Near East & South Asia

JPRS-NEA-91-026

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French Delegation Reports on Cooperation Effort

91AA0299A Paris LE MONDE in French 7-8 Apr 91 p 6

[Article by Alain Rollat: “The ‘Post Script’ of Native North African Elected Officials”; first two paragraphs are LE MONDE introduction]

[Text] A few weeks ago they traveled to their land of birth for an explanatory mission. The emotion has not yet faded.

The president of the National Conference of Native North African Socialist Elected Officials, Mr. Georges Morin, was scheduled to report to the national PS (Socialist Party) convention on Saturday afternoon, 6 April. The topic was the mission that he had led to Tunis, Algiers, and Rabat from 7 to 12 March, whose purpose was to gauge the rift that has formed between France and the North African countries since the Gulf war. As a postscript to the visit, we solicited the reactions of the locally elected Socialist officials who accompanied him on the trip, which most of them experienced as an emotional shock.

Malika Chaib, a Gieres (Isere) municipal adviser, still tells of the stage fright she felt a month ago on disembarking at the Algiers airport, the second leg of the PS’s “mission of dialogue” to North Africa. “It was crazy, I was in agony!” It was not the first trip that the 23-year-old student had made to the land of her ancestors, but this time was like the first time all over again. On her first trip, she had barely set foot on the soil of an Algeria disfranchised toward feminism when she braved a taboo. “I lit up a cigarette, and I did to provoke, to say to all Algerians: I respect you, but you respect me!” Today, Malika is relieved. “The message of friendship that we wanted to communicate to all our North African friends went over well. They got everything off their chests, but we were rather expecting that, and I still have the impression that we opened up a line [of communication].”

That is also the feeling of Zair Kedadouche, the young France Plus militant “born in Tourcoing,” who felt himself to be “even more French over there.” “The Algerians, Moroccans, and Tunisians that we met often displayed an anti-Americanism proportionate to their lack of knowledge about the United States, but they are not always wrong to say that the French are totally ignorant of the Arab world,” he says. “It is just as true of the Beurs as the others. An effort must be made on both sides.”

An Algerian-born Frenchman Fernand Belda, assistant to the mayor of Chatenoy-le-Royal (Saone-et-Loire), was chiefly “touched by the charges of human rights violations” made during exchanges of opinions on France’s responsibilities in the Gulf war. They “did not make me feel guilty,” he confides, but “to myself, I sometimes said: They are right.”

Nadia Hammadi-Denis, Dijon municipal adviser, does not hesitate to use the word “paranoid” to describe some of the arguments advanced in Tunis, Algiers, and Rabat by critics of the French attitude toward Iraq. She was irritated by their frequent references to De Gaulle, but she totally agrees with them on the need to settle the Palestinian question equitably, once and for all. “They are right,” she says. “We have been saying the same thing for 10 years. Now we must act and follow through.”

“Indeed, there must no longer be a double standard,” stresses Mr. Said Merabti, assistant to the mayor of Vitrolles (Bouches-du-Rhone). “It would refurbish France’s image, while enabling local democrats to fight more effectively against the obscurantism represented by the Islamists.”

For Liancourt (Oise) mayoral assistant Alain Murcia, who had not been back to North Africa since Algeria gained its independence, it is emotion that still dominates. “The emotion of having come back to my native soil, of having felt that, in the three North African countries, France is still loved, despite the current resentment, which in reality is the resentment of disappointed love.”

The Condescension of the Embassies

The Val-de-Reuil (Eure) mayor Bernard Amsalem, who was also returning to his native land for the first time, chiefly retains—besides the “deep rift” created by the Gulf war on either side of the Mediterranean—two things: “Democracy is on the march in North Africa, notably in Algeria. That is the important discovery that we made. These people must not be disappointed. The economic slump has also raised the awareness of the North Africans. I was impressed by the resistance to the American cultural invasion. The region is becoming unified, and France must move with it, while stepping up its cooperation.”

“That means,” add Henri Fiori and Habib Hanana, elected city officials of Chilly-Mazarin (Essonne), “that France must implement a more coherent and vigorous policy of cooperation.”

Stresses Karim Mechai, Cergy municipal adviser (Val d’Oise): “French and European embassies must single-handedly work to create a UN mission of reconstruction for North Africa.” “It is urgent, because there is a danger,” insists Alain Koskas, municipal adviser to Charleville-Mezieres (Ardennes). “There is a danger because the passionate side of the crisis of confidence between France and the North African countries could, paradoxically, push the latter to expand their cooperation with Italy and Spain, but also with the Americans and the British, that is, with countries with whom they share no past.”
Will the official diplomatic world follow? Daniel Delmas, assistant to the mayor of La Montagne (Loire-Atlantique), doubts it. "In my view," he says, "the Quai d'Orsay does a poor job of assessing North Africa. I was surprised by the condescending attitude of the embassies toward our reports. Our government falls a bit short." In the opinion of this Oran native, North African complaints about certain media should be taken into consideration, and action should be taken "if necessary through regulations" to put an end to "the excesses of staged television broadcasts that distort the news." "There is a great deal at stake," he says, "for the media are the key to the process of democratization that is already making the North African countries major players who must be treated as partners." This point of view is shared by Dominique Chemla, a Yerres (Essonne) municipal adviser: "The internationalization of images via satellite and the proliferation of satellite dishes, particularly in Algeria, implies that professionals must henceforth incorporate an ethical and cultural notion [into their thinking]: respect for the image of other peoples."

The last word rightfully belongs to the "colonel," the dean of the mission, Hocine Chabaga, assistant to the mayor of Villeurbanne (Rhone). Mr. Chabaga was "surprised by the frankness" of the Tunisians, Algerians, and Moroccans with whom he spoke and with whom debate was sometimes "hard." But he draws a very personal conclusion from the experience: "After making the trip, I feel proud: proud that I belong to both groups. Because of that, I understood them."

**Writer Criticizes Arab-Soviet Relations**

91AA0256A London AL-HAWADITH in Arabic 8 Mar 91 p 13

[Commentary by 'Amran Adham]

[Text] Our affair with the Soviet Union is a long story. The curtain is lowering on the last chapters of this story, or, more precisely, this Greek tragedy, whose victim is our Arab nation. The story begins in the 1930's, with the Soviets' indirect entry into our region through the Arab, communist parties and leftist elements in the Zionist movement in Palestine. The Soviet Union has played the "Arab" card with laudable skill. It helped establish Israel and was moreover a major supporter of Israel. Its objective in doing so was to enter the region forcibly through one of the following ways: 1) the establishment of a communist state by leftist Zionist elements, or the establishment of a state that would be in the orbit of international communism, so that Palestine would then become a Soviet base in the Middle East; or 2) Israel would orient toward the West, which would lead inevitably to the creation of a deep gulf between the Arab nation and the Western world, as a result of which the Arabs would need Russian support sooner or later, which is actually what happened.

The Soviet Union's involvement in the creation of Israel is well known. It suffices to review UN files from the late forties to learn how Andrey Gromyko—the Soviet Union's representative in the United Nations at the time, and subsequently foreign minister (for life) and then chairman of the Soviet republics—supported the Zionist presence in Palestine and the establishment of a Zionist state there. On numerous occasions, he was more enthusiastic about Zionist interests than his American counterpart in the Security Council. We must also not forget that the weapons obtained by Israel during the first war [in 1948] were Czechoslovakian (read Soviet). It was precisely these weapons that enabled the Zionists to upset the balance of power at the time and transform their defeat into victory. The deep appreciation expressed by Golda Me'ir for the decisive role played by these weapons regarding the outcome of the war is a prime indication of how the Soviet Union misled us and played with our destiny. In this respect, the Soviet Union differs from the West. In the fifties, the West's position was clear, open and frank. Yes, they supported Israel's existence and pressured us to accept Israel. They even imposed a boycott on the sale of weapons to us, which represented a golden opportunity for the Soviets, who seized it immediately. In the mid-fifties Syria and Egypt "succeeded" in [breaking] the arms sale monopoly through an arms deal with Czechoslovakia (read the Soviets again), followed by direct imports of Soviet arms. We do not want to enter into the details and results of this period. However, there are a number of sensitive historical points which we must dwell on a bit and try to analyze. One concerns the tripartite aggression against Egypt and the [question of whether there was a] Soviet warning [of the attack]. No one familiar with the history of international relations in the second half of this century would have to think much before producing the answer, which is of course no. At that time, if America (which represented neo-colonialism) had supported the old colonialist countries, Britain and France, and the expansionist state of Israel, the Soviet Union would not have been in a position to issue such a warning, become involved, or take action, for it would have had to retreat and withdraw in all probability, as it did in the Cuban missile crisis and again in 1973 when Nixon declared a general mobilization of U.S. forces throughout the world. Of course, the retreat of political leaders and countries from some of their positions, when they see those positions leading to their loss or destruction, should not be considered cowardly or dishonorable. For politics is the art of the possible, not the science of the impossible or the art of the unreasonable. Therefore, we cannot blame the Soviets for their retreat. However, we can, and moreover must, blame them for the hopes and dreams which they sold us at astronomical prices, and which have destroyed our present and mortgaged our future. I do not know precisely how much our Arab nation has spent on Soviet arms. However, without the slightest doubt, it is in the hundreds of billions of dollars, the only result of which is much destruction and disgrace. We must not forget that arms have been the most important Soviet export to Third World countries. It is said that arms are like a race car. To win a race, it is not enough that the car be good and fast. It must also be
equal or better than its competition. In other words, the measure of the excellence of a weapon or race car is relative, not absolute, and linked to the degree of excellence of the enemy's weapons or the competitor's car. In the Arab-Israeli conflict, we find that the Zionist enemy has tactical and scientific superiority over us. Therefore, to close this gap, our weapons must be more advanced or equal to those of the enemy. What would you think if you learned that the great majority of the Soviet weapons purchased by the Arab countries are old weapons that have been used by the Soviet Army and then refurbished for sale to Arab and similar buyers, weapons that would be junked had these buyers not purchased them? Of course, these weapons are not bad. They are effective for staging military coups, waging civil wars, and oppressing and subduing peoples. However, regarding our struggle with Israel, they are inadequate, especially given that the Russians have always been at pains not to give us advanced weapons that would enable us to tip the scales of the battle, because they are convinced that a solution to the Palestinian problem would lead to a loss of their influence in the region.

Another important point is the destructive role played by Soviet Jews against the Arab countries. Everyone knows that the Soviet Jews number several million. However, they have occupied high, sensitive positions in scientific fields, which has enabled them to examine secrets pertaining to Soviet weapons. In addition, most of them have of course performed military service. Thus, there is no doubt that these secrets reached Israel before the weapons reached the Arab buyer.

Another Soviet export with which we could have dispensed is heretical socialism. The Soviets have greatly deluded our leaders into believing that the socialist system is one of social justice, progress, and equality. They used to always take foreign visitors to several model factories and farms, which did not reflect the miserable reality of Soviet industry and agriculture, but were like a skillfully produced propaganda film.

The Soviets widely touted apostasy, another Soviet good export which we imported along with different weapons. They sometimes buttressed it with "scientific" analyses of history based on "scientific Marxism" and with biased, destructive slogans, such as "religion is the opiate of the masses," All of this affected some sectors of our people, alienating them from their religion, heritage, and values, and throwing them into the trap of apostasy and disbelief, which led us into much backwardness, moral decline, and mutual hatred.

After this examination, one might ask: But what do we want from the Soviets? Why do we blame them for our reverses? The answer is that we had wanted the Soviets to play the role of an ally and true friend, who acts in his own interest as well as ours, instead of taking us our hold strong and unwavering support for Iraq and its leadership not because of the Kuwait issue but rather because of what was seen as its heroic stand against 30 countries. This feeling was further reinforced when it became clear to many that the U.S. mission was not the
liberation of Kuwait but rather the destruction of Iraq. To many this simply supported what the Iraqis have been saying all along that the U.S.'s interest was not Kuwait but rather Iraq and its independent thinking. Many, though, have second thoughts about the wisdom of the Iraqi actions in the Gulf. People are now openly questioning the moves of Saddam Husayn. Discussion was again returned to the situation in the occupied territories. To some the past six months were like a dream that to some will be remembered happily to others it will be a nightmare.

On the political front Palestinians expect Israel, the U.S. and some of the Arab allies to attempt to find an alternative leadership to the Palestinian Liberation Organisation (PLO). There is no sign that this will work, however. Palestinian popular support for the PLO has increased since the war in the Gulf despite the loss of support in Europe.

For Palestinians the PLO has simply reflected what was their opinion. In fact some believe that the PLO should have done more. Some extremists wanted the PLO to participate in the attacks on Western interests around the world, a call that the PLO did not accept.

Surely there will be attempts by Israel and the West to circumvent the Palestinian organisation. This will not be new to Palestinians who have been insisting all along that the PLO is their representative. For Palestinians the PLO represents their national aspirations for a state. Rejecting the PLO will therefore be seen as tantamount to the refusal to deal with Palestinian national rights. As far as Israel is concerned, it has never wanted to deal with the PLO or its supporters in the occupied territories. Israeli jails are full of Palestinians, many held without charge or trial. They are simply guilty of being actively in support of the PLO. More than a thousand Palestinians were killed and tens of thousands injured during the past three years of the intifadah for their support of the PLO and Palestinian nationalism.

Certainly the Israelis will continue in their attempts to crush the intifadah and there will be attempts to throw towards Palestinians weak and unacceptable political proposals. But after some time pressure from the Arab World and even from the West might force Israel to deal more seriously with Palestinians. No matter what happens then there will probably be more serious attempts to solve the Palestinian problem than before as a direct cause of the Gulf war. Ironically, then Palestinians might be better off—since they had nothing to lose anyway—even as a result of the defeat of Iraq in that war.

