subsidized by the governments involved?

Shaykh Al Khalifah added, "If we look at the natural gas production map, we see that some of the United Arab Emirates have natural gas while others do not produce this kind of gas. Therefore, such a pipeline would be very useful. The same can be said for Kuwait, which imports part of its gas needs." On his part, Shaykh Al Khalifah feels that in any case, and whatever the behind-the-scene objectives, this huge project must be implemented on an exclusively

commercial basis, since costs and returns must be taken into consideration. If the costs are higher, it will be necessary to put off the project for the present, since the need for gas is not all that pressing. If the reverse holds true, then the project could be divided into phases, since there is no need to do it all at once from the Sultanate of Oman to Kuwait.

As to whether Bahrain might be more likely to export or import natural gas in case the network were to exist, Shaykh Al Khalifah pointed out that the cost of the gas will determine the outcome. "If the price is economically favorable, we will import it through the pipeline." He added, "The policy of the state will be the deciding factor in any case, and price and economic return will also play a part. It may cost more to import the gas than to produce it, in which case we will rely on locally-produced natural gas, especially since it is abundant right now. If the reverse holds true, then we might stop producing it here in Bahrain and begin importing it. Therefore, it is obvious that economic returns and costs will determine the future of the proposed GCC natural gas pipeline."

Al-Mu'id: Bahrain Views It As an Integrated Project

In this connection, Bahraini National Oil Company Marketing Director 'Adil al-Mu'id confirmed Shaykh Ibrahim Al Khalifah's view that the matter of estimating needs is, along with pricing, one of the main issues which will determine the future of the proposed gas network. What will be the basis for pricing the gas, and for estimating needs, deficits and surpluses?

There are other questions as to how supply and demand will affect the pipeline's future, and what the anticipated demand will be over the next 5 years. How much natural gas will be offered for sale or stored in each GCC state? What are the overall needs of the gas-importing states?

'Adil al-Mu'id said that as he sees it, "This project will be necessary in the mid-future, particularly when production by some of the member states reaches such a stage that there will be an urgent need to import natural gas in order to meet the needs of industrial development in those states. For example, in Bahrain we produce about as much gas as we consume, but in the next 50 years we will become an importing country. It is different in Qatar, where both types of gas are produced in abundance. The same can be said for another member, Saudi Arabia. We in Bahrain produce natural gas which is not associated with oil production, and we estimate our associated gas production according to our oil production. Strategically, we view it as a whole, since gas cannot be considered a main source of power for the country's vital facilities because it is connected with crude oil production. In case the pipeline is built, Bahrain will not be able to export gas through it, and in any case Bahrain cannot be considered a source of supply for this gas network. However, it can be used in emergencies. In the long run, it is not an easy matter, for Bahrain produces about as much as it consumes. Also, increased production could raise prices. For example, the first or second barrel of oil costs only one dollar or perhaps less. However, producing the tenth barrel can cost US\$17 or \$18, because the first barrel is produced when the

oil is under high pressure and is near the surface, requiring no costly efforts to extract. Things change with the second barrel, since the oil might have to be forced out by injecting water into the well or by using explosives to extract the gas. Thus, production costs increase. This makes it unlikely that Bahrain will become a source of supply for the proposed pipeline, although it might rely on it as an importing state using that very network, since importing gas through the pipeline will cost less than producing it domestically."

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REGIONAL AFFAIRS

ARAB CONTRACTORS' PERFORMANCE LEVEL ASSESSED

London AL-MAJALLAH in Arabic 10-16 Sep 86, pp 32-33

[Interview with Arab Monetary Fund Secretary General Khujali Abu-Bakr: "Awarding Construction Projects In 21 Countries To Arab Contractors;" date and place not specified]

[Text] Over the past few weeks, the Arab Monetary Fund [AMF] has decided to award contracts on 26 projects in 21 Arab, African, Asian and friendly countries worth 550 million Kuwaiti dinars to Arab contractors. This decision was made after year-long negotiations between the Arab Contractors' Federation and AMF officials. Since then, the following questions have cropped up: Have national contractors in the Arab world in general and the Gulf area in particular reached the point of being able to carry out extremely complicated projects in other countries? Are those contractors capable of implementing those projects with the same capability, skill and timeliness with which counterpart foreign companies can complete these projects? Has the Arab contracting sector reached the point of being able to rely on itself, break the barrier of tutelage imposed by foreign partners, and break out into regions and climes other than those they have become accustomed to in the past? And, if the Arab contractor has attained that level of skill which will inspire AMF confidence, then why do foreign contracting companies control about 80 percent of all projects undertaken in the Arab world?

We raised all these questions to AMF Secretary General Khujali Abu-Bakr, who answered them all, as well as other questions pertaining to the risks which continue to surround various investment fields in the Arab world.

Khujali Abu-Bakr said, "Let's start with the ending, or with the ends of the threads, and talk about financing projects in the Arab world first. Here I can say that before we offer to finance any project, we study it to make sure that the correct technical, economic, financial and organizational approaches are being taken towards the project. We are not just a group of investment organizations, for our organizations deal primarily with projects of a general nature. Such projects include infrastructure facilities, projects to develop

production capacity, and industrial, agricultural and power projects. We carefully study these projects' feasibility before approving them, and we have a lengthy evaluation process. Because development projects are not always subject to risks, and because our organizations support such projects in most of their financing operations, the risks which surround any investment project in the Arab world do not apply to the projects which we finance. In any case, the Arab countries are still in a stage where they need many infrastructure projects. At the present time, it is still better for the AMF to finance only development projects."

Speaking of the conditions laid down by the AMF, the secretary general said, "Our conditions are clear and consistent. For example, the conditions of the Arab Fund for Economic and Social Development impose only a 6 percent interest rate for most Arab countries and a 4 percent interest rate for less-developed countries such as the Sudan, Djibouti, Somalia, North and South Yemen, and Mauritania. Equally clear are the easy conditions for extending the loan period to 20 years, and the delinquency period to a maximum of 5 years, depending on the nature of the project and the circumstances of the debtor country."

Justifications For Protection

[Question] Do you feel that the contracting sector is capable of meeting all the challenges surrounding it, especially the competition from similar foreign companies? Is it capable of gaining the AMF's confidence in order to carry out construction projects outside the Arab world?

[Answer] I am convinced that many of the projects now being carried out are within the capability of the Arab contractor. An opportunity to participate in all such projects must be given to the local contractor. I say this because the Arab contractor is performing a local service. At the same time, encouraging him has become part of encouraging local industries, and we must protect the local contracting sector as well.

As for the Arab contractor's ability to undertake construction projects in other countries, I feel that the Arab contractor has become capable of achieving great success in this field.

[Question] But what explains the drop in the percentage of Arab construction projects being carried out by national contractors, which according to the statistics of the Arab Contractors' Federation has fallen to 17 percent, while foreign contracting companies are winning the big projects which are left? What kind of help can the AMF provide the contractors in this regard?

[Answer] Many construction projects in the Arab world are in fact being awarded to foreign contractors. Because of this situation, the AMF has taken steps to increase Arab production of building materials, particularly the cement industry in the Arab Gulf, in addition to giving preference to Arab contractors in building AMF-financed construction projects in Arab and friendly countries. In this connection, the AMF coordination secretariat has appealed to Arab contractors, through their federation, to help implement 26 projects in 21 Arab, African, Asian and friendly countries, worth 550 million Kuwaiti dinars, to be carried out this year and over the next few years. In this way we can help the Arab contractor build overseas projects which foreign contractors

had monopolized in previous years, transferring the profits to their own countries. The Arab companies have gotten bigger, and their capabilities have developed through constant construction of projects. However, the pivotal issue here is giving this sector the opportunity, whenever possible, to carry out projects using Arab expertise and regulated practices. I do not believe that anyone wants to back a project just for the sake of backing it. Support must be offered in a sensible, organized, enlightened manner, and must be linked to good performance. As I see it, this is the greatest challenge facing everyone, the Arab contractor as well, especially since local contractors must now become more efficient and reduce their expenses. In this way this sector will be able to obtain more of the construction contracts being awarded throughout the Arab world. However, in the same sense, the governments must not place obstacles in the way of local contractors who are capable of developing national capabilities, and must give priority to supporting this important sector in a manner which will not conflict with efficient performance.

The Ability To Export Services

The AMF secretary general for coordination told AL-MAJALLAH that there is sufficient confidence in the Arab contractors' ability to export their activities outside the region, and at this point his remarks came to an end. However, Khujali Abu-Bakr translated these notions himself by sending a letter recently to President of the Arab Contractors' Federation 'Abd-al-Rahim al-Hajji, calling on contractors throughout the Arab world to take part in 26 projects in 21 countries (eight projects in six Arab countries, 11 in nine African countries, six in five Asian countries, and one in Cyprus).

This offer stated that these projects are concentrated in programs for rural development, drinking water, power plants, improving production of some crops, building roads, bridges and railroads, and setting up ceramic plants and lumber mills.

The Arab countries in which these projects are being carried out, and where Arab contractors are being invited to participate, include Morocco, Jordan, Tunisia and Egypt.

According to the figures, a 20 million Kuwaiti dinar drinking water project is being constructed in Morocco, a 120 million dinar integrated rural development program is being carried out in Tunisia, a 71.6 million Kuwaiti dinar power plant is being built at al-'Aqabah in Jordan, a 18.4 million Kuwaiti dinar power plant is being built at Dhamar, North Yemen, sugar cane production in Egypt is being improved at an estimated cost of 39.8 million dinars, and a port is being built in Djibouti at a cost of 6 million dinars, besides projects under way in other African and Asian countries.

Will Arab contractors be able to take on this huge responsibility which has been placed on their shoulders for the first time? The near future will answer this question.

EGYPT

DISSIDENT JOURNAL FLAYS GOVERNMENT OFFICIALS' CONDUCT

Cairo AL-WAFD in Arabic 18 Sep 86 pp 1, 4

[Article by Mustafa Sharadi: "Zaki Badr's Arrests And Yusuf Wali's Assassinations"]

[Text] Maj Gen Zaki Badr, minister of the interior, is clearly striving with all his efforts for a special distinctive position in the history of Egypt among the ministers of oppression, tyranny and terror. He has also clearly not read history, ancient or modern, and has not learned the fate of everyone who deals with the people by the club and the stick and how in the end the masses' feet trample them underfoot and history puts them in the wastebasket.

This is an occasion on which we announce, again, the people's deep, sincere appreciation for Counsellor Muhammad 'Abd-al-'Aziz al-Jindi, the public prosecutor, and his devoted men, who gave a strong slap at the remnants of the school of torture the July revolutionaries established in Egypt. It is also an occasion on which we wonder about the position of interior ministers al-Nabawi Isma'il and Hasan Abu Basha concerning the cases of torture which occurred in their eras, which the public prosecutor's office finished investigating a few days ago, proving that torture had occurred and asserting that there were chambers, executioners and wild human animals within the prisons. It turned dozens of officers and soldiers who participated in these crimes over to the arena of the judiciary, where each of them is facing the moment of stock-taking and punishment and where everyone who helped torture people fettered in chains in prisons, places of detention or investigation rooms realizes that the eyes of God never neglect the oppressors, that no oppressor will escape the grip of justice no matter how long it may take, and that he will face another severer and harsher punishment after the punishment of earth. Woe to all dictators and tyrants from the punishment of the heavens.

We wonder about al-Nabawi and Abu Basha's position from a most important point of departure which we consider is the prime basis in all the cases of torture the criminals are pursuing in the prisons. The minister of the interior is responsible even if he has claimed that he did not know anything about these outrages. The minister of the interior is also responsible for

the conduct of his leaders and the practices of his men, from the deputy ministers to the traffic police on the streets. While the office of the public prosecutor, in its investigations, which have taken more than a year and a half, confirmed that the two ministers were implicated in the torture activities, if only out of knowledge and not the issuance of orders, we are now awaiting a clarification from the prosecutor's office on the position of the two ministers, especially since one of them is a member of the present cabinet, occupies a ministerial position of the utmost importance and is one of the most important leaders of the ruling party, whose ministers, the most recent of whom has been Zaki Badr, have derived pleasure in the past 30 years from torturing people in prison. Once again, this desired clarification is necessary and basic. By means of it, Zaki Badr might be deterred and might desist from vile new torture activities which are now taking place in the prisons of Egypt on people who have been detained in conjunction with certain cases, such as those of the video club. My information is that the office of the public prosecutor is investigating some of these incidents now.

The clarification of al-Nabawi and Abu Basha's position might make the current minister of the interior, who came to his position by pure chance, realize that the stick he brandishes might put out the eye of his cabinet and party, that the whip he brandishes might come down on his back and that the policy of threats and menaces and the presentation of the red eye, as he keeps saying at his meetings, will not lengthen his tenure in his position but rather will accelerate his removal so that the anger of the people may be absorbed, especially after the elections for which the National Party and its government are now preparing a group of vile plans and filthy games. Let Zaki Badr remember these words the day he finds himself flying into space under the dynamic force of one of their sudden "drubbings" and the day he finds himself resembling the gloves he throws into the garbage after completion of the task, once they have been stained by blackness, filth and the blood of innocent people, and getting rid of them becomes a matter dictated by "the necessities of the stage" -- the notorious immortal expression which all regimes use in such cases.

Zaki Badr assembled the officers and torturers the public prosecutor's office indicted in the torture cases 2 or 3 days ago and informed them that he would not carry out the decree of the prosecutor's office and that there was no law compelling him to do so -- indeed, he asked them all to remain in their places, safe and self-assured, and the hand of stock-taking and punishment would not reach them.

This new enormity which Zaki Badr is committing against the law, indeed against Egypt, has its motives, of course. Vile torture activities are now taking place in prisons on the broadest scale. The police precincts, under Zaki Badr's care, have started to turn into terrifying dens in which citizens are hit and sometimes killed. If the decision of the public prosecutor's office to remand 41 officers and four warrant officers to trial on the charge of torture is carried out, at this time specifically, that will mean that the dogs of torture will stop mangling the flesh of innocent persons and that an officer who has lost his humanity and agreed to torture a citizen fettered in chains will think a number of times before continuing to

carry out orders and proceeding with the torture. Indeed, it is certain that the mere suspension of work by the people accused of torture, whatever their rank in the police system might be, will immediately stop the torture activities in the prisons, because the myrmidons will realize that the word of justice and the judiciary is stronger than the influence of the big people who ordered the torture. From the standpoint of a man who has a special personality like Zaki Badr, that will be considered a grievous disruption of discipline and the need for orders to be carried out without discussion. If to all that we add the National Party's feeling of terror of the people's boycott of the Consultative Assembly elections, and in addition this sick party's feeling of its maximum need for a strong stick on which it can lean in the next few days, which seem extremely difficult -- a stick which without a doubt is an interior minister of Zaki Badr's type -- if we take all these factors into account, we will find that Zaki Badr feels that he is a "man of courage," especially since he is the man who best knows the extent of the weakness and the extent of the National Party's panic over the possibilities and repercussions of the day of the Consultative Assembly elections. Therefore, the chance minister who came in like a "bedouin camel driver" sees that this is his only opportunity to act like a lion and enjoy, if only briefly, the feelings of lions, and also sees that this is his opportunity, which will not be repeated, to appear in the picture, make trips with Shatlah and other ministers, hold conferences of foul language which have started to provoke people's nausea and cultivate muscles for himself within the ailing party which, if only for a little, might postpone the moment of the promised "drubbing!"

Zaki Badr, when he assembled the officers who had been indicted in the torture cases, assured them, put their minds at rest and promised that no hand would approach them with a reckoning or punishment, Zaki Badr, when he did that, was challenging the public prosecutor's office, was mocking the great Egyptian judiciary, was tearing up the law and was trampling the constitution underfoot.

Here a serious question which is being constantly repeated among people stands out: will Zaki Badr dare to take such a step by himself, without support and without backing and aid? The people who know Zaki Badr from close at hand and know the features of his personality shake their heads, stating that it is impossible, that Zaki Badr is not such a lion!

Here, also, a more serious question arises: who then will support him, who will encourage him to challenge Egypt's entire judiciary and who will strengthen his resolve to the point which will prompt him to show contempt for the constitution?

A clear, specific answer is necessary, gentlemen, because the answer which is circulating among the people is serious, very serious!

The ruling National Party is in reality a very elegant one. It has specific characteristics. It is most like a boxer who stands in front of you when you are his opponent, his chest and face totally exposed, and there you are, perplexed as to where to hit him. Will you start by delivering a blow to his nose, or to his eye? All spots are open and available to be hit without any

effort or care. This situation causes you to feel compassion for him, and you try to be a little gentle. However, you are surprised, as he tries to raise a paralyzed fist, to find him directing a blow at you here or there. You might be intent on swooping down on him violently, but compassion and the feeling that a blow at a dead man is prohibited make you accept the National Party's attempts, just as people accept the convulsions of a sick man who can barely surmount his reverses, over which medical science has become perplexed and as a result of which the doctors have become bewildered.

I say this because in reality I feel extreme perplexity. I am faced with "political" statements which Zaki Badr has declared, through which he has proceeded to brandish his stick in front of the citizens, threaten every citizen who hears the talk of the opposition and boycotts the elections, and threaten people who will not vote with fines, penalties and a bad fate!

How can I answer degenerate talk of this type? What discussion can you carry out when all you have are the truth, arguments and logic, while the other party seeks to impose his view by the truncheon?

I am also faced by other statements by Dr Yusuf Wali, the National Party secretary general and leader of the strawberry and cucumber revolution, in which he stated that the people will give the opposition a lesson on 1 October when they vote in the Consultative Assembly elections, and the proportion of the people who appear and vote in the affirmative will be 99.9 percent, of course, as our great, exalted professor, Dr Wahid Ra'fat, says!

It appears that Dr Yusuf is asleep. He took a short nap during his speech, and then talked about a conference Siraj-al-Din held in Isku. He repeated this word "Isku" dozens of times; it seems that the poor man does not know that there is a large town in Egypt called Idku, the second capital of the Governorate of al-Buhayrah. During the same nap, the man proceeded to rant, as is his custom, and talked about people who hold conferences in "Isku" and cannot go into their own villages. He meant Fu'ad Siraj-al-Din and the people laughed at this talk. The poor man had not heard of this conference, which raged with the thunder of shouts and enthusiasm for Siraj-al-Din, in the village of al-Jarayidah, the Wafd leader's birthplace. Dr Yusuf, the sleeping one, implicated himself and uttered this statement without realizing that the people who wrote the speech for him are no less "knowledgeable" and "expert" than him in the affairs and news of politics, and made him the object of ridicule of public opinion.

Moreover, in the course of the nap the sleeping Dr Yusuf caused himself to succumb, or the people who laughed at him over a speech which provokes only ridicule and sarcasm caused him to succumb, to a more dangerous quagmire, when he proceeded to talk at Kafr al-Shaykh about "people who wrote long articles against Egypt in the papers of the Gulf and were paid the price by Arab rulers, and are shedding false tears over Egypt today." The sleeping doctor's ranting then intensified and he started to threaten and warn that the day would come when "They would be confronted concerning what they had written and the people would give a lesson to stress that there is no room for fraudulent opposition." The sleeping man was referring to me in this statement; indeed, I heard that he specified my name!

I challenge the National Party secretary general, in front of all the people of Egypt, to produce a single article I published abroad against my nation Egypt. At the same time, I pardon the man; he does not read papers or follow up on anything and has no time except for deep sleep. Rather, the speeches are written for him, he tries to memorize them as students do, and when the moment comes to recite what has been memorized in front of the masses, he exposes himself to this sort of disaster and outrage.

Since Dr Yusuf Wali is talking about "confronting" people concerning what they have done in front of the people, I, personally, while I believe that all my colleagues in the Wafd Party would welcome that, now have a long broad list of what Yusuf Wali himself must be confronted over, not just in front of the people but in the arena of the judiciary. On the list is the catastrophe of the "rijo" rice, the catastrophe of the drying out of the lakes, the catastrophe of the agricultural greenhouses, the catastrophe of al-Dhahab island, the catastrophe of the strawberry revolution and the catastrophe of fruit and vegetable prices during his happy era, to the point where the poor citizens have come to need loans to buy watermelon for their children and the price of a kilogram of ordinary cucumbers, not Dr Wali's cucumbers, has been set at above 80 piasters. Then there are the catastrophes of the lentils, the poultry farms which have closed their doors and the fodder Mafia which is pursuing its activity in the country with the utmost freedom, confidence and safety. These disasters are all just "samples" of the list by which Dr Wali will indeed be confronted some day, and for which the people of Egypt will hold him to account.

Stranger than all that, Yusuf Wali, as an official, has started directing serious threats at the Egyptian opposition parties these days. Recklessness and boastfulness have brought him to the point where he stood up in al-Fayyum 2 days ago and proceeded to relate how "some young people of Egypt who are full of patriotic enthusiasm are going to him in rebellion against the leaders and heads of the opposition and telling him that they will kill these leaders and heads in their homes!" However, the "democratic" man and the "honest" official rejected the idea out of mercy for the opposition leaders and heads, not because murder and assassination are a crime punishable by law but because the policy of the National "Democratic" Party, whose secretariat Yusuf Wali heads, conflicts with the "tendency" toward murder and assassination!

The boastfulness then catches up with the man, who has totally lost his balance, and he says "If things are left to the Egyptian people they will rise up against the opposition leaders and beat them in their homes until dead!"

We will not reply to this serious statement now, because we are waiting for an explanation from the chairman of the National Party, who at the same time is the president of all the Egyptians, as he asserts in all his speeches, and is the principal person in charge of the security and safety of every citizen, whether he is standing in the ranks of the National Party or in the opposition ranks.

We will not reply now, but we consider Yusuf Wali's threats to be in effect a direct incitement of the National Party's thugs to commit aggression

against the leaders and heads of the Egyptian opposition with the promise that they will avoid punishment because they are "full of patriotic enthusiasm!"

We will not reply now, but we are presenting the people of Egypt with the whole grave picture, so that they may realize the extent of the democratic nature of the party which arrogates power, claims the majority and shakes with fear over entering any elections based on individual lists as the constitution stipulates.

We will not reply now, but we testify to our people and tell Yusuf Wali, We are living in our homes and moving among the masses without weapons or guards laden down with machine guns, but can any of you do that?

We will not reply now, but tell the man who threatens us with assassination that the day they resort to this wrongful style, the people of Egypt will assassinate the people who assassinated their generations and their hopes, put them on the brink of famine, stole their money, inundated them in debts, defeated them militarily, economically, politically and socially, and turned beautiful Egypt into a great ruin on whose rubble sit Yusuf Wali and his ilk, who nonetheless boast and threaten people who call for reform with murder and assassination.

The day the people of Egypt rise up, they will punish the people who have enslaved them, who have made them taste ignominy and contempt, who have flogged them with whips and fettered them in chains, and who have hanged their sons like carcasses in the torture chambers in the prisons.

Let me say once again that this group of officials by whom poor Egypt has been afflicted, they, and their writers and their dancing girls and the people who carry their drums and dance before them, whereas you are bewildered in facing them and do not know where to hit them first, whom to start with and whom to finish with, then finally can only say, once again, that it is prohibited to hit a dead man, then soon feel a national duty which dictates that you go to the people of Egypt with the appeal -- these people have learned how to respect your will. Their foundations have been shaken by the boycott of the Consultative Assembly elections -- and what elections; the constitution rejects them and the nation rejects them. Tell them "no" quietly this time, so that they will know that they have erred against you once again, have ignored your opinion and have held your will in contempt, and you will pull them out by their roots like a cyclone.

11887
CSO: 4504/7

MAURITANIA

20 BLACKS SENTENCED FOR SUBVERSIVE MANIFESTO

AB272141 Paris AFP in French 1547 GMT 27 Sep 86

[Text] Nouakchott, 27 Sep (AFP)--Twenty persons arrested at the beginning of the month in Mauritania for "unauthorized public assembly and the distribution of leaflets which threaten national unity" were sentenced on Thursday to prison, it was learned 27 September in Nouakchott from an official source.

According to the terms of this sentence, handed down by the mixed chamber of the Nouakchott Criminal Court, nine of the accused were sentenced to 5 years in prison, eight were sentenced to 4 years, and three to 6 months, the same source indicated. The accused have 15 days to issue an appeal.

In a communique published by the Ministry of Interior on 15 September, the Mauritanian Government had accused these opponents of "having established outside contacts with the goal of threatening national unity" and "inciting disorder among the Mauritanian people."

The communique also accuses those arrested of "having, last June, produced and distributed abroad a document calling for disorder with the goal of creating division and malice among the people."

The Ministry of Interior did not reveal the contents of the incriminating document. However, according to sources close to the opponents contacted in Dakar, it is a "manifesto of the oppressed black-African." In Dakar, AFP managed to obtain a copy of this clandestine manifesto which denounces "Mauritanian apartheid" between whites (Moors) and blacks (Negro-African ethnic groups).

According to the authors of this document, the Moors maintain the "illusion" of a society in which Arabo-Berberes make up 75 percent of the population, while in fact, the vast majority of the population is now black-African. Despite this demographic evolution, the opponents stress, the Moorish minority continues to conduct a policy of Arabisation in Mauritania, placing Moors in all the key posts both within the government and the local administration, even in the south of the country where the black-African ethnic group is predominant.

According to a dissident source, this group of clandestine black opponents had planned to organize on 21 September a "peaceful march" on the Presidency of the Republic, but its principal organizers were arrested as a preventive measure.

In its statement, the Ministry of Interior affirmed that this clandestine group had established "an organizational basis" thanks to the financial resources stemming from a source which is already partly known." [no opening quotation mark as received] No additional details were given concerning the origin of these funds.

/9604

CSO: 4500/10

MAURITANIA

OULD TAYA RECEIVES ANAD SECRETARY

AB281528 Nouakchott Domestic Service in French 1430 GMT 28 Sep 86

[Text] Colonel Maaouiya Sid 'Ahmed Ould Taya CMSN chairman, head of state, and current chairman of the West African Economic Community and of the Nonaggression and Defense Aid Agreement [ANAD], this morning, received in audience, General Jean Gomis, the ANAD secretary general. The audience took place in the presence of the permanent secretary of the Ministry of Defense, [name indistinct]. After the audience, General Gomis disclosed to our reporter the purpose of his visit.

[Begin Gomis recording] I have just been received by President Maaouiya Sid 'Ahmed Ould Taya to whom I presented a report on the political and military situation prevailing in the subregion. [passage indistinct]
[end recording]

/9604
CSO: 4500/10

SUDAN

SUDANESE LIBERATION ARMY REPRESENTATIVE INTERVIEWED

London AL-MAJALLAH in Arabic 2 Sep 85 p 14

[Article: "John Luke, the Representative of the 'Sudanese Liberation Army' in London to AL-MAJALLAH: Yes, Garang Visited Israel and We Will Shoot Down More Civilian Airplanes"]

[Text] [Question] The whole world is wondering in surprise about the reasons why you downed a civilian airplane at just this moment after the end of Sadiq al-Mahdi's visit to Moscow and his meeting with John Garang and during the period of preparation for the constitutional conference.

[Answer] We are in a state of war in southern Sudan and we noticed a while ago that the civilian airplanes were undertaking government- and army-related operations. We also noticed that there were airplanes of a new type that we knew the Sudanese army did not own that were flying over our positions. We had information that an intensive attack was going to be launched on our forces shortly. For all these reasons, we announced on our radio station Friday, last 15 August, that we would strike any airplane that penetrated the airspace of 10 cities, including Malakal, Juba, Waw, Bantio, etc. Then the government mocks our warning and sends a Sudan Air plane to Malakal. So we carried out our warning.

[Question] So, purely and simply, this is how you speak about the death of approximately 60 people, of whom 12 were children? If the people heard your warning on the radio, why did they go to the airplane and risk their lives? Your radio station does not reach every house in Sudan, does it?

[Answer] This is not true. Everyone in Khartoum and everywhere else listens to our radio station, just as Sadiq al-Mahdi, who should have known that we were serious about our warning, listens to it. This is a war and the warning was a warning. We are very sorry about the people who died, but many others have also died. If any airplane, civilian or military, penetrates the airspace again, we will shoot at it. We are not kidding. It is true that the plane was carrying passengers to Khartoum, but we did not know what it was carrying from Khartoum to Malakal.

[Question] What is the evidence that proves that the government is using civilian planes for military purposes.

[Answer] We cannot give you proof, but it exists, including the fact that the Sudanese army has begun to use planes that it did not own before and that were given to it by a "sister" country. The airplanes that the Sudanese army has are well known: four F-5's, two of which we have hit, several helicopters, and some Mig-23's. The planes that we are up against now are new fighters, Tupolev Tu-22 and others.

[Question] Is there a relation between Sadiq al-Mahdi's visits to Moscow and Addis Ababa and the current escalation in the South recently? And does this escalation on your part mean that al-Mahdi's mission to ask Ethiopia to negotiate with the Eritrean Liberation Front and to seek arms from the Soviet Union has succeeded?

[Answer] Al-Mahdi went to the Soviet Union and he had goals, which he may or may not have accomplished. This has nothing to do with us.

[Question] This is not true. If al-Mahdi's trip to Moscow succeeded, and he received a promise of military support and pressure on you, doesn't this mean the beginning of the end for you?

[Answer] We have nothing to do with the Soviet Union. We do not receive orders from Ethiopia. We are an independent movement.

[Question] This is not true. Aren't your weapons Soviet and your relationship with Ethiopia more than important?

[Answer] Our weapons are Soviet because we got them before either from certain neighboring countries or from the Sudanese Army. Our office in Addis Ababa receives absolutely no pressure from the government there, nor does our office in London. Have you heard Mrs Thatcher pressure us once to end the fighting in the South?

[Question] It appears that this recent fighting in Waw and Juba and the issue of the civilian airplane have ended any hope for the convocation of a constitutional conference. Certain observers hold you responsible for blocking a solution.

[Answer] Whether or not a constitutional conference is held is the responsibility of Sadiq al-Mahdi. Garang met with him. He said that he would cancel all the Shari'a laws, but he did not. He tried to replace Numayri's laws with the laws of the Nation Party and he presented new laws to his coalition government. The Unionists rejected them, arguing that they were not Islamic laws, so he withdrew them and the old laws are still in effect. We told al-Mahdi that we would go to the constitutional conference on conditions. These are the cancellation of the Islamic Shari'a laws and the cancellation of previous agreements and we set a time limit of 40 days. What al-Mahdi did, after his talks with Garang, was stand before the constitutional assembly and tell the people that Garang was deluding himself. Then he went to the Soviet Union and others to ask for aid, to try to decide the battle militarily. It is true that we are preparing ourselves for the constitutional conference, but before

it, we must defend ourselves. They imagine that what we tell them is an illusion, but when they find us in Khartoum, perhaps they will believe that we are "real."

[Question] Does this mean that your fight will continue until you occupy Khartoum?