The future of the intifadah is of great importance. Some Palestinians expect that the revolt will take on a much more violent tone. Others think that the intifadah will slowly work itself out. The argument for this camp goes that if the Iraqi missiles were not effective what can stones do?

The more likely scenario is that the intifadah will continue in the same manner. There will have to be new ideas both of the operational level as well as on the political level. The frequent strikes will probably be eliminated, possibly by more positive acts of defiance. With the economy suffering from curfews and the loss of tens of thousands of jobs in Israel there will be attempts to improve the local economy in order to create badly needed jobs.

Politically Palestinian leaders are likely to activate the Palestinian peace initiative of 1989 which is based on the two state solution. Local leaders have expressed a need for that plan to be fleshed out in much more details than has been the case till now. Palestinian state will have to be made much more clear. So will the difference between the constitutional structure of the state and the PLO covenant.

Other creative ideas that are being discussed now include the suggestion of elections. Palestinians might call for elections and appoint a date for these elections and outline election districts and procedures for nominations and registration. International observers would be called in order to make it difficult for Israel to crush such attempts. Even if Israel places the occupied territories under curfew and stops the elections, this could be a victory for Palestinians, the argument goes. Such ideas might be included in a broader call for Palestinian parliamentary elections around the world. The elections in the occupied territories can be described as the elections for the 176 Palestine National Council (PNC) seats for the West Bank and Gaza Strip.

ALGERIA

Party Leaders Comment on Economic Reform
91AA0277B Algiers EL MOUDJAHID in French 11 Mar 91 p 3

[Article by M. B.: “Statements and Proposals”]
[Text] The national symposium on economic and political reform and the major challenges of moving to a market economy, organized by the National Television Company, ended yesterday following speeches by several leaders of political parties, who focused their comments on the problem of reform continuity. From the standpoint of proposals, questions, and discussions, the proceedings were most interesting. Mr. Mehri, the secretary-general of the FLN [National Liberation Party], said that “business is operating in a kind of isolation and is suffering from the political conflict; dialogue (will make it possible) to find a solution to the crisis (...) that does not deviate from the will of the people and reflects their fundamental interests.” After analyzing the consequences of the Gulf war, Mr. Benkhedda, the chairman of the EI-Oumma Movement, said among other things that “Algeria must base its approach on principles relating to self-reliance, to the preservation of national independence and the unity of the people, to self-sufficiency in food production, to the strengthening of
The minister also touched on the adopted strategy and the various stages planned, i.e., free circulation of merchandise as of 1992, customs unity as of 1995, and a common market as of the year 2000. Mr. Abdelkader Bendaoud also said that it was necessary to work and to focus all efforts on developing the Greater Maghreb in order to live up to the aspirations of our peoples.

With respect to trade among the countries of the Maghreb, the minister said that trade was only one element among many in the various fields of North African relations.

### Long-Term Strategy

According to the head of the North African Citrus Fruit and Early Produce Committee, the issue was one of promoting North African exchanges in this area and establishing a long-term strategy. Indeed, the speeches of the various heads of delegations revealed that the primary objective was to exchange information on experiences in both production and marketing. For Mr. Bouzouane of the National Plant Protection Institute, the question was one of implementing political decisions made at the top. He added that the seminar was an opportunity to learn what our North African brothers were doing. Among the younger seminar participants, Mr. Bouaciba Fahim said that, for his part, this was an exceptional opportunity to learn about techniques that were in use, especially in Morocco, which had a big lead in this area. The head of the Moroccan delegation added that “it was important to cultivate ties of cooperation.”

Mr. Belabbes of the Technical Institute for Fruit Orchards and Grape Growing gave an overview of Algerian orchards, which occupy 0.6 percent of croplands and 1.9 percent of tree-growing areas, or approximately 46,000 hectares. The main areas are Mitidja with 44 percent the perimeter of the Mina [as published]; Chelif, with 14 percent; and Habra and Skikda, with 25 and 16 percent, respectively.

On the subject of varieties, Mr. Belabbes said that “navals,” i.e., Thomsons and Washingtons, accounted for approximately 19 and 29 percent; Spanish oranges, approximately 14 percent; and Portuguese oranges, 4.3 percent. However, despite government intervention, orchard age is still very high, because 55 percent are between 31 and 50 years old.

### Sharp Drop in Production

Mr. Belabbes said that, from 1978 to 1985, production fell sharply, from 360,000 to 258,000 tons. This fluctuation had been more pronounced in recent years, with 356,000 tons in 1988 and only 290,000 tons in 1989. The speaker thought that everyone was aware of the reasons. One was the lack of water, since 6 percent of the orchards got enough water, while 14 percent got only 10 percent of their requirements. He ended his speech by advocating a set of techniques and measures for correcting the situation, particularly with respect to irrigation and drainage.
With regard to the Moroccan experience, the representatives of Morocco spoke at length of the various ways of organizing orchards and the techniques used. They estimated production at between 1.2 and 1.4 million tons a year, all varieties combined. Moreover, 50 to 60 percent was destined for export. The EC is Morocco’s primary trading partner.

The head of ASPAM [Citrus Grower’s Association of Morocco] said that citrus production was the best organized sector in Morocco, with both trade and intertrade associations. With respect to marketing, the state no longer had a monopoly on foreign commerce.

According to the head of the Tunisian delegation, although Tunisia does not produce an tremendous quantity of citrus fruit, it is able to satisfy the needs of its domestic market. Concerning the situation of orchards in Tunisia, he said that they were threatened by aging and the various diseases and viruses.

As for Mauritania, it had very little experience, but it looked to the countries of the Maghreb for aid and assistance.

The audience had an opportunity to listen to a large number of presentations, particularly with respect to plant health and to techniques of organization and marketing.

At the end of the seminar, a set of recommendations was adopted. They included preparation of major strategic axes for the medium- and long-term development of citrus production with the participation of the trade organizations, preparation of development plans for citrus-producing regions, and encouragement of the sharing of experience and know-how among the different growers.

**Lead, Zinc Deposits Discovered at Azrou N’Bechar**

91AA0277A Algiers EL MOUDJAHID in French 11 Mar 91 p 5

[Article by Mohamed Bliji: “Discovery of a Sizable Deposit of Lead and Zinc Ore in Azrou N’Bechar (Bejaia)”]

[Text] The National Mining Research Company (EREM) has discovered a sizable zinc deposit in the Azrou N’Bechar district of the Amizour region, some 20 km southeast of Bejaia.

“Core samples taken during prospecting work between 1986 and 1989 led to the identification of seven lodes located at the plus-80-to-minus-370-meter level,” a company official told Ministry of Mines Delegate Abdelmajid Slougui during his on-site assessment of the status of research activities. The geological reserves constitute an estimated 22 million metric tons of 2.5-percent zinc/1.13-percent lead ore. While sizable, they are considered relatively low grade. However, in December 1990, two samples taken 250 meters apart revealed the presence of a high-grade (7-percent) zinc deposit spanning a 50-meter depth that, it appears, may represent a sizable mass of 20 million tons of over 600-percent [as published] zinc ore, according to the explanation provided by EREM’s expert. For this reason, Mr. Slougui encouraged the researchers to redouble their efforts in the northern zone, where the deposit is of a higher grade. He also invited them to contact ENOF [expansion not given] for an accurate assessment of existing possibilities and exploitation potential and to do so as soon as possible, since, he emphasized, “there are positive elements.”

According to EREM, this is an entirely blind deposit, the core of which may be the Ait-Larbi fault. EREM believes that it could potentially rank among the largest in Africa, with its considerable reserves, in comparison with other world-class deposits in the Maghreb that barely exceed 5 million tons. If the economic parameters are conclusive, there is no doubt that the entire Amizour region, most of which is economically backward, will reap the benefits for its future development.

**EGYPT**

*President’s Information Adviser Advocates Democracy*

91AA0252A Cairo AL-AHRAM AL-IQTISADI in Arabic 4 Feb 91 pp 22-25

[Remarks by President Mubarak’s Information Secretary, Dr. Mustafa al-Faqi, by Samir al-Saruji; place and date not given]

[Text] Dr. Mustafa al-Faqi, the President’s information secretary, did not undertake a traditional dialogue. Although he had previously chosen a thorny subject, democracy, he welcomed all questions imposed by the ongoing developments in the international arena regarding the heated Gulf crisis. This important discussion, which was organized by the General Egyptian Writers Organization, and which was earnestly and skillfully moderated by Dr. Samir Sirhan, the chairman of the organization, evoked associations that revealed that Dr. Mustafa al-Faqi belongs to that generation of nationalist intellectuals who were brought up in the bosom of the principles of the July Revolution. These associations also revealed that Dr. Mustafa al-Faqi’s belief in these principles has matured, including the principle of “the establishment of sound democratic life.” This principle has urged and is constantly urging him on to apply himself to the issue of democracy as a comprehensive program for remedying all of Egypt’s political, economic, and social problems, in the wake of the difficulties encountered by the July Revolution regarding the application of this principle.

Dr. Mustafa al-Faqi attacked the autocratic system of government and criticized the position of all parties without exception on the issue of developing a political
cadre that possesses the basic elements of leadership, thought, and imagination, and that forms a clear, comprehensive vision before making a decision. Everyone realizes Dr. Mustafa al-Faqi's faith in the past, when he praises the position of intellectuals before the July Revolution, because they pushed the political cadre into the political action arena. At the same time, Dr. Mustafa al-Faqi criticizes the negativity of intellectuals regarding the July Revolution, because they took a position adverse to the reality of the political movement at the time.

He also praised the role of the aristocracy, in which the revolution and culture became wedded, inasmuch as many personalities of well-known families in Egypt carried the banner of the revolution, employing the revolution to benefit culture, adopting the labor movement, and entering public service.

The political lecturer, Dr. Mustafa al Faqi, did not forget to formulate comprehensive scientific definitions of the nature of the ruler's relation with the ruled in Egypt. He stated that Egyptians have had an unwritten agreement with their ruler since the Ottoman era, according to which, they empower the ruler and remain complacent unless matters reach a point where their daily lives are harmed directly.

Initially, Dr. Mustafa al-Faqi stated that he had chosen "democracy" or "the problem of democracy in Egypt and the Arab world" as his topic.

[He stated:] Some may think that in choosing this topic we are avoiding events and staying away from the tense nerves and the uncertain expectations that exist throughout the world, not just in the Arab region.

If I touch today on the topic of democracy, I would not be far from the essence and heart of the issue.

Democracy and human rights are the cause of the era. Because of their absence, major mistakes have been made throughout our modern history. Political participation in decisionmaking throughout the Arab arena will protect the peoples of the Arab nation from catastrophes and disasters stemming from erroneous political decisions that fail to take into account Arab public opinion. Current events related to the Gulf crisis are a natural result of the absence of democracy in the Arab world. The real tragedy in contemporary Arab history is that crucial political decisions have always been made by a single person, or by a limited group, the results always being tragedy and extremely complicated situations.

Dr. Mustafa al-Faqi emphasized that, if Egypt has achieved great progress in establishing freedom of expression and political participation in its capacity as the basic, pivotal state in the region, the spread of democracy would be inevitable. It will shake the foundations of the Arab world in an attempt to heal its political conscience and spread strong political traditions that permit freedom of expression, political multiplicity, and participation in political decisionmaking. Until that day comes, which we all hope for, the real, pivotal issue is the democratic climate.

A Lack of Political Cadres

Dr. Mustafa al-Faqi focussed his remarks on the development of political cadres in Egypt, a basic issue of extreme importance which he addressed with complete frankness and without equivocation. He stated that it is well known that Egypt enjoys a surplus of technical cadres—physicians, engineers, technicians, and artists who are experts in different fields. It boasts about these cadres to the Arab region. Political cadres, on the other hand, require a long pause. A political cadre who applies himself to public work with a clear political vision has become rare as a result of the accumulation of political experiences that have overtaken the July 1952 Revolution, exemplified by the problem known as people of trust and people of experience that arose in the arena. The intellectuals took a negative position on the 22 July 1952 Revolution, which led to a lack of development of political experience in its desired meaning. Before the July Revolution, Egypt knew the democratic experience, despite observations to the contrary. The political parties at the time succeeded in pushing political cadres at different levels into the arena of public action and national service. We used to see a political minister and political official in every position who had, in addition to technical experience and a specialization, that desired vision and ability to think and to understand the nature of public life in Egypt. There are brilliant names in Egypt's pre-1952 political life, when the education minister was also the originator of an intellectual school or a party leader with many publications in different branches of knowledge, [such as] Muhammad Husayn Haykal Bashia, the litterateur, thinker, and historian, who wrote in Islamic studies, politics, and other branches. Then there is the well-known debate in the late forties and early fifties between the school of Taha Husayn and the school of Isma'îl al-Qabbani regarding education, in which one defended quantity, and the other quality. This was also facilitated by the florescence of the national movement, the call for the evacuation [of the British], and the desire for independence. We chose this combative concept to train political cadres. Perhaps we have not forgotten the experience of the sixties regarding the attempt to provide young people with a political education. I am referring to the Socialist Youth Organization. However, many negative aspects and criticism surrounded it. First, it adopted a high degree of molding. It placed youths in inflexible molds that deprived them of freedom of thought and the ability to associate with anything other than what they were ordered to associate with. Second, it was linked with political concepts that were subjected to destruction in 1967 and 1970.

The Political Stock Exchange in the West

Disregarding the positive aspects of this experience, it left very sensitive dregs in the national consciousness, rendering all discussion of the political education of
The al-Ahli Party and the al-Zamalki Party [the names of two soccer teams] Dr. Mustafa al-Faqi stated: I remember, in the early sixties, our fellow Arab students used to measure us by saying that we have two political parties in Egypt, the al-Ahli Party and the al-Zamalki Party. That was an expression of the Egyptian's feeling of seclusion from political life, his immersion in the reality of his daily life, and his lack of desire to pursue general political philosophies and long-term debate. The source of this feeling is the fact that the ruler is a historical legacy in Egypt, who acts on behalf of the people in governing affairs and policy, while the people do not act unless matters reach the point where their daily lives—food, housing, and clothing, which is to say their immediate conditions—are harmed. Egyptians do not naturally incline toward political debate or theoretical philosophies, as is the case in the northern part of the Arab East. This has led to a type of negativity and indifference that has clearly restrained the people from becoming involved in public work and political life.

The Climate of Democracy in Light of Previous Accumulations

Dr. Mustafa al-Faqi declared clearly: We are facing a real problem regarding a lack of political cadres in Egypt in this period as a result of the accumulations of the fifties, sixties, seventies, and the early eighties. Despite the opening of the windows of guaranteed freedom of expression in a manner unprecedented in Egypt's history, a democratic climate has so far not facilitated the emergence of political cadres able to create continuity between generations and continuity in public action in Egypt. The reasons for this are well-known to you. We can point to them—for example, the historical dimension. During the fifties, sixties, and seventies, Egypt faced the natural extension of the concept of the 22 July 1952 Revolution and the replacement of constitutional legitimacy by the revolution's legitimacy. Naturally, the broad masses of the people became linked with the revolution. Given the absence of [political] multiplicity and the focus on a single political organization, a dearth of desired political cadres naturally developed, because parties, which are schools for political education, were nonexistent. We can see the results of previous periods in the eighties. Egyptian society has been unable to bring to maturity the desired number of political cadres to assume responsibility for public action in Egypt. We still lack a comprehensive outlook: we always resort to partial remedies to solve our problems, and current activity has prevailed over long-range thinking. During the past four or five decades, we have become used to coping with problems by reacting to them when they arise, without formulating long-range plans and future solutions that confront problems before they occur. In addition, Egyptians lack confidence regarding general political action. The Egyptian has signed an unwritten contract with the ruler since the end of the Ottoman period and the beginning of the Mameluke period. From Muhammad 'Ali to the French campaign and [the rule of] Muhammad 'Ali's entire family, the Egyptian has felt that he must give his silent authorization to the ruler and remain complacent unless matters reach the point where his daily life is damaged directly. Thus, some Arab brothers always accuse us of being an apolitical people, whereas, we find the Syrians eating, drinking, and breathing politics.

The Recent Elections Were Positive

Dr. Mustafa al-Faqi indicated that, until recently, interest in parliamentary elections, whether regarding running for office or voting in elections, appeared limited. However, we are spurred on by the hope that the recent parliamentary elections will be a positive signal that will attract many qualified elements to political education and action in public realm, who will enter into the crucible of political life and change the aversion, negativity, and indifference toward political life that Egypt has known in the past four or five decades.

The Political Vacuum is Leading to Extremism and Addiction

President Mubarak's information secretary adds: The absence of political cadres entails not only a lack of political traditions, the continuity of these traditions, and a lack of continuity from one generation to the next. It also leads directly to a type of general political vacuum that leaves few choices for our youths, who fall victim to either extremism or incurable addiction when they find themselves unable to emerge from the straits of real unemployment and intellectual unemployment. Such unemployment leads to a kind of practical and intellectual sterility that strikes at the achilles heel of coming generations, thus affecting the development process and the future of political life in Egypt. One might say that we in Egypt reject the politicization [tasyis] of culture, because it leads people to exist in the idea of a permanent monologue, which was expressed by the late Dr. Louis 'Awd, be it only on account of the repetition of an idea and concepts in inflexible molds, as if we have come to neither see nor understand anything else. This is not what I have in mind, nor is it what I want. I desire the political education of cadres of different affiliations. I have no wish to impose a limited affiliation on new generations. I want Egyptian youth to acquire the ability
to engage in political debate, think, hold a dialogue, and make decisions objectively in a way that permits the existence of stable political traditions that do not decline with time. Dr. Mustafa al-Faqi pointed to the way power was transferred from Margaret Thatcher to John Major in the framework of the party. This calls on us to seriously strive, no matter how long it takes, toward a type of political education within the political parties, and to make efforts to give prominence to cadres capable of political action and participation in political decision-making, regardless of differences in opinion or gulf between meanings and concepts. Where are we with regard to all of this? That is the essence of the problem which I wanted to contemplate aloud with you this evening, because I view it as a real problem that represents the essence and heart of Egyptian democracy at present. If Egypt possesses an effective reserve of technical cadres for the Arab region and other regions, the time has come for Egypt to be a school for political leadership as well. Therefore, the political parties in Egypt are called on to review their programs and political education method. They are called on to leave behind mere debate in the daily newspapers and to move on to engagement in intellectual issues and respect for differences of opinion in a manner that permits the emergence of a political cadre that is able to undertake and lead public action in the coming phase. We do not want inflexible molds, and we do not impose fixed forms on the education of political cadres.

We maintain with all candidness and clarity that we are now facing a clear dearth of political cadres in Egypt. We must contemplate the reasons that preceded this dearth. Responsibility for a part of this lack is considered to lie largely with the revolutionary legitimacy phase. The other part is a burden which we must now bear, because those who lack political vision cannot conceptualize a general national program, understand history, comprehend the present, and imagine the future. Great ideas in history have been the pivotal points that have changed the course of human existence. These great ideas and splendid inventions began as fantasies and images in their originators' minds before becoming reality.

Therefore, those who undertake political action must acquire a clear, political imagination that can conceive of matters and deduce solutions if we want to link that [creativity] to our daily reality in the Arab region. Frankly, Egypt has not had a continuous leadership role throughout history that we have imposed on others regardless of the circumstances. Rather, Egypt's position in history and geography has been defined by two well-known dimensions, time and place, according to certain factors convincing to others. After the Egyptian-Arab problem, Egypt has again opened to the Arab nation with the democratic experiment, causing some [Arab peoples] to fear and [other Arab] peoples to be satisfied, because Egypt is a leading example whose ideas they accept, albeit after a while, due to differences in political maturity among different Arab peoples. Therefore, we must believe that the democratic experiment in Egypt will spread to the rest of the peoples of the Arab East and the Arab Maghreb. Egypt's destiny has always been to assume a leadership role. This destiny has given Egypt its basic position among other states in the region. If we connect that to the current Arab reality—as I said initially, we are breathing shallowly in a state of intense anxiety and expectation due to events which have imposed a duty on the region in an untimely and undesirable manner. These events have produced a major crack in the wall of Arab solidarity, torn the common person, and created disagreements between governments. This is a difficult situation that has created a clear intermeshing of the regional and international characteristics of the problem. Thus, the problem has both international and regional parties. This situation requires us to speak clearly now about the future. I have given treatment to this matter in previous meetings. However, I am now concerned about making the connection between that treatment and the issue of democracy. The Arab future will be completely different from the Arab present. We are approaching a period of disruption and tension that will not be balanced for a long times, because of the extreme changes that have occurred in the Arab arena. Some have tried to protract these changes, so that the problem becomes chronic, simultaneously with the Palestinian problem. However, this is a severe problem that must be remedied as quickly as possible. Frankly, it will lead in the future to a kind of spread of the communist tendency in the Arab world.

With great pain, regarding the Arab future in the coming years, I expect a phase of regional isolation of a shu'ubi character [refusal to recognize the privileged position of the Arabs], because the solution will not be an Arab solution. I have studied all of the Arab solutions. If the solution is an international solution, international factors will have the upper hand in actuating matters in the region. Consequently, regional, shu'ubi isolation is extremely possible in the Arab sphere.

Another matter which I expect in the coming years with great bitterness and sorrow is the weakening of national solidarity [madd]. We have known heated confrontations in the past with the West. However, Arab defiance was sweeping, with common Arabs standing clearly in solidarity. As for now, the division is virtually within a single family. Problems have become intermeshed, and sources of discord have multiplied and become interwoven, so that we have become unable in many cases to distinguish between the different lines of a problem. This will inevitably weaken national solidarity [madd] in the Arab arena for many years.

A third matter is that we will find ourselves compelled, voluntarily or obligatorily, to cooperate with countries of the region based on objective foundations that do not take into account the emotional charges and national expressions that we have experienced for many years, because events have proven that the problem does not involve Arabs coping with others, but rather a method for the Arabs to cope with each other first, and then the nature of the period. Recent events have proven that the
Arab nation seems to have been afflicted by a kind of political cancer that is consuming a part of the nation, with some cells attempting to accuse other cells, instead of the body being healthy and strong to cope with a world that is changing faster than ever imagined. We are now in the midst of a scientific revolution in a world where the unification of know-how is everywhere mending cracks and healing wounds as the world moves toward the formation of various economic blocs and units and away from fragmentation, factionalization, and destruction due to irresponsible behaviors and heroic obstinacy in some of the positions of the nation and some rulers in the Arab world. Therefore, emotional charges will not be used long in the Arab arena. If we want to develop cadres able to deal with the future, these cadres must be aware of international and regional changes, and they must not be prisoners of emotional frameworks, who repeat memorized slogans that we have repeated for a long time without awareness and so frequently that we no longer believe in their content. We are now facing an Arab reality that seems different from any previous time. This reality requires us in Egypt to move, first toward entrenching and affirming freedom of expression, then searching for a method of political participation for the broad masses through legal organizations and natural channels, so that we can present an apt, effective model for Arab reunification and the subsequent healing of the wound. We are facing a nontraditional situation in the Arab world that requires us to use nontraditional remedies. There is a crisis of trust in the Arab world that has sown doubt in numerous parties. Thus, a return to the status quo or something better will require many years. Throughout this entire presentation, I have desired to make you aware of an issue that has a crucial effect on events in Egypt and consequently in the Arab world. By this I mean the essence of the issue of democracy in Egypt and the importance of developing political cadres, so that we can create political specialists in all areas. By politician, I do not mean a chatterbox who talks politics constantly day and night, justifiably or not. Rather, I mean one who has vision, who can conceptualize matters, and who can match the pace of his public activity with the rhythm of the time domestically and abroad. This is the model of the politicized intellectual whom we seek. Some will say, spare us the politicization of culture. We say to them: We are not politicizing culture, but are implementing final regulations with regard to connecting public utilities for buildings with violations, out of a desire for law supremacy.

Kamal al-Shadhli, the representative of the majority in the People's Assembly, who was the first speaker in response to the government’s statement, directed several important questions at the government, including whether a plan has been worked out to implement President Mubarak's directives that the governorates not be isolated islands. He also protested against the practice of a person on official leave of absence having to pay $1,000 before his trip. The practices have also now begun of collecting sums of money from returnees from Kuwait, before they are allowed to resume their jobs, and implementing final regulations with regard to connecting public utilities for buildings with violations, out of a desire for law supremacy.

Khalid Muhyi-al-Din requested abrogation of the Emergency Law, which has not been successfully used for 10 years to put an end to terrorism. Finding a balance between wages and prices is the essence of the IMF's demand, but that has not yet been done.

At the outset of the debate, Kamal al-Shadhli, the representative of the National Democratic Party's parliamentary group, stated: “First, I would like to request that all members—either of the majority or the opposition—who wish to speak concerning the government’s statement be given the opportunity to do so.”
Dr. Sarur: "I am prepared to do that. With regard to the Assembly's schedule, the holy month of Ramadan will be observed in the People's Assembly from 1100, and if the matter requires holding an evening session, I would not be reluctant to do that, out of concern that each member who requests to speak, with regard to the government's program, may do so freely."

Kamal al-Shadhli: "First, let me express our support for President Mubarak for his position vis-a-vis the Gulf crisis. It was a stand that spoke for every Egyptian citizen. After Kuwait was liberated, and our armed forces had fulfilled their role completely, I was pleased to send congratulations to our men of the armed forces, who bravely did their duty. They have earned the admiration of the entire world."

First, the Accomplishments

Kamal al-Shadhli stated: "This government has carried out its duties equitably since 1986, and has made achievements in several directions: potable water, health care, telephones, the railroad, new towns, the paving of roads, rural electrification, housing, solving the problem of democracy, guiding the policy of imports, and controlling the budget deficit."

"This government must draft regulations for the processes of foreign and domestic borrowing, and not delay final accounting of the general budget, so that it can be submitted at the end of the budget year, and not delayed for several years."

"I call on the government to study the marketing of Egyptian labor abroad, in order to maintain their rights, and so that they not be exposed to any problems. The size of the Egyptian work force abroad should be registered, and a clear policy drawn up in this regard, in order to preserve the Egyptian laborer's dignity."

"I also call for a review of election lists, and that they be repurred, because the inaccuracy of these lists has cost the majority party many votes. This action would require that financial credits be provided. This action would of itself bolster the sound democratic process, which President Mubarak is very concerned about. I ask the government, how much money has been earmarked for this request?"

Kamal al-Shadhli requested that the period of compulsory conscription for young men be counted among the years of service and retirement, and that the cases of workers who obtained qualifications during service be settled, because there are thousands of complaints from citizens. This settlement would not place financial burdens on the state; on the contrary, it would merely involve transfers from one cadre to another.

He asked that the issuance of laws of relationship between owner and lessee in real estate and agricultural land be expedited. He called on the political parties, the People's Assembly, and the Advisory Council to study this matter, because it affects owners and those who rent, and would result in achieving justice for both owner and lessee.

"This is an important matter, and every citizen talks about it. It is filled with importance, and it should concern us that legislation be enacted that will help to satisfy everyone."

"On behalf of the National Party's parliamentary group, I declare our approval of the government's statement, and the report of the Response Committee. We approve of restoring confidence in the government."