[Answer] This means that today we are in Juba, Malakal, and Rumbik. These cities are no farther than 400 km from Khartoum.

[Question] What do you want exactly? Who are your friends in this world, if you disavow the Soviets, Ethiopia, and the assembly of churches?

[Answer] We want to liberate Sudan from oppression. As for our friends, we have many. Our relations with the Soviets, the CIA, the KGB, or the Mossad are no more than accusations made against us day after day.

[Question] Can you deny that Garang lived in Israel and trained there for 2 years?

[Answer] What harm is there in visiting Israel? Sadat visited Israel and returned to Egypt....

13292/9190
CSO: 4504/5

IRAQ

CURRENT STATUS, PERFORMANCE OF DOMESTIC OIL INDUSTRY REVIEWED

London AL-DUSTUR in Arabic 15 Sep 86 pp 8, 9

/Interview with Oil Minister Qasim al-'Uraybi by 'Abd-al-Wahhab al-Qaysi:
"We Are Exporting 2 Million Barrels a Day and Commit Ourselves to the
OPEC Quotas"/

/Text After 4 years of the Iranian-Syrian embargo imposed on the oil,
Iraq has managed to break down. The embargo was part of the international
conspiracy of which the Iranian regime was the instrument, with Syrian
participation and Libyan support and blessings.

In spite of the Syrian embargo--owing to which the Kirkuk-Baniyas line
was shut down--and the Iranian one, which closed Iraq's sole outlet to the
Gulf, Iraq has managed to stand on its two feet, asserting the failure of
the gamble on economic embargo and political and military pressure.

The Iraqi minister of oil, Qasim al-'Uraybi, held a press conference
attended by a substantial number of Arab and foreign journalists. He began
it by saying, "We are celebrating the good news that Iraq has managed to
export at a level of 2 million barrels a day and a production capacity of
4 million barrels a day."

He also declared that Iraq's discovered and proved oil reserves now are
72 billion barrels; formerly they were 65. As for partially-proved
reserves, those come to about 40 billion barrels. He also announced the
commencement of export of natural gas to the fraternal country of Kuwait
at a capacity of 200 million standard cubic feet a day and declared that
the second stage of the project which will be carried out at the end of
this year will come to 400 million standard cubic feet a day, for use in
Kuwaiti industrial installations.

AL-DUSTUR asked the Iraqi minister some questions to which he responded,
and for which he is to be thanked.

/Question What in your estimation are the results of the Iraq strike on
Iran's Lavan Island on Iranian oil exports? Do other Iranian oil export
outlets exit following the destruction of Kharg, Sirri and Lavan?

/Answer/ Iraq will continue to strike at Iranian export facilities and the basic components of the Iranian economy, as long as these facilities provide economic outlets for continuing the 6-year aggression against Iraq.

The goal in striking Kharg, Sirri and Lavan has been to reduce Iran's oil exports. Since Iran started to use Sirri for exporting and storage by means of shuttle tankers, informed oil sources estimated Iranian export capacity at from 500,000 to 800,000 barrels a day from the Sirri strike till yesterday, when Lavan was hit. This figure includes Lavan Island exports. After the Lavan strike, export activities will drop and be further reduced in volume. Iran exports about 200,000 barrels a day from Lavan--that is, after Lavan Iran will be able to export between 500,000 and 600,000 barrels a day, perhaps less.

/Question/ Does Iran have other export outlets?

/Answer/ Iran has a very long coast, and in practice it is not possible to bring Iran's oil exports down to nothing. It can take tankers out into the open sea and unload into other tankers going to the world markets, use temporary facilities or even partially repair facilities which have been bombed for partial export. However, none of these things allow Iran's exports to be stable, first of all, or large. These exports are very costly, and this is the goal we are striving for. We will continue to reduce Iranian exports to the lowest possible point, in accordance with Iraq's plan.

/Question/ How much did Iraq produce last August? What are the prices?

/Answer/ Since November 1985, Iraqi production has been stable. It is about 2 million barrels a day. In August, as in the months which preceded it, it has remained as it is.

As for prices, there are no longer official prices in effect in the oil market. All prices depend on variable oil prices and the prices of Iraqi oil are subject to the influence of the refining contracts prevalent at the present time.

/Question/ When will the export of Iraqi oil to world markets reach the same level as Iraq exports before the war?

/Answer/ The export volumes which are exported through Turkey are at a capacity of 1 million barrels a day and through the Kingdom of Saudi Arabia at a capacity of half a million barrels a day.

As to when Iraq will reach its previous share, that of before the war:

The answer is that member countries had no quotas, and there was no production ceiling. The first time the production ceiling was set was in 1982. The production we attained before the war, and the point at which we will reach it after the war, depend on two factors. The first is when additional

export resources are available in the middle of next year for operating the second Turkish line of a capacity of half a million barrels, and the Iraqi line vis Saudi Arabia at the end of 1988.

As to the second factor and the extent to which the oil share is absorbed by this market, and consequently Iraq's of OPEC's production, even if we were acknowledged a production capacity of 4 million barrels a day, if the market situation did not permit it we would commit ourself to that. We do not want to sabotage the oil market.

/Question/ Does Iraq intend to give up the Syrian line, after expansion of the Saudi and Turkish lines?

/Answer/ The goal in expanding the Turkish line and constructing the Saudi line is the diversification and proliferation of Iraqi export outlets and for us to have flexibility in avoiding the positions we were put in when the Iranian aggression occurred. When our southern outlets were shut down we decided to diversify export possibilities, but that does not mean that we use these outlets at their maximum capacities. It is the Syrian regime which has given up that line, through its strategic alliance with Tehran, and our projects regarding the proliferation of export outlets are in being.

/Question/ Where have the stages of construction of an oil line via Jordan to al-'Aqabah gone?

/Answer/ We have started discussion on that with the fraternal country of Jordan and have received a proposal from the American firm Bechtel, which has showed its readiness and given guarantees to operate it so that it will not be subject to a strike by Israel. After negotiations, we did not receive the desired guarantees. The guarantees are not political or contractual ones but if this line stops functioning because of Israel's intervention, Iraq will not be beholden to pay the commitments which it will owe in exchange for the construction of this project. However, the company could not offer Iraq guarantees and the project has now been suspended.

/Question/ Does Iraq intend to sell its oil on deferred payment, especially to the countries of Southeast Asia?

/Answer/ We sell oil for cash, but we have commitments with some countries. We barter it for machinery and provide part of these entitlements. The oil supplied to them is in payment in cash.

/Question/ What in your estimation is the effect of the world oil surplus on the continuation of the Gulf war? What in your estimation is the damage which has been inflicted on the Iraqi oil installations Tehran is always declaring it has hit?

/Answer/ It is well known that when the influential major countries find their interests threatened, they take the appropriate measures to protect these interests. If the oil market is as it was in 1979, the world

experiences a scarcity in export sources and the Gulf war reduces the supply of oil from this region, there is no doubt that they will work to put a stop to it. When oil reserves are present, the major countries do not sense that there is a danger threatening their interests, and their interest in stopping this war seems now.

As to the second part of the question, covering the impact Iran has had on Iraqi oil installations, the Iraqi minister said,

"The Iranians exaggerate a great deal and lie more. So far Iran has not been able to limit Iraq's ability to export its oil. When asked by journalists, 'How can you agree that Iraq's share should remain in being and that it will produce 2 million barrels?' The Iranian oil minister pointed out:

The Iranian minister answered that the Iranians would determine Iraq's export capability by themselves. However, the facts the world knows are that we are the ones who have determined Iran's export capability and it is not Iran that has determined our share, and that it does not have the ability to make a determination. What happened this month is that Iraq attacked the east dock of Kharg Island and greatly reduced its export capabilities, then hit Sirri and recently hit Lavan. Who has determined the other's oil exports, and who is truthful in the claims he is making?

Iran is incapable of making the determination, but it is not incapable of sonorous statements which find their way into the papers only. As to the extent of their validity in reality, the Iranians themselves know the truth ahead of the others.

/Question/ What is the importance of the gas line going to Kuwait? What is its absorptive capacity?

/Answer/ As part of the national orientation and constant cooperation with brothers, the line will answer the fraternal state of Kuwait's need for gas which it needs for internal consumption. Iraq also has surplus quantities of gas, and agreement has been reached on construction of a line to export the gas to Kuwait. The project is in two stages. We have started the first stage and have been able to export 200 million cubic feet a day. The second stage will be completed at the end of this year and will double this figure.

/Question/ While Iraq has the capability of exporting gas to Kuwait, does Iraq also have surplus quantities of gas it can export to the Soviet Union, for example?

/Answer/ Iraq does not have the capability of exporting gas to the Soviet Union. The gas which is produced in Iraq is gas associated with oil. The gas rises and declines in accordance with crude oil production, in any event, What has been agreed on with Kuwait is the surplus gas that is available to us.

/Question/ To what extent can Iranian oil exports be reduced to stop the financing of the Iranian military machine?

/Answer/ It is well known that war demands great financial resources and that all attacks require great military accessories. Therefore, any reduction in Iran's capability will reduce its opportunities to extend the period of the war and carry out repeated attacks. The more these exports are diminished, the more Iran's ability to go on with the war is diminished. We for our part are trying to reduce these exports for the sake of a return to reason in stopping the war.

/Question/ What prediction do you make on oil prices? What Iraqi card will be presented at the coming OPEC conference in Geneva?

/Answer/ The recent Geneva conference resolution led to an escalation in oil prices as soon as it was announced, although the resolution is to be carried out in September. In August we learned that production had not been reduced, but the psychological effect of the resolution had its effect, since prices rose several dollars. At that point the resolution started to take effect, but there was no great impact on the oil market, since the effect was the same as it had been before. Nonetheless, prices rose about 60 cents to a dollar.

The market is now stable, with chances that it might improve a little by October. I do not anticipate a great increase. As far as Iraq's future recommendations are concerned, we are trying to set production shares in all the producing countries. If we are successful in this, the organization will have succeeded in stabilizing the market and asserting its presence. If it is not able to adopt a resolution, there will be an attempt to prolong the previous resolution taken on setting the production ceiling for the extension.

/Question/ Do you support an increase in oil prices?

/Answer/ It is our aim that the oil prices be reasonable, not burdening the consuming or the producing countries, and that this strategic, vanishing commodity be kept from dropping below its real value. We also do not believe in effecting big changes in oil prices, negatively or positively, and work toward the pricing of the commodity in a manner which will guarantee balanced buying power for the revenues earned with respect to this commodity.

/Question/ Has there been a diversification of Iraqi income sources in the context of the war?

/Answer/ The war requires many facilities and requires special effort as far as ways of disposing of these revenues go, in order to mobilize them wholly to defend the country's territory. Iraq is following two policies. The first is the guidance of spending of revenues; in this direction, measures have been carried out to prevent waste and squandering of these revenues. The second is the diversification of the sources of profits. Many measures have been taken with respect to agricultural and industrial production for the sake of organizing the revenues in these two sectors and substituting for the agricultural or industrial products that had been imported previously.

IRAQ

AGRICULTURAL PROJECT ACHIEVEMENTS NOTED, ANALYZED

Baghdad AL-'IRAQ in Arabic 13 Sep 86 p 3

[Article by Shukri Raja': "A Window on the Agricultural Agency in Al-Ishaqi"]

[Text] The General Agricultural Agency in al-Ishaqi is a Ministry of Agriculture and Agrarian Reform agency which has worked to support the process of development through its unremitting effort to develop agriculture by means of land reclamation, the enlightenment of peasants and the execution of a number of technical projects which will contribute to the development of agriculture within the confines of the territory lying under the administration of the agency. The designation "al-Ishaqi" has come as a reference to the old al-Ishaqi river which came into being approximately 2,000 years ago or more and whose basic source was close to the city of Takrit. Its source was obliterated and the river remained abandoned, because of neglect and a lack of maintenance, until the advent of the Abbasid caliph al-Mu'tasim Billah, when his chief of police at that time, Ishaq Ibn Ibrahim, ordered that the river be revived from its original source; from that time it was called the al-Ishaqi.

For the purpose of learning about the course of work in the agency, AL-'IRAQ met with Mr 'Abd-al-Zahrah al-'Adhari, director general of the agency, who spoke, stating that the start of actual execution of the new al-Ishaqi project came with the construction of the Samarra' dam, since the main penstock was constructed and the work on it was completed in 1956. In 1960, work started on the al-Ishaqi project; this continued through a group of contracts until 1978, and the work on the activities of reclaiming broad areas of land was completed in 1979. This is estimated at 350,647 donums in total area; the area altered has come to about 194,943, while the area of orchards was 12,619 donums. One should bear in mind that the total area of land lying under the agency's administration comes to more than 1 million donums and the project's total area comes to 697,000 donums, while the net area which is being reclaimed comes to 328,000 donums. This is considered one of the important projects among the great development plans, in view of the fertility of its land, the availability of water and the presence of a high concentration of peasants. The project's site lies north of the capital, Baghdad, which gives it special added significance as a major source for providing the capital with food and primary materials.

Mr 'Abd-al-Zahrah al-'Adhari pointed to the agency's role in regulating the land, stating:

"A short time ago the agency started regulating the affairs of the land and the peasants benefitting from our agency's lands in a manner facilitating the process of controlling management of the land, reducing red tape, shortening time and simplifying the peasants' and investors' transactions. The agency has started to put this experiment in general application throughout the agency now that its effectiveness and success have been proved.

"The agency has also regulated the use of the land on the basis of the new, recently-emerging state of affairs through the construction of irrigation and drainage systems, to eliminate the state of fragmentation of holdings into two or more plots. The agency has sought to create clarity in the peasant's relationship to the land, since the peasant's plots on the modification and settlement units have been delimited within the boundaries of supply channel irrigation. Written undertakings have been received for temporary guided use until the final decrees on use of the land are issued. In the same manner, private properties have been consolidated within the irrigation units in order to isolate the property lands from the agrarian reform lands in preliminary, temporary application of Law 152 for 1973. This measure has resulted in simplifying the tasks of the appropriation and compensation committees and accelerating the process of applying this law."

He added, "The agency has introduced the card (cardex) system into this experiment, since it has organized a card for each peasant or farmer, containing the most important information about him and about the land he has undertaken to use. In addition to that, the agency has started to open a special file on each peasant or farmer within the area of activity of our agency, containing all the transactions, priorities and measures taken as part of his relationship to the exploited land on his part. This initiative has helped reduce the damage arising from land and water misuse through their haphazard use and has helped raise the level of followup. The results of this have appeared in a rise in the level of execution of the agricultural plans and the level of wheat and barley crop marketing.

"The agency has taken the initiative of transferring the irrigation channels and reclaimed lands to the field directly. Since 1982 it has developed and emphasized this method of management. Although the agency's agricultural technical personnel have other tasks within the agency's activities, they have been pushed into the management of the channels as a basic duty which each of them has. This system has realized a group of gains, most important of which has been raising the competence of the use of the reclaimed lands, reducing the volume of waste, destruction and misuse, raising the performance competence of the agricultural technicians and the optimum use of their resources and prompting them to participate by themselves in the process of developing and organizing agricultural production qualitatively and quantitatively, improving the level of water control and just distribution and realizing a high degree of collection of water tariffs for the years 1984 and 1985. In general, the field management has proved its success, in spite of the shortness of the time period for applying it."

IRAQ

DETAILS ON DEVELOPMENT IN KURDISH AREAS REVIEWED

Baghdad AL-JUMHURIYAH in Arabic 15 Sep 86 p 7

[Article: "During the War Years: The Autonomy Region Has Been Witnessing a Comprehensive Upsurge in Development"]

[Text] The circumstances of the war of aggression which the loathesome group in Iran has imposed on our fighting country for 6 years notwithstanding, the Kurdistan autonomy region has witnessed a comprehensive upsurge in development in various aspects of life and society.

The indicators the glorious battle of Saddam's Qadisiyah has underlined assert the concern of the leadership of the party and the revolution, headed by the president and commander, Saddam Husayn, to provide every requirement for the growth of the autonomy institutions' resources, raise their rates in all the areas of concern to the region and expand the volume of the services which are offered to citizens in it.

The annual reports the executive council has prepared for previous years relative to the activities of the autonomy departments in the years of the war have pointed out that the secretariat general of the department of works and housing for the Kurdistan autonomy region has carried out 223 service projects in various areas of the region at a cost of 20 million dinars.

The projects have included buildings for educational, health and athletic organizations, headquarters for mass organizations and housing projects in addition to the improvement and development of external roads.

The secretariat general of the departments of municipalities and summer resorts has carried out 173 service and tourist projects at a cost of more than 30,876,000 dinars. These have included the construction of tourist houses, recreation centers, modern markets and markets for craftsmen, tourist hotels, esplanades, public parks, children's playgrounds and tourist restaurants, in addition to the paving of internal streets in the tourist areas and a number of water projects throughout the region.

The secretariat general of the department of agriculture and agrarian reform has carried out distinctive projects in the region -- the project to develop

rainfall-irrigated farming in 'Ankawah by following the crop cycle system, the supplementary irrigation project in the Irbil plain and the Iski Kalak irrigation project, which will cover an area of 27,000 donums.

In the area of groundwater, 325 artesian wells have been drilled throughout the region to meet the agricultural projects' needs for water and provide fresh water for the inhabitants of the villages and rural areas. In the crop farming field, an area of more than 12 million donums of farmland has been planted with winter and summer crops.

In the area of buildings and construction, the secretariat general built 41 projects in the previous period at a cost of 13,243,000 dinars which included government buildings, among them headquarters for the General Federation of Women of Iraq, firefighting centers, the construction of 50 primary schools in Dahuk governorate at a cost of 1,147,000 dinars and a plant for concrete products.

In the area of education, the revolution has provided this with every responsibility and defense of its nation from the evils of the enemies and covetous persons. The years since the war have shown advanced rates at all scholastic levels. In the kindergartens, these have come to 4.1 percent with respect to the 4- to 5-year age group. The rate of enrollment of pupils in primary schools increased over the previous scholastic year by 2.6 percent, since 62,072 pupils were admitted to primary schools throughout the governorates of the region, and the number of male and female students in intermediate and preparatory schools increased from 71,879 to 93,058 during the past scholastic year. In addition to this, there has been the application of the Revolutionary Command Council decree reinstating study in the Kurdish language in social and national educational subjects in the case of schools covered by Kurdish instruction, the appointment of more than 490 male and female teachers to fill gaps in the intermediate and preparatory schools and the allocation of sums for maintenance and repair.

The reports dealt with the achievements of the secretariat general of the department of social affairs in the course of our just struggle. These have included the construction of eight hospitals with a capacity of 900 beds which have been equipped with the most modern scientific medical facilities, along with the construction of residential apartments for doctors, a central medical clinic, an outpatient clinic, another clinic for dentistry, a school for nurses, a dispensary and a pharmacy, in addition to 15 main and branch health centers and the construction of 107 homes for housing doctors, five medical storehouses, the pursuit of repairs and expansions in five main hospitals throughout the region and the development of the teaching hospital, the industrial faculty department and the dental complex. In the area of social care, the secretariat general has built two nursing homes, two institutes for the care and accreditation of the disabled, a kindergarten, a social center and a library for workers and has developed an old persons' care home. This is in addition to the obstetrics and gynecology hospital in Irbil, costing 11 million dinars, with a capacity of 260 beds, and an emergency hospital in al-Sulaymaniyah, costing 650,000 dinars, with a capacity of 200 beds.

The secretariat general of culture and youth has completed 46 projects whose costs have come to 1.51 million dinars. These have included the construction

of 17 vanguard headquarters, two camps for young people, a people's playground and two athletic fields in Irbil at a cost of 271,000 dinars. It has also built 10 headquarters for vanguards, two people's playing fields and a permanent camp for young people in Dahuk Governorate and a permanent camp for young people and a storehouse for the youth directorate in the Governorate of al-Sulaymaniyah.

The secretariat general of the department of religious endowment affairs has built 65 mosques in various areas of the region at a cost of 996,000 dinars, for a total of 26 mosques in Irbil Governorate, 20 in al-Sulaymaniyah Governorate and 19 in the Governorate of Dahuk, and has repaired and furnished 57 mosques in the area, in addition to the construction and furnishing of 58 mosques in modern villages and large villages out of the grant the Revolutionary Command Council approved, which totals 4.5 million dinars, and the appointment of hundreds of religious figures as imams, givers of sermons and callers to prayer, with the goal of improving their living conditions and their distinctive role in building the new society. In the name of the masses of the region, Mr Yayha al-Jaff, chairman of the executive council of the Kurdistan autonomy region, renewed the pledge to the president and commander Saddam Husayn to continue efforts and self-sacrifice, strengthen democratic relations between the departments of the government and the citizens and mobilize all powers to serve our just struggle, the glorious struggle of Saddam's Qadisiyah.

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CSO: 4404/9

IRAQ

BRIEFS

DATE PRODUCTION DROP--Our conversation in the General Iraqi Date Authority with Mr Riyadh Salih al-Ja'fari, chairman of the authority, was far-ranging and supported by figures. In the Planning Ministry's census for 1978, the number of date palms in Iraq totalled 21.4 million, whereas the country had had 32 million. Production declined, according to the figures for the seasons: In 1979, this was 519,000 tons; the Date Authority received 285,000 tons. In 1980 it was 596,000 tons; the authority received 334,000. In 1981, it was 370,000 tons; the authority received 132,000. In 1982, it was 374,000 tons; the authority received 16,000 tons. In 1983, it was 345,000 tons; the authority received 21,000. In 1984, it was 265,000 tons; the authority received 36,000 tons. The reader can analyze the gradual change and decline in production, aside from some exceptions, by the conditions the circumstances of the war of aggression have imposed on our country and the great losses it has sustained with respect to Basrah palms, which are considered the highest-quality types and those with the most abundant production. However, no official or cooperative body has acted to use the vast agricultural lands in our country and similar circumstances in climate to compensate for our loss of Basra dates with modern farms for the same types in the other central and southern areas which bombardment by the enemy's artillery cannot reach. Had action been taken, the palms planted at the beginning of the war would have given fruit, because they yield their output 4 or 5 years after they are planted. [Excerpt] [Baghdad AL-THAWRAH in Arabic 15 Sep 86 p 6] 11887

CSO: 4404/9

ISRAEL

FITNESS LEVEL OF ISRAELI YOUTH CALLED 'CATASTROPHIC'

Jerusalem THE JERUSALEM POST in English 14 Sep 86 p 4

[Article by Paul Kohn]

[Text]

"Seven out of every 10 new recruits joining the army are overweight, flabby, fat and bent. They have done very little, if any, physical exercise for months before their recruitment. Israel can conceivably claim the worst record on earth for the physical condition of its teenagers."

Those are the words - and not the harshest ones either - of Aluf Mishne David (Dudu) Gerstein, the officer responsible for the fighting fitness of Israel's soldiers. An interview with him is like being at the receiving end of a pummeling that leaves you reeling and out of breath.

It is during these weeks of late summer and the autumn, with the IDF absorbing thousands of new call-ups, that Gerstein sees the young men and women raw recruits, who have come from civilian life and are a few months out of school.

"Even with the lowest criteria set by the IDF for physical fitness, a half to three-quarters of the new recruits fail to meet the minimum standard. Only between 20 to 30 per cent can be considered okay," Gerstein says.

"They do not care, or are even aware, about the poor condition they are in. It makes early life in the army very difficult for them when they have no choice but to do 20 minutes of running and physical training every morning and later have to make much more strenuous effort.

Gerstein is less concerned about the women soldiers, but the men could well face heavy difficult conditions in infantry, paratroop and select units. He is extremely worried about reservists, whose fitness he describes as "catastrophic."

Gerstein lays a major part of the blame with the Jewish mother, and the "People of the Book" syndrome. "The Jewish mother wants her son to become a doctor, a lawyer, banker, computer expert, rabbi, or at least a teacher, but she has no ambition for him to win medals in a sport," he said.

"My mother used to ask me 20 times a day: 'Dudu are you hungry?' " he recalls.

This is quite different from the upbringing in the U.S. and European countries, where a school sports day will bring out the whole family to cheer on their boy. "We have nothing like this," Gerstein regretted.

Israelis have no tradition of exercise. It is not provided in the home nor in the schools, where you will often find anti-sport attitudes, Gerstein said. He quoted Prof. Hillel Raskin, head of physical education at the Hebrew University, who recently conducted research in Japan and found that 62-year-old men did more physical exercise than 18 year olds in Israel.

Gerstein points out that this lack of physical activity is what gives

Israel one of the leading rates of heart ailments. "Almost one in every two Israelis is in danger of heart trouble. With regular physical exercise this can be avoided, or postponed, and it is easier to overcome for those used to using their body and muscles. It makes the heart function much better," he says.

Gerstein maintains that Israelis are among the most nervous and tense people in the world as well. This too could be greatly alleviated by exercise and active participation in sports, rather than say armchair TV viewing, he contends.

The army's primary aim is to build strength and stamina in its soldiers, rather than prowess in competitive sports. Obstacle courses, climbing

ropes, unarmed combat, tugs-of-war and long-route marches are given priority over football, basketball and other recreational sports. Those headed for infantry and paratroop units are sent on route marches up to 100 kilometres at the end of their basic training, while those going to mechanized units go on less demanding 40 to 60 kilometres hikes.

For most men this is a drastic change to life before getting into uniform. There are some hopeful signs, Gerstein notes. Studies show that only 11 to 13 per cent of all Israeli teenagers and adults were active in any physical training at least twice a week at their own initiative. But, Gerstein adds with a smile, 15 years ago only 3 per cent of the entire population did any regular exercise.

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CSO: 4400/20

ISRAEL

PLAN FOR MAJOR DESALINATION EFFORT BEING DRAFTED

Haifa INNOVATION in English No 130, Sep 86 pp 1-2

[Text]

Proposals for a large scale national plan, toward the creation of a major sea water desalination capability, are now being drafted by the engineers of Israel Desalination Engineering (IDE) Ltd. According to press reports, their proposal will aim at the annual production of nearly 250 million cubic meters (on the order of 50 billion gallons) of potable water from the sea, by the end of this century. That would enhance the national fresh water supply by perhaps 15% from its present level.

IDE is an internationally known leader in its field of expertise. The company's proprietary low temperature process produces fresh water at a lower cost — and at a lower expenditure of energy — than any equipment available from its competitors. Some 200 IDE desalinators have been set up at sites all over the world; most recently, the firm sold two major installations to an oil refinery and to a public utility in Curacao (see *INNOVATION* 129, August 1986).

One of the most severe constraints on the Israel economy's long range growth is the perennial shortage of fresh water. It restricts agricultural development severely even in years of better than average rainfall; large areas in the Negev remain uncultivated because there just is not enough water for their irrigation. The shortage also puts definite limits on the possible progress of certain branches of industry, and ultimately it may even affect the quality of life in the country's towns and cities.

Now made more acute than ever before by several years of consecutive drought, the problem has recently moved government agencies to begin the search for a technologically and economically feasible long term solution. As part of that investigation, the Ministries of Finance, Energy and

Agriculture are said to have requested a detailed proposal from IDE.

Although much work still remains to be done, the general outline of that company's submission already seems clear. In order to keep costs as low as possible, it will propose that large desalination plants be built in conjunction with new electric power stations. IDE systems work on low grade heat — their operating temperatures need never go above 70°C — which allows them to utilize the exhaust energy which modern generating facilities discard as waste.

On that basis, the company's experts suggest that four desalination plants be built over the next 15 years, each with an annual productive capacity of sixty million cubic meters of fresh water. Two of those units can still be attached to the power station now under construction near Ashkelon, which is scheduled for completion in the late 1980s; two more are then to be made part of the next generating facility which the Israel Electric Corporation will put up during the 1990s, at a site which has not yet been chosen. In that manner, the annual desalination capacity could approach 250 million cubic meters by the year 2000.

The investment in each unit, projected at \$120m., does not seem excessive, compared with the price of other "unconventional" sources of water, such as sewage recycling plants. What does pose difficulties is that the water produced undoubtedly will be expensive. Its estimated cost of about \$0.50 per cubic meter compares well with other desalination systems, but still prices it out of the reach of virtually all agricultural uses.

Desalination is not the only possibility, and scientists and researchers here are following different lines of attack on the problem. One team already has had farreaching success with the enhancement of precipitation; others have made progress with the use of brackish and saline water in irrigation. Great efforts are also devoted to conservation and the extraction of the greatest possible benefits from any available quantity of water.

Thus it is not certain that the proposals now being drafted by IDE ever will be implemented. Still, there is little doubt that seawater desalination will be one of the technologies used to solve this problem, as Israel authorities come to allocate greater resources to the creation of a much more extensive water supply system, than the country now has.

ISRAEL

NEW PETROCHEMICAL VENTURE CONCLUDED

Haifa INNOVATION in English No 130, Sep 86 pp 4-5

[Text]

Haifa - Agreements have been concluded for the establishment of a major new petrochemical industry venture near this city. Named Carmel Olefin Industries, it will be owned in equal parts by two of the most important companies already active here in this sphere - Oil Refineries and Israel Petrochemical Industries (IPI).

To start things rolling, each of the two founding firms will transfer part of its existing plant to the new company. The refineries' ethylene production and the polyethylene plant owned by IPI will now be amalgamated, in the hope that this organizational move will result in greater efficiency and lower costs. It is also expected to eliminate a source of friction, which previously troubled relations between the two companies.

However, the reorganization of existing facilities is only a first step. The new venture's founders have also announced their decision to embark on a three year development program, toward the modernization and expansion of their polyethylene capacity, and for the construction of a polypropylene production line. The overall investment necessary to realize these plans has been estimated at up to \$ 250m., some of which may be raised in the U.S. capital market.

Toward the end of this decade, Carmel Olefin expects to produce 170,000 tons of polyethylene and 60,000 tons of polypropylene annually. A significant portion of that output is to be marketed abroad: the company's planners project foreign sales at about \$ 120m. annually.

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CSO: 4400/20

ISRAEL

WATER FERNS USED TO DETOXIFY WATER

Haifa INNOVATION in English No 130, Sep 86 pp 6, 7

[Text]

Rehovot — A very promising process for the detoxification of sewage is in an advanced stage of development at the Hebrew University's Faculty of Agriculture here. Based on the cultivation of a water fern, accomodating a blue green alga, it has been found capable of extracting heavy metals from an effluent.

A team of botanists, headed by Dr. Elisha Tel-Or, took its departure from a study of azolla, a water fern found mainly in the Far East. The investigators believed that this plant, grown in marginal quality water, could provide significant quantities of biomass and livestock feed.

However, their attention soon came to focus on the ability of azolla plants to extract significant quantities of heavy metal, such as copper, zinc, nickel, chromium, cadmium and uranium, from the sewage. Those materials, common in many industrial and municipal sewage systems, can be highly toxic to man, animal life and the flora. However, purifying the effluent of these pollutants often is prohibitively expensive.