Pressure of General Expenditures

The prime minister, Dr. 'Atif Sidqi, stated: "I am pleased with the statement of brother Fadil Kamal al-Shadhli, representing the National Democratic Party, and leader of its parliamentary group. I salute our martyrs, who participated in the war to liberate Kuwait, and I pray God will bless them."

"I want to emphasize that the current pressure of public expenditures has had no equal in Egypt's past. Everything allocated for general expenses is less than a billion, or rather closer to 900 million Egyptian pounds. This is a very small amount, representing the bare minimum. No government agency can buy anything on its own authority, without the prime minister's approval, because that would exceed the fiscal position in the general budget. Any uncovered borrowing can only be done with the prime minister's approval. State policy is based on no borrowing from abroad, except for a production purpose. There will be no deviation from that policy, except in extreme necessity and within strict limits. The goal of this policy is for the production sectors to pay off loans from the profits on their products. This practice has achieved considerable results in recent years, and has had a role in reducing the budget shortfall, and in carrying out the government's policy of abolishing this deficit within two years at most."

"All state agencies must go back to the People's Assembly in the event of adding any expenditures to the budget. Defects in the financial structures of certain companies is the cause of their downfall. These companies have borrowed from banks; 40 companies have corrected their fall, and the rest of the companies are currently correcting their positions. Certain banks have agreed to schedule the debts with these companies, while some others have refused to do that. We are in the process of putting these companies back on track, so that they do not go out of business."

"A delay did not occur in submitting the final accounting by the dates specified in the constitution. We are committed to them, and that is done every year before the end of March."

"The matter of unemployment is tied in with the problem of productivity. If we could increase the production base, we could increase job opportunities. We
are conducting a technical study to determine unemployment percentages at all stages of the year, so that on the basis of this, a policy can be devised to solve the unemployment problem.

"Kamal al-Shadhli called for regulating the labor force; we have introduced a bill, which could achieve this goal, without going beyond the word 'regulation' to the extent that would create restrictions preventing the labor force from traveling abroad. We are working to regulate travel and enumerate the labor force, and we hope that this draft bill will obtain People's Assembly approval.

"With regard to those who have intermediate qualifications, if the People's Assembly wants to amend the law, we have no objection, insofar as it achieves the desired object of counting the army term within the service period. With regard to those who have obtained the highest qualifications during service, there is a study that we will introduce in this regard.

"As regards transferring workers, the problem is linked to the budget. There are cases being submitted to us, which we are approving, because of the urgent circumstances, but there are budget and credits-distribution concerns."

**Because of Funds, the Official Traveler Pays**

The prime minister said: "I do not approve of the official traveler having to pay anything, and I will review this matter in light of the statements submitted to brother Kamal al-Shadhli. Moreover, the matter of imposing amounts of money on returnees, in order for them to regain their jobs, will be investigated."

During this session, Kamal al-Shadhli gave the prime minister documents pertaining to this matter.

**Over Capacity**

With regard to installment purchasing of housing, the prime minister said: "We are aiming at expanding the period to 40 years instead of 30, which will affect the down payments as well. We must understand that prolonging the period will increase the interest. When the government has a deficit, you should not burden the government with more than its capacity. They expect more time from us. The government cannot, one cannot ask me for more than I can give, or I would subject the national economy, and life in Egypt, to inflation!"

"With respect to buildings in violation, which require utility hookups, we have formed a committee, chaired by Dr. Yusuf Wali. The committee has reached the point of need to implement final regulations precisely."

Kamal al-Shadhli—interrupting the prime minister—said: "I pity the poor, and frankly we do not seem to want to rally them." The prime minister replied: "We do not rally around Kamal al-Shadhli! The people have adopted regulations in innocence, which were violated! So long as this was not done in error, the regulations' appropriateness must be respected.

"I wish to stress that the government only has the obligation to implement final regulations. There are cases that are being looked at."

At this point, Fathi Sarur interrupted to say to the prime minister: "We want the detailed response at the conclusion of the debates, so that all members can have the opportunity to speak concerning the government's statement." Dr. Sarur added that, with regard to this matter, the law means that innocence in all cases does not mean the start of proceedings.

The speaker of the People's Assembly stated that the assembly had received the budget's final accounting from the government on 29 March 1990, and it was submitted to the committee concerned. It was not previously reviewed, because the assembly would have had to issue a resolution to release it.

Kamal al-Shadhli said: "In my statement to the prime minister, I meant events preceding that!" Dr. Sarur replied: "I of course was not responsible for that."

**NPUG Rejects Statement**

Khalid Muhyi-al-Din, the head of the NPUG, said that it was not one of the opposition's goals to reject whatever the government said. "However, our goal as opposition is to look for fundamental differences.

"We reject the government's statement on behalf of the average Egyptian, who feels a lack of stability, and who is weighted down with burdens that totally overwhelm his capabilities. The government talks about democracy, but has not advanced any practical proposals to expand the area of democratic practices, or to eliminate certain laws restricting freedoms. For example, the constitution stipulates freedom to organize peaceful demonstrations; despite that, assembly for any reason is forbidden.

"Moreover, the founding of any association of any kind must be subjected to the security establishment, whereas if we were a democratic state, we would presume citizens to have good intentions.

"I see a need to abrogate the Emergency Law, which has not been applied in fully 10 years, especially since we are now entering a stage of stability and democratic rule. This law was drafted to combat terrorism, and I believe that terrorism cannot be met by emergencies. That law is also used for purposes far removed from terrorism."

Khalid Muhyi-al-Din called attention to the danger of inflation, which caused the value of the Egyptian pound to plunge to unimaginable levels. "The government dangerously ignores this issue. It does not publish its estimates of inflation rates, whereas many nations frankly announce this matter through the media. Inflation estimates are patently important because, in light of them, people can hold discussions and set wage increases. The prime minister referred to a 30-percent rate. This number is modest in my opinion. It suffices to say that in the mid-seventies, the Egyptian pound bought
200 loaves of bread; now it buys only 20 loaves. I think that any economic reform, without dealing with inflation, will not be useful, and will achieve nothing. I can visualize a constant and worsening high level of prices, so long as the budget deficit grows at this dreadful rate. “In this chamber, the president referred to the fact that the balance of payments’ deficit was 7 billion yesterday, i.e., that during the next three years, we will have to borrow 20 billion. This will set us back in indebtedness to where we were before the debt installments. Furthermore, I do not know how we can allow exchange rates to be free and, at the same time, permit liberalization of imports. Both these things involve a very difficult decision which, ultimately, will be at the expense of the working classes.”

Writer Calls for Arab Renaissance
91AA0273A Cairo AL-AHRAM in Arabic 6 Mar 91 p 11

[Commentary by former Planning Minister Isma’il Sabri 'Abdallah in the “National Dialogue” column]

[Text] Now is the time for critical thinking, an assault against isolationist and introverted tendencies, and courage to discover new frameworks and tools for thinking, analysis, and the mobilization of the will to effect a national renaissance and build firm foundations for the future.

With a view toward this horizon, “National Dialogue” has called for the discussion and treatment of postwar problems and issues. We have received important contributions in this regard, and we will begin today by publishing an article by Dr. Isma’il Sabri 'Abdallah, who, in his letter to us a week ago, desired to emphasize that his article is the result of a long discussion with “well-informed Arabs,” and that he bears responsibility for its wording.

Today’s article poses new ideas and practical applications that can be discussed agreeably or disagreeably. Articles sent for publication in this column must not exceed 1,000 words.

1. The Arab terrain has quaked and has disgorged its treasures of the soil, whose fire continues to burn, its smoke obscuring the horizon and cutting off the oxygen. The blood covering the mounds of victims has not dried. Minds and hearts are being swept into a vortex. The lava rages within the earth, warning in dread of new catastrophes. We would not be able to say “so what,” if not for the banalities diverting our minds from the roots of the tragedy and the reality of the wounds. Our hearts were not inflamed by the fire of Lebanon and its blood. We were not alarmed by the eight-year war between Iraq and Iran and the human civilization which it destroyed. We paid no attention to the escalating oppression of rulers in Sudan and the disintegration of their authorities. We were not terrified by Palestinians killing each other. We disregarded the people of Somalia as they shed each other’s blood. We have viewed the causes of violence and terrorism as accidental matters that are not symptomatic of an ugly disease. We have disregarded the extermination of the Kurds with poison gases. We have remained silent about momentous incidents, such as the occupation of the Kaaba. Now, after the catastrophe, we Arabs have but two options: a) renewed self-destruction, responsibility for which we have not ceased placing on foreign parties, while ascribing to ourselves only past glories, real or imagined; b) a true renaissance, in which all Arab citizens join hands to establish, on the remnants and ruins, a modern Arab society whose mainstay is knowledge, whose substance is progress, whose warp is democracy and social justice, and whose firm foundation is comprehensive, continuous development.

Hence, we call for raising the Arab national flag high, so that it waves above present and future needs lists. Such lists must be removed from unity [as prescribed by a particular party, ruler, or military power], even if by force. They must reject the hamstringing sayings [typical] of the region and the inspirational leader, and other such things known in former periods. They must proclaim that Arab nationalism means only comprehensive, ongoing, equal, Arab development. Such development can endure and become rooted only within a framework of democracy, respect for Arab human rights, and the provision of a reasonable measure of social justice for citizens regardless of their category, country, or abode. We call on all Arabs to realize that a nation’s strength is now measured by scientific and technical advancement, sophisticated industrial capabilities, and its people’s belief that they are building an honorable present and a better future. The time has come for us to conceive of our strength as flowing from our tireless, creative efforts and to believe that we alone can build up our strength. This is what will put us on an equal footing in dealing with others and in resisting the despotism of a certain party, or the despotism of a certain ruler, or a particular military power. All of that is transitory and often fragile and scattered by the wind. On the contrary, we must view Arab nationalism and Arab unity as the problem of liberating Arab citizens everywhere from poverty, ignorance, sickness, and hatred, so that they can take their place in mankind in the next century as partners who give as much as they take. Our future lies solely in developing a market that embraces 200 million producers and consumers, a broad nation abounding in knowledgeable, competent people, and a large entity that
participates ably in the achievement of humanity's hopes and the management of the world community's affairs. The basis of the values system that must be our source and criterion for all that we do is clear: democracy, respect for human rights, and the consolidation of Arab human and natural resources in an unsparing effort to achieve rapid, comprehensive development in all countries to benefit all people, provide the necessary measure of social justice, and continually improve the living standard of the poorest citizens. Let our values derive from our needs, let our goal be to build our house, and let our struggle be a positive struggle to prove our fitness to survive rather than a negative struggle to oppose the conspiracies of enemies. What we have done to ourselves has frequently been more oppressive than what an adversary has done to us. Many more Arabs have been killed by Arab hands than by enemy bullets. We have destroyed many more of the landmarks of our civilization and basic constituents of our livelihoods than colonialism ever did over successive decades.

3. Therefore, we advocate a view of national security that is derived from this new thinking, which we view as the basis of security for our efforts regarding development, progress, know-how, and production. We also see in these same matters elements of true strength which are taken into account by people in today's world. We must come to the profound realization that international cooperation is increasingly becoming an effective means for achieving national security. After thousands of years of wars, nations have learned to distinguish between a difference of opinion or view, which does not undermine unity or split ranks, and a dispute over interests, regarding which the prevailing doctrine has come to be that such a dispute can be resolved through a balancing of interests rather than military forces. The world has also begun to distinguish between disputes that can be resolved through negotiations, and disputes requiring arbitration, or recourse to international judicial authorities to narrow the area of conflict and to caution against a military clash. Our call to combine development efforts in our homeland to create an Arab economic community can come alive and flourish only if we ourselves acquire the ability to coexist, despite differences, as well as the determination to overcome differences through dialogue, because what seems unsolvable today could be solved tomorrow. In addition, our renaissance efforts will not be harmonious unless we become resolved to cooperate with countries in the traditional neighborhood: Iran, Turkey, Ethiopia, and the countries of Southern Europe, based on an exchange of information and benefits. We must always remember that doubt is a sign of weakness and confidence is a characteristic of the strong.

4. We will not progress on the renaissance road that we are examining unless the Palestinian people can achieve self-determination and establish a state in Palestine under the leadership that it approves. Let our first duty be to employ the slogan of respect for international legitimacy and the right of peoples to independence in order to strike while the iron is hot to enjoin the granting of this opportunity to the people of the glorious uprising. Let us speak frankly in this regard. More than anyone, the Arab countries that supported international legitimacy during the invasion of Kuwait and helped to liberate Kuwait are currently seeking to give top priority to solving the problem of Palestine. With the same frankness, we maintain that the success of this effort is subject to the other Arab governments refraining from one-upmanship regarding what our people want with respect to the occupied land. The Arab countries' solidarity with the Palestinian people's demand for the establishment of an independent state is an essential condition for any progress on this path. We call on all Arab governments to take the initiative this time in putting forth a solution which secures the rights of the Palestinian people to the establishment of its state, and which defines the future framework of the Arabs' relations with Israel. Spare us waiting for foreign initiatives that are discussed, then accepted by some out of diffidence and rejected by others out of fear of being undone. The earnestness of the Arabs' solidarity with the people of martyrs and the unity, clarity, and resolve of the Arabs' position will make it possible to stimulate the mechanisms of international legitimacy and garner sympathy for those whom Israel mistreats daily. If we truly want peace in the Middle East to be an Arab issue above all, we must present a peace program that includes Israel's evacuation of the lands that it occupied in 1967, including the Golan Heights and East Jerusalem, and we must convince the world of the sincerity of our intentions and our commitment to what we seek in word and in deed without one-upmanship. Our success in this regard could be a major basis for movement toward Arab development and Arab security. In order for us to succeed, we must become rid of our past errors, which made it easy for Israel to continue its usurpation of the rights of Palestinians. The danger of a hollow threat here is no less than that of a separate peace.

5. Efforts on behalf of a state of Palestine must be paralleled by reconstruction efforts. The damage caused by the destruction was not limited to Kuwait and Iraq. Rather, in a broad sense, it entails a loss of resources that has damaged many Arab countries. Our conceptualization of reconstruction must not descend to the level of restoring something to its original form. Returning to the past is inconceivable here as well. Instead, reconstruction must truly be a broad, multifaceted development battle. Despite our abstinence from citing examples, we remind the Arabs that the reconstruction of Europe and Japan was the solid start of the economic, social, political, and scientific advancement that we are now seeing in Europe and Japan. Hence, we call on the Arabs, regardless of their countries of origin, to adopt a developmental view of the problem of reconstruction. We are now engaged in building entirely new foundations for the production of goods and services. In this regard, we must not leave Arab development to foreign companies based on the method of turnkey projects, as long as Arab development experts and economists have criticized it.
Everything that we rebuild must be incorporated within an Arab outlook. This outlook must be given prominence from the outset in reconstruction efforts, which must then give increasing prominence to Arab mental and physical effort. This great process should also serve as an opportunity for us to build and support scientific and technological research centers in the Arab homeland, which will inevitably result in the formation of large Arab construction organizations able to compete abroad. It is impermissible for combined Arab capabilities to be less significant than South Korea's capability in this regard. In addition, the reconstruction battle must not be viewed narrowly as an opportunity for one or another company to make a profit. Money alone does not produce development. Our true gain from development will be an increase in our productive, scientific, and technological capacities and the creation of systems capable of undertaking major Arab development projects, which establish the pillars of an Arab economic community and provide it with an economic base that is keen on the development of this community and the strengthening of ties within it, and that is able to curb the political mood swings of the rulers.

6. It is clear from the preceding that the desired Arab renaissance requires first and foremost the mobilization of efforts to stand resolutely against the phenomena of malice, collective revenge, and the eruption of anger between Arab peoples. A party to the tragic conflict in the Gulf disaster attempted to justify its position with Islamic arguments. Injustice has frequently been done to Islam. May we remind all of the parties of several verses from the noble Koran?

God states to the Arabs, who were disunited in pre-Islamic times by tribal chauvinism and the bloody acts of revenge of the tribes and subtribes: "And remember with gratitude Allah's favor on you; for ye were enemies and he joined your hearts" [Koran, 3:103]. He then describes the believers with his statement, and he is the best sayer, as: "Those who spend (freely), whether in prosperity, or in adversity; who restrain anger, and pardon (all) men" [Koran, 3:134].

We have spoke at length about the future. However, nations do not exist in a vacuum. Each nation has something in its heritage that is beneficial to develop. Our civilization places a high value on forgiveness from a position of strength, the rejection of malice, and the renunciation of divisive tribalism, as the Christians among us frequently invoke: "Glory be to God on high, and peace and joy for people on earth."

With forgiveness, love, tolerance, and solidarity, we can leap above the catastrophe and its destructive effects to create a second Arab renaissance. Otherwise, we will be divided, split, and consigned to oblivion.

We are not advocating a "conciliation" of the type in which Arab kings and heads of state meet to embrace while harboring doubts in their hearts, so that the diseases that are harming the Arab reality remain.

Rather, we desire a popular meeting of the widest scope that realizes the national will to create a new renaissance that imposes itself on the tangible reality of our masses, who are thirsting for freedom and justice and aspiring for an honorable life in a society that is constantly progressing.

The writer of this article is a prominent national thinker, a professor of political economy, a former planning minister, and the chairman of the Third World Club-Egypt.

ISRAEL

MK Landau Examines Possible Defense Pact With U.S.

91AE0338C Tel Aviv MA'ARIV in Hebrew 8 Mar 91 p 12

[Article by U. Landau: "A Defense Pact With the U.S.—Not at Any Cost"]

[Text] For the Israeli Left, which wants to give up Judea and Samaria for a signature on a page of a peace agreement, a new flash of brilliance: a strategic defense pact with the United States. That is, we would give up the "territories" and would receive security guarantees. And so, instead of the IDF [Israel Defense Forces] defending the state against infiltration to the east of its positions on the mountains of Judea and Samaria, which dominate the axes of attack rising out of the Jordan Valley—the pact would defend us, and the American guarantee would compensate for the loss of essential territories that are vital for the preservation of our very existence.

We already arranged a similar deal in 1957. Following the Qadesh Campaign, Israel retreated from the Sinai Peninsula only after the United States promised to guarantee free navigation through the Straits of Tiran. In 1967, only 10 years later, when the Egyptian ruler, Nasser, closed them off to Israeli ships, the government turned to the United States and requested that it fulfill its obligation. It is fitting that the American response be remembered: "We do not find our copy of the agreement."

From this one may learn that a pact has value only if the two sides have a constant and continual interest in its existence for the long term. If only one of the sides benefits from it and all of the burden is on the other, then it is a pact on paper alone that will fall apart during a time of trial. Whoever suggests "land for a pact" is saying that the American interest in such a pact is the Israeli concession of Judea and Samaria. The American signature on it is intended to serve as an incentive for the concession. But, from the moment that Israel concludes it, the American interest in the pact will disappear, and in a time of trial, the American foreign minister will not succeed in finding his copy of the agreement.
What could the long term American interest be? The Arab countries shudder within; they compete and fight with one another. The strong ones look with hostility upon the weak, as do the poor to the rich, and some of them have unprecedented quantities of weaponry and unconventional fighting means, which they would not hesitate to use. Add to this the Islamic fundamentalist trends and the Arab nationalism which are tearing them apart from within and which are outwardly hostile toward the West, and before you there is a wild, unstable East, where uncertainty is the only certainty.

The United States has a vital interest in maintaining the stability of the Middle East. Toward this goal, it is reasonable that it have an interest in a pact with democratic, strong, and loyal countries in the region. Such countries are in short supply in this part of the world, and there are only two: Israel and Turkey. The American interest in a pact with Israel could endure, on the condition that Israel would be a very strong country that could defend itself and could deter the aggression of the bordering Arab countries against it, or of one against its neighbor (as was the case, for example, in the Syria-Jordan war of 1970.)

Such an Israel would save the United States the need for maintaining substantial military forces in the eastern basin of the Mediterranean Sea and from intervening to a great extent in crises that would occur. This will happen only if the mountains of Judea and Samaria are in the hands of the IDF. Have them as key territories of Israel's strength, make them a key to the pact and its success, and without them it has no value. Whoever would concede them makes Israel easy prey for its enemies and puts an end to the pact's prospects.

Israel is likely to gain the advantages of political, economic, and military support from the pact. It would even reduce the threat of war, because of the increased danger that our enemies would take upon themselves, lest against their aggression they should find the United States. But it cannot be forgotten that in time of war, the Americans would not be able to help in an immediate and massive manner. They needed half a year to build up their forces in the Kuwait crisis.

And another disadvantage: a prominent pact is liable to too greatly limit Israel's freedom of action. For example, if it existed, we would not have bombed the nuclear reactor in Iraq.

Therefore, a pact, yes, but not at any cost. A less binding agreement would suit us, with strategic cooperation, according to which we would, indeed, take upon ourselves a series of obligations, but we would keep freedom of action in critical areas under our control.

In the Munich pact of 53 years ago, England and France forced Czechoslovakia to concede the Sodt (?!1) Mountains so essential to its security in exchange for guarantees for its peace. When Germany tore apart Czechoslovakia six months later, not one of them honored its obligation. Duff Cooper, the minister of colonies in Chamberlain's government, who foresaw the events, died the day after the agreement, and in his speech in the British parliament he said of it: "It is like giving a man a deathly blow and at the same time giving him a life insurance policy."

It is best that we use caution before those who propose to us life insurance in the Duff Cooper manner.

Ze'evi Appointment's Political Implications Profiled
91AE0329D Tel Aviv 'AL HAMISHMAR in Hebrew 8 Mar 91 p 14

[Article by 'Amiram Kohen]

[Text] One of the few successes that Saddam Husayn can claim to his credit in this war is Ze'evi. Saddam is out [as published], but the goat is in. In the last meeting of the government, Ze'evi demanded that residents of Judea, Samaria, and Gaza, who are being hunted and killed in Kuwait and the Gulf Emirates be prohibited from returning. His first statement as a minister in the government was: "The Arabs of Israel identify with Saddam Husayn as much as the Arabs of Judea, Samaria, and the Gaza Strip do." This was the new minister's contribution to the delicate situation in which the government of Israel functioned during the war. Ze'evi, who is unforgiving and unforgetting, launched that missile toward Minister Olmert, who, until recently, was the minister in charge of the Arab sector in Israel. Subsequently, as is his way, Ze'evi became enmeshed in denials: "I did not say 'all of the Arabs of Israel,' I said 'enough Arabs.'" Several months ago, Ze'evi was thrown into a similar incident, when, from the rostrum of the Knesset, he was heard saying: "One Jew is worth 1,000 Arabs." Subsequently, he denied making this statement, but the radio enjoyed rebroadcasting the original recording over and over, until Ze'evi was compelled to apologize, even in front of Yosi Sarid.

Are these statements more than a settling of old accounts with Olmert? Are they an indication that, as far as Ze'evi is concerned, his "transfer by consent," which is the ingenious transfiguration of "voluntary transfer," will not end with the Arabs of the territories? The expression "political contamination," which was coined by Benjamin Ze'ev Begin, is precisely applicable to this matter, even from a clinical standpoint, because contamination tends not to limit itself to a certain limb, but spreads and infects the entire system.

"Rehav'am Ze'evi's problem," a well-known psychologist tells me, "is that he does not recognize boundaries. Ze'evi behaves as one with no internal boundaries. A mature person establishes boundaries for himself, and he lives within the boundaries established by his superego. Ze'evi apparently does not have such boundaries, or his boundaries system is distorted."
Indeed, a lack of boundaries is a salient line running through Rehav'am Ze'evi's biography. Like others on the extreme right, he does not recognize the principle that politics is the art of the possible. Regarding his personal systems, he finds it very difficult to place a limit on friendship, even when his friends are on the list of the eleven heads of organized crime.

To do justice to the man, Ze'evi's loyalty to his friends is not always negative. After the conclusions of the Agranat Commission [of Inquiry regarding the 1973 War], Ze'evi was among the only officers in the IDF [Israel Defense Forces] who did not abandon Dadu [chief of staff David El'azar] during his time of distress. On the other hand, when someone lacking boundaries such as Ze'evi contends in politics, leads a party, is a cabinet minister, and sits on the ministerial committee for security affairs, the boundaries problem becomes a national problem.

He Refused To Submit to a Polygraph Test

At the beginning of the war, the Moledet movement published announcements in the press in which it called resolutely for an “overwhelming response.” This push for an “overwhelming response” reminds me of a brief story on Ze’evi published in the weekly KOTERET RASHIT and never denied. The story discloses that, at the height of the Yom Kippur War, Ze’evi recommended the use of a weapon known in public as non-conventional.

Ze’evi’s suggestions have not always been rejected. When he served in 1971 as the head of the central command, he recommended, and also carried out, the spraying of herbicides on fields of the village of A’qrabah in Samaria, whose residents had planted on state lands.

The inclusion of Member of Knesset [MK] Yosi Sarid on the “list of senior PLO members” is another example that makes one shudder. A “list” of senior PLO members and their places of birth was published in Moledet’s mouthpiece (the general manager, Beni Bentzur is the formal editor, but Ze’evi actually checks the content of what is written). The last person on this list was Yosi Sarid, Rehovot.” In Moledet, they tried to feign innocence, as if the list had been inserted without Ze’evi’s knowledge by some girl from Moledet’s youth movement. That reporter, Maryana Shapiro—who, in the view of MK Sprinzak [the head of Moledet’s Knesset faction], seriously embroiled the movement through this shameful gimmick—was not reprimanded, nor were measures taken against her.

The personal and public biography of Rehav’am Ze’evi, not just the famous story entitled “If Necessary, I Will Come,” is paved with the crossing of various boundaries and did not begin with the major general’s strange poultry yard. He did things others would not dare allow himself. Ze’evi was among the only one who became connected with those people, but he was the most prominent among them. When the income tax investigators raided the office of Betzal’el Mizrahi, Major General Ze’evi arrived at the site, reinforced by Major Generals ‘Orli and Tamir. Judge Shulamit Wallenstein, who presided in Mizrahi’s liable suit against HA’ARETZ, made very explicit remarks about this IDF presence. The presence of the other IDF officers, she stated, was intended to impress the income tax investigators and to help Mizrahi in a time of trouble.

Did Gandhi [Ze’evi’s nickname], Mizrahi, ‘Oshri, and Aharoni have more than a “friendship that crossed boundaries”? It is nearly certain that we will never know, because the police did not continue to investigate the matter, and Ze’evi refused a police offer to submit to a polygraph examination regarding his contacts with ‘Oshri, Aharoni, and other acquaintances.

From a Good MAPAI House

Lines that can be defined as “abnormal” began to emerge in Ze’evi’s personality at the district agricultural school at Giv’at Hashlosha, to which he was sent from his home in Jerusalem—a MAPAI [Israeli Workers Party] home—in the early forties. One of the stories from those days is an incident that resulted in Ze’evi’s expulsion from the school. Ze’evi, according to classmates, was a so-called “leader.” He got what he wanted, was admired, was followed through fire and water, and was the object of the hatred of more than a few who waited for a day of reckoning. Ze’evi, as his friends remember him, was a talented youth who did not devote excessive energy to his studies and frequently turned up in investigations of one or another incident. A charismatic youth, he served as the spokesman for the “good guys” regarding every matter. He was also a “strong youth, who knew how to respond to teachers and to respond with chutzpa,” according to a woman who was his classmate at the time.