The Hebrew University team has now developed a practical process, based on the introduction of azolla plants to sewage treatment ponds. The symbiotic blue green algae, capable of extracting nitrogen from the air, provide the nutrient on which azolla will flourish; the traditional alternative — application of commercial fertilizer — would make the system grossly uneconomical.

Provided with an ample supply of nutrient, azolla plants flourish in the pond. The fern acts as a magnet for heavy metals, taking their ions out of solution and leaving the water much purer. Used in conjunction with other processes, aimed at the removal of toxic microorganisms, this produces

water clean enough for a broad spectrum of possible uses, including some agricultural applications.

After large quantities of metal have come to be concentrated in the azolla, the ferns are also killed by those toxic substances. Harvested and dried, they can be burned to recover various costly metals, such as silver or uranium, for reuse.

A related process, also developed at the Hebrew University, passes the effluent of certain industrial installations — photographic laboratories, metal plating lines and so forth — through dried and powdered azolla leaves, which act as a highly selective filter: they extract metal ions from the flow, usually improving it to the point where it can be allowed to enter municipal sewage systems.

Yisum Research Development Company, the firm in charge of commercializing research carried out at the Hebrew University, holds two patents on the use of azolla for sewage treatment. The company is anxious to cooperate with qualified firms, in Israel and abroad, toward the commercial application of these processes.

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CSO: 4400/20

SYRIA

PUBLICATION DISAVOWS IRAQI INVOLVEMENT IN DOMESTIC SABOTAGE ACTS

London AL-DUSTUR in Arabic 22 Sep 86 p 26

/Article: "A Clarification by the Labor Party and the People's Committees: We Have No Connection with the Bombings in Syria". For the cited article, please see JPRS-NEA-86-117 of 11 September 1986 pp 17-29]

/Text/ Under the title "Damascus: A Confrontation with the Left," AL-DUSTUR, in issue 437 of last 14 July, published a report on the campaign of arrests to which the people's committees and the Communist Action Party in Syria have been exposed. We have received the following clarification from the National Committee for the Defense of Political Prisoners in Syria, whose headquarters are Beirut; as the national committee states, it reveals "these two forces' position and their struggle against the repressive dictatorial authorities in the capital of our country, Syria." AL-DUSTUR, in publishing the clarification, would like to stress that it published what it has concerning "the confrontation with the left" after ascertaining that it corresponds to the truth, out of its desire to penetrate the climate of black-out which surrounds domestic Syrian news in the Arab press in general.

1. AL-DUSTUR, it was stated that the campaign took place after the bombings which occurred in a number of sections of Syria, and explicitly pointed out that the people's committees and the Labor Party are confronting the regime with the force of arms.

The fact is that the attack began approximately a month before the recent wave of bombings in Syria, which rules out the presence of a connection between the two events, first of all. Secondly, the Labor Party and the people's committees have always stood against armed activities in Syria, be they ones initiated by the repressive authorities in Damascus or ones initiated by "the forces resisting them."

We have shown more than once that the Syrian people have always been the victim of this terrorism. To assert this, one can refer to statements by these two forces which have been issued on dozens of occasions, such as the artillery school massacre, the al-Izbikiyah section massacre, the Jasr al-Shughur massacre, the Tadmur prison massacre, the Hamah massacres, whose flagrant price was paid by the isolated, innocent inhabitants of the city, and finally

the bombings of public means of transport last April, which the magazine referred to, and which materially produced only injury to citizens, not the heads of the regime or its cronies, and politically produced only one further intensification of security and police activities against them.

To that one should add that the repressive authorities in Damascus have spread rumors more than once about the presence of a connection between these two forces and certain armed incidents, in order to justify their brutal repression of them, although that is contrary to the simplest facts, since the literature and the statements of the Labor Party and the people's committees are the clearest proof. Therefore, we urge a magazine of AL-DUSTUR's class not to burst out with inaccurate information which parties that have an interest in shuffling cards and information may have leaked to it.

2. AL-DUSTUR published a list of the names of people arrested in the recent campaign and it is to be thanked for this. We would like to emphasize the correctness of this information. However, the passage of several weeks has revealed some new things, including the release of some persons, most of whom had been taken as hostages. They are:

1. Fathi al-Sahli. 2. Ghadat Yusuf. 3. Fatin Hasan. 4. Hanan al-Hasan.
5. Amal al-Hasan. 6. Aminah 'Umar. 7. Iman 'Umar. 8. Iman Abu Qasim.
9. Isma'il Abu Qasim. 10. Kifah Amin. 11. 'Ammar Barrazi. 12. Safa'Rabi!
13. Bassam Siyaghah. 14. Amal Huwayjah. 15. Walid Maw'id. 16. Maha Simsam.
17. Fa'izah Hanunah. 18. Karam Kurdiyah. 19. Nawwal Hanunah. 20. Muna 'Asfur.
21. Iman 'Abd-al-Razzaq. 22. Yasir al-Khatib. 23. Jamal 'Ajawi.
24. Jamal Yanis. 25. Bayda' Huwayjah.

We also have a list of names of a group of political prisoners from this campaign to whom reference was not made in AL-DUSTUR. They are:

1. Yusuf 'Azzu, al-Silmiyah, 1964, student, single. Arrested at military investigation branch 248. Date of his arrest, 16 December 1986 /sie/.
2. Isma'il al-Mahmud, al-Silmiyah, 1948, teacher, married with one child. Arrested at military investigation branch 248. Date of his arrest, 18 February 1986. He was imprisoned in June 1985 for a period of a month and a half.
3. Muhammad al-Samudi, Hamah, 1956, warrant officer in the army, married with four children. Arrested at Palestine branch 235. Date of his arrest, 1 May 1986. He had been followed for 2 years. His brother was killed in the Hamah incidents.
4. Wahid (rest of name unknown), al-Suwayda', 1963, liberal profession. Date of his arrest, 2 April 1986.
5. Qusayy Ahmad, Latakia, 1964, corporal drafter in the army, single. Date of his arrest, 1 May 1986. He had been arrested for 10 months in 1984. Arrested at the Palestine 235 branch.

6. Raja' al-Rashid, al-Suwayda',
7. Nihal al-Khatib, Tartus, 1962, actress, single. Date of her arrest, 4 May 1986. Arrested at Palestine 235.
8. Samir al-Khatib, Tartus, single. Arrested at Palestine 235 branch. Date of his arrest, 4 May 1986.
9. Haytham Abu Ghanim, al-Suwayda', 1967, student, single. Arrested at Palestine 235 branch. Date of his arrest, 9 May 1986.
10. 'Isam al-Salih. Date of his arrest, 9 May 1986.
11. Amin Hasan
12. Zahrah Kurdiyah, Silmiyah, 1941. She works in her small shop. Arrested at the Palestine 235 branch. Her husband was assassinated in 1980. Her son Ghayth was followed in 1984. Her second son Karam, who suffers from a chronic nervous ailment, was arrested with her; he was released after a month.
13. Sa'id Hammud, Silmiyah, 1958, liberal occupation, single. Arrested at the military intelligence branch in Hamah. Date of his arrest, 16 May 1986. Afflicted with partial paralysis as a result of an automobile accident.
14. 'Ali Salman, Yarmuk-Damascus, 1966, student, single. Arrested at the Palestine branch. Date of his arrest, 2 May 1986. Member of the FATAH movement, temporary command.
15. Suhayl 'Amurah, Yarmuk, 1959, teacher at the aid agency, married. Arrested at the Palestine branch. Date of his arrest, 16 May 1986.
16. Samir Ghali, Silmiyah, 1967, student, single. Arrested at the military intelligence branch, Hamah. Date of his arrest, 16 May 1986. Arrested with his brother.
17. Khidr al-Agha, Silmiyah, student, single. Arrested at the military intelligence branch, Hamah. Date of his arrest, 16 May 1986.
18. 'Ali 'Isa, Silmiyah, 1962, day worker, single. Arrested at the military intelligence branch in Hamah. Date of his arrest, 16 May 1986. He had previously been arrested three times.
19. Zaynab 'Ali, al-Suwayda', arrested at the military intelligence branch. Date of her arrest, 17 May 1986.
20. Sabir 'Ali Rizq, Silmiyah, 1965, student at an intermediate institute, single, Arrested at the military intelligence branch in Hamah. Date of his arrest, 18 May 1986. His brother Ahmad Rizq has been imprisoned since 1982.

21. Nabil Bashir, Latakia, 1953, scriptwriter. Arrested at the military intelligence section. Date of his arrest, 7 June 1986. He had been arrested previously, in 1985.

22. As'ad Yaghi, Silmiyah, 1955, employee at the textile factory in Hamah. Arrested at the military intelligence branch in Hamah. Date of his arrest, early May. His brother has been detained since 1984 and his brother-in-law has been imprisoned since 1984

23. Khalid Yahya al-Zu'bi, Dar'a, 1967, single. Arrested at the Palestine branch. Date of his arrest, 17 April 1986.

24. Fawwaz Wannus, Hums, 1960, agricultural engineer, single. Military intelligence branch. Date of his arrest, April 1986.

25. Muhammad al-'abidi, al-Yarmuk camp, conscripted in PLO, married, with two children. Arrested at the Palestine branch. His wife was arrested, then released.

26. Ibrahim Badran, Hums, 1957, military first aid employee. Arrested at the Palestine branch. Date of his arrest, 4 May 1986. His wife was arrested with him, then released.

27. Tariq Huwayjah, Silmiyah, 1961, first lieutenant in the army. Arrested at the Palestine branch. Date of his arrest, 4 May 1986. His three sisters Amal, Fayizah and Bayda' were arrested with him and released after a while.

28. Hisham Kurdufani, al-Suwayda', 1962, actor. Arrested at the Palestine branch. Date of his arrest, 4 May 1986.

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CSO: 4404/10

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

LABOR ASSEMBLY HOLDS FIFTH GENERAL CONVENTION IN ADEN

Aden AL-THAWRI in Arabic 2 Aug 86 p 1

[Text] Attended by 195 delegates representing various labor and production institutions, and by 30 supervisors, the Fifth Labor Convention will be held today, Saturday, 2 August, at the hall of the Social Scientific Institute named for the late 'Abdallah Badhib. This meeting takes place subsequent to several Labor Council meetings in the province of Aden and is intended to conclude a series of preparatory and national activities.

On this occasion, Comrade Salih 'Ali al-Jinzir first secretary of the Labor Council, made a statement to the newspaper AL-THAWRI, in which he said: "Everyone knows that the union movement experienced inaction and apathy caused by the previous union leadership, who misled the party, the revolution, and the people. Following the victory of the party and the revolution over the unsuccessful and bloody plot of 13 January, it has been our duty to reorganize the Labor Council Secretariat in the province, to hold more meetings, and to go to places of work in order to explain the dimensions of that plot. Today we are happy to announce that our efforts led to the holding of the Fifth Labor Council Conference in the province of Aden, which will be attended by 195 members representing various labor and production institutions. The conference in the province of Aden, which was the result of many efforts, is part of the greater preparation for the Fifth General Conference of the Labor Movement. By holding this conference the provincial labor council will have carried out all the instructions given by the committee entrusted with the preparations for the Fifth General Conference of the Labor Movement. The Aden conference is the latest in a series of Labor conferences, and therefore it is considered the highlight among all conferences held in the six provinces."

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

CABINET DISCUSSES ECONOMIC MATTERS--Headed by Comrade Dr Yasin Said, member of the Politburo and prime minister, the cabinet held its regular meeting yesterday morning. During this meeting the cabinet examined a number of reports and questions and a memorandum presented by the 1985 Central Bureau of Accounting and Management. This memorandum dealt with the negative aspects of financial and administrative work in government institutions. The cabinet adopted a number of methods to treat and reduce these negative aspects in order to enhance the role of the Central Bureau of Accounting and Management. The cabinet also decided to create a governmental department charged with building roads, bridges, and airports. It also discussed a number of treaties among which the treaty concerning the creation of a joint committee between the Democratic Republic of Yemen and Hungary concerning economic, commercial, and artistic cooperation. The cabinet approved the treaty concerning the postponement of debts due the Soviet Union, and a draft treaty concerning the postponement of Bulgaria's debts. The cabinet listened to a report regarding the security situation since last January and the steps that have been taken to control the security situation. In respect to the security situation, the cabinet complimented the various departments for their efforts in reestablishing stability and security in the country. Finally, the cabinet listened to a number of reports concerning the activities of various ministries since last meeting. [Text] [Aden 14 UKTUBAR in Arabic 30 Jul 86 p 1] 9786/9190

ALGERIA, CHINA IMPLEMENT PROJECTS--Comrade Muhammad Ahmad Salman member of the Central Committee and minister of construction, met in his office this morning with Mr Miktar Sunsi, the Algerian charge d'affairs in Aden. During the meeting they discussed the possibility of Algerian government participation in a housing project. This is in addition to Algerian participation in the completion of the first stage of the al-Habilayn-Ba'us-Alhad Road. This phase will cover 36 km (out of 150 km) and will cost 4,000,300 Yemeni dinars. In another development, the minister of construction met with the Chinese ambassador in Aden. In the meeting they discussed the opening of the Daw'an Valley Road, and the latest developments in the construction of the Bena Valley bridge and Lahj hospital, both of which will be built with support from the Chinese government. [Text] [Aden 14 UKTUBAR in Arabic 1 Aug 86 p 1] 9786/9190

USSR SUPPORTS ECONOMIC RECONSTRUCTION--Comrade 'Abd-al-Karim Naser member of the Central Committee and vice president of the Preparatory Committee for the Fifth General Convention of the Yemeni Workers Union, stated that during a meeting in Moscow with the leaders of the Soviet Workers Union, the latter affirmed their support for our country and the measures taken by the Politburo and the Central Committee concerning the events of 13 January, in particular the general amnesty decision. Comrade Abd-al-Karim Naser made his statement this morning after returning from Moscow where he ended an official visit to the Soviet Union in response to an invitation received from the Soviet Workers Union. He said that the delegation's visit was successful and the delegation and their Soviet counterparts exchanged a number of viewpoints concerning union issues and union cooperation between Yemen and the Soviet Union. Comrade Rajeh Saleh Naji, member of the Central Committee, vice president to the secretary of the Central Committee, and president of the Preparatory Committee for the "ANID" Fifth General Convention, was at the reception for Comrade Abd-al-Karim Naser. [Text] [Aden 14 UKTUBAR in Arabic 1 Aug 86 p 1] 9786/9190

ECONOMIC DELEGATION VISITS USSR--Comrade 'Abd-al-Karim Nasir Ahmad, member of the Central Committee, vice president of the Preparatory Committee for the Fifth General Conference of the Labor Union, and general secretary for the Commerce and Banking Union, left Aden today at the head of a delegation on a visit to the USSR. This was in response to an invitation received from the Administrative Services and the Government Institutions Unions in the Soviet Union. Aden News Agency learned that the delegation will conduct negotiations and consult with the above-mentioned unions in order to strengthen relations with them, and contribute more effectively to the International Conference of Administrative Services and Government Institutions Unions. Along with several members of the preparatory committee for the "ANID" Fifth Conference, Comrade Rajih Salih Naji, member of the Central Committee, deputy chief to the Central Committee's Secretary, and president of the Preparatory Committee for the Fifth General Conference, was at the airport to see off Comrade 'Abd-al-Karim and his delegation. [Text] [Aden SAWT AL-'UMMAL in Arabic 24 Jul 86 p 1] 9786/9190

ECONOMIC AID FROM POLAND--Comrade Dr. Yasin Sa'id Nu'man, member of the Politburo and prime minister, received a letter from Comrade Zbigniew Messner, member of the Politburo and prime minister of the Republic of Poland. In the letter he expressed the admiration of the government and people of Poland for the measures taken in the Democratic Republic of Yemen. These measures are to preserve social, political, and progressive changes, to overcome difficulties, and to secure the development of the country. In his letter, he announced that the Polish government has decided to offer our country material assistance, which includes food, textiles, clothing, and shoes. In the letter, Comrade Messner declared that Poland will continue its support of the Democratic republic of Yemen, and he expressed his confidence that friendship between the people of the two countries will be strengthened, which in turn will help socialism and world peace. [Text] [Aden AL-RAYAH in Arabic 27 Jul 86 p 1] 9786/9190

CSO: 4404/478

INDIA

KISSINGER, B.K. NEHRU ON NEW INDO-U.S. PANEL

Madras THE HINDU in English 12 Sep 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 11.

An Indo-American commission is being set up at the non-official level, with Dr. Henry Kissinger and Mr. B.K. Nehru as co-chairmen, to promote better understanding between the two countries through what is described as a people-to-people dialogue, which in turn could help to improve government-to-government relations.

Though the Indian and U.S. Governments are not formally associated with it, the idea of having such a non-official commission to supplement the on-going official efforts to establish closer Indo-American relations has been receiving the necessary political backing both in Delhi and Washington.

But what is astonishing is the hush-hush manner in which the whole thing is being handled by the Government. There are very few in the official hierarchy who are even aware of the fact that this proposal for setting up a non-official Indo-American commission has been under consideration for the last one and half years at various levels of the Government.

Old contacts: It was first mooted by Dr. Kissinger himself when he visited India last year in his individual capacity to meet the Prime Minister, Mr. Rajiv Gandhi, and renew his old contacts with important personalities close to him.

The Government of India had responded to the suggestion in principle, but refrained from committing itself in any great hurry to the concept of a privately funded commission functioning more or less independently, coopting its members, determining its procedures and making recommendations that may or may not be acceptable.

The Indian hesitation at that stage was partly attributable to the fact that the protracted exchanges over the proposed establishment of an Indo-American Foundation, funded by the equivalent of \$100 millions in surplus U.S. Government held rupees, were due to be finalised for utilising this money to finance educational and technical assistance programmes. Though it

was agreed by Mrs. Indira Gandhi and the U.S. President, Mr. Ronald Reagan in 1982 to create such a foundation, a draft agreement on the subject is yet to be approved by the Indian Cabinet.

The earlier intention was to name Mr. L.K. Jha as the Indian co-chairman of the Indo-American commission to share the responsibility with Dr. Kissinger, but it was later felt that his nomination might indirectly confer an official status on what was intended to be a non-official forum in view of the fact that he was an adviser to the Prime Minister on economic reforms. After he gave up this appointment before becoming a Member of Parliament, Mr. Jha could have been considered for this position, but the Prime Minister has been thinking of inducting him into the Cabinet to utilise his vast experience in economic administration.

Ardent advocate: So it was decided to nominate Mr. B K Nehru who is an equally ardent advocate of closer Indo-American relations. Despite his pro-Pakistan tilt during the Bangladesh conflict, Dr. Kissinger is considered a good choice even from the Indian point of view because of his good contacts with the Reagan Administration. During his last visit to India, he went out of his way to explain to those who matter in the present Government the compelling circumstances that made the Nixon Administration adopt a pro-Pakistan stance in 1971, since the U.S. was then using Pakistan as a conduit for maintaining a channel of communication with the Chinese Government. With his characteristic sharpness of mind and intellectual sophistication, he argued that given the same scenario he would act precisely in a similar manner without any second thoughts.

The former U.S. Secretary of State went on to argue that Mrs. Gandhi would do exactly what she did in 1971 if she was faced with similar compulsions. And to drive home his point, Dr. Kissinger said that if he and Mrs. Gandhi were playing a game of reverse roles, they would have done what each other did in 1971 to achieve their particular objectives.

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CSO: 4600/0033

INDIA

APPREHENSION OVER DEFENSE COOPERATION WITH U.S. NOTED

Madras THE HINDU in English 16 Sep 86 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 15.

The U.S. Defence Secretary, Mr. Casper Weinberger, who is due to visit India and Pakistan next month, will be going to China first before arriving in the subcontinent.

The U.S. Government is apparently attaching considerable importance to Mr. Weinberger's visits to China, India and Pakistan, since a lot of preparatory work is being done by the American embassies in all the three capitals to make this trip productive from the point of view of Washington.

Positive contribution: As a close associate of the President, Mr. Reagan and also the seniormost member of his Cabinet, Mr. Weinberger wields considerable influence in the present U.S. Administration and as such he is in a position to make a positive contribution in improving Indo-American relations. It is for this reason that the Prime Minister, Mr. Rajiv Gandhi, and his senior Cabinet colleagues are planning to have wide-ranging discussions with him.

Mr. Weinberger is due to meet Mr. Deng Xiaoping and other top Chinese leaders in Beijing and assess China's defence perceptions in the context of the changing Sino-Soviet relations. These talks will give him a deeper insight into China's security concepts against the background of the new Soviet initiatives for a better understanding with both China and Japan.

Next best thing: During his three-day stay in Delhi, the U.S. Defence Secretary will try to establish a better equation with Mr. Rajiv Gandhi and dispel some of his misgivings about the

American policy of arming Pakistan well beyond its legitimate defence requirements. As the U.S. is not prepared to curtail its arms aid to Pakistan, the next best thing it is doing is to attempt to establish a defence supply relationship with India in some selective spheres with offers of technology transfer to enable the country to acquire a greater degree of self-reliance.

As Secretary of Defence, Mr. Weinberger has already taken some positive steps with the appeal of Mr. Reagan himself to open up some new areas of cooperation with India, although the U.S. continues to insist on comprehensive safeguards against possible leakages of transferred technology to the Soviet Union. A section of opinion in Delhi is apprehensive that the U.S. is using this as a pretext to spread its tentacles to the Indian defence establishment under the guise of monitoring the uses of sophisticated equipment supplied to India for its defence research and development.

Pak story: Meanwhile, the Pakistan Government has been pulling out reports from Islamabad, presumably to mislead India, that a big defence deal will be finalised during Mr. Weinberger's visit for the acquisition of not only more advanced versions of F-16 aircraft but also a whole series of very latest computerised weapon systems. It has been reported that a high-power American defence delegation will be arriving in Islamabad shortly, on the eve of Mr. Weinberger's visit, for follow-up discussions on what had been agreed upon in principle during the recent visit of the U.S. Under Secretary of Defence Policy, Mr. Fred Ikle, who had also been to India last year on a similar mission.

The U.S. authorities have, however, denied that any special defence delegations will be visiting either China, India or Pakistan. All that is being done, according to them, is that one or two staff officers from Pentagon will be arriving to work out Mr. Weinberger's engagement in the three capitals in consultation with the host Governments.

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CSO: 4600/0042

INDIA

EXTERNAL AFFAIRS MINISTER SPEAKS TO UNGA ON NAMIBIA

New Delhi PATRIOT in English 19 Sep 86 p 7

[Text]

United Nations, Sept 18 (PTI) —India has proposed a 10-point 'programme of action' to be undertaken by the United Nations and the international community for Namibia's independence from illegal South Africa occupation within a specific time table.

External Affairs Minister P Shiv Shanker made the proposal during a major address to the special UN General Assembly session on Namibia yesterday. He reaffirmed the commitment of Prime Minister Rajiv Gandhi to spare no effort to expedite emancipation of the oppressed people of Namibia.

An urgent meeting of the Security Council to define with precision, the time table for implementation of its 1978 resolution endorsing the UN plan for independence of Namibia and a collective recognition by member states of the UN of the necessity of sanctions against the South African regime are highlights of the 'programme of action'.

Mr Shiv Shanker also called for a categorical reaffirmation of the responsibility of the UN for achieving the independence of Namibia. Firm rejection of the linkage between the Namibian question with any extraneous issue is also proposed in the 'programme of action'.

It urges concerted determination by member state not to recognise or lend credence to institutions created by the Pretoria regime in Namibia and outside,

which profess to represent the Namibian people. A reiteration of solidarity with South West Peoples Organisation (SWAPO) had increased and more concrete support to it in its struggle is also proposed.

It calls for a through and coordinated programme of public information to enhance awareness of the Namibia situation the world over and mobilisation of international efforts at all levels, involving, among others, individuals, institutions and non-governmental organisations.

Mr Shiv Shanker also proposed that the world court should be approached to seek relief against all foreign exploitative activities in Namibia and for the protection of her natural resources. Full compensation to the Namibian people for the losses they have incurred as a result of South Africa's illegal occupation and control over the territory is mentioned in the programme of action.

Lastly, the programme calls for a unified endeavour to assist the Security Council and the UN Secretary General in the quest for securing the immediate independence of Namibia.

The External Affairs Minister's address was a major highlight of the opening day of the three-day session. The South African regime came in for sharp condemnation from other foreign ministers during the discussion.

At the outset, Mr Shiv Shanker described the special session as historic and reminded foreign ministers and other representatives from 159 member countries that the "hopes of an enslaved people are focussed on our deliberations here".

He expressed the view that the faith placed by the people of namibia in the UN all these years had been betrayed. The Security Council has been put into "the most macabre of situations because its initiative is "bludgeoned and destroyed by the veto" where action is suggested, and its will has been allowed to lapse where consensus has been envolved.

The minister emphasised that the Security Council must meet and "set itself a clear, finite target and a straight course". It must make it clear that "it will not accept alibis distortions and outright procrastination to frustrate its collective will" he added.

Mr Shiv Shanker said "we seem to have become accustomed to the continued arrogance" of the Pretoria regime. "Let us no more yield to the calumny, the insults and the affronts flung at this organisation (the UN)" he added.

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CSO: 4600/0047

INDIA

GANDHI REVIEWING POSITION ON AID TO AFRICAN STATES

Madras THE HINDU in English 11 Sep 86 p 7

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 10

As chairman of the Africa Fund that was set up at Harare to assist the peoples of South Africa in their struggle against racism, the Prime Minister, Mr. Rajiv Gandhi, called a meeting of his principal advisers today to draw up the necessary action programme.

A senior Indian official who is well acquainted with the functioning of the non-aligned movement is being appointed Secretary of the Africa Fund to co-ordinate the implementation of the summit decisions under Mr. Rajiv Gandhi's over-all directions.

The External Affairs Minister, Mr. P. Shiv Shanker, will be visiting London, Washington, Bonn, Paris and Tokyo shortly as a member of the eight-nation Foreign Ministers' group that was constituted at Harare to persuade Britain, the United States, West Germany, France and Japan to fall in line with the non-aligned community in organising global sanctions against the Pretoria regime.

A special cell is being created in the Ministry of External Affairs to monitor the implementation of the proposed action programme for assisting the Southern African peoples in their fight against apartheid, the struggle for Namibian independence and the efforts of the frontline States in facing the threat of counter sanctions. The Prime Minister has asked the Minister of State, Mr. Eduardo Faliero, to devote himself entirely to this problem to provide for total concentration at the ministerial level under Mr. Shiv Shanker's general supervision.

The other subject now being dealt with by Mr. Faliero will be looked after by the other Minister of State, Mr. K. R. Narayanan in addition to his present responsibilities in the Ministry which include all international organisations. It is in this new capacity that the Prime Minister asked Mr. Narayanan to go to Mauritius on his way back from Harare to help sort out the personal and political differences that have arisen between leaders of Indian origin there.

The main task of the Africa Fund -- an acronym for 'Action for resisting invasion, colonia-

lism and apartheid' -- is to help the peoples of Southern Africa by making an assessment of their essential requirements and arranging financial contributions, supply of materials and technical assistance in meeting threats of South African retaliation. The Prime Minister has to decide, in consultation with the current chairman of NAM, Mr. Robert Mugabe, and the Vice-Chairman of the Africa Fund, Dr. Kenneth Kaunda, the criteria to be followed for raising money through governmental and private donations, the procedures for stockpiling foodstuffs and other essential materials, repairing and extending the infrastructure of the frontline States.

It is not the policy of the Government of India to offer any military aid to Southern African frontline States, but the Prime Minister would be prepared to consider requests for protection forces to guard transport and communications, besides industrial establishments that are open to sabotage by South African agents. But the more immediate need is to assess the economic requirements of these countries and draw up a plan for providing them with alternative sources of coal and oil, besides manufactured goods, that have hitherto been imported from or through South Africa.

In the long term context, India is prepared to assist these countries, especially the two landlocked States of Zambia and Zimbabwe, in establishing a Harare-Lusaka rail link and repairing the existing railway lines through Tanzania and Mozambique to provide outlets for their foreign trade. The Indian railway organisation has made some surveys and carried out feasibility studies to get an idea of the time and financial burdens involved in developing these rail systems and also improving the port facilities at Beira and Maputo in Mozambique.

This is, indeed, a stupendous responsibility but Mr. Rajiv Gandhi feels that India should be able to contribute to a collective effort by the non-aligned community in meeting this challenge. And it was in this spirit that he called today's strategy session to chalk out an action programme to demonstrate to the world that the non-aligned countries have the courage as well as capacity to bear this responsibility with quiet confidence.

INDIA

LOK DAL LEADER TERMS USSR-PRC TALKS BETRAYAL

New Delhi PATRIOT in English 7 Sep 86 p 5

[Text]

Lok Dal leader Subramaniam Swamy alleged on Tuesday that the Soviet Union had "betrayed the Indian people" by negotiating with China "behind our backs on matters of vital interest concerning India's security".

He demanded that India should immediately increase its defence budget from the present three and a half per cent to at least five per cent of the national income in view of the changed situation caused by the Sino-Soviet parleys.

Dr Swamy listed "two specific acts" by the Soviet Union which he said undermined India's negotiating position in the border talks with China. The first was the inclusion of the entire Aksai China and Arunachal Pradesh as parts of China in the officially published Soviet World Atlas. The second relates to the alleged refusal of the Soviet Vice President Tatlikev during his August tour to support India's claim in Arunachal Pradesh.

Dr Swamy, who is scheduled to visit

Pakistan for four days, beginning 21 September on the invitation of General Ziaul Haq said he would be taking up the matter of Pakistan's stand on the ethnic problem in Sri Lanka.

Dr Swamy who had visited the Golden Temple in Amritsar before Operation Blue Star and had claimed that the temple was not being used to store arms, said that reports of infiltrations of hard-core terrorists from across the Pakistani border had been grossly exaggerated by Delhi.

He echoed the Akali demand of releasing the Jodhpur detainees saying that a good majority of the youths who had been arrested and detained there were no hard core terrorists but "satyagrahis". He added that the Government must start the process of a political dialogue to sort out the Punjab problem, but did not say as to who the Government should have a dialogue with. He also underlined the need to heal the 'psyche' of the people from the two communities in Punjab, but again could not say as to how this was to be done.

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CSO: 4600/0025

INDIA

FEWER FOREIGN TRIPS FOR GANDHI AFTER OCTOBER

Calcutta THE TELEGRAPH in English 5 Sep 86 p 1

[Text]

Harare, Sept. 4: There will be a long pause in Prime Minister Rajiv Gandhi's foreign trips after October. There are no foreign visits planned for almost a year after his swing through Indonesia, Australia and New Zealand in mid-October. The decision has been clearly influenced by the growing feeling that the Prime Minister has been spending too much time abroad at the expense of attention to national affairs.