A close friend relates: “We were a very close group there, very well-known names, now central personalities in Israeli society. We came to Giv’at Hashlosha as children of Histadrut [labor federation] activists who did not want their children to study in an urban gymnasium, which was then a symbol of degenerate, bourgeois education. We were what are called racists today, but there were other youths as well, children of the Tel Aviv elite, who were sent to a school at a kibbutz, because Tel Aviv was being bombed by the Italians. If we were to behave today as we did then, we would be sent for treatment or to a probation officer. Gandhi, to whom one could always turn for help provided you were his friend and obedient to him, crossed more red lines than any of us. All of us ‘pilfered,’ but the difference was that Gandhi was not satisfied with melons and turkeys from the poultry yard. He did things others would not dare allow themselves to do.

“There was one young man who was Gandhi’s bodyguard and personal servant, a boy from Tel Aviv named Papa. Gandhi made Papa his personal errand boy, and
this Papa performed all sorts of services and missions for him. The same Papa betrayed him. What does betrayal mean? Papa's conscience began to weigh on him and he reported Gandhi's exploits. Gandhi saw this as betrayal, which is inexcusable in a friend, and he could therefore not move on to the daily agenda. Gandhi's response was severe and humiliating. Gandhi punished him severely. This matter began to circulate among the members of the group, and there was a group meeting of the institution to discuss the incident which resulted in a decision to dismiss Gandhi from the school.

Is it justified that a reckoning come after 50 years for the transgressions of the youths of the silver tray period [a reference to the period of sacrifice, in which the state was "not given on a silver tray"]?

Perhaps not, but Ze'evi's history of not setting boundaries and reacting without restraint did not end with this episode. When Ehud Olmert hinted that Mizrahi was connected to organized crime, the friends of Mizrahi and Ze'evi invited him to a clarification meeting. Then, to eliminate misunderstandings, Ze'evi explained to Olmert that Betzal'el "Mizrahi would do anything for me and I would do anything for him." Those were the words he used. On that occasion, Mizrahi warned Olmert that if he did not retreat from his accusations, he would be devoured. When Olmert attempted to clarify to Mizrahi whether Mizrahi meant a law suit, Ze'evi interjected: "There are more effective ways." Pranks that were accepted as the capriciousness of youth during the training days of the Palmah [striking force of the Hagana Jewish defense organization during the British Mandate] assume a frightening form with respect to Ze'evi. One of them resulted in his dismissal from a training course for reconnaissance company commanders.

"A Rat in the DAVAR Editorial Board"

Me'ir Pa'il relates: "One day, I was summoned from my parent's house in Holon by a Palmah commander, Uri Brenner, who asked me to travel to Genegar Forest, where a reconnaissance company commanders course was being held, to see what was happening there. Brenner told me that the group there was engaged in some kind of rebellion against the course commander, a Hagana person named Moshe Oren. Oren had appointed two Hagana commanders to command two platoons in the course, and this appointment did not please Gandhi, who was already a famous scout in the Palmah. Nor did it please the other Palmah members. One night, Gandhi urinated inside the commander's tent. I told him to pack his bags on the spot and to go home."

When you move up the ladder of ranks, others do your bidding. The following is a story related to me by journalist Nahum Barnea'. When Barnea' wrote for DAVAR, he made delicacies out of what he saw during his service in the central command. He wrote a piece about the lioness, Ruti, whom Ze'evi, then head of the central command, had raised in a lion's lair, which is the name given to command headquarters by the major general. Barnea' described the "lion keepers," the soldiers who had been assigned to care for the lioness and her mate, who would give the royal couple a meal of meat that could sustain an IDF platoon. Barnea' also wrote about the head of the command, who would jump from a party to a pursuit, about the soldiers who served him in his home when he hosted guests, and about the biweekly meetings at the night clubs of the "men's group," which comprised a number of command staff officers, headed by the major general and the adjutant, Barukh Arbel, who subsequently became the head military police officer (discharged from the IDF as a result of corrupt acts).

That same night, after the publication of that piece in the newspaper, the telephone began to ring at the home of Mrs. Barnea', the journalist's mother: "You have a rat in the DAVAR editorial board," the harassers hummed initially. Subsequently, the anonymous callers improved, reporting to the mother (when her second son was lying in Tel-Hashomer Hospital, having been wounded severely in a terrorist ambush) that her journalist son had been injured in an accident, that he had been killed in an accident, and so on for the entire night. No one can say definitively who dispatched the harassers, but it is a fact that when the deputy chief of general staff, Yisra'el Tal, intervened, the harassment ceased.

In a particularly unflattering manner, Journalist Silvi Qeshet once described the new general's personality as a product of the victory albums of the Six-Day War. By chance, one of Ze'evi's friends saw the description. In no time, a package of excrement arrived at Qeshet's house.

Not only are Ze'evi's friends controversial, so is his military past. Tzviqa Kasa, who was a fighter in the Palmah platoon commanded by Ze'evi in the Battle of Zar'in, wrote an article in DAVAR, in which he charges that the company commander disappeared during the most critical moments: "The Arabs attacked us, there was hand-to-hand combat, we had many injuries, and our company commander was absent. He left us under fire and disappeared."

Eli Shim'on, who also fought in the same battle, accuses Ze'evi of unjustifiably underestimating the enemy: "The Arabs attacked them (Gandhi's platoon), and there was hand-to-hand combat. I neither saw nor heard Gandhi there. There was chaos. Afterwards, we were told that Gandhi was warned that Arabs had been heard in the field, and that they were preparing an ambush. His response was that "Arabs do not emerge from their holes at night."

 Confirmation of this version exists in the book "The Last Ones on the Ridge" by Yitzhak Tishler, who also fought in the same battle.

Ze'evi, in an angry letter to the editorial board of DAVAR, completely denied the story of his disappearance: "These remarks are a shameful lie." According to him, he earned a commendation for the Battle of Zar'in.
Failure in the Battle of Tel-Motila

Lest Ze'evi be wronged, he is not a coward in the personal sense. Tishler also testifies that Ze'evi was one of the bravest combatants known by the Palmah. In pursuits that he conducted, when he was the head of the central command, he displayed significant courage, although it was absolutely excessive in those circumstances. After a full battalion would seal off a cell of terrorists who had been captured in a cave, the head of the command would land in a helicopter, sometimes accompanied by civilian friends from the Tel Aviv branch. The "hunt" would then begin, and the major general would lead the pursuit personally. His problem, according to Me'ir Pa'il (and Ze'evi's apocalyptic recommendations in the Yom Kippur War bear this out) is his confusion and judgment errors. His days in the central command will not be forgotten because of a certain episode, perhaps marginal, but crucial to understanding Ze'evi's mind-set. Ze'evi, in an order that he issued throughout the central command, prohibited a NAHAL [Fighting Pioneer Youth] troupe from singing "Song of Peace" within the command's boundaries.

After the battle of Malkiyah, in which Ze'evi distinguished himself according to a version that was subsequently disseminated, he was assigned as an intelligence officer to the Yiftah Brigade, then as an intelligence officer to the northern command, and he was then sent to a battalion commander's course under Rabin's command. The report that Rabin wrote on him in his personal file—"individualist, thorough, quick and insightful comprehension, suitable for any position"—speaks of Rabin no less than Ze'evi. Despite this recommendation, Rabin always remained cautious regarding anything related to Ze'evi, even when he appointed him as his adviser on terror and intelligence subjects. At the beginning of the intifadah, Rabin politely refused Ze'evi's offer to be conscripted for three days, during which, according to Ze'evi's commitment, he would pacify Gaza.

Despite his combative character, beyond being a battalion commander, Ze'evi did not serve in a command position in the field. This little known fact is probably related to the famous Tel-Motila Battle, which the IDF does not often recount in its combat lore. Ze'evi, then the commander of Battalion 13 in the Golani, was assigned by Brigade Commander Me'ir Amit to command a battle in which the IDF lost 40 fighters when an entire brigade failed to dislodge 60 Syrians who had captured three hills in the demilitarized zone in Khorzim. Arye Tefer, a commander in Ze'evi's battalion at the time, charges that there was no brigade or battalion command in this battle. Military historian Uri Millstein writes: "In this battle, Ze'evi had at his disposal an entire Golani brigade. Using a communications apparatus, he commanded his forces remotely from the abandoned village of Zanjariyah."

Problems pertaining to judgment and comprehension of the limitations of force appear later in Ze'evi's military career. During the period of the reprisal operations, when he headed the operations staff in the general staff, he almost managed to entangle the state in a real scandal.

A well-known paratrooper, Jibli the Tiny, was captured by the Jordanians in Operation 'Azzun. Without obtaining permission from his superiors, Ze'evi devised a plan to kidnap two Jordanian officers to exchange for the prisoner. For that purpose, he painted an IDF jeep with the colors of the United Nations, and headed in it toward Jenin. The jeep was stopped at an IDF roadblock near Jenin, and the plan was disclosed to Dayan, chief of general staff at the time. Pinhas Lavon, then defense minister, demanded that Dayan dismiss Ze'evi immediately from the IDF. But Dayan, who was like Ze'evi in several respects, decided to be satisfied with a reprimand.

He Approved a "Tour" in Egypt for Sharon

It is difficult to understand how Ze'evi was excused for everything and managed to become the head of a command. Perhaps he did so by virtue of his ability to organize and his phenomenal staff. There is no doubt that, if the transfer comes, every truck driver will know his duty down to the last detail at all times and at every place. There will be no bottlenecks at the bridges [crossing the Jordan River] even if Gandhi dispatches 1,000 trucks per day.

Ze'evi has engaged in a competition with Sharon that has become popular in the IDF. Ze'evi, who once said: "Any hat suits me, especially a steel helmet," always met with Sharon wearing a steel helmet, while also wearing the beret of aid, chief of staff, and coordinator. Perhaps, this allows one to understand why Sharon succeeded in dragging him into that adventure at Mitla.

In Operation Qadesh, Ze'evi served as the southern command staff chief. On the day after Rafiul's battalion parachuted into Mitla, Sharon arrived there with the rest of the paratroop brigade. Dayan, the chief of general staff at the time, had explicitly ordered Sharon not to enter Egypt, because such an entry lacked military significance. Sharon, the chronic adventurist, was not reconciled with this order, and discovered a loophole in Ze'evi. Ze'evi, under pressure exerted by Sharon, approved a "tour" in Egypt for Sharon, and the results of this battle are remembered by us all. Following that episode, Dayan ordered the freezing of Ze'evi's advancement, and subsequent chiefs of general staff, Lasqov and Tzur, continued the freeze. It was Rabin, as chief of general staff, who saved Ze'evi from the freezer, appointing him deputy chief of the intelligence branch with the rank of major general.

During Moshe Levy's tenure as chief of general staff, Ze'evi had a renewed youth in the defense system, being appointed as advisor to the chief of general staff and as a member of the "thinking team" that Levy formed. One of the first things that the current chief of general staff, Dan Shomron, did was to order the completion of Ze'evi's duty.
Since Ze'evi's son became an observant Jew, a change has occurred in Ze'evi, and he now puts on phylacteries. He acknowledges to comrades from his Palmah days that he has become a believer. It is likely that this change has led to a change in the purposes of the transfer. He initially claimed that the need for a transfer is related to security. Recently, it has been written in the press that he was heard saying that the evacuation of the Arabs of Judea, Samaria, and Gaza is needed, so that "the land of Israel remains the inheritance of the people of Israel and only the people of Israel."

**Large Allocations From Chich**

According to a check made by the spokesman of the Tzomet faction in the Knesset, a certain yeshiva in Jerusalem, where Ze'evi's son studies, was initially allocated 25,000 shekels to which another 475,000 shekels were subsequently added. MK Tzidon of Tzomet attributes this change to Ze'evi's fateful vote in favor of the allocation, despite his remarks in the plenum, in which he claimed that the budget disregards the true needs of the state of Israel. Ze'evi denied this report categorically in YEDI'OT [AHARONOT] and claimed in response: "It is all simply a lie and fabrication."

In a modern state, a person such as Ze'evi would sit and write his memoirs or "sit" elsewhere after the publication of the transcript of the well-known telephone conversation entitled "If Necessary, I Will Come." In Israel, however, he was invited to consult regarding police and security affairs with Interior Minister Yosef Burg.

Consulting again, but not for long, because, in late 1981, Ze'evi was invited by Chich, who was his deputy in the central command, to manage the Ha'aretz Museum [the museum of the land]. However, this entailed more than administration: Chich bowed to Ze'evi's demands and appointed him chairman of the board as well. Chich has since continued over the years to submit to the whims and capriciousness of Ze'evi, who obtains everything from Chich, especially unbelievable allocations. Chich has also exempted him from soliciting contributions.

No one would dispute the fact that Ze'evi has turned the Ha'aretz Museum, whose name he changed to the "Land of Israel Museum," from a small, insignificant museum for archaeology into a large complex of buildings, collections, exhibitions, and events—all by means of his organizational ability, the ability to think on a large scale with which he has been graced, and the considerable budgetary assistance that he received from Chich. Museum employees testify that he became an exemplary boss, managed the institution efficiently and extremely economically, and provided a personal example by picking up any piece of paper thrown in the yard. However, as is the case throughout his entire public career, anything and everything that stood in his way either left or was made to leave. Among those who went are well-known archaeologists such as Me'ir Ben-Dov, Dr. Ya'agov Kaplan, his wife, Dr. Haya Kaplan, Dr. Benu Rotenberg, and others. The main claim of those who left is that, since Ze'evi entered the museum, scientific research work, which is an integral part of any museum's activity, was cut, and emphasis was placed on exhibitions and the "show." However, not everyone resigned for scientific reasons. The planetarium director, astronomer Hayim Mendelsohn, left for completely different reasons.