In a sense the visit to Australasia rounds off a foreign policy initiative that began with the Prime Minister's visit to Moscow last year. A visit to Egypt, Algeria, France and the United States followed. Interspersed with the bilateral trips there were compulsory multilateral meetings to attend, particularly related to

Commonwealth affairs. The scheduled visit to Australia and New Zealand grew out of the personal equation struck between Messrs Gandhi, Bob Hawke and Lange at the Bahamas Commonwealth gathering.

1986 has been the year of Africa, with Mr Rajiv Gandhi taking the lead in the international effort to dismantle apartheid. There was a bilateral visit to four frontline states—Zambia, Zimbabwe, Angola and Tanzania—and then the visit to Mexico.

Barring any unscheduled trips that might have to be made (death of an important international leader for instance) the Prime Minister will limit his travelling to within India.

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CSO: 4600/0020

INDIA

ANALYST COMMENTS ON INDO-BRITISH RELATIONS

Effect of Visa Restrictions

Madras THE HINDU in English 5 Sep 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 4.

The Indo-British relations, which were rocked by repeated Indian accusations that the present Tory Government was not being tough enough in dealing with the Sikh extremists operating from Britain, have been strained further by the latest row over the imposition of new visa regulations with racial overtones making nonsense of the Commonwealth association.

After having taken the initiative to introduce visa rules applicable to the nationals of all countries including Britain, the Government of India could not have objected in the normal course to the British decision to take reciprocal action if it had not been done in a seemingly discriminatory manner, whatever the compulsion for it.

The fact that the British Government announced this decision, requiring the citizens of only India, Bangladesh, Pakistan, Nigeria and Ghana to obtain visas for visiting the United Kingdom, while the nonaligned summit conference was taking place at Harare, has led to the outcry that the citizens of racist South Africa were being exempted from this restriction at a time when the third world was pressing for worldwide sanctions against the Pretoria regime. The British Government could have saved itself the odium of this criticism by applying these regulations in a less discriminatory fashion.

But the fallout from this latest row is going to destroy the very concept of the special Indo-British relationship based on their historical links and mutual interests. There is little prospect of an improvement during the one year now left for Mrs. Margaret Thatcher's Government since it is considered highly unlikely that she would get another term.

Curtailling visits

It can, no doubt, be argued by Britain that the proposed visa requirements have been limited to India, Bangladesh, Pakistan, Nigeria and Ghana, because the bulk of the potential immigrants are from these countries, while in the

case of Sri Lanka similar restrictions are already in force. But the British Government could have chosen a better time to make the announcement instead of doing so during the non-aligned conference and also avoided a racial overtone to the decision to make these restrictions more widely applicable.

The Government of India has decided to curtail high level visits to Britain as an unmistakable indication of India's displeasure with the policies and actions of Mrs. Thatcher's Government. The Minister for Human Resources, Mr. P. V. Narasimha Rao, who was due to go to London at the invitation of the British Council to deliver a lecture, has put off his visit. The Navy Chief, Admiral R. H. Tahliani, has been permitted to pay a visit to Britain because of some pending acquisitions, but the air chief, Air Chief Marshal D. A. la Fontaine, who is going to the Farnborough air show, has been asked not to combine this trip with an official visit.

It has been a well established practice for the chiefs of the three services to pay official visits at least once during their respective tenures to several friendly countries to maintain a good professional relationship with the chiefs of their armed forces. It is highly unlikely that the army chief, General K. Sundarji, will be paying an official visit to Britain in these circumstances, at any rate until there are signs of an improvement in Indo-British relations.

During his last visit to India the British Secretary of State for Foreign Affairs, Sir Geoffrey Howe, suggested that there should be a meeting at the level of Ministers of State for a detailed discussion of the Indian complaints of British laxity in dealing with Sikh extremists in the United Kingdom. Though such a meeting was agreed in principle, the Government of India subsequently decided not to have it at this stage pending some satisfactory assurances that Britain was really earnest about such co-operation.

Similarly, the Government of India agreed in principle to let the British Government post two drug control officers in Bombay and Delhi and even issued them visas in London. But the actual posting of these officers was delayed because India wanted a parallel undertaking with Britain to share economic and commercial intelligence for tracking down not only drug smugglers but those guilty of business malpractices.

The Finance Minister, Mr. V. P. Singh, sent the head of the Enforcement Directorate to London with a letter to the British Secretary of the Treasury seeking information about the bank accounts that a big Bombay businessman was known to be maintaining in London. The British Government declined to furnish this information saying that the local laws did not permit such disclosures of private bank accounts in the absence of criminal charges before British courts.

There have been many such irritants lately in Indo-British relations which would not have normally caused any great strains, but all these episodes have cumulatively created a feeling of mutual disenchantment leading to recurring frictions and frequent recriminations. At one stage the two Governments instructed their intelligence agencies to establish what came to be known as a "back channel" for secretly sharing information about Sikh terrorists but against the background of all these bickerings this intelligence exchange has not helped to dispel mutual suspicions.

Differences Over Extradition

Madras THE HINDU in English 20 Sep 86 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 19.

There are still some serious differences between the Indian and British approaches, both in perception and application to the proposed treaty on extradition with the two governments viewing the problem from diametrically opposite directions.

The proposed discussions by Indian and British legal experts on the objectives and implications of the draft extradition treaty could lead to further strains in Indo-British relations, if the issue is not handled with tact and imagination in a spirit of mutual accommodation.

India's stand: The Government of India has drawn a distinction between persons of Indian origin settled in the United Kingdom as British citizens or with permanent residence permits, and the recent arrivals with Indian passports who are only temporary residents indulging in politically-motivated activities of a criminal nature like incitement, abetment or conspiracy to murder, manslaughter or other violent acts that are capable of affecting public order in India or endangering the lives of its leaders and other prominent persons.

It continues to maintain that when grave offences of this kind are committed by persons of

Indian origin who are still citizens of India, they should be automatically extradited to stand trial in India even if these offences are actually committed in Britain.

Sweeping powers: The Government of India has also been maintaining that there are several provisions in the 1971 Immigration Act, like Section 15 (3) which confers sweeping powers on the Secretary of State at the Home office to "remove or exclude" from Britain any foreign national who is considered a threat to public peace, or a danger to international security or for any other political reason. It continues to argue that most of the Sikh extremists in Britain, who are Indian passport holders and are not citizens or permanent residents, could be legitimately sent back to India or to the last country from which they came to Britain.

According to Indian intelligence sources, there are not more than 30 or 40 persons falling into this category of Indian passport holders who are temporary residents indulging in criminal activities like murder, arson and attacks on places of worship and Indian Government offices in Britain in pursuit of their secessionist campaign. If these extremists are deported from Britain, even if they cannot be extradited,

it would have a salutary effect on those using the United Kingdom as a sanctuary for politically motivated criminal actions.

The Government of India says that it differentiates between extradition per se and application of the immigration laws for deportation of Indian passport holders guilty of committing offences against India from Britain. It is not asking that anybody who is a bona fide resident of Britain should be sent to India to stand trial for offences committed in Britain, but only the deportation of those offenders who are still Indian citizens.

U.K.'s view: But the British Government says that it would be illegal for the Home Secretary to use these powers to deport people from the United Kingdom to face criminal charges abroad since it would be "disguised" extradition. It is open to those served with such deportation orders to seek review of their cases by an independent advisory panel, besides appealing against them in the destination they are being sent to and finally go to the court. The Libyans, who were deported under this law, did not opt for such a judicial review because they were acting with the support of their Government and not against it.

The British draft treaty proposes, on a reciprocal basis, to extend in certain circumstances the jurisdiction of British courts to cover serious crimes of violence committed in India by those residing in the United Kingdom. This, it is claimed, is intended to ensure that the fugitives do not escape justice.

But both the Indian and British drafts are open to legal challenges by either side and, unless the whole controversy is settled with some degree of mutual accommodation, it is going to create further strains on Indo-British relations.

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CSO: 4600/0048

INDIA

MUTUAL LIBERALIZATION OF VISA RULES WITH WEST

Madras THE HINDU in English 13 Sep 86 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 12.

The Government of India has worked out mutually acceptable procedures with a number of Western countries for a reciprocal liberalisation of visa rules to ease the burdens of obtaining different categories of visas by both Indian nationals and foreign citizens for bona fide business travel, studies abroad, temporary residence and tourism.

After India imposed visa restrictions two years ago after Operation Bluestar to prevent extremists settled abroad from entering the country freely without prior clearance, several foreign countries retaliated by tightening up their own procedures for granting visas to Indian citizens making it increasingly difficult for them to travel abroad.

The British Government took two years to extend its visa regulations to Indian nationals along with those of Bangladesh, Pakistan, Nigeria and Ghana to check the flow of potential immigrants, while countries like Denmark, Norway, Sweden, Finland and Yugoslavia which had reciprocal arrangements with India for visa exemption clamped down these restrictions fairly quickly after India withdrew this privilege to their citizens.

After the expiry of the visa exemption agreement with West Germany the Bonn Government withdrew this concession when India was not prepared to extend it. Canada acted unilaterally in imposing visa restrictions to check the influx of Sikhs in the wake of the Punjab crisis well before the Operation Bluestar.

An understanding has now been reached with Austria, Italy, Netherlands, Belgium, France, Germany, Spain, Norway, Sweden and Finland to liberalise the procedures and enable Indian nationals to obtain visas even in third countries for bona fide business travel or for other purposes on the basis of letters of introduction issued by the concerned Indian missions. This liberalisation has been agreed upon on the basis of strict reciprocity after India felt compelled to deliberately delay the issue of visas to nationals of some of these countries which adopted highly arbitrary procedures to deny visas to Indian citizens.

Salutary effect: The Government of India was able to exercise this leverage because many of these Western countries have been competing with one another in entering into business deals, selling industrial equipment and signing technical collaboration agreements with India following the relaxation of licensing system. The retaliatory steps taken by India have had a salutary effect on many of these countries which realised that they cannot get away with their insulting procedures.

The British Government, on the other hand, is taking its own time in framing its new visa rules to avoid the kind of difficulties that some of the other West European countries have run into by adopting a high and mighty attitude.

One of these countries went to the extent of stipulating that the visa applications of all those who were not personally known to the embassy must be referred to the home Government for clearance which might take upto three months even for the issue of a tourist visa. It was made to realise the absurdity of this regulation when the Indian Embassy in that country denied the issue of visas to even high ranking business executives without reference to Delhi.

Negative approach: The Indian bureaucracy is no less notorious for its negative mentality and obstructive attitudes, since it is not uncommon for External Affairs and Home Ministries, and in the case of scholars even the Education Ministry, to take several weeks to approve the grant of visas even to deserving foreign visitors known for their sympathetic attitudes. At one stage the External Affairs Ministry withdrew the powers of Indian missions abroad to issue visas to certain categories including journalists without prior approval from Delhi.

So the Government of India also has realised the futility of adopting such restrictive procedures when other countries went one step further and made it even more difficult for Indian nationals to travel abroad without subjecting themselves to humiliating treatment. And if the new reciprocal arrangements that are being made with many countries are an indication of a changed outlook on India's part as well, it is going to be for the good of all concerned in future.

INDIA

INDO-SOVIET BUSINESSMEN IDENTIFY AREAS OF TRADE

Bombay THE TIMES OF INDIA in English 16 Sep 86 p 13

[Text]

BOMBAY, September 15: The recently formed India-USSR Chamber of Commerce and Industry, has identified over 36 areas of co-operation of trade and joint venture between the two countries, which include knitting, ball bearing, speciality drugs, use of timber of eucalyptus tree, open-end spinning units, liquidisation of metals, fertilisers and thermal power stations, to mention a few of them.

According to Mr. Manubhai Shah, former commerce minister, all these projects are in the initial stages of discussion and the chamber would try to assist these and several projects that would strengthen the trade ties between the two nations. A hotel project to be set up in USSR by the private sector is also under negotiation.

Talks are going apace on ways and means of developing production cooperation even as the two countries are formulating detailed plans for exploiting India's coal reserves, modernising steel plants, setting up new power

plants and for tie-ups in the field of science and technology.

According to Mr. Shirkov, Soviet Trade Commissioner, Bombay, both the countries have to work together to achieve the trade target of Rs. 10,000 crores by 1990. He has said that there should be no stagnation in trade between India and USSR. He stressed the need to find out different ways to increase trade between the two nations.

The study has shown that there are vast potential of trade in the private as well as public sectors in the field of power, electronics, computers, machine tools, transport, production of means of transport, power and mining equipment.

The chamber has organised two meetings in Bombay on Saturday, September 13, to discuss increase of trade between India and USSR. The chamber has established a permanent full fledged office at Delhi and established communication and rapport between all USSR agencies and Indian trade and industries, Mr. Shah added.

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CSO: 4600/0041

INDIA

CORRESPONDENT INTERVIEWS PRIME MINISTER CHOWDHURY

Calcutta THE TELEGRAPH in English 5 Sep 86 p 7

[Excerpts of interview with Prime Minister Mizanur Rahman Chowdhury, at his residence in Dhaka, by Saumitra Banerjee; date not given]

[Text]

Q: *As the Prime Minister of Bangladesh, what is your first and most important task?*

A: As the Prime Minister of Bangladesh, I have a dual responsibility. The first task is to bring all the Opposition parties to parliament so that there is a peaceful transition to a democratic process. The second is to solve the complex problems of this country—you know, poverty etc—gradually and effectively.

Q: *Recently, you had talks with members of the opposition in an effort to get them to parliament. Why did they fail?*

A: The talks did not fail. This is a continuing process and I am very optimistic about the results.

Q: *What transpired in the course of the talks?*

A: Our intention is to lift martial law and in order to do this, some prerequisites must be fulfilled. For example, we should not do anything to create a constitutional vacuum in the country. This is all the more so since we, the honourable members of parliament, have taken a mandate from the people who have elected us on our promise that we shall have martial law lifted.

Q: *But your talks with the opposition got bogged down exactly on that one issue: martial law. That is what the opposition alleges...*

A: The opposition may allege anything, but that is not so. Talking and exchanging views is a continuous process.

Q: *Did you talk to the opposition in your personal capacity, as the leader of the Jatiya Party, or as the Prime Minister?*

A: All in one.

Q: *Don't you think it is rather contradictory that democracy and martial law should exist side by side, within the same framework?*

A: This is a transitional period. I agree that democracy and martial law cannot see eye-to-eye, but you know the elections to parliament were held under martial law because the constitution is suspended. Immediately after the elections we have been trying to reach an understanding by which we can lift martial law without creating any constitutional vacuum. I am sure you realise what martial law is and what the situation in our country is today—between one constitutional government and another, during the interim period, there is martial law. This is a fact of life, which no one can deny. The proposition is that we must revive the suspended constitution and to do this we must accord validity to the period from February 1982 to the date of lifting martial law—the parliament must do this. So we are talking along those lines with each other and

I hope there are many seasoned politicians in the opposition and they also appreciate this gesture of the government. I hope they will understand the reality of the situation and come to a solution.

Q: The argument of the opposition is that since the parliament did not lend its sanction to martial law when it was imposed, why should it do so now?

A: Martial law does not require any sanction...it is supra-constitutional. So, the parliament will neither accord sanction to martial law nor reject it. As the Jatiya Party is the majority party within the parliament, we have to endeavour to lift martial law and to do this we have to fill up the vacuum created in the interim period when the constitution was suspended and to revive the constitution, we must pass a bill in parliament which will give validity to this interim period.

Q: Why isn't the opposition agreeing to this?

A: They are not disagreeing, either. We are merely exchanging views. They have not said 'no' to this.

Q: In a presidential form of government like this, what role do you play in the decision-making?

A: Decisions are taken by the cabinet, we work in council under the leadership of the President, and I now enjoy some of the powers that the President used to. For instance, I am heading a number of important committees, which the President used to head, and many cabinet sub-committees. We are working in council and in deep understanding. So the question of delegating powers does not arise.

Q: In which direction do you think Indo-Bangla relations should proceed, keeping in mind the areas where there could be greater cooperation?

A: Broadly speaking, we must resolve all issues through negotiations and mutual talks. Because our geo-political situation warrants it, there should be good, friendly relations between the two countries. There should also be cooperation on

the basis of respect for each other's sovereignty and integrity. This is more acutely felt by Bangladesh.

Q: There are some irritants in the relations between the two countries, for instance, over the sharing of Ganga waters...

A: The Ganga water problem is not new, it started in the early Sixties. Now, with the passage of time, we are hopeful of solving the problem, especially given the present leadership in India.

Q: There was a World Bank scheme to have a Ganga-Brahmaputra link canal, which was not viewed favourably by successive governments in Bangladesh...

A: You will appreciate that if that scheme had been implemented, some 200,000 acres of land in Bangladesh would have been inundated initially. You know that the landholding proportion in our country is very small. So it would create a massive political problem in our country...I have not gone deep into the Ganga water problem, but this much I can say: India is a vast country and it must appreciate our difficulties. Unless we understand the difficulties of each other, there cannot be any understanding. We expect a lot from India and your country must take note of what will help Bangladesh. We want that India should not press upon us in any way which can harm our interests and create a political problem for the sitting government—not just this government but any government which is in power. It is my request to India that no embarrassing situation should be created whereby India is misunderstood.

Q: What are your views on the border fence between India and Bangladesh?

A: We have not taken that as a friendly gesture. Well, I understand that India has her own problems and that the sitting government of India has to attend to those problems. But my own humble request is that while settling her problems, India should not hurt the interests of her neighbours.

Q: Suppose the fence is constructed within Indian territory, without violating any international law, will Bangladesh still feel the same way?

A: I would personally feel embarrassed even if it is constructed within Indian territory, because we do not want that kind of a relationship with India.

Q: Why does Bangladesh provide sanctuary in the Chittagong Hill Tracts to Indian tribal insurgents?

A: There might be some guerrillas there, but as far as the government is concerned I can say that we do not give them asylum.

Q: When are you going to take back the Chakma refugees in India?

A: This is a negotiable matter. Let our foreign minister take up the matter with your

foreign minister. They will be taken back to Bangladesh if they are loyal to the country. If they want to create insurgency, then we shall have to think of the matter in a different light. But there is no reason why Bangladeshis should be in India as refugees.

Q: Do you think that most of the Chakmas are insurgents?

A: No, but if they are then we shall have to think of the matter in a different way. But if they have left Bangladesh for reasons other than insurgency, then they are welcome to come back.

Q: What are your comments on the dispute over Tinbigha?

A: We want the government of India to honour the bilateral pact between Bangladesh and India because we have already fulfilled our side of the commitment.

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CSO: 4600/0021

INDIA

PAPERS REPORT, COMMENT ON INDO-PAKISTAN RELATIONS

'Provocations' at Harare

Madras THE HINDU in English 9 Sep 86 p 1

[Article by F.J. Khergamvala]

[Text]

HARARE, Sept. 8.

Quite a few eyebrows were raised at the fairly strong words used by the Prime Minister, Mr. Rajiv Gandhi, to denounce Pakistan's attitude towards the hijackers at the press conference here. Mr. Gandhi had not only described the Pakistani assault on the seized Pan Am aircraft in Karachi as "ham handed" and a "bungled attempt" but also said that Islamabad's failure to deal effectively and promptly with hijackers encouraged such acts.

The debate among observers is not so much about the content of Mr. Gandhi's statements as the fact that the soil of a third country was used as a platform to voice these feelings. The question of diplomatic propriety is being raised.

Pakistan's pretensions: It is indeed remarkable that the restraint exercised by Mr. Gandhi in judging certain Pakistani actions has gone almost unnoticed. It was his concern for niceties of international behaviour that had prompted such restraint. For instance, despite pretensions to a determined effort at improving ties with India, the Pakistan President Gen. Zia-ul-Haq had brought along to the Nonaligned summit as a member of his delegation the chairman of the self-styled and Pakistan-sponsored Jammu and Kashmir Liberation League, Mr. K. A. Khurshid, once private secretary to the late Mohammed Ali Jinnah, and President of 'Azad Kashmir'. Practically everyday Gen. Zia chaperoned him in the delegates' areas, introducing him as the leader of a liberation movement, a valuable currency in the NAM and in Africa. That he was given short shrift by almost

every delegation, according to informed sources, is altogether another matter.

It is India's principled deference to the spirit of the Simla agreement—that all Kashmir-related India-Pakistan matters be approached only in bilateral fora—that dictated a total silence in reaction to this diplomatic provocation from Pakistan. Mr. Gandhi also resisted the natural temptation to respond to what has become a routine feature, Pakistan's raking up of the Kashmir issue at an international conference.

Untenable notion: Specifically in the hijacking case it is the overriding argument among Indian advisers that it is an untenable notion that India's chief executive while abroad should not voice the collective emotions of his constituents on a matter that literally is one of life and death. This is particularly so in relation to an incident that involved the ingress of terrorists armed and uniformed like the security forces of a nation that to all intents and purposes is under the military boot.

Arbiters of diplomatic norms seem to have deliberately chosen to ignore the point made by Mr. Gandhi at the press conference that for the first time Pakistan has chosen to include in its official budget a provision for "the liberation of Kashmir". According to highly reliable sources a sum of Rs. 10 lakhs has been set aside for this purpose. Whether or not this is part of a programme begun earlier, the fact of its official disclosure clearly constitutes a provocation in India's assessment.

Pakistani Spy in Delhi

Calcutta THE TELEGRAPH in English 10 Sep 86 p 4

[Text]

New Delhi, Sept. 9 (UNI,PTI): A Pakistani spy, sent here last week by the Pakistani military intelligence to report on two Air Force stations in the capital, has been arrested by the Delhi police.

The deputy commissioner of police (south district), Mr Maxwell Pereira, said Saleem Masih Gill (22) was arrested in the Delhi cantonment area on Sunday evening while moving about suspiciously near a sensitive defence installation.

Saleem, who had been well-trained in all aspects of intelligence gathering, was charged under the Official Secrets Act and remanded to police custody. He is being interrogated by crack policemen, he added.

Salim studied till the 12th class and was registered with the unemployment exchange in Lahore where he was picked up by the Pakistani military intelligence in January. He was told that his brother, who is facing

execution in a murder case, would be spared if he worked as a spy. Salim agreed and was taught a wide variety of intelligence gathering techniques, Mr Pereira said.

Saleem arrived here on September 5 on a 15-day tourist visa under the pretext of visiting a distant aunt at Jehangirpuri, an east Delhi suburb. He entered through the Attari border post.

Mr Pereira said the spy was noticed by an alert defence security guard at the cantonment area in south Delhi. When he was questioned, he gave incoherent replies which made the defence authorities hand him over to the local police.

Under intensive interrogation, Saleem, who comes from a middle class family, admitted that he was a spy on "a test mission" to India.

He told his interrogators that he had been taught how to shake off pursuers, avoid detection,

and techniques of writing with urine and fruit juice. He was also trained in surveillance. Saleem said he had been told that he should write letters to his mother with secret messages between the lines in invisible ink.

"Saleem has also told us the names of places where spies are trained, besides rendezvous points in Pakistan," Mr Pereira said, but refused to name the places.

During Saleem's training, Mr Pereira said, he had been taken around various Air Force bases, ammunition depots and radar installations in Pakistan. He had also been taught Hindi and asked not to wear "salwar-kameez" as he could be easily identified in that dress.

Saleem was assigned the task of gathering information on certain Air Force bases and defence installations in Delhi and the security measures being enforced at these places.

Efforts To Restart Dialogue

Madras THE HINDU in English 14 Sep 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 13.

A high policy matter now under active consideration is whether India should resume the suspended dialogue with Pakistan and, if so, in what manner and at what stage without compromising the strong stand that the Government has taken over its inept handling of the latest hijacking episode.

The Pakistan Ambassador, Mr. Humayun Khan, has already been called to the External Affairs Ministry for a candid discussion on all these aspects and he is due to be summoned for further exchanges to assess how far his Government is really earnest about its professed desire for better bilateral relations.

After adopting a stiff attitude for the past few months over Pakistan's continued support to the Sikh extremists, the Government of India does not want to remain an unwitting prisoner of its own firmness by ruling out all possibilities of a resumed dialogue in the near future. It is felt that a blanket refusal to restart this process, whatever the provocation for it, would only impair India's interests by forsaking the initiative for making a renewed effort to end the latest strains in Indo-Pakistani relations.

Sore over hijack incident: The Government of India is, no doubt, very sore still over the clumsy way Pakistan has dealt with the hijackers of the Pan Am plane with a callous disregard for Indian lives. Though nobody in a position of responsibility in India has accused Pakistan of any complicity in this tragic event, they have not exonerated the Pakistani authorities of culpability in allowing this dangerous situation to get tensed up to the point of letting the desperadoes open fire with automatic weapons on innocent passengers without any timely intervention by the commandos to prevent this senseless massacre.

The Government of India has not accused Pakistan of either instigating the hijacking or getting Indian passengers slaughtered in a diabolical manner with some ulterior political or communal motivation. But it is unable to persuade itself to accept Gen. Zia-ul-Haq's protestations of innocence in the face of the shocking stupidity, if not perfidy, of his officials at the Karachi airport.

The Indian leadership is not allowing its bitter resentment over this dreadful event to colour its basic

desire for better relations with Pakistan. The Prime Minister, Mr. Rajiv Gandhi, and his advisers are, however, under no illusion that the present regime in Islamabad would respond in the same spirit.

Another effort: But in the wider context of its own foreign policy pursuits, the Government of India is prepared to make yet another effort to end the crisis of confidence that continues to plague Indo-Pakistan relations. It is with this objective in view that the new approaches are being made even before India has got over the trauma of the tragedy that had been enacted at the Karachi airport.

The Indian readiness to resume the suspended dialogue in a suitable manner, first by getting the Joint Commission into stride and then picking the threads of the inconclusive talks on a treaty of friendship or a pact of non-aggression, is intended to reactivate step by step the process of normalisation.

The Indian Ambassador in Islamabad, Mr. S. K. Singh, will be conducting parallel discussions with the Pakistan Government, to supplement the talks that are being held with the Pakistan envoy in Delhi, to get the stalled dialogue moving again for a phased implementation of what had been agreed upon during Gen. Zia's last visit to Delhi.

The purpose of this Indian initiative is to unfreeze the frozen relationship and open the way for meaningful exchanges on bilateral relations without entertaining any illusions of a sudden change of heart on the part of Pakistan. This is an exercise intended to make India's own good intentions abundantly clear even if no startling results are expected from it.

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INDIA

ANALYST WRITES ON VISIT FROM NICARAGUAN PRESIDENT

Madras THE HINDU in English 10 Sep 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 9.

The Nicaraguan President, Mr. Daniel Ortega, who arrived here today on a three-day visit on his way to China, impressed his Indian hosts as a man of moderation and not a fire-brand radical, who was amenable to friendly advice to deal with the Central American crisis with caution.

At his first round of official talks with the Prime Minister, Mr. Rajiv Gandhi, he spoke of Nicaragua's commitment to seek a peaceful settlement of its differences with the U.S., consistent with his country's interests.

As Mr. Gandhi had met Mr. Ortega, more than once in Harare during the nonaligned summit, the two leaders were able to speak with greater candour at today's talks about their respective perceptions of the Central American situation, since they had already established a fairly good personal rapport.

When he pressed hard in Harare for the privilege of hosting the next nonaligned conference in Managua, the capital of Nicaragua, Mr. Ortega made no secret of his reason for seeking this honour with such persistence. He told the leaders of other nonaligned countries in confidence that the choice of Managua as venue for the next summit would indicate the support of this 100-member community to Nicaragua in resisting the American attempts to overthrow his Government.

But Mr. Ortega responded in the right spirit to the assessment of some prominent personalities of the nonaligned movement that such a decision might provoke the U.S. to treat this as an affront and redouble its efforts to stage a counter-revolution by extending all-out support to the Contras who were being backed by Washington. Though he did not fully share this view, he nevertheless heeded their advice and agreed to let the decision be deferred until the next nonaligned Foreign Ministers' conference, without abandoning altogether his country's claim to host the next summit.

Good understanding: The talks on both bilateral and international issues took place today against the background of the good understanding established between Mr. Gandhi and Mr. Ortega in Harare. As one who felt greatly inspired by the ideals of Mahatma Gandhi, Jawaharlal Nehru and Indira Gandhi, the Nicaraguan President had no difficulty in explaining his radical policies to Mr. Rajiv Gandhi in terms of India's own aspirations for economic emancipation to put greater context into its political independence.

He accepted gratefully India's offer to provide technical assistance for Nicaragua's development, besides signing a cultural agreement. While the two heads of Government were dealing with bigger political issues, their Foreign Ministers discussed specific areas for increased Indo-Nicaraguan cooperation.

The President, Mr. Zail Singh, struck the expected rhetorical note in his welcome address at the airport and the speech at the banquet in honour of Mr. Ortega tonight in describing Central America as a crisis area in the "throes of profound political and social change" and voicing the feeling that "eventually justice will triumph" and that the Contadora group would succeed in achieving "lasting peace and stability" in the region. He expressed India's grave concern at the growing tensions in Central America while deploring "all outside intervention."

No embarrassing references: It is not without significance that India has made no direct reference to the U.S. role in Nicaragua and the implied criticism of the American involvement was sought to be balanced by adhering to its general opposition to all forms of foreign intervention, whether it is in Afghanistan and Kampuchea or Nicaragua and Chile.

The Nicaraguan President also did not say anything that could have embarrassed India or hindered its relations with Washington. He was

evidently well aware that his State visit to India has aroused considerable interest in the western capitals and that the diplomatic community in Delhi would be monitoring carefully whatever is said by him on this occasion.

UNI, PTI report:

Warm welcome: Mr. Ortega was given a warm and ceremonial welcome when he arrived here this afternoon.

In a brief airport speech, Mr. Ortega spoke of the deep and abiding links between the two countries and how the Nicaraguan people had drawn inspiration from India's abiding faith in peace and its struggle for independences.

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CSO: 4600/0030

INDIA

FOREIGN AGENCIES SAID EXPLOITING GAPS IN INDIAN INTELLIGENCE

Madras THE HINDU in English 17 Sep 86 p 9

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 16.

The Government is keeping a watchful eye on the reported spurt in the activities of foreign intelligence agencies in India in the wake of internal turmoils sparked by political controversies, communal tensions and regional agitations contributing cumulatively to increased violence.

Amidst their total preoccupation with the security aspects, the Indian agencies concerned are not able to devote their undivided attention to the growing dangers of foreign involvement in the country's internal problems.

Insidious campaign: According to Indian experts, the foreign interference in politically volatile societies like India is not confined to Western intelligence agencies, since the socialist countries are no less involved in the clandestine attempts to condition their reflexes and influence their attitudes. This East-West rivalry in the Third World is exerted simultaneously at two levels—to gather all available information about the interaction of the political, economic and social factors at work in the country and utilise it deftly to carry on secretly an insidious campaign of disinformation through front organisations to malign political parties, denigrate individual leaders and in the process undermine the people's faith in them.

This psychological warfare is carried on by the two power blocs in a rather crude and superficial manner, without any special effort to camouflage this interference, under the mistaken assumption that the gullible Indian public is quite vulnerable to such disinformation. It also assumes the character of a covert bid to erode the people's faith and breed disaffection by fomenting communal and caste feuds, or inflaming regional animosities, leading to violent agitations.

Unhealthy competition: The Indian intelligence agencies have a vast web of counter-espionage organisations to cope with such threats of subversion, but in the absence of closer coordination and higher direction to ensure an integrated approach, they tend to work at cross-purpose in a self-defeating zeal to hit the bull's eye first. The multiplicity of such agencies has led to an unhealthy competition creating professional jealousies and organisational

frictions that are highly detrimental to the morale and efficiency of counter-espionage organisations.

An attempt is, therefore, being made to review their role and dovetail their activities to avoid duplication of effort and achieve better results with the available talent. The Government is also making additional funds available for acquiring the latest equipment to provide for a more methodical approach in coping with the activities of foreign agencies, which have at their disposal better trained personnel to engage in more sophisticated forms of intelligence gathering and subtler methods of subversion.

Focus diverted: At present the Indian security organisations, including the Intelligence Bureau (IB) that deals with domestic developments and the Research and Analysis Wing (RAW) that devotes itself almost entirely to Indian intelligence activities abroad, are engaged in combating terrorism almost to the exclusion of everything else that should normally be engaging their attention. The increasing tendency of the Government to use these agencies for political purposes to keep an eye on the activities of those opposed to those in power and all others who come in for adverse notice for whatever reason has diverted the primary focus of Indian intelligence from the more fundamental tasks of preventing internal and external threats to the country's interests to the narrow pursuits of curbing dissidence.

These avoidable gaps in the Indian intelligence system have been exploited by foreign agencies to exert unhealthy influence and interfere with internal developments. The unearthing of many espionage rings, in most cases by stumbling into damaging evidence and not through a painstaking discovery of their nefarious activities, has exposed the many inadequacies of the counter-espionage operations.

It is better late than never that the Government has started realising the need for strengthening these organisations and promoting a high degree of professionalism by refraining from playing favourites and misusing them for party purposes. And the Government has started heeding the advice of both the IB and RAW chiefs, who are known for their personal integrity and professional competence, in all service matters relating to these establishments.

INDIA

ELECTRONICS INDUSTRY TO AVOID DEPENDENCE ON JAPAN

Calcutta THE TELEGRAPH in English 10 Sep 86 p 6

[Article by Abhijit Roy]

[Text]

Calcutta, Sept. 9: The Indian government seems to have realised what impact the large scale electronic kit import from Japan could have on the long term health of our economy. The effect of Japan's "kit colonialism" on the economies of the south east Asian countries is slowly sinking in.

In a bid to combat this latest form of colonialism practised by the developing countries on the Third World economy, the Indian government has decided to set up integrated electronics manufacturing factories, which will not be the dumping ground for obsolete Japanese kits, but will be industries on their own right and eventually have an export oriented outlook.

According to Union government sources, the first phase of this plan will be the setting up of integrated video cassette recorder (VCR) manufacturing factories in different parts of the country.

The government has decided to grant approvals for up to five such integrated factories. The site selection is now under process. Each of these factories would have a foreign collaborator with substantial foreign capital investment in manufacturing facilities. The Indian government will be specially strict on the indigenisation programmes of these factories and the department of electronics (DoE) has been asked to constantly

monitor the plans for indigenisation. The government has also made it clear that no slipups in this would be tolerated.

Industry experts feel that the Indian decision to set up these integrated factories was taken after the experience of Indonesia—the havoc created on the Indonesian economy, specially its electronics industry, by Japan's kit colonialism.

For the last 20 years the Indonesian electronics industry depended solely on Japanese kits and which they simply assembled. The Japanese industry and administration in tandem through various unfair means, like cutting off loans and aids, thwarted all attempts by the Indonesian industry to manufacture any of the products. Even if the Indonesians tried to manufacture a small item for use in colour televisions, plane loads of Japanese bureaucrats and industrialists would land in Jakarta to pressure the government to stop it. If diplomatic persuasion failed the Japanese simply refused to export the kit unless that particular item, which the Indonesians were trying to produce, was bought from Japan.

Ultimately the Indonesian government sought the good offices of a United Nations agency to put a stop to this practice. Several attempts by the agency in this direction failed and ultimately a UN advisor, who is currently in Indonesia, decided to use a little bit of psychological

pressure on the Japanese by coining the phrase "kit colonialism." The Japanese government and industry realised the possible outcry which would be raised if the phrase became popular. They toned down a little by allowing the Indonesians to produce some of the items themselves. Then if it was no longer "kit colonialism" it could still be a "kit trap" for many other countries.

Industry sources here say that India was on the verge of falling into this trap. Our nascent electronic industry is almost entirely kit-based, the government having indiscriminately distributed approvals for several so-called manufacturers. The country now has hundreds of kit assemblers and very few manufacturer of either CTV or B&W sets. Such industries do not create any employment, technology and exports they only survive with state subsidy and protection. They are merely social parasites draining the country of its precious foreign exchange resources, industry sources said.

In January this year Mr K.P.P. Nambiar, chairman and managing director of Indian Telephone Industries, addressing a meeting organised by the Association of Indian Engineering Industry in Bangalore, said "the Indian television scene is based on kit import and label technology. A large number of television manufacturing units were importing the entire kit. The value addition in CTVs and B&W sets was negligible and the import value was as high as 70 per cent." Mr S.R. Vijayakar, secretary DoE, in another forum had said that the industry has achieved less than 30 per cent indigenisation. The investment in the component sector in the last two years has only been Rs 150 crores. compared to the total Seventh Plan investment target of Rs 700 crores in this sector.

However, the heartening feature is that the government has realised the potential evils of indiscriminate imports from Japan or elsewhere. In a bid to reduce imports and raise revenue the duty structure for the electronic industry was recently revised upwards through two notifications—on July 16 and

July 29. In the July 16 notification the customs duties on raw materials and components were raised to 30 per cent and 45 per cent respectively from the previous level of 15 and 40 per cent. The duty on machinery for electronic industry was hiked steeply to 55 per cent from 25 per cent. This duty structure forms the first phase of the policy. In the second phase the duties for computers and computer-based machinery would be dealt with.

The changes represent a new trend of thinking regarding the electronic industry. Till now the focus was on "leap frogging" into the modern age by relying on unrestricted imports.

With the current changes the policy structure for the electronic industry becomes identical to that of other industries. A custom duty barrier on a significant scale has been erected to protect the domestic industry which is serious on indigenisation.

The Indian government's new thinking has been projected in different forums. Recently Mr Shivraj Patil, Union minister of state for science and technology, conveyed the government's displeasure at the negligible investment in research and development by the private sector electronics industry at a meeting with Indian Television Manufacturer's Association (ITMA). Mr Vijaykar of DoE told them that most of the critical components for television sets and several other electronic items would be manufactured in India.

That the Indian government was aware of the problem as far back as in 1983 is evident from the fact that it proposed exploring the possibility of adopting a "common methodology" for production and marketing of specified electronic products in specific countries only.

The report stated that the proposed approach will not only help the countries make optimum use of their resources and avoid competition among themselves, but would also increase "their bargaining strength as a group and reduce their exploitation by the developing countries."

INDIA

PRC AHEAD OF INDIA IN TRADITIONAL EXPORTS TO WEST

Calcutta THE TELEGRAPH in English 8 Sep 86 p 6

[Text]

New Delhi, Sept. 7 (PTI): India had a Rs 70-crore trade deficit with China in 1983-84, but what is worse, India is clearly being outpaced by China in the exports of all traditional items other than hand-knotted carpets.

These are some of the findings of a study, conducted by Mr Sanjay Kathuria and Mr Misha Taneja on behalf of the Indian Council for Research on International Relations (ICRIR).

Making an assessment of the recent economic reforms in China ushered in by Mr Deng Xiaopeng in 1978, the study entitled "India's exports: the challenge from China," says not withstanding the similar factor endowments in the two countries, China has performed better than India in every major sphere of economic activity—be it agriculture, industry or trade.

Industrial and agricultural growth over the last five years has averaged between 11 and eight per cent in China. Between 1965 and 1983, China's per capita gross national income grew at the rate of 4.4 per cent per annum. Compared to this, India's rise was only 1.5 per cent.

China also achieved remarkable success in attracting direct foreign investment. India's total direct foreign investment to date stands at \$1,169 millions compared to China's \$4,020 millions.

Comparing the export performance of these two developing nations, the study notes that the trade balance, which was

negative for India for almost every year since the '50s, started deteriorating sharply from 1978 when China's exports started gaining momentum and export conflicts between the two countries became very significant. In 1983-84, India exported just Rs 5.7 crores worth of goods to China and imported Rs 76 crores worth of goods.

Starting from items like cotton garments, which was India's forte, China, with a diversified export structure, overtook India, performing better in the US and European Community markets. China's success story was repeated in handtools, industrial fasteners, cotton fabrics and handicrafts exports.

In exports of each one of the seven products—cotton fabrics, cotton garments, handicrafts other than gems and jewellery, industrial fasteners and handtools, China increased its market shares between 1973-84.

For the same production range, India put up an indifferent show with a declining share in five of the seven categories, stagnation in one and increase in one.

Yet another major change to emerge in the 1965-83 period was the increase in the share of developing economies from 40 per cent to 52 per cent.

Japan, Hong Kong and the United States accounted for 57 per cent of China's trade in 1984. India was displaced by China in the OECD market too, following the 1978 reforms.

Showing a capability for exploiting its geographical location to augment its trade, China has continued to expand its market in the USSR, the UK and Japan. However, even in cases where India had a better locational advantage than China, the latter improved its trade prospects and expanded its export markets.

Tracing the reasons, the study notes that China's exports have been aided by a pragmatic import policy that has supplied vital inputs to its export-oriented industries. In stark contrast, India's export performance has been severely constrained by its import policy.

China's sustained economic excellence depends, among other things, on the efficiency with which resources are used, phenomenal increases in production capacity and efficiency in the energy and transport sectors. Moreover, on the export front, China scores on price and quality considerations as well.

Stating that the Chinese export boom was now showing signs of petering out, the authors warn against any complacency on that account or any undue expectations of a quantum jump in Indian exports in the near future.

Rather, Indian policy makers and exporters should seize this opportunity to learn from the Chinese experience.

/13046

CSO: 4600/0027

INDIA

SOVIET STUDY DISPUTES INDIAN CENSUS FIGURES

Calcutta THE TELEGRAPH in English 9 Sep 86 p 6

[Text]

Moscow, Sept. 8 (PTI): One-third of India's labour potential is not being used at all, according to a Soviet study of the country's censuses from 1872 to 1981.

The study, "India—spotlight on population," by Prof Victor Petrov, challenges official Indian statistics showing that the number of people completely unemployed is no more than a few million.

The Soviet scholar says the official figures "understate the real situation," contending that the 1961 and 1971 censuses for instance, considered anyone who was employed on seasonal work—even for one hour a day, to be gainfully employed.

Prof Petrov says most of the working people in India are employed at enterprises where the machines and equipment are out of date by today's standards and labour productivity remains low. Capital investments, far greater than India as a developing country can afford, are needed if all these people are to be given jobs at modern enterprises.

Asserting that the development of society depends on the rational correlation between the non-skilled and skilled workforce, Prof Petrov observes that the proportion of specialists in India is close to 1.5 per cent, of the total employed as against five to eight per cent in developed countries. This is impeding the development of the productive forces, he says.

While adequate development of the system of professional training takes time, millions are waiting for an opportunity to apply their low-skilled labour in the economy, Prof Petrov says.

In the obtaining conditions, they can do nothing for economic progress, he says.

He says that the Indian state in these circumstances seeks to employ low-skilled labour in local industry, cottage industries and such branches of the economy as were characteristics of the distant past in developed countries.

India needs medium-level qualified workers for its modern industries, and the ratio for workers with different levels of qualifications is far from optimal for modern production.

In Indian conditions, the standing unemployment of a considerable part of the population is made even worse by the absolute size of the population and the rates at which it is growing, the professor says.

An interesting sidelight of the study is the revelation of the fact that the actual involvement of Indian women in socially useful modern labour is far greater than indicated by the 1981 census.

Prof. Petrov says there should have been only 40 million gainfully employed women in 1975 according to the 1971 approach but the International Labour Organisation (ILO) data shows that the actual figure was more likely to have been over 70 million.

The non-observance of the principle of equal pay for equal work considerably lessened the results of the gainful employment of women and the effect of labour on demographic processes in India, the Soviet scholar says.

INDIA

REPORTAGE ON MEETING OF NATIONAL INTEGRATION COUNCIL

Gandhi, Rajeswara Rao Speak

Bombay THE TIMES OF INDIA in English 13 Sep 86 p 1

[Text]

NEW DELHI, September 12
(PTI & UNI).

THE national integration council today addressed itself to the task of finding both short and long-term solutions to the problems of communalism.

The home minister, Mr. Buta Singh, in his introductory remarks dwelt on the progress of the implementation of the 15-point programme undertaken by the government for the welfare of the minorities.

Presiding over the meeting, the Prime Minister, Mr. Rajiv Gandhi, focussed on the need to combat fundamentalism.

The Prime Minister asked the council to find answers to the problems created by religious processions and the rise of fundamentalism.

He pointed out that one of the long-term measures undertaken by the Centre was the drafting of the new education policy in which effort was being made to build a secular approach in the minds of young people.

RAM'S MEMORY

The closed-door meeting was attended by Central ministers, including the finance minister, Mr. V. P. Singh, the human resources development minister, Mr. P. V. Narasimha Rao, chief ministers, leaders of opposition, Eminent educationists, editors, social workers and artistes.

Before commencing the discussions, the council adopted a resolution expressing its sorrow over the death of Mr. Jagjivan Ram and observed a two-minute silence in his memory.

The resolution described Mr. Jagjivan Ram as a veteran patriot with a far-seeing social vision.

"For half a century he worked for the country's unity, communal harmony and the economic and social uplift of the poor and the weak," it said.

It placed on record the NIC's gratitude for the guidance given by Mr. Ram to the council and its committees.

Mr. Buta Singh gave a brief assessment of the progress of the implementation of the 15-point programme for the welfare of the minorities.

The programme covers promotion of communal harmony, prevention of communal riots and welfare of backward classes, including scheduled castes and tribes.

He said the Central government had been issuing instructions to states in that regard. The programme could be implemented successfully only if there was co-operation and involvement, he said.

The Prime Minister warned that communal discord would be ruinous for the country, demolishing all that had been built since independence. "It will be the end of our dream and all our aspirations", he said.

Mr. Gandhi listed the various points on which the assembled chief ministers, opposition leaders and prominent non-officials representing various sections generally agreed.

They included:

- (1) Government functions should not have any religious ceremonies;
- (2) Though religious processions cannot be banned, there should be a code regulating the routes, the number of vehicles to be allowed etc.;
- (3) Use of loudspeakers for religious ceremonies, as for other purposes, should be governed by civic bylaws;

(4) New approaches should be devised by political parties through wide-spread and intensive discussions to combat communalism;

(5) Communalism should be discarded in elections, not merely at the stage of selection of candidates. The particular pattern over which the whole political process had developed over the years "must be corrected;"

(6) "We must have a non-partisan police force". This could be achieved through proper recruitment and training.

Since complaints of communalism were more against state police forces than against the Central forces, the chief ministers should give special attention to remove such complaints.

In this connection, Mr. Gandhi said that while there should be proper representation for the minorities in the police forces, they should be careful not to think of members of the police force in terms of their communities.

He warned against the attitude that only Muslim policemen could look after Muslims or that Christian policemen could take care of Christians.

"Irrespective of religion, every policeman must have an objective outlook".

During the pre-lunch session, the chief ministers of Assam, Gujarat,

Karnataka, Haryana and the governor of Jammu and Kashmir spoke.

Mrs. Illa Bhat and Baba Arnte, social workers, Begum Abida Ahmed, MP, Prof. Yashpal, chairman of UGC, Mr. Prem Bhatia, journalist, Mr. Narendra Mohan, editor, Mr. K. L. Nandan, journalist, Mr. R. P. Goenka, president of FICCI, Mr. M. H. Beg, chairman, minorities commission, Mr. L. K. Advani, president, BJP, and Mr. C. Rajeswara Rao, general secretary, CPI, also addressed the meeting.

Mr. Rajeswara Rao suggested that the chief minister and home minister of a state should be held politically responsible for the failure of their state administration to prevent communal riots.

The CPI leader also called for effective steps to ban communal propaganda and to deal with "senas" of all kinds.

Steps should also be taken to give fair representation to Muslims in the police and other services, he said.

The communist leader expressed confidence that the secular forces in various political parties, if they acted together, were strong enough to defeat the sinister designs of the communalists.

More on Gandhi Speech

New Delhi PATRIOT in English 13 Sep 86 p 1

[Text]

Prime Minister Rajiv Gandhi on Friday called for a "decisive new approach" to fight and curb the growing menace of fundamentalism in the country, and emphasised the need for better education than its mere statistical spread as one of the instruments.

Addressing the National Integration Council, meeting in the Capital to review the communal situation in the country and evolve measures to tackle the menace, Mr Gandhi outlined the Government strategy that lays stress on the role of political parties and mass media, police recruitment and training policies, use of administrative and legal measures, education, and effective implementation of the 15-point programme for minorities.

"Communal discord will be the ruin of everything we have built since independence. It will be the end of our dreams and aspirations," Mr Gandhi warned, and said since the old approach had failed to yield desired results, the Government and the people

would have to evolve a new decisive approach through more widespread, intensive national debate.

"All of us should stand as one and oppose communalism," he exhorted the Chief Ministers, leaders of political parties, and eminent persons from various walks of life who are members of the apex council.

The 15-point programme for minorities was essentially a support and a prop to what should become a social movement "which will spread rational temper and social tolerance", Mr Gandhi said. The programme itself only could help the minorities to advance themselves, and was important, but what was required was a social tenor to facilitate this.

He thought education by itself could not help the country out of the problem. Quality of education rather than its statistical spread was crucial. Mr Gandhi observed that the incidence of communal feelings was more among the educated and the affluent rather than among the uneducated and

the poor. It was not the very poor who are communal. They have shown to be tolerant, he said.

However, the Prime Minister agreed with a suggestion for in-depth study of socio-economic and administrative conditions of areas where communalism is "endemic", and also concurred with a view that a group of five be set up by the NIC to go through all suggestions made by various members during the nine-hour meeting and report at the next meeting of the council.

While stressing that real defence against communalism could come only through education, Mr Gandhi felt that much of the country's secularism was being vitiated by western concepts and spread of materialism. The combination, he thought, could deprive the people of their cultural sustenance. In the void, fundamentalism would always rear its head, as in some Islamic countries, he warned.

Quipping that a weekly holiday on a Sunday was no more secular than on Friday, Mr Gandhi invited members to see what short-term and long-term measures needed to be evolved to strengthen secularism in the country and curb communalist tendencies.

While agreeing with an observation by a member during the debate that political parties were taking advantage of communal feelings, Mr Gandhi said this had existed from past, but they must ensure that they do not fan the fire. Joint efforts by all the political parties could stop the spread of communal voting during polls.

The Prime Minister noted that some members had highlighted the role of media in small towns and of language press in spreading the poison of communalism, but said he did not think the State could come in to control the media. The media themselves should exercise control and restraint. He offered to have the coverage by AIR and TV of religious ceremonies and communal incidents reviewed in depth. He also agreed that Government functions should be dissociated from any religious ceremonies, including lighting of lamps, which a leftist member thought was "Hinduist".

As a short-term and immediate measure, Mr Gandhi agreed with a view that the use of loud-speakers should be regulated by civic byelaws and religious places should not be mis-

used for communal preachings. But he thought the issue of imposing collective fines on people for communal riots was better left to the local administration, which should weigh all pros and cons before decision.

Mr Gandhi also opposed a blanket ban on religious processions, and said it must be the subject of discretion of local authorities. Code could be finalised restricting the number of vehicles in such processions.

When a member of the committee complained that there were too many religious holidays, the Prime Minister wondered if the trade unions belonging to the concerned member's party would agree to curtailing the number of holidays.

Stressing the need for implementation of the 15-point programme, which envisages fair representation to the minorities in recruitment to State agencies and organisations, Mr Gandhi said care however would have to be exercised and the danger of communalising the recruitment policy guarded against.

Mr Gandhi also laid substantial stress on recruitment and training of the police forces in States, and said the Chief Ministers should look into allegations of partisan attitudes and behaviour of police towards minority communities. Every policeman must have an objective outlook. There was no lack of patriotism on the part of any community in the country, and each community has earned a certificate for itself through blood spilled in times of war and national crisis, Mr Gandhi said.

Referring to the Supreme Court judgment on the national anthem issue, Mr Gandhi announced that the Constitution would be suitably amended. The Union Cabinet had already taken a decision to this effect.

The Supreme Court had, in a recent judgment, held that not singing the National Anthem did not constitute its disrespect.

Following the death of Jagjivan Ram the standing committee of the National Integration Council on Punjab will be reconstituted and a few more members would be added to the standing committee, Mr Gandhi said.

CPI-M Leader Speaks

Calcutta THE TELEGRAPH in English 13 Sep 86 p 6

[Text]

New Delhi, Sept. 12: Mr E.M.S. Namboodiripad, general secretary of the CPI(M), today accused the government of planning the meetings of the National Integration Council as "a mere publicity gimmick for the ruling party."

Addressing the second meeting of the NIC since it was reactivated, Mr Namboodiripad said while developments over the past five months were causing serious concern, why was it that the government did not consider it necessary to take the NIC into confidence. The last meeting as well as this one, he said were not planned so as to facilitate serious business-like deliberations, he added.

Mr Namboodiripad said he did not have any basic disagreement with the Prime Minister's 15-point programme, but said these were "totally inadequate to deal

with the communal situation which leads to serious riots".

The problem was basically political and had to be dealt with politically, Mr Namboodiripad said. "While the administrative measures spelt out in the 15-point programme may be useful in dealing with concrete situations, they do not offer any solution to the socio-economic and political problems which give rise to such concrete situations."

He suggested that the political parties represented on the NIC should undertake an introspection to find out their failings and decide what to do. He urged those belonging to the ruling party, including the Prime Minister, "to make a self-critical examination of their own approach to the problems of casteism, communalism and other divisive and separatist forces."

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CSO: 4600/0034

INDIA

REPORTAGE ON GANDHI VISIT TO WEST BENGAL

Calcutta Press Conference

Bombay THE TIMES OF INDIA in English 19 Sep 86 p 1

[Text]

CALCUTTA, September 18.

THE Prime Minister, Mr. Rajiv Gandhi, said here today that he did not consider the Gorkhaland agitation to be anti-national.

Addressing a press conference here this evening, Mr. Gandhi said, "We have got the documents at our disposal analysed and no legal action can be taken on the basis of the GNLF's demand."

Clarifying his point, Mr. Gandhi said, "the GNLF wants to treat the Nepalese in India as Indian citizens. There is nothing anti-national about that." He maintained that his government had no reports that the GNLF was clamouring for a separate Gorkhaland.

Mr. Gandhi also made it clear that there would be no further division of West Bengal and stressed that his government was keen to ensure that the Gorkhas, who were not of Indian origin, did not vote. In this context, he added that the government was thinking of making the citizenship law more stringent.

The Prime Minister also regretted that while the Centre was keen on stopping infiltration, "the West Bengal government does not appear to be as concerned as us."

Mr. Gandhi ruled out even a distant possibility of changing the national anthem and said Jana Gana Mana would remain intact without any modification.

Earlier, the Prime Minister held a seven-hour meeting with the West Bengal government representatives, in the course of which he cleared projects of Rs. 684 crores.

From this, around Rs. 300 crores would go to the jute industry alone and Mr. Gandhi repeatedly stressed, "This was what our party people as well as the industry have been demanding for about a year now."

Mr. Gandhi, who arrived this morning from Trivandrum, was assisted in his talks by several Central ministers and senior officials. He later told a press conference, "we held this exercise as West Bengal cannot survive without a concerted effort by everybody. Whereas we are willing to help, the state government wants to continue with its complaint that West Bengal is being treated as a poor cousin, which is all rubbish."

The Prime Minister regretted that the state government had seen this exercise as a political gimmick and added, "This was far from our mind when we decided to hold this meeting."

However, some of the Prime Minister's assurances, like setting up a Yatri Niwas at Howrah station and funds for the Salt Lake stadium, could be construed as having been made with the coming election in mind.

Mr. Gandhi maintained that many of the state's problems today were a result of the fact that the sixth plan had been disastrously handled by the state government. In most sectors, the amount allotted remained unspent, the shortfall being 34 per cent in the agriculture sector, 48 per cent in irrigation and 55 per cent in industry.

"The only sector in which the government had done a good job is in the sphere of information and publicity," he said.

The Prime Minister said his government was also aware of the special problems of north Bengal and announced that this area would enjoy the

transport subsidy granted to the north-eastern states. There would also be Vayudoot flights from next month to the districts of Malda and west Dinajpur.

Regarding the demands placed today by the West Bengal government, Mr. Gandhi said, "they put before us a publication with 61 items. For only 20 of these, funds worth Rs. 7,200 crores would be needed. How can we give this when the entire seventh plan is worth Rs. 4,200 crores?"

PTI adds: Mr. Gandhi announced removal of customs duty on selective capital goods imported for the jute industry in consultation with the industry.

He said he had agreed at today's meeting to the nationalisation of all sick mills — jute, textiles, paper or any other commodity — as per Gujarat formula.

Mr. Gandhi announced that a ten kw transmitter would be set up for television at Kurseong in Darjeeling district very soon.

Another low power transmitter would be set up in Darjeeling proper and this would operate from February 1987.

A new international air terminal building would be set up in Calcutta. The Centre had requested all the foreign airlines, which had applied for operating through India, to touch Calcutta. Three airlines had agreed, the Prime Minister said.

Calcutta will also get its second television channel from September next year.

As regards the much-debated freight equalisation scheme, Mr. Gandhi said he was not in favour of it as it created imbalances between regions and cost the country a lot.

Speech at Durgapur Meeting

Calcutta THE STATESMAN in English 20 Sep 86 pp 1, 9

[Article by B.P. Kumar and Manas Ghosh]

[Text] **DURGAPUR, Sept. 19.—Mr Rajiv Gandhi urged the Left Front here today to start a dialogue with the GNLFF to defuse tension in the hill areas of Darjeeling. The State Government must do everyth ing possible to ensure that the hill people did not drift away from West Bengal or India. Addressing a mammoth public meeting this evening, the Prime Minister said the hill people had some grievances which should be looked into by the State Government.**

He said that the Centre, had studied some of the problems facing the Darjeeling area in depth. The hill people, according to him, felt neglected and discriminated as the State Government had not done enough development work in the region. They were not getting their due share of jobs, nor had the development schemes improved their living standards, the Prime Minister added. The fruits of development had not reached them. According to him, this was a serious complaint. Mr Gandhi claimed that no Government should do anything which would encourage any section or group of people or any community to harbour separatist tendencies which would weaken the country.

Mr Gandhi said it was the sole responsibility of the State to see that its relations with its own people were not estranged in any manner. It was dangerous to let people nurture grievances and nurse separatist ideas. The Left Front Government must look into their grievances for keeping the Gorkhas within the framework of West Bengal. "It should unite not divide people," Mr Gandhi added.

Amid thunderous applause, the Prime Minister said that he was publicly giving the guarantee that the Centre would not allow any division of West Bengal. His Government was totally opposed to any fragmentation of the State. He also said the Centre would not do anything to amend the Cons-

titution to give autonomous district status to the hill areas of Darjeeling, as demanded by the West Bengal Government.

The Prime Minister said that he wanted to make it clear that Nepalese Gorkhas living in India would not be given Indian citizenship under any circumstances. "Because we feel that granting such a right would weaken India. Nepalese Gorkhas are Nepalese citizens. They can't be Indians," he emphasized.

Today's public meeting, according to the local administration, was the biggest ever addressed by any Prime Minister, in the Durgapur Asansol belt. A record crowd of over three lakh people packed the mela maidan, the venue of the

meeting, well before the Prime Minister arrived. Hours before the start of the meeting, people started streaming into the maidan on foot and in hundreds of buses and trucks from Asansol, Bankura, Birbhum, Burdwan and adjoining areas. Many were perched on roofs and tree-tops for hours at the mela site.

The meeting assumed the character of an election campaign, with the Prime Minister promising to build a new Bengal in his introductory remarks. His Government, he said, had demonstrated its "true and sincere intention" by clearing projects and announcing new Central investments to the tune of Rs 684 crores in West Bengal during the meeting with the State Government on Thursday. This would ensure Bengal's progress and bring immediate benefits to the people of the State, he said.

He called it unfortunate that the Left Front Government was trying to politicise all issues. "There is a big difference in our aims and the aims of the Left Front Government. We want the progress of Bengal, whereas the Left Front Government would always work narrow political ends." The State Government, he pointed out, was even unwilling to acknowledge the Centrally-sponsored schemes and programmes and its proper implementation in the State, he complained.

"The Left Front is ashamed to acknowledge projects in Mrs Indira Gandhi's name for political reasons and convenience. Her name has been dropped from all schemes associated with her memory." He said that the State Government was trying to reap political benefits from "our schemes" without acknowledging our contribution he added.

The Prime Minister said that the non-performance of the Left Front Government was one of the main reasons for the State's backwardness. The State Government, he said, could not spend Rs 1,100 crores of its Sixth Plan outlay, while other non-Congress(I) States like Karnataka, Tamil Nadu and even Tripura had spent all funds under the plan outlay. "I leave it to you to judge whether we have neglected this State and discriminated against it. I have proved it to Mr Jyoti Basu at yesterday's meeting," he added.

The Prime Minister urged the Left Front Government to improve the law and order situation in the State. He said in Nadia and Midnapore alone, more people, mostly Congressmen, had been killed during the Left Front rule than in Punjab. "Progress cannot be ensured without law and order."

Referring to his visit to several villages in Bankura and Purulia today, he said that men and women were afraid to come out with complaints against the Left Front for fear of reprisals. "Their reluctance was noticeable when asked by me whether their land was being forcibly taken away. It is a peculiar and shocking situation that people are afraid to talk to the Prime Minister. Many were prepared to reveal all in secrecy."

The Prime Minister announced a Rs 1,000-crore modernization scheme for the Durgapur Steel Plant, which will be executed in the Seventh Plan. Funds for the modernization of the Indian Iron and Steel Company plant at Burnpur would also be arranged, he said.

Speech at Haldia Meeting

Calcutta THE SUNDAY STATESMAN in English 21 Sep 86 pp 1, 9

[Article by Chinmoy Thakurta and Ashis Chakrabarti]

[Text] **HALDIA, Sept. 20**—In a hard-hitting speech at a huge public meeting here today on the last leg of his three-day tour of West Bengal, Mr Rajiv Gandhi squarely blamed the Left Front Government for "the retarded growth" of the State. Accusing the State Government of "chauvinism and parochialism", he alleged that it was more interested in "politicking" than in serving the people. He called upon the people to work unitedly for the making of "a new Bengal".