Mendelsohn relates: "An elderly woman, aged 72 and with heart disease, worked for me in the planetarium. Her job was to sell tickets and take orders for visits by schools. The museum has two entrances. One is above, on the ascent to Ramat Aviv, and the other is below, next to the planetarium. The woman had heart disease and it was difficult for her to walk. Therefore she had a key to the lower entrance, so that she would not have to walk, more than once a day, up the entire way from the bus stop, which is below. One day, they exchanged the gate for an electronic gate, but they did not give a key to the woman. I requested a key for her. They told me that they would not provide one because of security concerns. This angered me terribly, because, if the museum director enters with his car through this gate, why can not a woman with heart disease who arrives at work on the bus also be permitted to enter through this gate? I went with this to Gandhi, and his response was: If she cannot climb I do not need her at all, because I cannot transfer her to other work. To conceive of transferring a woman of 72 with heart disease? I saw that these discussions would not help and wrote a letter to the administration requesting a key. I waited and waited and did not receive a response. I decided that I was not willing to work at a museum in which rocks are preferred over human beings, and I resigned."

**Moledet as a Springboard**

Ze'evi did not stop crossing boundaries during his days at the museum, which he managed for nine, consecutive, scandalous years. Among other things, he gave an order to relocate a mosaic floor without obtaining permission from the antiquities branch; he demanded the right of veto over performances of the Kameri [chamber] Theater, which were supposed to be held in the museum auditorium; he canceled the film marathon because he was not disposed toward it; he gave an order to remove journalists from the museum's grounds (Ze'evi is one of the few politicians who has not accepted the rules of the game and settles accounts with journalists); and he canceled the exhibition of portraits of Zionist leaders because he could not consent to the exhibition of works that depicted leaders in a disrespectful manner, in his opinion of course.

Ze'evi also customarily held meetings of his movement at the museum. The meeting of the movement's directorship, in which he presented to members of the directorship the agreement that he signed with Shamir on his entry into the government, was held in his office at the museum.
Ze'evi is indeed not an archaeologist, but he certainly understands the history of the land of Israel. When history does not correspond to Ze'evi's theory; he did not permit exhibitions containing crosses, icons, and other finds that testify to a Christian presence in the region's history.

In 1988, he established, after many postponements. Moledet, and surprised all observers and pollsters by winning two mandates. Polls recently conducted by Moledet and published in the MABAT newspaper indicate that, if elections were held today, Moledet would obtain eight to nine mandates at the expense of the Likud and the religious parties.

Ze'evi, who has never done things in a small way, quoted these polls as an almost existential threat to Shamir, which, it is said in Moledet, is one of the reasons why Shamir accepted him in the government: "Shamir also heard the stories about Gandhi urinating into the commander's tent, and he prefers Gandhi urinating from the tent outward," it is said in Moledet.

What Shamir does not understand, but is feared in Moledet, is that, for Ze'evi, the movement is only a springboard, a heel. Ze'evi, they say, is not built to be a minister without portfolio, and the portfolio which Ze'evi believes he should hold is the premiership. Gandhi's plan, an activist tells me, is to enter as a brigade into the Likud, wait quietly for Shamir's retirement, then join a succession war. In the meantime, he will accept from Shamir police and internal security. Shamir will introduce him to neutralize Sharon, because Shamir will go to great lengths not to see Sharon in the premiership. Moledet, more than any other political movement in Israel, is the movement of a single person. Ze'evi appoints, Ze'evi dismisses, Ze'evi approves. Like the emperor of Rome, Caligula, (who appointed his horse as a consul), Ze'evi's personal driver for years, Beni Bentzur, has become the director general of the movement. There are friends who testified that Bentzur said that he would even follow Gandhi to the left. Ze'evi passed over them dozens of faithful, devoted activists when he appointed Avi Sheyn, a MAPAM [United Workers Party] activist in the past, as the coordinator of the planning branch and the secretary of the Tel Aviv district, after only a brief, personal conversation. Also, the movement's spokesmen are replaced at a rate that is unknown in any other party, sometimes only with several hours' warning. Ze'evi appoints, Ze'evi dismisses, Ze'evi does not justify, Ze'evi is not required to provide explanations. Among those who have been dismissed: Efi Malkhi'an; Sara Gal, who was an undisputed professional; and Sara Barqai, an aid to MK Ya'ir Sprinzak, who attempted to bring Sprinzak's voice to the media from time to time. Recently, Kinneret Simhi was dismissed after only three months.

All Decisions Made Unanimously by Ze'evi

A typical story concerns how the movement's directorship was elected. Ze'evi came to the movement's secretariat, which he appointed, and presented a recommendation. The members of the secretariat were asked—Ze'evi always asks—whether they had additional names, and Ze'evi made note of their recommendations. After a discussion with himself, he brought his decision before the secretariat. In this way, the 30 members of the directorship were appointed.

In general, votes in Moledet are an unacceptable procedure. If there is an issue, they discuss it and weigh it. Ze'evi then announces his decision to the secretariat. The current joke in Moledet, which was heard from a well-known lawyer and a member of the directorship: "All of our decisions are made unanimously, by Ze'evi."

How did a secretariat of ten members become a secretariat of five members? This is a similar story. One day, Ze'evi decided that a secretariat of ten members is inflated, awkward, and a waste of time, and that a five-member secretariat would be preferable. Ze'evi convened the secretariat, announced that this would be its last meeting, because it was necessary to change the structure, and presented the new secretariat which he had selected. It occurred to no one that the directorship's approval was perhaps needed for such a change. Under Ze'evi's system, the directorship is notified of such a change, so that its members will know who must come to meetings and who will direct what—and that is final.

As stated, Moledet has a directorship with some 30 members and a secretariat comprising five members (the chairman of the movement, Ze'evi; the general director, Beni Bentzur; the head of the planning branch, Avi Sheyn; the head of the youth branch, Barukh Havaqin; and the treasurer, Efi Matityahu), but all of these personalities lack any real influence over Ze'evi. It is whispered in Moledet that the personality in the movement that has an influence on Ze'evi, a kind of secret adviser, is children's author Galila Ron-Peder. The latter, whose inexhaustible books abound in infectious, fat, colorful humanism, strives greatly to conceal her very active involvement in the transfer movement and her membership in the movement's directorate. It is rumored in Moledet, that Ze'evi is designating her number two for the next elections if Moledet runs in 1992, because Ze'evi has already taken out a contract on MK Sprinzak.

Before the last elections, Ze'evi burrowed on the extreme right to find "names" at whom "honest" voters would not turn up their noses. In this way, he reached Dr. Ya'ir Sprinzak, a renowned chemist from the Weizmann Institute and the son of the first chairman of the Knesset, Yosef Sprinzak. Sprinzak, who has a MAPAI pedigree, and who currently serves as the head of the [Moledet] faction in the Knesset, has attempted to gain independence [from Ze'evi] a number of times. Therefore, from Ze'evi's standpoint, he is already finished. Sprinzak,
whose divisions total his loyal aid, Sara Barqai, is aware that he has nothing to lose, and he wages containment battles with Ze'evi from time to time. These battles, which occur in meetings of the directorship, are described in Moledet as being between a snake and an elderly but experienced doe. Sprinzak manages from time to time to get in a painful kick against Ze'evi, from which Sprinzak derives much enjoyment, to the point where Ze'evi once lost his equilibrium and told him: "I am better than you in everything. Perhaps you know more than me in chemistry."

Number three on the list, 'Akhsa Gara', is not an activist and has no influence with Ze'evi. Ze'evi does not consult much. However, he listens to the opinions of a number of people. He consults with Yuval Ne'eman, and he admires 'Uzi Landau, Tzahi Hanegbi, and Mikha'el Eytan—people connected to the land of Israel front. He talks disparagingly of Ge'ula Kohen, and he laughs at Raful.

The Moledet family also includes Ze'evi's son, Palmah, who is the coordinator of the movement's branch in Kfar Tabor, and Ze'evi's wife, Ya'el. Ya'el Ze'evi is a dominating woman whom senior members of Moledet fear, and she is intensely involved in movement activities. Though not a member of the secretariat, she used to appear at its meetings and no one said a word. Ze'evi himself put an end to this, finally telling her to simply leave.

Rank and file activists emphasize the personal example that Ze'evi sets for them. He requires of himself what he requires of you. In the Ari'el march, he carried a 15-kg flag the entire way.

**To Circulate, Be Seen, and Give Speeches**

Before entering the government, Ze'evi's activity focused in three areas:

1. To circulate, be seen, and deliver speeches to the masses, and he also knows how to talk to unruly crowds, in places where terrorist incidents have occurred. The murder of Kahana, for example, left open to him the entire arena, because Tefiya leader Yuval Ne'eman is an intellectual who lacks charisma and is not disposed to making speeches in the market, and Raful, the head of Tzomet, abhors these incitement marches and is also perceived among the "people" as anti-religious. Gandhi Does Not Scream

Ze'evi's home houses one of the most important libraries regarding topics related to the land of Israel. He goes to his library to prove that the transfer idea is an integral part of the labor movement's legacy and is only a continuation of the doctrine of Berel, Usishkin, Tebenkin, and Yig'al Alon. Ze'evi argues that Zionism is actually the history of 100 years of a tireless attempt to expel the Arab residents from Israel. Anyone can find supportive passages in the so-called "labor movement legacy" just as one can lean on the Bible. And Ze'evi indeed has found several shaky foundations for this falsehood. It is true that a good many in the labor movement at one time mentioned the idea of a transfer. But it is a lie and distortion to say that transfer is the meaning, essence, and doctrine of the labor movement.

Tebenkin for example, whom Ze'evi remembers as a supporter of the transfer idea, stated in this regard no more and no less: "The Eviction (transfer) proposed to us ("Devarim [Remarks]," Volume 2, pages 322-323) as a way out of the embarrassment of the Arab question would be a barbarous, immoral idea if it is carried out with force and violence.... We must not lay, as a foundation of our political outlook, the uprooting of 700,000 Arabs from their villages and cities.... They will not move from here willingly—will we remove them against their will?"

Even Ze'evi does not speak of "against their will." The current formulation is [transfer] "by consent." He was once asked whether they will consent.

"They will consent," Ze'evi responded.

**[Box on p 14]**

Gandhi Does Not Scream

One of the people who served under Ze'evi explains the secret of the fear Ze'evi instills in his people or the charm that he has over them: "Gandhi never screams. Have you heard a snake scream? He has abundant self-control. He looks at you and says: 'I heard.' This 'I heard' can freeze an oven.

He is not violent, he does not scream. Nor does he reprimand. Have you ever seen a razor blade reprimand? It cuts. He speaks with you for five minutes, and you feel like in an X-ray picture. He can make you wretched with his smile.
“He is a professional. Let us assume that this pencil must be moved from here to there. He analyzes the problem like an engineering problem and describes the difficulties. He calls the appropriate engineering officer to receive advice, and he calls the appropriate transportation officer to obtain the means. He presents the problem to them analytically, so that he will receive the most correct advice. But he makes the decision by himself. He knows how to take the good from each one. In work, his efficiency is amazing. He is a work horse. I know Ariq [Sharon] and I know Gandhi. Gandhi is much more dangerous. If Ariq is a lion, Gandhi is a viper. You can defend yourself against a lion. A viper strikes from behind.

Locked on the Target

“Personally, he is modest, nothing ostentatious, no jingling of the rich. His home is pictures of the land of Israel, maps, archeology. He really loves, in his way, the land of Israel. He is genuine. He cannot be bought. Because of that, he is so dangerous. Sharon would concede Nablus for the premiership. Gandhi is a man who is locked on his target, and no Patriot will intercept him. If he is given power, there will also be a transfer.”

And what is the situation until the Six-Day War in 1967? Did the divided country then bring about peace, a Palestinian state, a settlement for refugees and negotiations with us?

Peace for land (the formula of the U.S. President) is not a formula for peace, but for Israel’s struggle under conditions of strategic-operational inferiority and perhaps, God forbid, total elimination. Israel is willing to conduct negotiations for peace with Arab countries. The first among them is Saudi Arabia, with which it is possible to conduct negotiations on scientific-technological cooperation and, of course, on good, neighborly relations. The only principles for conducting such negotiations with the rest of the Arab countries must be: that peace will be achieved only through negotiations with sovereign states, and without preconditions.

And the PLO—which will it have to do?

The PLO is a terrorist organization with one goal—to inherit the State of Israel and to impose gangs of terror and murder upon its land. All of this, of course, if the Arab world enables them to have self-rule, a matter which, to date, it has refrained from granting them in any form and in any place. We do not need to conduct negotiations with the PLO, because we have nothing to discuss with them, and there is no chance of reaching a compromise on the continued, proper existence of the State of Israel.

And, since we are on the topic of the PLO and the Palestinians, it must be understood that the Arab world has no reason to agree to elections that propose the peace plan of 1989, so that those elected would conduct negotiations with Israel on autonomy, which would supposedly free Israel from a burden and a heavy security threat. Therefore, instead of elections in the territories, it would be better for us to grant the Arabs of the Land of Israel freedom of movement in the socioeconomic realm. We, on our part, would increase the dependence of the Arabs in the territories on the Israeli economy, while reducing our dependence on cheap manpower from there.

MK Eytan on Land for Peace Formula, Water

91AE0338A Tel Aviv MA’ARIV in Hebrew 14 Mar 91 p 12

[Article by R. Eytan: “Desert Storm—the Political Campaign”]

[Text] With the end of the military campaign, Desert Storm, the political campaign begins. The strengthened United States is starting to propose ideas in solution of the Arab-Israeli conflict: land for peace.