He reiterated the complaint that the State had failed to utilize its Sixth Plan funds for important sectors such as agriculture, power, irrigation and drinking water supply. Of the Rs 3,500-crore Sixth Plan outlay, the State could not spend Rs 1,066 crores. How can a State prosper with "such a sense of priorities", he wondered.

His "greatest sadness", he said, was that the State Government did not seem to know what was its own responsibility and what was the Centre's. It was asking the Centre for "blanket clearance" for its projects. For many of these, the State did not need to approach the Centre. On many occasions, it sent papers to the "wrong ministries". "I have not come across such confusion with any other State government".

The Prime Minister said that he had asked West Bengal three months ago to prepare reports on the schemes awaiting the Centre's clearance. But it did nothing during the period. "This time, I came here on serious business but Bengal made it a political gimmick and produced a political memorandum". In a "fat volume", the State Government put in exaggerated demands. "They wrote down whatever came to their minds".

'CROPS LOOTED'

During his two-day tour of rural West Bengal, Mr Gandhi said that he had not come across "anyone in any village" who had got IRDP benefits. There had been no proper distribution of land. Even old people came and complained to him that their land and crop had been "looted". But the people were afraid of complaining to him in the presence of others. He said he had visited undeveloped areas in other parts of the country such as Kalahandi in Orissa and Madhya Pradesh. But he had never come across such a situation.

Referring to the Rs 684-crore

package he had announced, the Prime Minister said that West Bengal would not get the money if the projects were not implemented properly. Each of the items had to be time-bound and its progress would be monitored every two months.

Earlier in his speech, Mr Gandhi said that the memory of his last visit to Midnapore "saddened" him because he had then received the "bad news" of his mother's assassination.

He promised that he would try to find solutions to the problems of the Hindusthan Fertilizer Corporation at Haldia. The State Government wanted to set up a caustic soda plant at Haldia. But when he asked the West Bengal Government if it could ensure power supply for the project, the latter failed to give any commitment.

A proposal for the project would be sent to Delhi later this month and he would look into it. With regard to the State's demand for a ship repairing yard at Haldia, he said that the State Government had failed to submit to the Centre a fresh proposal. If the project was delayed, the State would be "responsible".

'DEGREES BUT NO JOBS'

Criticizing West Bengal's objections to the new education policy, Mr Gandhi said that the old policy gave degrees but not jobs. No degree was of any use if it could not ensure employment. The State Government called the new policy elitist. But Mr Jyoti Basu had asked him for Central help for an electronics training centre. "I asked Jyoti Basu isn't this elitist"?

Reiterating his stand that the Gorkhaland agitation was not anti-national, Mr Gandhi said that nothing should be done to force the agitators to become secessionists. If that happened, the Centre would have to intervene. Otherwise, the State should tackle the problem on its own.

Shyam Sundar Roy in Midnapore adds: During his day-long drive through the district the Prime Minister visited several villages. At Patharhuri village in Kesiary he visited the local primary school. The students there complained that although they were provided with text-books no food was served by the school authorities. This forced many children to drop out. Villagers also complained of inadequate assistance from the panchayats.

DISTRESSING

Mr Gandhi was visibly moved to hear the distressing stories of two Adivasi women—Matri Murmu and Mallika Murmu. They had not been getting any medical treatment at the village health centre. The Prime Minister was surprised to learn that Mallika still used herbs to treat her skin disease. Matri also complained that the health centre for most of the time had no doctor. Mr Gandhi later visited the health centre and talked to the patients. He picked up some rolls of bandages which, he said, smelt of rats.

Residents of Bakra village complained of inadequate relief being provided by the local panchayat. Some narrated their woes of living in the open as all their huts had collapsed. They had not been given any assistance by the panchayat to rebuild their huts.

The Prime Minister walked into a marshy paddy field at Paichard and Jhatiapara in Kesiary where women labourers were at work. They drew his attention to the inadequate supply of water for the irrigation purpose. Crops in the area were entirely dependent on the erratic monsoon.

During his tour of villages Mr Gandhi received a warm welcome from thousands of villagers who lined the dusty roads since early morning. The supporters of the Jharkhand party welcomed him to the beat of drums at Ghotabani.

ROADS BLOCKED

Roads and railway tracks at Haldia were blocked by Congress (I)

supporters this evening in protest against the unannounced withdrawal of trains and other modes of road transport here soon after the Prime Minister's departure, which left thousands stranded. Frantic efforts by the district administration to restore road and railway communication links failed to yield any result till late night.

A Staff Reporter adds: Hundreds of men, women and children waited for about seven hours under a blazing sun near the jetty at Diamond Harbour on Saturday to have a glimpse of the Prime Minister. Mr Rajiv Gandhi arrived by launch and boarded a car for his journey to Calcutta airport.

The jetty was subjected to meticulous security checks throughout the day and after 1 p.m., only a select body of police and senior officials were allowed near it. From 11 a.m. the people began to flock the river bank and the crowd swelled every hour. Groups from different villages in the Sunderbans came in processions.

The Prime Minister arrived from Haldia at about 7 p.m. to a rousing welcome from the surging crowds.

A number of Congress (I) MLAs and M.P.s and district leaders of the party welcomed Mr Gandhi. He was given a kilogram of honey freshly collected from the Sunderbans. All along the route, hundreds of people gathered behind bamboo fences to greet the Prime Minister.

Mr Rajiv Gandhi left for Delhi by a special Indian Air Force plane from Calcutta Airport at 10-16 p.m., three hours behind schedule. He was seen off at the airport by the West Bengal Governor, Mr Nurul Hasan, the West Bengal Land Revenue Minister, Mr Benoy Chowdhury, and Mr S. V. Krishnan, Chief Secretary to the West Bengal Government.

During his drive to the airport, the Prime Minister stopped at a number of places to receive garlands from Congress (I) supporters and the people, who lined both sides of the roads.

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CSO: 4600/0046

INDIA

'ALARMING' INCREASE IN CHAKMA INFLUX NOTED

New Delhi PATRIOT in English 7 Sep 86 p 5

[Text] The continuing influx of Chakmas from Chittagong hill tracts of Bangladesh into Tripura and other places in the north-east has assumed "alarming" proportions, Minister of State for Home, Ghulam Nabi Azad said on Thursday, reports UNI.

Mr Azad, who rushed to Agartala on Monday for a first hand report on the killings of 13 people by Tribal National Volunteers (TNV), said nearly 30,000 chakmas had crossed into Tripura since April last.

This was considered the highest rate of influx in recent times both by the Centre and the Tripura Government.

The plight of these refugees in the Takumbare camp in South Tripura was heart-rending, Mr Azad said. Women and Children had no proper clothes to wear in this camp which had about 11,000 Chakmas.

The Union Government had sanctioned Rs 50 lakh for the day-to-day welfare of the refugees. In addition, the State Government mobilised its resources to improve the living conditions of the inmates of the refugees camps in Takumbare and other places.

The Minister said the refugees had urged the Government of India to ensure a proper atmosphere for returning to their homes with honour and dignity.

Joint secretary (North East) in the Ministry of Home Affairs, R Vasudevan, Tripura Deputy Chief Minister Dasarth Deb, Border Security

Force and Central Reserve Police Force personnel accompanied the Minister during his visit to the camp.

Bangladesh President H M Ershad during his last visit to the capital a few months back had assured Union Home Minister Buta Singh that his Government would take necessary steps for the return of the Chakmas.

But the influx was increasing day-by-day. The figure would have been much higher but for the BSF which since April had succeeded in pushing back 21,000 Chakmas who attempted to cross over.

Gen Ershad's assurance was pursued by External Affairs Minister P Shiv Shanker when he visited Dhaka recently.

However, Mr Azad assured the Chakmas that the Government of India would take up the matter with the Bangladesh Government at the earliest. The refugees have also alleged that they were forcefully thrown out from their lands and in their place, peoples from the plains had been assisted by the local police to settle down in the vacated lands.

The Chakmas have also urged the Union Government to associate a representative in any talks that India would have with Bangladesh on this problem.

Mr Azad made it clear that no guarantee could be given on this demand. Nevertheless, the demand would be conveyed to the Bangladesh Government at the opportune movement.

/13046
CSO: 4600/0025

INDIA

FINANCE MINISTER WANTS TO MAKE BUDGET LESS SECRET

Madras THE HINDU in English 13 Sep 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 12.

The Finance Minister, Mr. V. P. Singh, is examining the budgetary procedures adopted by different countries to make a refreshing departure from the Indian practice of attaching undue secrecy to this annual exercise.

He is thinking of disclosing in advance the broad contours of his proposals for both revenue and expenditure to encourage a healthy public debate on the budget before its presentation to Parliament.

It may be difficult under the present Indian conditions, at any rate in the initial stages, to take the people into confidence well in advance about the contemplated taxation measures. But the Finance Minister has been of the view that, consistent with the needs for secrecy during the formative phase of such proposals, it should be possible to pose before the public the various alternatives open to the Government for raising additional resources to elicit the reactions of informed opinion, before narrowing down the options to single choices.

As an innovator who has broken new ground in his management of the country's finances, Mr. Singh is receptive to new ideas which in his view deserve serious consideration. He thinks that the present budgetary procedures are outmoded and require to be updated to keep in

tune with modern methods of financial management.

At present it is the prerogative of the Finance Minister to frame the budget proposals, consulting only the Prime Minister before the necessary decisions are taken about taxation, with the rest of the Cabinet having no voice at all during this formative stage. The Cabinet as such is taken into confidence only half an hour before the budget is presented to Parliament, which means that other Ministers have no opportunity at all to discuss the proposals, express their dissent and get them modified if they have any reservations about them.

The Finance Minister wants to shed this archaic convention and give an opportunity not only to his cabinet colleagues but also the country as a whole to debate the broad concepts of his budgetary proposals before these are given a final shape and presented to Parliament. Mr. Singh may not be able to alter the whole procedure all at once but he is anxious to set the new practice in motion with the next budget by reducing the need for secrecy to the minimum. It is going to be an interesting experiment which can set the right tone for an open debate on the Government's fiscal policies to elicit public reaction before taking decisions.

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CSO: 4600/0035

INDIA

ANALYST WRITES ON PRESIDENT'S RULE IN KASHMIR

Madras THE HINDU in English 6 Sep 86 p 1

[Article by G.K. Reddy]

[Text]

NEW DELHI, Sept. 5.

The Centre today invoked Article 356 of the Indian Constitution to impose President's rule in Jammu and Kashmir following the expiry of Governor's rule which cannot be extended beyond a period of six months under the State's Constitution.

As per the instructions given by the Prime Minister, Mr. Rajiv Gandhi, before he left for Harare, a meeting of the Union Cabinet was called today to advise the President formally to take this action.

The President, Mr. Zail Singh, who returned from his southern tour this afternoon, signed the necessary papers after the Cabinet which met under the chairmanship of the Minister for Human Resources Development, Mr. P. V. Narasimha Rao, communicated the decision to him.

Action under 1984 order: This action has been taken by the Centre under the initial Presidential order issued in 1984, extending Article 356, along with several other provisions of the Indian Constitution, to Jammu and Kashmir with the concurrence of the State Government. It has been placed under President's rule initially for a period of six months subject to subsequent extensions of the same duration, if need be, for a maximum period of three years as provided for under Article 356 in its original form, before it was amended to limit this period to one year except when an emergency is in operation.

Advancing Parliament session: As the proclamation issued by the President tonight will have to be approved within two months by both the Houses of Parliament, the next session

will have to be called not later than the beginning of November to comply with this requirement. It means that the winter session of Parliament which generally starts in the middle of November will have to be advanced at least by a fortnight.

The normal procedure for bringing any State under President's rule is for the Governor to send a report to the President, making such a recommendation. The President, in turn, passes on the report to the Government for its advice which is formally communicated after the Cabinet considers the Governor's recommendation and accepts it.

Cabinet's decision: But the Governor of Jammu and Kashmir, Mr. Jagmohan, does not seem to have sent his report, if any, to the President first. As the Cabinet is competent to take this decision either on the receipt of such a report from the Governor or otherwise, if it is satisfied that the Government of Jammu and Kashmir cannot be carried on in accordance with the provisions of its Constitution, the meeting was called to advise the President to issue this proclamation under Article 356 of the Indian Constitution as extended to the State.

The Centre has not bothered about all these constitutional niceties since it has imposed President's rule only as a stopgap arrangement to gain time for further discussions with Dr. Farooq Abdullah at what stage a popular government should be restored in the State. It is quite likely that the Prime Minister, Mr. Rajiv Gandhi, will have more detailed talks with him on the subject in due course to limit President's rule to the minimum period possible under the present circumstances.

/13046
CSO: 4600/0022

INDIA

MUKHERJEE, ASSOCIATES CHARGE PRESIDENT BEING MALIGNED

Bombay THE TIMES OF INDIA in English 14 Sep 86 p 9

[Text]

NEW DELHI, September 13.

MR. Pranab Mukherjee and his associates who are forming a new political party today assailed the group of Congress MPs for seeking to drag the high office of the President into an unseemly controversy.

They wondered why there should be panic in the ruling party over "our meeting the President" on September 16.

Talking to newsmen, Mr. Mukherjee deplored the reference in the Congress MPs' statement that Mr. Zail Singh "has been meeting people in a clandestine manner" and said this was yet another sordid attempt to bring the high office of the President into disrepute.

"We are shocked at the insinuation made against the President by suggesting that Mr. Zail Singh is indulging in some sort of undesirable activities because next year is the presidential election," said a statement signed by Mr. Mukherjee, Mr. R. Gundu Rao, Mr. Prakash Mehrotra, Mr. Ashok Bhattacharya and Mr. F. M. Khan.

Mr. Gundu Rao said there was nothing "clandestine" about their meetings with the President. He ridiculed the MPs for not knowing the laid-down procedures of meeting the President, which involved seeking and getting an appointment and going through security checks.

Quipped Mr. Mukherjee: "No one is gate-crashing into Rashtrapati Bhavan.

We have sought and got an appointment for Tuesday."

Expressing surprise at the "ignorance" of the Congress MPs, Mr. Mukherjee and his associates asserted that "it is the inherent right and duty of any individual or group of individuals to meet their President and bring to his notice the affairs of the country and it is the constitutional right and obligation of the President to meet his people and give them a hearing."

It went on to point out that there had been "a systematic campaign to denigrate" the office of the President and curtail his rights ever since Mr. Rajiv Gandhi had become the Prime Minister.

The high and healthy traditions established by Panditji and other Prime Ministers of meeting the President regularly and briefing him on national and international issues "had been given the go-by."

Mr. Rajiv Gandhi "went to the extent of saying at a press conference that he had broken many conventions and this was one of them," the statement pointed out.

It also recalled the "unseemly references" made to the President in the Lok Sabha by a Congress MP "with the encouragement of the people in power."

It said: "As reported in the press, the President has received invitations from several countries but the cabinet has not cleared a single visit ever since Mr. Rajiv Gandhi has become the Prime Minister."

"The statement concluded by saying that the country was passing through a difficult phase and "it is our duty and responsibility to bring to the notice of the President our views on the acts of omission and commission of the present government and this is what we propose to do."

Mr. Mukherjee said: "We have no intention of discussing with the President the internal affairs of any political party."

Asked whether it was his group's stand that Mr. Gundu Rao was the alternative to Mr. Rajiv Gandhi, Mr. Mukherjee replied: "The message is simple. It is that one individual can be an alternative to another."

Mr. Gundu Rao nodded his head in agreement and Mr. Khan said that the former Karnataka chief minister had more experience than Mr. Gandhi and had served the Congress longer.

MINISTRY HOPEFULS

Mr. Gundu Rao commented that those MPs who had signed the statement were hoping to be made ministers in the forthcoming reshuffle.

The President's staff had informed Mr. Mehrotra of the change in the appointment from Monday (September 15) to Tuesday.

On the question of having to stay longer here, Mr. Mehrotra said: "All the politics is conducted in New Delhi."

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INDIA

'INDIRA LOYALISTS' PROD PRESIDENT TO TAKE ACTION

Calcutta THE STATESMAN in English 17 Sep 86 p 1

[Text]

NEW DELHI, Sept. 16.—Seven senior rebel Congressmen today met President Zail Singh, appealing to him to "respond in the manner you consider best and appropriate" to the "grave situation when a part of our country remains occupied by a foreign power and when the nation is threatened internally by the forces of disruption and disunity".

A memorandum which was submitted to the President said: "You are the custodian of the Constitution and the Constitution entrusts you with the responsibility of preserving the unity and integrity of the nation" and added: "As the Head of State you have the right to advise and warn the Government and to be informed and consulted by them".

The so-called "Indira Loyalists" who met Mr Zail Singh were Mr Pranab Mukherjee, former Finance Minister, Mr R. Gundu Rao, former Karnataka Chief Minister, Mr Prakash Mehrotra, former Governor of Assam, Dr Sisir Kumar Bose, Mr S. S. Mohapatra, former Congress (I) general secretary, Mr F. M. Khan, former Congress (I) parliamentary party treasurer, and Mr Ashok Bhattacharyya, leader of the Opposition in the Tripura Assembly.

They later told a Press conference that the President "gave us a patient hearing and said he would read the memorandum and give it his careful consideration. On our part, we are happy".

The meeting took place despite a strong protest made by more than 25 prominent Congress (I) MPs who asked the President "not to be swayed by the distorted facts and arguments put forward by a section of misguided and self-acclaimed political leaders". The MPs' statement asked the President not to meet the "few expelled and suspended Congressmen" in their "bid to project him as their political god-father in the name of Indira loyalists".

Asked at the Press conference, whether the group in its meeting with the President had asked for the dismissal of the present Government, Mr Mukherjee replied: "We have asked the President to take suitable steps in the situation. It is for him to decide what this suitable step will be".

Asked "in what manner" would Mr Mukherjee expect Mr Zail Singh to take the steps, Mr Mukherjee replied that the President could act under Article 75 of the Constitution, which says "the Council of Ministers shall hold office with the pleasure of the President". When a reporter asked whether or not it was obligatory for the President to "listen to the Prime Minister", Mr Mukherjee replied: "Those are the words in the Constitution. You are free to interpret".

In reply to further questions, Mr Mukherjee held that "in the Indian Constitution, the Government is the Government of the President. All the functions of the Government are carried out in the President's name and authority".

The seven-page memorandum pointed out that "we cannot remain silent onlookers to the fast deteriorating situation in the country". The dissident leaders charged the Government with ineptitude in the handling of the Chinese intrusion into Arunachal Pradesh and the use of a helipad in that State. "What is worse, Parliament and the people were not taken into confidence and they were misled", the memorandum charged.

Unsettled border issues were a major bone of contention between India and China since the late fifties, the memorandum said, and the Union Government had on several occasions assured the people that no settlement which sacrificed the national interest would be acceptable to the country. Despite these promises by the present Government, a part of India, "is actually under the possession of the Chinese and ... it threatens our security. This is not simple dereliction of duty but criminal negligence on the part of the Government".

ACCORDS DISAPPOINTING

The signatories said the outcome of the different accords was disappointing. The instrumentality of "accords" was taken to the point of ridicule in arriving at such instant solutions. In Assam, as a result of the accord, the problems of minorities had been aggravated. In Punjab peace was still elusive, and indiscriminate killings were going on. And in Mizoram, the way Mr. Laldenga had been chosen by the ruling party to head its legislative wing was "highly objectionable", the memorandum said.

The memorandum further said the major thrust of the new economic policy ran counter to the economic policy adopted by the nation over decades. By indulging in a liberalized import policy, the objective of self-reliance had been thrown to the winds. Liberalization of the MRTP Act and the FERA and dependence on market forces were some of the drawbacks of the new policy.

A Staff Reporter adds: The West Bengal Pradesh Congress (I) Committee will, in a representation to President Zail Singh, protest against the audience granted by him to Mr. Pranab Mukherjee and Mr. Gundu Rao. The resolution is likely to be adopted at a WBPCC (I) meeting next week after the Prime Minister's whirlwind tour of the State.

The success of the two former Congressmen in securing an audience with the President had "surprised" PCC(I) members and a large section of party workers in the Congress (I). Mr. Rajesh Khattan, WBPCC (I) vice-president said in Calcutta on Tuesday.

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INDIA

BENGAL CHIEF MINISTER DISCUSSES GURKHA PROBLEM

Calcutta THE STATESMAN in English 12 Sep 86 pp 1, 9

[Text]

WEST Bengal has told the Centre that India's 800-km border with the kingdom of Nepal, which is open and does not now place any restrictions in the way of movement from either side, in terms of the 1950 treaty between the two countries, should be regularly policed. Disclosing this in Calcutta on Thursday, Mr Jyoti Basu explained that Gorkha National Liberation Front rallies in places like Mirik were always attended by two or three thousand Nepalese citizens who crossed into India only for the purpose, going back to their own country after the meetings.

The West Bengal Chief Minister also claimed that, like all other divisive movements in India, the Gorkhaland agitation was also the result of superior extraneous strategy. "The GNLF is spending a lot of money. Where does it get it from? Not from selling cassettes even though it is selling thousands."

In this connexion, the Chief Minister drew attention to Border Security Forces patrolling ("sometimes successful and sometimes not so successful") of India's frontiers with Bangladesh. He suggested that though as stringent precautions might not be possible along the Indo-Nepalese border, some protective action was essential.

Though emphasizing that the Left Front parties had always supported inclusion of the Nepalese language in the Eighth Schedule and the case for local autonomy for Darjeeling district, Mr Basu stressed: "At the moment I have no desire to hold any dialogue with the GNLF. They must first withdraw their letters to foreign Governments and the United Nations and stop their murderous assaults."

What, however, emerged from his

analysis of the problem is that the West Bengal Government sees no early end to the agitation, and is at its wits' end about devising ways and means of coping with it. "This is not just a law and order problem. It's a political problem." But though Mr Basu spoke of the need to tackle it politically to win back those ethnic Nepalese who formerly supported the CPI(M) and its allies but are now with the GNLF, it is clear that the Left Front has no idea as to how to reassert ideological loyalty above the call of blood and culture. "It has made some dent in our control of tea garden labour."

A sense of helplessness was evident in Mr Basu's distress at the Birpara Bazar violence, in his fears of attempts to drive a wedge between Bengalis and ethnic Nepalese, in his regret that even the Gorkha League did not attend the recent 14-party conference in Calcutta, and in his admission that the GNLF is a far tougher proposition than the erstwhile Prantiya Parishad which voiced similar demands but was driven into oblivion.

Even as he spoke of the CPI(M) Bill in the Lok Sabha to give regional autonomy to Darjeeling dis-

trict, and of the State Government's efforts to promote the Nepalese language and its annual spending of Rs 14 crores on the Hill Development Council (against the Centre's grant of only Rs 9 crores). Mr Basu admitted that none of this was relevant to the agitation. "I know I can't counter their misrepresentation of facts," he said, citing as an instance, the GNLF's claim that there are 60 lakh people of Nepalese origin in India when the real figure is not more than 24 lakhs.

"A problem for West Bengal is a problem for India," he said, to insist that the GNLF "should never feel the Centre has a soft spot for them." In this connexion, he reiterated that it was not true that Mr Subhash Ghisingh had met the Union Home Minister, Mr Buta Singh, during his clandestine visit to New Delhi. But the Mizoram accord had certainly encouraged GNLF hopes of winning respectability and Central recognition far sooner than Mr Laldenga did.

The Chief Minister made a strong plea for a national consensus cutting across party lines to tackle an "anti-national" movement. "I told Mrs. Indira Gandhi of the need for a common front, and I have said so to Mr Rajiv Gandhi, the present Prime Minister."

Beyond this need to close ranks in the face of the immediate threat, Mr Basu is obviously trying to find a way through Constitutional complexities and linguistic diversity that will enable him to

meet legitimate regional demands without risk to stability or West Bengal's unity. The case of Tripura's autonomous council, which he cited with approval, is not apposite because the ethnic Nepalese are not tribals. At the same time, he says, "we can't have village states" for Adivasis who comprise 19 per cent of the population in Purulia, 10 per cent in Midnapore and a mere four per cent in Bankura.

Recognizing that 90 per cent of Darjeeling's population is Nepalese, and that the district has distinctive historical and geographical features, the Chief Minister hopes that the law can be changed "to give the region some kind of autonomy within West Bengal."

But how this is to be achieved, and, more important, how militants in Darjeeling can be persuaded to eschew violence to respond to such overtures—especially since, as Mr Basu noted, Mr Ghisingh ignores economic reality in his pursuit of the Holy Grail of an "identity"—is more than the Chief Minister can hazard.

If the call for a national consensus—which will probably be repeated to the Prime Minister when he visits Calcutta next Thursday—is an admission of helplessness, the demand for strict vigilance along the Indo-Nepalese border might be rather like closing the stable door not after the tame horse has escaped but after creatures from the wild have made themselves secure and comfortable within its walls.

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CSO: 4600/0032

INDIA

CPI-M BREAKAWAYS TRYING TO FORM THIRD COMMUNIST PART

Calcutta THE TELEGRAPH in English 8 Sep 86 p 1

[Article by Santosh Kumar]

[Text]

Calcutta, Sept. 7: Different breakaway groups from the CPI(M) are holding talks with each other in an effort to form a third communist party in the country.

The Bihar-based Marxist Communist Party of India MCP(I) is apparently taking the lead in bringing together disparate communist groups as well as those leaders who do not see eye to eye with the present-day CPI(M) leadership.

Mr S.S. Srivastava and Mr Kedar Nath Dubey, general secretary and central committee member respectively of the MCP(I), are in the city holding talks with another CPI(M) breakaway group, the Communist Unity Centre (CUC). It is likely that the CUC will soon merge with the MCP(I) and form a state committee.

The CUC, on its part, has been in touch with some Naxalite groups which believe in parliamentary democracy. Mr Sudip Bhattacharya, secretary of the CUC, admitted that his party had exchanged papers with Mr Kanu Sanyal's Communist Organisation of India

and another small unit, the Marxist Leninist Group.

The CUC is also organising a convention here in November to formally announce the merger of three splinter communist parties—Marxist Forum, Gana Sangram Prasthithi Committee and the Marxist Anuseelan Committee—with the Unity Centre. If the talks with the MCP(I) succeed, then in all likelihood the convention will be turned into a platform for all likeminded dissident CPI(M) activists. They may also announce the formation of the MCP(I) state committee then and finalise plans to contest certain seats from West Bengal in the coming Assembly elections.

Kerala, another communist stronghold, is also going in for elections early next year. Efforts are on to rope in Mr M.V. Raghavan, prominent dissident CPI(M) leader from that state. Mr Raghavan, who was expelled from the CPI(M) recently for "anti-party activities" had formed his own Communist Marxist Party. Though Mr Raghavan professes to concentrate only in his region, he

is not averse to the idea of a third national communist party. In fact, Mr Raghavan is already in touch with the MCP(I) and the CUC and in all probability will attend the November convention. His presence at the convention will definitely boost chances of forming a national party.

Ideological differences within the CPI(M) have recently come to the fore more prominently than before. According to Mr Srivastava, many top CPI(M) leaders, both in West Bengal and Kerala, are disillusioned with the thinking of the current leadership and might not hesitate to come out of the party in the event of a genuine alternative. Mr Srivastava himself was a central committee member and secretary of the Bihar unit when he broke away from the CPI(M) in 1983.

The MCP(I) politburo is meeting in Jamshedpur on Thursday. This will be followed by a meeting of its central committee. Mr Srivastava will be briefing the politburo on the outcome of his talks with different groups in Calcutta.

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CSO: 4600/0027

INDIA

MUKHERJEE'S NEW PARTY TO HOLD NOVEMBER CONVENTION

Bombay THE TIMES OF INDIA in English 11 Sep 86 p 9

[Text]

CALCUTTA, September 10: The former Union finance minister, Mr. Pranab Mukherjee, said here today that he had finalised the formation of his new party and that its name would be decided at a national convention in Delhi in November.

Mr. Mukherjee said he had appointed Dr. Sisir Bose, the former Congress MLA, chairman of the steering committee for West Bengal, which would have around 25 members. Their names would be announced tomorrow, he said.

"I was in favour of announcing the name of the new party right now but others felt it should be done at a national convention, as otherwise the organisation might appear to be regional in character."

He said the steering committee would appoint a six-member secretariat which would be entrusted with the task of selecting candidates for the coming assembly elections.

According to present indications, the new party is likely to set up candidates in all the 294 constituencies to impress upon the electorate that it is the real alternative to the Left Front.

Mr. Mukherjee has been extensively touring the districts of West Bengal in recent months and, according to reports, is drawing large crowds at all meetings he is addressing.

/13046
CSO: 4600/0031

INDIA

JHARKAND PARTY PLANNING TO INTENSIFY AGITATION

Calcutta THE STATESMAN in English 12 Sep 86 p 9

[Text]

JHARGRAM, Sept. 11.—The Jharkhand Party is preparing to intensify its agitation for a separate Jharkhand State. To begin with the party will organize roadblockades followed by bandhs continuing for four to five days at a stretch in some pockets. This was decided at a party workers' meeting at Jharkhand last week.

The meeting, which was attended by about 700 party workers from Patna, Ranchi and other places, decided that a delegation would meet the SDO, Jhargram on September 25 in support of the party's three-point charter of demands. The demands are a separate Jharkhand State, implementation of the recommendations of the Mandal Commission and withdrawal of the allegation that the Jharkhand movement is "anti-national, terrorist and communal" as allegedly declared by the Chief Minister at an Adibasi youth convention in Bankura last month.

The Jharkhand Party was fighting for betterment of the plight of all people in this backward region,

Mr Goyram Mandi, secretary, West Bengal unit of the party said. There was no question of espousing the cause of the tribals alone as they constituted only 33% of the region's population. Moreover, the movement was not secessionist as was being alleged by the CPI(M) and the party had no design to break away from India, the Jharkhand leader said.

About 200 tribals, including women and children, had organized a procession at Magura in Jhargram on August 15 demanding a separate Jharkhand State. The party supporters also hoisted black flags near the office of the Circle Inspector of Police, situated at the heart of Jhargram town on Independence Day. They observed the day by organizing silent processions and sporting black badges. The Jharkhand Students' Front also hoisted black flags outside all colleges in the sub-division to protest against the continuing "exploiting and neglect" of the people of this region, especially the tribals.

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CSO: 4600/0032

INDIA

INTERVIEW WITH MINISTER OF STATE FOR AGRICULTURE

Calcutta THE TELEGRAPH in English 15 Sep 86 p 6

[Excerpts of interview with Yogendra Makwana, Minister of State for Agriculture, by Tushar Bhatt in New Delhi; date not given]

[Text]

Q. What is the kharif crop outlook in the country this year? How has the monsoon behaved?

A. Although the onset of the monsoon was delayed by about a week, the position improved subsequently in most states, except in the north-eastern region. Later on, there was a dry spell of about a fortnight in Gujarat, Rajasthan, Maharashtra, Uttar Pradesh, parts of Bihar, Haryana, Tamil Nadu and Andhra Pradesh. The monsoon revived in the last week of July in Haryana, Western, Central and Terai regions of UP, north Bihar, Rajasthan, parts of Maharashtra, Karnataka and Tamil Nadu. Floods occurred in Andhra, Kerala, parts of Bihar and Orissa. The monsoon has started receding now, but September rains, known as the hattia rain, is needed and if it occurs we can get this kharif a total cereal production of 81 million tonnes. In 1985-86 kharif this figure was 80.34 million tonnes and in the preceding year 79.80 million tonnes. The production of pulses may be around five million tonnes this kharif, as compared to 4.41 million tonnes last year and 4.92 million tonnes in the preceding year.

The production of oilseeds is expected to be 80 million tonnes as against 62 million tonnes last year and 71.80 million tonnes in the preceding year. The sugarcane output is expected to be 180 million tonnes as against 175 million tonnes and 173.60 million tonnes in the previous two

years. The cotton production may be around 95 to 100 lakh bales as against 86 to 88 lakh bales last season and 85 lakh bales in the preceding year. The jute output, however, is anticipated to go down to 70 to 80 lakh bales from 125 lakh bales last year and 80 lakh bales in the preceding year. It should be emphasised that we can realise this production only if the September rains are received.

Q. What are the rabi prospects and targets?

A. Tentatively, the target for the rabi 1986-87 production of foodgrains has been fixed at 69.5 million tonnes and of oilseeds at 68 lakh tonnes. The target for wheat is 49 million tonnes, of rice six million tonnes, jowar 3.40 million tonnes and pulses nine million tonnes. The south-west monsoon has practically weakened. If rains come in September and October, the rabi prospects will brighten further. As most of the reservoirs are full, the prospect for irrigated wheat and groundnut production will be better. However, it is perhaps early to predict the rabi situation at this stage.

Q. How is the outlook of important commercial crops like edible oilseeds, jute and cotton this time as compared to last season.

A. The drought during 1985-86 adversely affected the production of oilseeds, particularly of groundnut in Gujarat, Karnataka and Maharashtra. The production of oilseeds was about

112 to 113 lakhs tonnes as against 131 lakh tonnes harvested in 1984-85. This year, much depends, on the September rains both for kharif groundnut, and rape-seed and mustard in rabi. So far the position looks better than last year. The production of cotton in 1985 was a record. We had a glut in the cotton market. This year, the production is likely to be around 90 lakh bales. An attempt has been made to divert about three lakh hectares from cotton crop to other crops such as pulses and oilseeds in Gujarat and Maharashtra. The domestic demand for cotton is around 78 to 80 lakh bales.

The production of 125 lakh bales of jute in 1985-86 was unprecedented due to increase in area under the crops. As a result, there had been a glut in the jute market. This year, the jute production is likely to be at a level of about 80 lakh bales. The domestic demand for jute is for about 78 lakh bales.

Q. There is also a feeling that too much emphasis is given on irrigated farming and the rainfed agriculture is neglected. How do you counter it?

A. In the Seventh Plan, high priority has been given to the development of dryland/rainfed farming with a view to raising productivity and achieving the other important objectives of reduction in poverty, unemployment and regional disparities. The main focus of development strategy is to minimise the risk to the farmers and provide them with area-specific technological packages, inputs and services. Emphasis is on area development approach taking watersheds as a unit of development. The development measures being undertaken in the micro-sheds include soil and moisture conservation, land development, buildings, drainage structure, increased use of improved/drought-resistant seeds, chemical fertilisers and improved implements as also adoption of carefully worked out cropping patterns. The concentration of efforts is on crops like coarse cereals and oilseeds and also on greater farm management efficiency through attention to cash and non-cash inputs.

In order to stabilise and increase crop production in

rainfed areas, national watershed development programme for rainfed agriculture has been launched in various states as a centrally sponsored scheme during the Seventh Plan. An area of about 8.42 lakh hectares is likely to be benefited. A comprehensive approach to the development of watershed is envisaged in the scheme. Land development works would be followed up with suitable measures like contingency seed stocking, training and consultancy, production of improved tools and equipment, credit and marketing facilities and so on.

Mr Rajiv Gandhi has accorded a very high priority for the development of dryland/rainfed farming in India in his 20-point programme announced recently.

Q. Has the Green Revolution reached a plateau now?

A. No I do not subscribe to that view. The gains of the Green Revolution have so far been confirmed mainly to irrigated areas of wheat and rice especially in the north-western states of the country.

Immense potential for further increases in wheat production still exists particularly in the states of West Bengal, Assam, Orissa, Bihar and Karnataka. Besides significant potential for increasing wheat production also lies in the commands of the major irrigation projects in the country.

The main factor for increasing wheat productivity in Punjab, Haryana and western Uttar Pradesh has been the controlled irrigation through private tubewells. Therefore, considerable potential also lies in areas where private tubewell irrigation is being extended.

Similarly, the potential for rice production has not yet been fully exploited in the states of Assam, Bihar, Madhya Pradesh, Orissa, Uttar Pradesh and West Bengal. The production of rice in these states is low as compared to the national average.

These states altogether grow rice in about two-thirds of the total area under rice but their contribution to total rice production is a little over 50 per cent. A special rice production programme has been launched in these states. As the constraints vary from block to block and state to state, area-specific approach is

being followed for implementation of the programme and the programmes suited to particular blocks have been taken up. As the area under rice is sizeable in these states, with the removal of various constraints in the way of rice productivity, a major breakthrough is expected to be achieved.

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CSO: 4600/0040

INDIA

REVIEW OF RESERVE BANK OF INDIA'S ANNUAL REPORT

Bombay THE TIMES OF INDIA in English 12 Sep 86 pp 1, 10

[Text]

BOMBAY, September 11.

THE Reserve Bank of India has visualised that the performance of the Indian economy in 1986-87 will be better than in the previous two years.

With both agriculture and industry set to grow faster, the rate of growth in real national income in 1986-87 is expected to be at least five per cent against four per cent in 1985-86 and 3.7 per cent in 1984-85.

The level of foreign exchange reserves is comfortable at present and no major difficulty is envisaged in the management of the external payments situation during 1986-87.

The RBI has however, warned that since the balance of payments out-turn during 1986-87 and beyond will be critical for the successful implementation of the Seventh Plan, there is urgent need to strengthen the efforts considerably to increase exports, in view of the none too-bright prospects for concessional aid, the diminished prospects of remittances from abroad, and the likelihood of a rise in imports of non-bulk items.

While expressing satisfaction over the sustained deceleration in the inflation rate during the last three years, the RBI has pointed out that the deceleration in wholesale prices in 1985-86 co-existed with an uptrend in consumer prices, which recorded a rise of 8.9 per cent in 1985-86 against five per cent in 1984-85, on a point-to-point basis. On an average basis also, the rise in consumer prices was 6.4 per cent in 1985-86 and 1984-85.

The RBI feels that there is thus need for continuous vigilance over the price situation. Despite the anticipated higher growth in real national income, it will be necessary to regulate the expansion in money supply in 1986-87 so that it remains well below the triennial

average increase of 17.8 per cent. The stance of the credit policy in 1986-87 will thus have to be of caution, while at the same time ensuring adequate flow of credit for meeting the genuine requirements of various sectors of the economy.

The annual report of the Central board of directors of the RBI for the year ended June, 1986, points out that the estimated growth rate of real national income during 1985-86 is around four per cent, which means that for the second year in succession the rate would be below five per cent. However, there are several sources of strength in the current economic situation, which should help promote higher growth.

These include deceleration in inflation, sizable stocks of food grains, a high level of domestic savings and a reasonably comfortable level of foreign exchange reserves. Among the worrying features of the economy are inadequate industrial growth, trends in consumer prices, and the pressures on the external payments position.

The report points out that unlike in the previous two years, the monsoon is likely to be good this year. This would mean that the growth rate in agricultural output in 1986-87 would be significantly higher than in the previous two years.

BUOYANT INVESTMENT

With the various policy measures initiated by the government and the continuing buoyancy in investment, the outlook for industrial growth during 1986-87 would largely depend on the performance of infrastructure industries, particularly electricity generation. Improvement in agricultural production should no doubt help in achieving better industrial performance.

Referring to medium-term prospects, the report points out that the main support to overall growth during the Seventh Plan is expected to emanate from industrial growth.

In order to achieve the target rate of growth of income, ensuring a more than eight per cent growth in the industrial sector in the remaining years of the Seventh Plan thus become imperative. Since 1981-82, industrial growth has been hovering around six per cent, and a breakthrough from this relatively lower level of growth needs to be engineered.

The report points out that in the agricultural sector the problem is of a different nature. The agricultural strategy so far has yielded major gains such as self-sufficiency in foodgrains reflected in the sizable stocks of foodgrains with the public distribution system.

However, the agricultural field is characterized by regional and crop imbalances. The green revolution has mainly benefited wheat, and to some extent, rice. Agricultural productivity in rainfed and dry areas remains poor. There are disparities in growth of crops, between foodgrains and non-foodgrains on the one hand and among different foodgrains themselves on the other.

AGRICULTURAL POLICY

The report points out that the agricultural policy in the coming years must emphasise improvement in yield in the dry and rainfed areas, and more integrated agricultural price and procurement policies with a view to correcting present imbalances in the production of various crops.

There is a case of evolving an integrated agricultural price policy. Such a policy can contain certain specific elements. First, relative prices among agricultural commodities could be adjusted to correct imbalances as they emerge in the crop pattern.

Second, even in relation to a single crop, there may be a need to evolve a price policy designed to produce an approximate mix of varieties. Third, agricultural prices should have direct implication for policies relating to wages and subsidies, and the latter will have to be subsumed in the national agricultural price policy.

Finally, to effectively implement the agricultural price policy so formulated, it will be necessary to back it up by an appropriate procurement and distribution apparatus.

Referring to the banking scene, the report points out that it is necessary to consolidate and improve on the gains, which the banking system has achieved. Banks will, no doubt, have to

content with increasing competition in the area of mobilisation of savings from other institutions as a wider spectrum of investment avenues becomes available to savers. Banks will have to prepare themselves for these challenges and opportunities.

Referring to the balance of payments scenario, the report points out that there is need to take a fresh look at this sector. The balance trade situation worsened considerably in 1985-86 and this is reflected in the marked rise in the ratio of external resources inflow to net national product (NNP) from 1.3 per cent in 1984-85 to two per cent in 1985-86.

The growth in Indian exports in terms of volume continued to be weak and formed less than half of the annual increase of 6.8 per cent targeted for the plan period. In contrast, imports, both oils (net of exports) and non-oils, rose sharply.

Consequently, the annual trade deficit which hovered around Rs. 5,500 crores during the Sixth Plan period, reached a new record of about Rs. 8,000 crores in 1985-86. Net invisible receipts were also lower because of growing interest payments, and perhaps some fall in private transfers.

However, the buoyancy in FCNR deposits and a moderate increase in external aid limited the dependence on foreign commercial borrowings and helped to strengthen modestly the reserves position.

Despite this, the signs of deterioration in the balance of payments in 1985-86 call for urgent measures to reduce the current account deficit, mainly through the contraction of trade deficit, the report points out.

The report has stressed the need for generating exportable surpluses as quickly as possible in respect of commodities with high export potential. Larger industrial units will have to contribute substantially towards export growth.

Since net oil imports in value terms are expected to be significantly lower during 1986-87 and the remaining years of the Seventh Plan as compared to the earlier projections, India should try to secure the maximum advantage from these developments.

It is visualised that net interest payments during 1986-87 will be higher because of increased external payments both at concessional and commercial rates. On the whole net invisible receipts may decline moderately during 1986-87.

On the capital account, while the net external assistance is expected to be higher, the scheduled repayments to the IMF will be substantially larger during 1986-87.

HIGHER INCOME

During the year ended June 1986, the RIB's income after making adjustments for various provisions amounted to Rs. 1,381.40 crores against Rs. 1,246.98 crores in the previous year. After making contributions to the national rural credit (long-term operations) fund, national rural credit (stabilisation) fund and national industrial credit (long-term operations) fund, the balance was Rs. 621.40 crores against Rs. 571.98 crores.

After allowing for total expenditure of Rs. 411.40 crores (Rs. 361.98 crores), the surplus profit set aside for payment to the Central government was Rs. 210 crores, the same as in the previous year.

The rise in income was mainly due to higher discount earned on rupee treasury bills and higher interest earned on loans and advances to banks, which was partly offset by the interest earned on ways and means advances to state governments and increase in the amount of interest paid to scheduled commercial banks on their additional cash reserves kept with the RBI. The rise in expenditure was mainly due to increase in the cost of security printing and turn-over commission payable to the agency banks for handling government transactions.

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INDIA

NAGA LEADERS WANT 1960 ACCORD REVIEWED

Calcutta THE SUNDAY STATESMAN in English 14 Sep 86 p 9

[Text] Shillong, Sept. 13.--The Mizoram accord has, indirectly, led to renewed demands within Nagaland that their 16-point agreement of 1960 should be reviewed.

The agreement based on Jawaharlal Nehru's five fundamental principles governing tribal policy was the corner-stone of progress, but Naga leaders like Mr Husaka, chairman of the Nagaland People's Party, and the Naga Students Federation which is highly critical of the Chief Minister, Mr S.C. Jamir, have alleged that the agreement is being violated.

The NSF has accused the Centre of "eroding and obliterating" Nagaland's unique constitutional provision under Article 379(A), which protects Naga customary law and their religious and social practices.

Apprehensions in Kohima were aroused by a report which said that the former Home Minister, Mr S.B. Chavan, had told Mr Laldengo that the Article "was sought to be removed and any further use of the same is out of the question." Mr Husaka, who is a member of the Nagaland Assembly, believes that a Bill is to be introduced in the Lok Sabha to declare seven Nagaland Assembly seats free for anyone to contest. Such a Bill would violate the 16-point agreement and the constitutional amendment of 1984 declaring all the Assembly seats reserved for tribals.

Under the 1960 agreement, Nagaland came under External Affairs Ministry, but in 1970 it was "unilaterally" brought under the Home Ministry. In the words of the students, "the first domino fell" and paved the way for the introduction of the IAS cadre. The second domino fell this year with the introduction of the Indian Police Service cadre and amendment of the Administration of Justice and Police Rules of the thirties. In effect the customary law of the Nagas would become subordinate to the Indian Penal Code and the Criminal Procedure Code and there would be no constitutional protection. Mr Jamir, however, argued that Naga officers would benefit.

Extending the disturbed area belt from five to 20 km is more controversial and has been opposed by the State Government but Mr Jamir's bonafides are not accepted by the students and political opponents, including the dissidents in the ruling Congress(I).

In his memorandum to Mr Rajiv Gandhi, Mr Husaka says that the "imposed" electoral system has destroyed human dignity and values; the average expenditure per candidate for an electorate of 6,000 in 1982 was Rs 10 lakhs. Unfortunately a Supreme Court ruling that feasts during elections were part of Naga hospitality opened the flood-gates of corruption. Welfare funds were being pocketed by a privileged few and a class system began developing in the traditionally classless Naga society.

The 1960 agreement placed on record the demand to integrate contiguous Naga-inhabited areas with Nagaland as Mr Laldenga has claimed for Mizoram. Mr Husaka questions Mr Jamir's claim that the other Nagas are unwilling. The ball, adds Mr Husaka, is in the Centre's court; non-implementation of the agreement can undermine the confidence of the Nagas.

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CSO: 4600/0037

INDIA

GOVERNMENT REPORTS 24.6 PERCENT RISE IN EXPORTS

Calcutta THE TELEGRAPH in English 15 Sep 86 p 6

[Text]

New Delhi, Sept. 14 : India's exports during the first three months of the current financial year showed a 24.6 per cent improvement over the same period last year.

According to the latest figures available from the directorate general of commercial intelligence and statistics, exports during April-June, 1986 amounted to Rs 2,790 crores against the provisional figure of Rs 2,239 crores during the corresponding period of 1985.

Imports, on the other hand, showed a marginal increase of 1.5 per cent, going up from Rs 4,349 crores to Rs 4,414 crores.

The upward trend in exports is considered significant in the context of the urgent need to narrow the trade gap.

The trade deficit for the three-month period stands reduced by about 20 per cent at Rs 1,624 crores compared to Rs 2,100 crores in the corresponding period last year. Assuming that the trade deficit in 1985-86 is Rs 8,000 crores, the deficit in 1986-87 would be within the targeted Rs 6,500 crores if this trend is maintained.

On the basis of export trends in the first quarter, the commerce ministry is hopeful that the export target of Rs 12,203

crores for 1986-87 will be achieved.

The government has, in recent months, launched a major drive to boost exports, specially in the 14 "thrust sectors" identified for the purpose.

The commerce minister, Mr P. Shiv Shankar, has been meeting representatives of trade and industry with a view to evolving strategies for exports.

Based on these discussions, medium and long-term export policies for each of the 14 items are being worked out and finalised at the level of the empowered committee of secretaries and the Cabinet Committee on Exports headed by the Prime Minister.

The thrust areas include tea, cereals, special variety wheat, processed food, iron ore, capital goods, and consumer durables, jewellery, readymade garments, marine products, leather and leather manufactures, basis chemicals, woolen fabrics and knitwear and projects and services.

Export of jute goods, which had suffered a setback over the past few years following intense competition from synthetics and other producing countries, is showing signs of picking up.

According to an official release here today, Indian jute carpet

backing cloth may regain its position in the international market.

The outlook for jute carpet backing cloth, used entirely for exports, has brightened with export registration increasing to 21,800 tonnes during the first five months this year, against 21,500 tonnes for the whole of 1985.

During April-June of the current year, export contracts registered at 83.74 thousand tonnes compared to 64.8 thousand tonnes during the corresponding period last year.

The release added that in a bid to boost the export of jute products, the government proposed to provide necessary support to the consortium of nationalised and private mills so that it could win bulk tenders for jute goods floated by West Asian and African countries.

A jute convention will be held here in November to discuss problems and prospects in the sector. It will be organised by the Jute Manufacturers Development Council (JMDC).

Under one of the programmes of the International Jute Organisation (IJO), a workshop will be organised in Calcutta, also in November.

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INDIA

REPORT ON ACQUISITION OF SOVIET MISSILES 'MALICIOUS'

New Delhi PATRIOT in English 6 Sep 86 p 5

[Text]

Indian defence experts dismiss as 'highly imaginative' a report from Washington suggesting that the Soviet Union may be sending to India the medium range surface-to-surface SS-21 missile system, reports PTI.

Indian experts say the report is based on incomplete information and is a "malicious attempt by some vested interests to mislead the world".

The report in the Washington-based *Defence Week* says the apparently undetected off-loading of a shipment of missiles had sparked off intense speculation within US intelligence circles about India acquiring the SS-21 system along with the transporter-erector launchers (TEL) from the Soviet Union.

The report quotes Reagan administration and intelligence officials as saying that late in July a shipment of 12 SS-21 missiles with their TEL's was observed leaving a Black Sea port.

The US officials expected the missiles to be delivered to Syria, which is the only country outside

the Warsaw Pact to have so far received the missile system. But the Soviet ship did not call at any Syrian port.

The ship first stopped at the Jordanian port of Aqaba, which serves as a conduit for arms to Iraq, leading to conjectures that Iraq was acquiring the missile systems.

US intelligence monitors, however, could not pick up any indication of off loading of the system while the Soviet ship was at Aqaba, *Defence Week* said.

The ship was later detected at an Indian port, and although once again there were no signs of off loading observed by the US monitors, intelligence circles leaked the report with arguments supporting the theory of Indian purchase.

The arguments suggest that the Soviet delivery of the missiles to India is based on three factors: Soviet need for hard cash, India's military upgradation programme, and Iraq's distrust of Soviet military equipment and advice.

'First', one of them points out, "if the Soviets are so hard pressed

for cash it would be more logical for them to demand payment for the more expensive MiG 29 aircraft".

Also, he adds, there is no evidence to suggest that India has changed its traditional policy of not making cash payment for military equipment from the Soviet Union.

Secondly, while efforts are being made to upgrade India's military equipment, the tasks of the SS-21 which is not remarkably accurate, can be performed more reliably and cost effectively by aircraft.

Thirdly, the experts note, it would be more logical for Iraq to purchase the SS-21s as replacements for the missile system's ageing predecessor the Frog-7 system, which is currently used by Iraqis.

And finally, they stress that the report is misleading because it does not even consider the possibility that the missiles might be headed for Vietnam where the Soviets are known to have a base at Camranh Bay.

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CSO: 4600/0023

INDIA

FOURTH INDIAN SATELLITE TO BE LAUNCHED IN USSR

Bombay THE TIMES OF INDIA in English 16 Sep 86 p 6

[Text]

MOSCOW, September 15
(UNI).

INDIA'S fourth Indian satellite "IRS-1A" will be launched from Baikanour cosmodrome in mid-September next year.

An agreement to this effect was signed here today at the headquarters of the newly-formed Soviet space agency "Glavcosmos". It deals with the commercial aspects of launching satellites of foreign countries and training their spacemen.

The agreement was signed by the Indian space research Organisation chairman, Prof. U. R. Rao, and the Glavcosmos chairman, Mr. A. I. Dunayev.

Weighing 900 kg., the satellite will be carried into orbit by a proton type of rocket.

India has so far launched from another Soviet cosmodrome three satellites — Aryabhata and two Bhaskars.

IRS-1A, the heaviest satellite being launched by India, will function for three years. Unlike in the past, India will also pay the Soviet Union a substantial sum for launching the satellite.

After the signing ceremony, Prof. Rao told newsmen that the launching of the new satellite would mark a big step forward in Indo-Soviet space co-operation.

PTI adds: Prof. Rao is assisted in his ongoing negotiations here by Dr. N. Pant, director of ISRO satellite centre in Bangalore, and Dr. K. Kasturirangan, IRS project director.

Dr. Dunayev is aided by academician Alexei Bogomolov, whose group is lending tracking support to the proposed Indian satellite, and Mr. Igor N. Goroshkov, the Soviet co-director of the IRS project.

The new satellite is designed to explore India's natural resources for the development of agriculture, minerals, groundwater, wastelands and forests. It will also assist in flood control. It will be equipped with two sets of cameras for taking images with a resolution of 35 metres in four spectral bands.

A Soviet 'Vostok' rocket — modified version of Yuri Gagarin's launch vehicle — will put the satellite in the polar orbit at an altitude of 900 km.

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INDIA

PAPERS REPORT DEVELOPMENTS IN MILITARY PREPAREDNESS

Soviet 'Kilo' Class Submarines

Calcutta THE SUNDAY STATESMAN in English 14 Sep 86 p 1

[Text]

NEW DELHI, Sept 13.—India has acquired a new class of modern submarines from the Soviet Union, reports UNI. The first of the 'Kilo' class submarines has arrived at an eastern port in the country.

The Indian Navy has named the submarine "Sindhughosh", which means the fury of the sea. The remaining submarines would be given a name starting with the letter S.

Under a contract signed with the Soviet Union, India would receive a total of six such submarines which would eventually replace the older Foxtrot class submarines supplied by the Soviet Union in late 1960s.

Naval experts said the Kilo class submarines for the Indian Navy incorporated a number of changes and had modified torpedo tubes, improved engines which made less noise and were not easily detectable.

The experts said the new submarines were a big improvement over the Foxtrot class submarines.

INS Sindhughosh has been brought to India by Indian Naval officers and other crew members who had undergone extensive training in the Soviet Union.

The Soviet Union has indicated that it would deliver the submarines on a high priority basis.

The Kilo class submarines are expected to be in operation with the Indian Navy beyond the year 2000. It is understood that these submarines have more sophisticated electronics systems than the ones supplied by the Soviet Union to its Warsaw Pact allies.

The Soviet Union supplied India eight Foxtrot class submarines to help the Navy establish its undersea arm.

Arrival at Indian Base

Bombay THE TIMES OF INDIA in English 19 Sep 86 p 4

[Article by L.K. Sharma]

[Text]

VISAKAPATNAM, Sept. 18.

THE navy yesterday acquired a new contemporary submarine, representing a quantum jump in technology and capabilities.

The induction of the Soviet-made INS "Sindhughosh" (Fury of the Sea) has led to a government decision to upgrade the submarine arm which will have a flag officer in the rank of rear-admiral. Only recently, the naval aviation wing was upgraded in a similar fashion.

This month seems to be an auspicious one for the submarine arm of the navy, which is set to acquire next week another modern submarine from West Germany. "Shishumar" (Baby Shark) will be commissioned on Monday at the manufacturers' yard in West Germany which will supply one more similar vessel. The construction of this class of submarine has already been undertaken by the Mazgon Dock in Bombay in collaboration with the West German yard.

INS "Sindhughosh" was sighted here yesterday after having left the Soviet yard, Riga, in July. The minister of state for defence, Mr. Arun Singh, was at the naval base here to welcome the submarine which bears the NATO nomenclature of "K" class and incorporates the latest advances in hull design and fire control systems.

As INS "Sindhughosh" approached the berthing channel, survey ships, missile boats and an "F" class sub-

marine let out a joyful cacophony of fog horns and ship bells. The uniformed sailors waved caps to cheer the vessel which approached them like a massive marine creature.

Mr. Arun Singh and the chief of the naval staff, Admiral R. H. Tahlani, hoped that the new acquisition of the navy would be put to good use.

Mr. Arun Singh, who announced the upgradation of the submarine arm, said the oceans belonged to the nations that could exploit the seas. He said submarines would play an increasing role in maritime strategy in the coming years.

Vice-Adm. S. C. Chopra, flag officer commanding-in-chief, Eastern Naval Command, said the Soviet-built submarine was a state of art vessel. INS "Sindhughosh" has its hull of "tear-drop" shape which has been used only in nuclear arms earlier. This design enables the submarine to achieve very high speed under water, while its noise is reduced significantly.

At the naval base here, the new could be seen with the old as INS "Sindhughosh" was berthed alongside "Kuranj," the "F" class Soviet submarine acquired nearly 17 years ago. While the earlier "F" class was more than 30 years old in design, the "Sindhughosh" incorporates advances in electronics and automation in controls. INS "Sindhughosh" is commanded by Commander K. C. Verghese, a veteran submariner, who was among those trained in the Soviet Union 18 years ago. He commanded the "F"-type submarine earlier.

MiG Combat Patrol

Bombay THE TIMES OF INDIA in English 22 Sep 86 p 7

[Text]

SOMEWHERE IN THE WESTERN SECTOR, September 21.

THE signals unit attached to this strategically located air base spots four enemy aircraft hurtling towards the airfield.

The air-raid siren lets out a long wail as two MiG-21s are ordered to "scramble" and meet the threat, "raid expected from east, 90 km", the pilots are told as they get airborne.

Ninety km means less than seven minutes before the enemy will swoop over the airfield, but this is time enough to put a well-practised air defence drill into action.

The two MiGs which had roared off the runway moments ago have now formed a combat air patrol — appropriately shortened to CAP — over the airfield and are in constant radio touch with the CAP controller who is feeding them with precise information on the whereabouts of the enemy planes.

Soon the enemy is only 60 km from the air base, then 45 km away ... 35 km ... 25 km. At seven km the CAP aircrafts are in visual contact with the raiders.

GETTING INTO COMBAT

From a vantage point, the air force officers and visiting newsmen watch the strike force as the defenders get into combat. One of the

home aircraft gets into position behind a raider and shoots it down. The three other enemy planes are chased away. The airfield is safe again.

The aircraft participating in the mock exercise are imaginatively painted. One of the CAP interceptors has broad yellow and red stripes painted on it while the other looks like a flying black and white chessboard.

There is a reason for this artistic exuberance. The base houses the prestigious Tactical Air Combat Development Establishment (TACDE), which evolves and tries out new air defence and attack tactics. This way it is easier to make out what is happening if the aircraft taking part are painted in different colours.

TWO COURSES

The TACDE moved into the base in 1975, and has been churning out young pilots well-versed in the latest combat tactics every year. The two main three-month courses conducted here are the pilot attack instructors' course and the fighter combat leaders course.

The establishment also tries out delivery techniques for the new weapons acquired by the air force and keeps in touch with the squadrons all over the country, informing them about the latest developments in the field.

The base is a kind of mecca for the air force squadrons. The Armament Training Wing (ATW) was formed here way back in 1951, and had a staff of pilot attack instructors which trained and evaluated the pilots of different visiting squadrons on their flying skills and marksmanship. The squadrons normally came to the base for a two month stay. An operation conversion unit was also set up here in 1964.

Later the ATW was turned into an operational wing and the pilot attack instructors began to be trained by the TACDE and sent out to the different squadrons to teach others: the air-to-ground firing range about five km from the airfield, however, still remains very busy with the fighter squadrons practising throughout the year.

WATCHING FOR BIRDS

There is at least one recorded incident when the Pakistani air force too made use of this facility! Dur-

ing the 1971 war, the enemy mistook the firing range for the nearby airfield base and bombed it.

The newsmen visiting the base on the occasion of the 54th anniversary of the Indian air force, were shown the firepower capabilities of the MiG-21s, at this 800-acre firing range. Four MiGs, flying level with the ground at 90 metres height, hurled eight rockets each at the target area marked by a white pyramid. In real life, a MiG can carry as many as 128 57mm rockets and release them all in 1.6 seconds, pulverising the whole area.

Three tiny Gnats then followed the MiGs in conventional dive attacks on the same targets, proving that despite the massive technological advances over the years, they still could play a useful role.

The exercises were conducted under the watchful eye of the range safety officer who has a group of bird-watchers distributed over the area, informing him, over the radio about any flock or stray bird which may be on a collision course with the aircraft.

According to a study, a pilot can see a bird of the size of a vulture, only if it is less than 1.5 km away, but flying at 1,000 km an hour, it gives warning time of only 5.5 seconds.

During normal exercises when the pilot is watching the terrain, instead of scouting the skies for birds, or is occupied with the instrument panels, he often has to do without even this warning.

And, accidents do take place. About six months ago, the pilot of a MiG-23 flying back to base after an exercise over this range felt a 'thud' against his aircraft. A bird had dashed against one of the intake vents of the engine, split into two parts with one portion damaging the airframe and the other getting sucked into the engine. The aircraft landed safely, but the damage to it was estimated at over Rs. 30 lakhs. Since the replacements have to come from abroad, the damaged aircraft is still not operational.

The air base is more than just a training establishment for visiting squadrons. During war it can maintain control over vital shipping lanes in the Arabian Sea, assisting the navy in its task. It can provide decisive support to the army too,

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CSO: 4600/0045

INDIA

INDIAN SCIENTISTS DEVELOP STATE-OF-ART RADAR SYSTEM

Calcutta THE STATESMAN in English 12 Sep 86 p 9

[Text]

NEW DELHI, Sept. 11.—Production will soon begin of a state-of-the-art radar system to detect low-flying aircraft. It has been entirely designed and developed by scientists of the Defence Research and Development Organization. An equivalent system would have been difficult to obtain from abroad even at a high price as producers of such equipment would have been reluctant to part with such sophisticated technology.

Two versions are to be produced for the use of the Air Force and the Army. While both can be transported one is highly mobile. Their ranges will vary with the smaller and, therefore, more mobile version, having a slightly lesser range.

The system includes a signal data processing unit which will overcome the constraints of conventional low-level radars, that of reflection from various metal objects on the ground, commonly described as "clutter". The signal processing system will reduce the "clutter", so that an aircraft can be easily detected.

These will be supported by an equally sophisticated communication facility with the authorities who can take the decision on the action to be taken against any hostile aircraft. The trials of the radar and allied systems were conducted recently and the results were so satisfactory that the decision to produce them was taken almost immediately. The system has been developed by the Electronics Research and Development Establishment in Bangalore and production has been entrusted to the Bharat Electronics Limited.

The Air Force opted for this system rather than for something similar from abroad, which prompted the Scientific Adviser to the Defence Minister, Dr V. S. Arunachalam, to remark that "this is the first time we have decided not to import because of reasons other than finance". He was happy that though the project had been successful despite its share of snags—particularly the fuss created after one of the scientists involved moved abroad. "What is satisfying is that the users showed a preference for this system in this area where we are not competing on the basis of local production and where the Services will not accept what they do not consider to be perfectly suitable".

Special attention is being paid to the production aspect because achievements in the laboratory are often not reflected in the factory. A committee, headed by the Minister of State for Defence, will monitor the progress. Engineers and scientists of the Bharat Electronics are to be associated with the project in its initial stage. Henceforth, whenever a research and development project is to be undertaken, the production agency will be identified at an early stage and associated with its development.

The system has another advantage in that it can be easily updated. It is thus unlikely to become obsolete for some time to come. Work has started on effecting further improvements, such as reducing the size, which can be incorporated in the production stage.

The development of the system is a major achievement in the indigenization of radars and other sensors for defence purposes. Some time ago, the Naval Physical Oceanographic Laboratory developed a sophisticated hull-mounted sonar (for detection of submarines) that has been fitted to the Godavari-class frigates.

The Defence Research and Development Organization is now working on electronic fire-control systems for a range of missiles and weapons such as anti-tank and surface-to-air missiles.

Dr Arunachalam felt that taking the fruits of the research to the factory not only increased employment and self-reliance, but could also help the industry take off. "It should be our military, our industry not our military, their industry," he said.

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CSO: 4600/0032

INDIA

MAZAGON SHIPYARD TO BUILD ALL-INDIAN WARSHIP

Bombay THE TIMES OF INDIA in English 15 Sep 86 p 12

[Article by M. Shamim]

[Text]

BOMBAY, September 14.

THE Mazagon dock is gearing up to claim a moment of glory when it turns out a new generation of warship — of fully indigeneous build.

The new type of multi-purpose battleship, which the navy has already designed, will be larger than the Godavari class and fitted with latest equipment and weapon systems, according to Vice-Admiral L. R. Mehta, chairman and managing director of the docks.

Talking to a group of journalists during a recent visit to the docks here, the vice-admiral said that the dock would, for the first time, use gas turbines in the new generation ships.

"It is a first step towards designing a completely indigenous warship, practically in all fields", he said.

The design of this multipurpose warship gear, will be completed by next monsoon and the construction will begin immediately, the vice-admiral said.

The first modern warship, a Leander class frigate, "Nilgiri" was built in 1968 with foreign collaboration and straight out of a design borrowed from the British admiralty. The Mazagon dock has since slowly graduated to building warships designed by Indians.

With the growth of industrial production, Radars sonar and communications equipment made in the country now could be used. In many ships, the cost share of indigenously built machine and equipment has gone up to 70 per cent.

Though weapon and communication systems were bought from other

countries, some improvisations had been done even in them. The emphasis is on transfer of appropriate technology.

The Mazagon dock is also building submarines with the collaboration of West Germany. The first submarine is being built in West Germany and the others in Mazagon. Vice-Admiral Mehta admits that there has been some teething trouble, but by 1990 the dock will make regular deliveries of these submarines.

Apart from building warships, which is its main business, the dock has also constructed off-shore patrol vessels and a number of specialised vessels like trawlers, tugs, dredgers and multi-purpose vessels for the ONGC's off-shore exploration.

Besides, it has built water tankers for the Iranian navy, two cargo-vessels for Singapore, 100 barges for Gulf countries and 10 launches for Mozambique. It has also supplied six cargo vessels to the U.K.

But its biggest diversification programme was the construction of off-shore fixed platform and other structures for the ONGC. In 1980, it set up another platform fabrication yard at Nhava Sheva harbour. Larger platforms are now being fabricated here. The dock also handles transport and instal off-shore platforms and jack up rigs.

Mazagon dock made a quantum jump between 1965 and 1971 when it undertook a modernisation programme. But technologies always needed updating.

It now requires well-equipped drawing design office and computerised tooling machines. This would entail an expenditure of Rs. 11 crores.

/13046

CSO: 4600/0038

INDIA

ORISSA MISSILE TEST RANGE TO BE COMMISSIONED IN 1994

Calcutta THE STATESMAN in English 8 Sep 86 p 7

[Text]

CUTTACK, Sept. 7. — The Rs 1,000-crore National Test Range Project, the country's first missile testing facility to be set up at Badiapal in Orissa's Balasore district, will be commissioned by 1994, according to a spokesman of the Defence Ministry, reports PTI.

He told reporters here last night that the facility would be utilized for launching satellites and testing of rockets too of the Indian Space Research Organization.

The spokesman said alternative sites like the Andaman and Nicobar Islands, Bhuj, Dwarka, Sunderbans and Kanyakumari had been examined by defence experts but were rejected because they did not provide the "clear space" of length into the sea needed for the purpose. The spokesman, however, made it clear that there was no proposal whatsoever for testing missiles with nuclear warheads from the Badiapal range.

REHABILITATION

The Centre has approved a Rs 123-crore massive rehabilitation programme for the 6,500 families to be displaced for the setting up of test range, according to Mr Vinod Jha, the newly-appointed rehabilitation commissioner for the project.

Mr Jha told a Press conference here last night that the Defence Ministry, which earlier proposed to acquire a large area affecting 109 villages and a population of over 71,000, had agreed to reduce the area considerably on account of the insistence of the State Government and public pressure.

At present, only 54 villages would be affected requiring the shifting of 41,000 people involving an area of 12,800 hectares, he said.

Mr Jha said the land acquisition process had already started

with the issuing of preliminary notification to the inhabitants of 23 villages.

Mr Jha said the Government's decision to provide land and house free of cost would prove lucrative to the population, 40% of which were below the poverty line. In fact, people from the nearby areas were now making a beeline for Badiapal to set up their "jhuggis" so that they could claim benefits of rehabilitation, he said adding that "temporary settlers" would also be benefitted.

UNI adds from Bhubaneswar: The former Orissa Chief Minister, Mr Nilamani Routray, has accused Mr Rajiv Gandhi of exploiting the Oriya people's affability and solid support to him in imposing the national rocket test range on them.

In a letter to Mr Gandhi, copies of which were released to the Press today, Mr Routray quoted an agency report to allege that the decision to locate the range at Badiapal was taken after the Karnataka people opposed its location at Bandur.

He said while experts had preferred Bandur on the western coast which had adjacent to it more than 6,000 miles of hilly areas, and which was not as fertile and as thickly populated as Badiapal, "you were moved by the Karnataka people's distress".

Describing this as the Government's blatant discrimination between States, Mr Routray said "Is it not but natural for them to feel that you have exploited their affability and solid support to you in imposing the range on them, and have turned a deaf ear to their tale of distress," he asked.

/13046
CSO: 4600/0026

INDIA

BRIEFS

AMBASSADOR TO BELGIUM, EEC--Mr N.P. Jain, secretary in the Ministry of External Affairs, has been appointed India's ambassador to Belgium and the European Economic Community. He succeeds Mr Eric Gonsalves. Mr Jain is expected to take up his assignment shortly. [Text] [Delhi Domestic Service in English 1530 GMT 1 Sep 86 BK] /6091

MEGHALAYA PARTY RECOGNIZED--Shillong, Sept. 14 (PTI)--The Election Commission has recognised the Hill Peoples Union (HPU), with its symbol of the rising sun, as the new regional party of Meghalaya, according to the HPU general secretary, Mr S.D. Khongwir, here today. The party has also been recognised as the main Opposition group in the Meghalaya Legislative Assembly. [Text] [Calcutta THE TELEGRAPH in English 15 Sep 86 p 5] /6091

INDO-JAPANESE ACCORD--New Delhi, Sept. 12 (UNI)--India and Japan today identified seven areas for bilateral collaboration. This is the first time the two countries have agreed on a government-to-government cooperation following the Tokyo agreement on collaboration in science and technology. The areas identified are disaster prediction and prevention, including earthquakes, cyclones and floods, monsoon research with special reference to satellite imageries, tissue culture, utilisation of biomass, controlling metallic corrosion, research on standardisation, and recycling technology. The agreement was reached after the two-day first meeting of the India-Japan joint committee on science and technology which concluded here today. [Text] [Calcutta THE TELEGRAPH in English 13 Sep 86 p 1] /6091

WEST COAST OIL STRIKE--New Delhi--Two significant oil strikes at exploratory wells in Maharashtra and Gujarat were announced here on Thursday by the Oil and Natural Gas Commission. Reliable sources said the structure CA-1, located about 50 km south east of the south Tapti gas field, could prove to be as good as the Bombay High. The well CA-1, spudded in June, was drilled up to a depth of 2,886 metres. [Text] [Calcutta THE TELEGRAPH in English 12 Sep 86 p 1] /6091

EXPULSIONS FROM SIKKIM--Siliguri, Sept. 9 (PTI)--Sikkim has begun deporting foreign nationals working in the state following a Cabinet decision to cancel their work permits, a spokesman of the Sikkim government said here today. The foreigners are poor wage earners employed by the border roads organisation and private contractor firms, the spokesman said. The Sikkim chief

minister, Mr Nar Bahadur Bhandari, had said recently that about 7,000 foreigners, mainly from Nepal and some from Bangladesh, were working in his state. The Darjeeling district magistrate, Mr G. Balagopal, said the district administration had no knowledge of any influx from Sikkim. Intelligence sources said that 52 Nepali nationals were intercepted at the Srirampore check-post on the Assam-West Bengal border while on their way to Assam and sent back. [Text] [Calcutta THE TELEGRAPH in English 10 Sep 86 p 1] /6091

BANGLADESH ENVOY--Bangladesh High Commissioner, Faruq Ahmed Choudhury on Friday presented his credentials to President Zail Singh at Rashtrapati Bhavan, reports UNI. Welcoming the new High Commissioner the President said that friendly relations between the two countries, based on "indissoluble ties of history, culture and language are bound to endure and to grow stronger with time". Referring to some issues still unsolved between the two countries, the President re-affirmed India's "constant endeavour to resolve all outstanding problems in a spirit of friendship and cooperation". The president expressed grave concern over the escalating nuclear arms race and the development of new weapons of mass destruction by the developed countries. [Text] [New Delhi PATRIOT in English 6 Sep 86 p 5] /13046

CSO: 4600/0024

IRAN

SALE OF GAS TO USSR REGARDED POLITICAL, NOT ECONOMIC DEAL

London KEYHAN in Persian 4 Sep 86 p 8

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text]--Agreement not profitable from an economic view and is more like political chivalry.

--Great number of installations, pump houses and gas pipelines must be repaired.

--Soviets to pay for oil in rubles and not dollars.

--To export the agreed upon gas, 4 million barrels a day of oil must be produced.

--Soviets intend to use agreement as excuse for launching floods of Soviet specialists into Iran.

--Existing installations in Iran do not have the ability to export all this gas.

Last week we succeeded in interviewing an important oil and gas specialist in London on his way to the United States. The person mentioned presented us with some interesting subject matter, but for reasons clear to everyone, he wishes to remain anonymous.

A condensation of this interview is as follows: The Islamic Republic has announced that Iran's gas exports to the Soviet Union will be resumed very soon. As you know, gas exports to the Soviet Union were interrupted in 1979 (one year after the establishment of the Islamic Republic). If this project is executed, relations between the two countries, after a chilly and stagnant period, will enter a new stage. Certainly we cannot say what this new stage will be and whom it will benefit, but anyhow, it will create a change. The Islamic Republic has announced that it will begin exporting 3 million cubic meters of gas a day and soon this amount will be increased to 90 million cubic meters a day. As you know, Iran previously sold gas to the USSR and in order to transport the gas from the south to the northern frontier of the country, a pipeline was constructed.

This is Political Chivalry

The Iranian specialist continued: "In respect to the entire situation, especially the economic and technical conditions in Iran, the mutual agreement looks more like political chivalry than a calculated economic agreement for the two countries."

The Iranian expert who is an advisor to big international oil and gas corporations in the world and is quite familiar with Iran's oil and gas situation added: "Under present conditions, and the prices that the Soviets usually pay for purchasing gas, and the reasons that I am going to give here, such an agreement is not profitable and besides that, it opens the way for the Soviets to put a foot in Iran. Due to the fact that the gas pipes have been idle for years, they are in need of inspection and probably basic repair. More importantly, the pump houses must be placed in working condition again. Since there are no western specialists in Iran to carry out these tasks, Iran will definitely use Soviet specialists and this will probably be one of the signed articles of the agreement. This matter not only places the Islamic Republic in front of great security and political difficulties, but as a whole, creates tremendous concern among the Iranians familiar with the international political affairs inside Iran."

According to this specialist, Iran sold 30 million cubic meters of gas a day to the Soviet Union in the past, but at that time, Iran produced 6 million barrels of oil a day. Based on OPEC quotas, oil production in the Islamic Republic is now 2.3 million barrels a day. But due to circumstances resulting from the war, this amount is only 600 thousand barrels a day. Execution of the agreement with the Soviet Union is not possible since in order to separate 90 million cubic meters of gas from the oil and refining, preparing and producing this amount of gas needs at least 4 million barrels a day of oil production.

Prevention of Gas Burning

Years ago, when gas was not exported, a great quantity of gas and oil was burned in the deserts until the previous government of Iran made arrangements for the sale of this gas to the Soviet Union. Also, in order to consume this gas domestically, Iran established vast facilities. The construction of pipelines from north to south was accomplished. Large pump houses were constructed at the required distances from each other to control gas pressure which increases in mountainous areas. In principle, on different systems, when transferring oil or gas through pipes, the amount of oil must meet minimum and maximum standards. At present, the existing pipes in Iran are not able to deliver the volume that Iran has presented to the Soviet Union. New pipelines and pump houses must be established and this requires scarce capital and plenty of time.

In the opinion of this specialist, since the export of oil these days is not much from Iran, the use of gas for export, in principle, has stopped. Under these conditions, if the Islamic Republic for different reasons insists on having some kind of deal with the Soviet Union, then in my

opinion it must definitely search for new, untouched sources of gas like the Padzanan wells in Lurestan. Certainly, to use the gas in the new regions, one must establish vast installations which the bankrupt economy of the Islamic Republic cannot afford at the present time. Even if the Islamic Republic was able to economically afford this project, it would take at least 4 years from establishing the installation until operation and production for any income. Now, after all this time and all the expenses, can one make a profitable agreement? This is another complicated question indeed. If one imagines that the Soviets are willing to purchase the gas at a price that covers all these expenses and the Islamic Republic is still able to make some profit then indeed this is the wrong imagination. Because first of all, oil and gas deals are based on the customary international price and second, they always insist on purchasing Iran's gas cheaper than the international price and reserving it in order to sell the gas from the Caucasian mines several times more than the actual cost to the European countries. It is very important to realize that the Soviets do not pay dollars for the purchase of gas, they pay rubles which are not exchangeable on international markets. As a result, even if Iran makes a small profit, it must be used to purchase from the Soviet Union and we know that the quality of their products are inferior.

Looking Out of the Corner of their Eyes at Soviets

An important point that the international specialist emphasized was the heavy expenses of putting the pump houses and pipelines in working condition to transport gas. In his opinion, due to the unfavorable economic condition and the Islamic Republic's encounters with thousands of entanglements as a result of the war with Iraq, the execution of this gigantic project could not be a priority. The purpose for propounding this question is to show off and an indication of the Islamic Republic's presence in the world political scene and look at the Soviets out of the Corner of their eyes.

Undoubtedly, at present, the Islamic Republic and the Soviet Union have great expectations of each other. The Soviets always expected a lot from Iran to no avail, but now they have found the field emptier than before for the renewal of negotiations. At the top of the Islamic Republic's expectations of the Soviet Union is that the Soviets give them arms and withhold selling arms to Iraq.

Along with their political expectations, the Soviets have emphasized one point and that is that at the beginning of working with the Islamic Republic, each Ayatollah, Komiteh and even Pasdar (revolutionary guards) do not use the gas deal as a means for settling scores or collecting contributions and cut off the flow of gas like 7 years ago. This interruption of gas resulted in part of the Soviet Union remaining without gas and in addition, caused interruption to industrial units and a large number of people in those regions caught colds. They will probably demand a firm guarantee in this regard.

The other great expectation of the Soviets is to send their specialists to Iran without any delay in order to start administering the deal. During

the reign of the Shah, the Soviets did not dare make this kind of demand. When negotiating these kinds of requests, they faced resistance. They were never permitted to extend their technical operations beyond Qazvin and their activities from the USSR border to the Qazvin region had strict conditions and controls and these conditions are not presently available in the Islamic Republic. The Soviet Union has welcomed this deal so much that in order to attract the Tehran government, they agreed to reduce their oil production by 100,000 barrels a day. Who can realize the meaning of this apparent sacrifice?

As mentioned before, among the Islamic Republic's motives for entering this agreement are its propaganda aspects inside and outside the country. They want to show that even though they are heavily involved with the war, their activities inside the country are so orderly that they are able to administer the important daily affairs of the nation. Their role in entering this agreement must also not be overlooked. Opening an account with the northern neighbor provides an opportunity for many profitable foreign trips for themselves.

Circumstances of Gas Production, its Use in Iran

The above-mentioned specialist then gave us certain interesting information about gas production and its use in Iran. When oil is pumped from the well, it is separated from the gas. Some of the substances in the gas such as methane, octane, propane and butane are used for petrochemical consumption and the LPG in the gas is used for consumption at home, restaurants, and public places. Some of the dried gas is injected in the oil well in order to activate the well's eruption. This brief explanation indicates that the amount of gas transport installations are built according to the minimum amount of refined gas exported. For example, the diameter of the present gas pipeline to the USSR is 40 inches and a series of complicated operations is needed to get the gas to flow in the pipes. If the amount of gas transmitted to the destination is less than the minimum, these apparatus cannot work and this is a question that both the Islamic Republic and the USSR must solve. Due to the oil production situation, the amount of gas will never reach the minimum for the 40 inch pipe. Caution must be used in regard to exporting 90 million cubic meters of gas a day, since with the explanation above, getting involved in such a thing is a big mistake. The establishment of the necessary installations would be very costly. Also, to spend such an amount of money and energy, there must be some profit of economic value for Iran. That is something which is not clear and certainly does not exist in the text of the agreement and we are not aware of what is going on behind the curtain.

9815/9190
CSO: 4640/487

IRAN

FIRST WELL REPORTEDLY DRILLED LAST FEBRUARY ON CASPIAN SHORE

London KEYHAN in Persian 4 Sep 86 p 3

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text] Tehran--Technical negotiations between the Islamic Republic and the Soviet Union in regard to beginning operation of the oil resources of the Caspian Sea will be continued this October in Moscow. According to informed observers, last February, both Iranian and Soviet technical groups drilled the first joint well on the Caspian shores of Iran.

Despite this, the precise location of this experimental well has not been revealed and ETTELA'AT newspaper, which is controlled by the Islamic authorities, has claimed that the mentioned well could be used for commercial operation.

The signing of the Caspian Sea oil agreement between the Islamic Republic and Moscow has attracted the attention of international political and diplomatic circles. Since 1910 when Iran was recognized as an oil country, Iran's northern neighbor has been after concessions for operating the oil resources of the north of our country.

During the second world war and the occupation of Iran by allied forces, the Soviet Union tried to use its military presence in Iran in order to impose a treaty for oil drilling operations. In 1956, the government of Ahmad Qavam which was involved in the Azarbaijan problem, committed itself to sign such a treaty. But it was soon clear that Qavam's action was based on a tactic and its real aim was to encourage Joseph Stalin, the Soviet dictator, to pull his forces out of Iran.

With Qavam's encouragement, the Majlis rejected the mentioned treaty. After that, during the oil nationalization, the Tudeh Party, whose leadership was administered by the Soviet security agencies, used extensive efforts to give oil concessions to Moscow. But the oil nationalization law covering the entire country was ratified by the Majlis and signed by the Shah, closing all doors to the Soviets.

In 1971, Iran strengthened and stabilized its rightful and complete domination over all of its oil resources and related oil industry. In the same year, important oil resources were explored in the northern

part of the country, including near the holy city of Qom (Sarajeh), Garmi Moqan (Eastern Azarbaijan) and the Caspian Sea shores of Iran. At that time, the government of Iran decided to delay the operation of the mentioned resources since Iran's foreign exchange income from the oil resources of the south were adequate. Besides that, Iran wanted to start operations of the oil resources of the north under conditions where the country had enough technical experience without the need to ask a foreign power for help.

In 1971, the operation of vast gas resources under the supervision of Iran specialists began in Sarakhs. Iran did not want to use western specialists, technical companies or services at its frontier regions with the Soviet Union. The details of the agreement signed in Moscow by Gholam Reza Aqazadeh, the Islamic oil minister, have not been revealed yet and it is not precisely clear what kinds of concessions were given to the USSR. The fact that the Islamic government refrains from publishing the complete text of this agreement or at least discusses it in the Islamic Majlis, creates the suspicion that Aqazadeh has violated one of the important traditions of Iran's foreign policy.

The anti-Islamic Republic forces have not yet officially expressed any view about this important agreement, which for the first time in history, gives the Soviet Union a hand in the most important part of Iran's economy. This silence is strange since right now some Islamic Majlis deputies who are opposed to Mir Hoseyn Musavi's government, are preparing to discuss this topic in the Majlis.

Our diplomatic correspondent in Paris writes: "The agreement signed by the Islamic government with Moscow could disturb the existing traditional equilibrium of Iran's general policies. In any case, the signing of this agreement indicates that the slogan of "Neither Western nor Eastern", the favorite of Ayatollah Khomeyni, is gradually taking new shape. The importance of this agreement is not its immediate effect on Iran's situation. This effect will be very insignificant internally. The signing of the agreement with the USSR is a tactical victory for the pro-Soviets inside the Islamic Republic. But from an economic view point, it will take years until this agreement is actually put into practice."

At present, the Islamic Republic does not have the financial resources to invest in the discovery and operation of oil resources in the Caspian Sea. The Soviet Union, which owes over 40 billion dollars to foreign banks, is also not now in a position to obtain new loans for this purpose. There is no chance at all that American and Western European banks will be willing to give loans to the Soviet Union and the Islamic Republic for the operation of oil activities in the Caspian Sea under present conditions. The importance of the Moscow agreement is that the Soviet Union could discuss this agreement on the grounds of a documented and historic precedent and demand from a future government of Iran that it be executed. Certainly, until the ratification of this agreement by the Islamic Majlis and the Council of Guardians, it is not legal within the framework of the Islamic Republic.

Besides this, the opposition forces of the regime reject in principle the entire regime and consider all of its activities illegal. Therefore from their view, the Moscow agreement does not have any legal value.

Our correspondent adds: "Aqazadeh, the oil minister, and Musavi, the prime minister, are using their efforts to present the Moscow agreement as merely the framework for technical and commercial cooperation and downplay the very sensitive and delicate political aspects of this agreement. Their purpose for adopting this policy is to prevent the discussion of this agreement in the Islamic Majlis as an independent legal bill."

Sources at the oil ministry say that the necessary legal framework for the Islamic Republic and the USSR cooperation for operation of the oil resources of the Caspian Sea presently exist and there is no need for the renewal of discussions of this matter in the Islamic Majlis.

These sources indicate: "The Islamic government has proposed three ways for cooperation with the Soviet Union:

- 1 - The sale of oil: Iran will independently begin oil discovery and operations on its shores of the Caspian Sea. It will sell the oil to the Soviet Union at the world price with a small discount.
- 2 - Rent: Iran will rent its oil regions for a specified time not exceeding 15 years (with the possibility of renewal) to the Soviet Union. In this way, the USSR oil company will act as a consortium for the National Iranian Oil Company.
- 3 - Contract work: Iran will turn over all oil discovery matters in the waters on its shores of the Caspian Sea up to the stage of operation. The USSR will undertake all the expenses for the execution of these operations.

After the start of revenue operations, Iran will reimburse all the expenses paid by the USSR, calculating a reasonable rate of interest from the profit of the export of the crude oil of the oil resources of the Caspian Sea. Now we have to see whether the Moscow agreement will be received by the organs of the Islamic Republic as a complete technical and administrative deal or as an important political and diplomatic deal.

9815/9190

CSO: 4640/490

PAKISTAN

GOVERNMENT REACTION TO FOREIGN STATEMENTS

Lahore NAWA-I-WAQT in Urdu 21 Aug 86 p 3

[Editorial: "Beware Also of Pakistani Nation's Concern"]

[Text] A spokesman of the Ministry of Foreign Affairs, expressing concern over the statements made by some foreign governments regarding the law and order situation in some parts of Pakistan, has said that such remarks about the internal political situation constitute undesirable interference in the internal affairs of Pakistan and represent a violation of established principles of international relations. The spokesman further said that the governments concerned were being warned of Pakistan's concern in a suitable way. The spokesman did not name the countries, nor did he specify the demands in connection with the interference. Nevertheless, those who pay attention to foreign broadcasts and published reports know very well that the very first reaction to the arrests made in connection with the incidents that took place on 14 August came from a spokesman of the U.S. State Department. The statement acquires particular significance in view of the rumors spread after Miss Benazir Bhutto's return to the country last April under a well-organized campaign that Mr Bhutto's daughter had returned with the blessings of the United States. The other country concerned was Libya, which did not content itself with commenting on the events that took place in Pakistan; Col Mu'ammarr al-Qadhdhafi, referring to merciless action taken against the daughter of his friend Zulfikar Ali Bhutto, described it as brutality and a violation of democracy, and he demanded that all restrictions be removed. The identical reactions shown by Libya and the United States in respect of the same incident came as a shock to everyone, because only a few months earlier the two countries had clashed over a simple issue in the Gulf of Sidra and U.S. planes had savagely bombarded innocent men, women and children in homes, schools, and hospitals in Trablus. These two countries that were deadly enemies were expressing the same opinion at least about Pakistan. Similarly, the foreign minister of West Germany asked Pakistan to release opposition leader Miss Benazir Bhutto. The British foreign secretary adopted a cautious attitude, describing the recent events in Pakistan as its own internal affair, but at the same time expressing concern over the death of some people and voicing the hope that these incidents would not damage the efforts to restore democracy made during the past 18 months.

Observers of world affairs know that only when a country becomes weak internally and cracks begin to form in its national unity and integrity do other countries get an opportunity to interfere in its internal affairs. Pakistan had a bitter experience in this regard for the first time in 1971. At that time, when the problems could not be resolved with the political elements in East Pakistan and we became involved in conflicts with each other, foreign countries started an all-out propaganda assault against us. Our next-door neighbor, India, intervened openly and established military training centers within its borders in the name of "sharnarathi" (refugees), and this intervention was supported by some super-powers. This happened in the recent past, and it cannot be easily forgotten that foreign powers, benefitting from mutual hypocrisy civil war and national confusion, mercilessly divided Pakistan into two parts.

What one must ask is why the world does not have the courage to interfere in the affairs of India, which is just across the border from Pakistan. As everyone is aware, political agitation started the very day that it came into being. The people in its eastern provinces have undertaken a bloody campaign to regain their national rights. And after half a decade, the "Khalistan" issue has taken a very grave turn. During this period Indian forces twice overran "Darbar Sahib," the most sacred shrine of the Sikhs in Amritsar. Despite this confusion and disturbance, the countries of the world did not show any reaction to the events taking place inside India. The only obvious reason for this difference is the fact that democracy and political programs are dominant in that country. The Indian people and the government appear at least to be unanimous on the fundamental issue that the democratic system should not be destroyed and that national integrity should be maintained at all cost. This is the only thing that keeps foreign countries at arm's length from incidents in India.

If today the spokesman of the Pakistani Foreign Ministry is duly concerned about the statements made by some foreign countries regarding disturbances lasting only a few days and he intends to express these concerns to those countries in a suitable way, we would like to convey to our government the view of the Pakistani people that this matter should be settled as soon as possible, that conditions should be brought back to normal, and that the cracks visible in the ranks of our rulers that appear to have caused the failure of the government to take concerted and strong steps should be repaired. Our rulers should at least appear to be unanimous and at the same time willing to implement the political system so that the people can believe that the rulers are sincere in putting into practice the political and democratic system that they have given the country.

The basis of this political and democratic system is the peaceful phasing out of martial law with the institution of an elected civil government so that the transfer of power may be accomplished smoothly without causing any national loss. To make this system successful, it is true that President Ziaul Haq will have to relinquish some power, but this task must be performed with dignity and willingness, and by 1990 at the latest, he must give the impression that he is not the same autocratic head of state he was before 30 December but a truly democratic president. The

recent events and reactions of foreign countries must have made the president realize that the Western democracies, which provide us with loans and aid and meet our military requirements, even though on payment of funds, will not tolerate even the slightest shift from the democratic path. Who knows what their reaction would be if the disturbances currently limited to Sing, God forbid, were to take a turn for the worse and it were to become necessary to call in the military. If, God forbid, martial law were to be re imposed--and some elements may be thinking of such a possibility--then the state of affairs would be unacceptable not only inside but outside the country as well. Up to now we have been complaining about the interference of friends, but after this we might have to face our real, traditional enemies as well.

The responsibility for keeping the situation under control does not rest with the government alone. We also appeal to the patriotic elements in the opposition not to allow their activities to become so violent that the streets become insecure, law and order on the railways is left in shambles, and the lives and properties of the people are unsafe. Causing damage to national property--railways, highways and bridges--is not considered a political activity. Such activities should not be allowed to spread so as to become virtually beyond control. God forbid that foreign countries should begin to play with our destiny, and we should not go so far as to lose our way back. Mutual conflicts can be resolved by wisdom and sagacity. As patriotic people, if we exhibit a strong national character then our internal as well as external enemies will keep their distance from us and not dare to come near us.

9315/9190
CSO: 4656/145

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