The first question is, is the current Israeli Government bound to the policies of the unity government, which brought about the peace initiative of May 1989, and what are the borders that will procure us security and survival, when the regimes surrounding us are unstable, dictatorial, aggressive, and revolutionary. The unequivocal response is that the current borders of the Land of Israel, including the Golan Heights, grant Israel control over essential axes of movement and over water sources, which are the necessary minimum to ensure our security and our continued survival.

Hence, the answer to those demanding a Palestinian state is unequivocal: a Palestinian state within the territory of the Land of Israel is a formula for the liquidation of the Zionist enterprise, the Jewish people and the State of Israel. And such a state outside of the borders of the Land of Israel—where would it be established? In Jordan? In the Sinai?

What was the situation until the Six-Day War in 1967? Did the divided country then bring about peace, a Palestinian state, a settlement for refugees and negotiations with us?
The alternative is not war, because our capacity to deter exists and cannot be undermined. Even a peace agreement, as I have said in the past, is not a guarantee against war—to wit, the Middle East since 1948, to wit the relationship between Arab countries themselves and between them and the State of Israel.

Part of our capacity to deter is connected to demographics. Since the start of the great emigration from the Soviet Union and Ethiopia, we do not hear of any more fears on the topic of demographics. This blessed immigration, with all of its problems, will enable us to renew the settlement drive, will not let foreigners dominate the national lands and will wipe out any Arab hope of triumphing over Zionism and the state.

We now need, toward a new Middle East, a change in the system of government and an organizational revision in the national economy. We must act with vigor in the realm of propaganda, which constitutes a great stimulus both internally and externally. We must take advantage of the different elements of propaganda for our effort. The Arabs succeed in using it everywhere to their advantage.

The Gulf War again brings to forefront the struggle between the rich world and the poor world. The rich countries, which demand economic strength and a standard of living, will make resources available in abundance for the Middle East—for Israel, Jordan, and the Sinai. Directing the resources to development channels will contribute to a rise in the standard of living, will reduce the chances for violent struggles, and will blow a breath of life into this complicated and dangerous region.

The countries that can help with this are the United States, Japan, and Germany, by promising the developed world the energy that it needs by developing new water sources, primarily through the splendid desalination plants, thus decreasing the distress.

Unproductive talks will not contribute to a solution and to cooperation between countries of the region as much as joint actions to protect the water sources.

**Shortage of Arabic Speakers in Intelligence Corps Noted**

91AE0348A Tel Aviv BAMAHANE in Hebrew
13 Mar 91 p 15

[Article by Yo'av Kaspi]

[Text] "The educational system has to make the study of Arabic a required subject in high school," this is the call of Lieutenant Colonel T., head of the monitoring branch of the Intelligence Corps. "Intelligence tasks are becoming more and more difficult, partly because of the enemy’s growing sophistication. While the demands grow, the level of Arabic knowledge among youth is dropping. Already today, the number of young people graduating from high school who have learned Arabic does not meet our needs. If the Prime Minister or the Minister of Education, as part of the lessons of this war, does not change Arabic studies to a required subject, we will soon be helpless."

The Intelligence Corps is forced to contend not only with problems of quantity, but also of quality. "The level of the Arabic of an outstanding graduate in the Oriental Studies program does not meet our needs. That graduate has to go through additional training. The level of Arabic needed to listen and translate a text like a speech by Saddam Husayn lasting 25 minutes is not the level acquired today in the schools. This is because in every country a different dialect of Arabic is spoken."

Until now, the network of monitors relied partly on older people for whom Arabic was the mother tongue. But from year to year, there are fewer of these people. A simple song, three minutes long, can take someone who did not learn the language in the home as much as half an hour to translate. "For some tasks we prefer," says Lt. Col. T., "someone who learned Arabic in the home, who did not learn the language in school, to someone who has studied five semesters.

The Intelligence Corps has top priority today in classification of women. Because the classification of most tasks for women is done concurrently, the Intelligence Corps is given the right to reserve those women in whom it is interested.

The greatest problem is clearly with the men designated for the Intelligence Corps. The Intelligence Corps is third priority ("and so it must be," emphasizes T.) after aviation (and special units), and infantry units.

"As long as the educational system avoids making Arabic a required subject in high school," claims T., "intelligence will have to struggle with the problem." In the framework of actions taken to overcome the low quality of speakers of Arabic, everyone who arrives at the Intelligence Corps is given a long training course, lasting sometimes as much as six months, usually in the form of a pre-military course.

In the Intelligence Corps it is believed that we are speaking of a national dilemma. "Language," Lt. Col. T. maintains, "is part of the mentality which surrounds us. In order to be a partner to talk with them, you must first of all know that mentality, those patterns of behavior. The entire defense system needs more and more Arabic speakers. The administrative staff in the territories, for example.

In the meantime, the Intelligence Corps is forced to assist the educational system, by training as many female teachers of Arabic as are needed; by providing pre-military courses; projects for Gadna (Youth Corps) specializing in Middle East Studies; and more. "A phenomenon like this does not exist anywhere else. If there were a shortage of math teachers today, nobody would expect the Army to train them," T. sums up.
Budget Deficit Said Preventing Influx of Capital
91AE0338D Tel Aviv MA'ARIV in Hebrew 27 Mar 91 p B1

[Article by O. Shorer: “Professor Ya’aqov Frankel, One of the Candidates for the Office of Governor of the Bank of Israel: 'The Country’s Great Budget Deficit Will Drive Away Investors’]"

[Text] "The deficit level of the State of Israel’s budget will drive away investors and will prevent the flow of foreign capital if the government does not take steps toward cutting expenditures that are not directly related to immigration,” Professor Ya’aqov Frankel, head of the research division of the International Currency Fund and the head economic adviser of the fund, warned yesterday.

Professor Ya’aqov Frankel, one of the minister of the treasury’s candidates for the Office of Governor of the Bank of Israel, appeared yesterday within the framework of the Program for Public Policy, held at the Sapir Center for Development adjacent to the university in Tel Aviv. He compared today’s customary economic thinking in the governmental system to a man who wants to go east but, to do so, starts walking westward.

He called for bringing flexibility to the labor market to prevent turbulence. He recommended the establishment of an economic system that works competitively and expressed support for exposing the economy to competition from abroad. “Only in this way will it be possible to create a climate that will induce capital to flow into Israel.”

"There is no way to bring about growth and absorption-immigration without the help of foreign markets. In this connection, we cannot currently expect the flow of capital from other countries. They suffer today from problems related to their budgets. Therefore, the competition must be in the private market, and the competition is considerable. There is only one path that the private market appreciates— incentives. For this purpose, we must create a reliable system in which there are not too many questions about the future, a stable, macroeconomic system with a very, very clear budget structure.

Bank Le’umi Chairman Moshe Zanbar said that the structure of union deals must be changed in the economy.

Instead of an agreement leaning in the direction of the Histadrut, a deal should be approved that would be based on mutual concessions of the different sectors for the good of the economy, in order to create jobs.

Zanbar said that the central question before the government is, what level of profitability in the economy can be guaranteed in order to draw investors into Israel en force.

The time has passed for a debate over a real devaluation of one sort or another. He called for establishing a clear policy of devaluation for the long term, and not a policy of ambivalence according to public pressure.

Japanese Investments Reportedly Opening Up
91AE0338E Tel Aviv YEDIOT AHARONOT in Hebrew (Financial Supplement) 15 Mar 91 pp 1, 4

[Article by S. Plotsker: “The Japanese are Coming”]

[Text] The Japanese are about to break the ban on investments in the Israeli economy. Although there could always be a last-minute withdrawal, the Japanese willingness to conduct open dealings with Israeli companies—and the bank on its side is large, even very large—will be soon revealed.

They are talking, albeit in whispers, about three projects. Each one—knock on wood—is heavy-weight.

A. One of the three largest banks in Japan (which is one of the three largest banks in the world, all of which are Japanese; according to certain estimates, this is even the largest bank in the world) and one of the three largest banks in Israel agreed to the establishment of a joint corporation for the financing of trade and investments. After extended negotiations, which were troublesome and even explosive, a very short contract was signed in the honored style of Japanese business. The joint corporation will not operate secretly. Just the opposite: it will be publicly advertised, openly and proudly.

Thus, it will be announced to the entire world that the subsidiary of a giant Japanese bank entered a partnership with a subsidiary of an Israeli bank. This will be the first open investment of the Japanese banking industry in dealings in Israel.

The joint corporation will deal with financing international trade, primarily in the Far East, including the Soviet Far East. Lumber from Siberian steppes for the neighborhoods in Ashqelon, through Japanese financing.

B. The special fund for investments in the Middle East, which the Japanese Government established during the course of the Gulf war, together with Israeli, Turkish, and British components, to finance the importation of water from Turkey to Israel. We are speaking of a breathtaking plan, which, in the future, is likely, to solve the water shortage in Israel.

Good, flowing water is abundant in Turkey. Good, flowing money is abundant in Japan. The Israeli-Jewish initiative binds the two.

The Japanese, as is known, drew more than a little criticism in the United States for their hesitation in supporting Operation Desert Storm with their full economic strength. Finally, the parliament in Tokyo authorized an additional, special appropriation of $9 billion to cover the costs and damages of the war in the Gulf. The distribution of the funds has still not been finalized, but it is clear that generous portions of it will be made available to finance a development plan in the Middle
East. The Industrial Development Corporation of the

Japanese industrial association is interested in pro-

motting, within the framework of this appropriation, the

“water for peace” project—finding a solution for the

water shortage in our region.

The plan has two phases. In the first phase, Israel would

import water from Turkey by means of giant tankers. This

will be relatively expensive water, with no technical

and practical difficulty to transport.

In the second, truly interesting, phase, the sea transport

of the water will be accomplished using giant balloons

made from a special plastic, called “medosas.” Each

such “medosa” will be capable of transporting a million

cubes of water. It will be tugged by sea from the coasts of

Turkey to the coasts of Israel. In time, a permanent

tugging line will be established, a sort of floating canal of

fresh water between Turkey and Israel. Even the resi-
dents of the territories, the Gaza Strip and the Kingdom

of Jordan could benefit from this water.

The person who was especially enthusiastic about this

project is Baron Edmond de Rothschild of London. The

Baron viewed himself as an international coordinator for

the entire “water for peace” project and is granting his

name and prestige for the practical realization of this

plan. He is very active with the Turkish authorities. In

Israel, the man who oversees everything is Doron Levi, a

businessman with a hand in everything—importing

food, communications licensing, representation of Japa-
nese banks and companies, and closeness to the Baron

Edmond de Rothschild. He is also a partner in a serious

British investment company.

The amount needed for investment, including, among

other things, the final development of the “medosas,”
hovers around one billion dollars. This does not startle

the Japanese—just the opposite. The Japanese are con-

vinced that water will be all too rare a resource in the

world of the twenty-first century, and, therefore, they are

willing to invest a great deal of money today in order to

examine means of transporting and storing water, and

[conducting] international trade dealing with water.

Yes, international trade—one fine day, write the Japa-
nese, a water exchange will be established in Osaka,

Japan, just as there is an oil exchange, and there it will be

possible to buy and sell millions of cubes of water of
different quality, for supply any place in the world, at

any desired time, for the appropriate price, of course. As

will be determined on the free water market.

With their eyes on the future, the Japanese want to jump

into the water.

So do the Turks. The water export project is likely to put

hundreds of millions of dollars of foreign currency into

the Turkish treasury, while, at this time, this water is

simply being wasted. The Turkish prime minister is

personally interested in the deal, since behind him there

is also a large, well-known Turkish company. One of
decisive meetings on the subject, with more distin-
guished participation, is said to be taking place in

Istanbul already in the coming days.

And what is Israel’s part? First of all, the Government of

Israel is prepared to issue a letter to the project initiators,
stating that they are prepared to purchase a very large

quantity of water at a reasonable price. Second, the same

Israeli bank mentioned as a partner with a Japanese

bank for the finance corporation was chosen with the project

initiators. And the giant Japanese bank will also, appar-
tently, be in on it.

Sound fantastic? A most reliable Israeli source who is

involved in the project told me yesterday: even if you

reduce its scope by one-third, this is still an operation

that kindles the imagination, and it is not impossible.

C. And if these were not enough, the Japanese Agency

for International Cooperation is likely to announce, within a

few days, the financing of research that will examine the

worthiness of the water canal, the same canal between

the Mediterranean Sea and the Dead Sea whose digging

was stopped a few years ago, almost immediately after it

commenced, because of the decline in oil prices and a

lack of resources. The Japanese who looked at the area

think that there is something to such a canal after all.

Welcome to the Holy Land.

MK Eytan Blames Citrus Growers for Water

Problems

91AE0338B Tel Aviv MA’ARIV in Hebrew 27 Mar 91

p B2

[Article by A. Freil: “Minister of Agriculture: The

Farmers are to Blame for the Destruction of the Water

Economy, and They Will Pay for It”]

[Text] “The Citrus Marketing Board should have been

dismantled 20 years ago, so that you, the citrus growers,

would not be getting the scraps. The farmers are respon-
sible, to a large extent, for the destruction of the water

economy, and you will pay for it. Soon, you will be

drawing salt water from your wells,” said Minister of

Agriculture Rafa’el Eytan yesterday at an emergency

meeting of citrus growers, which was held at the Agri-
cultural Center in Tel Aviv.

The words of the minister of agriculture, which were

spoken in reply to citrus growers from all over the

country, were accompanied by shouting, accusations,

and punches, despite a plea from some of the speakers to

revoke the decision to dismantle the Citrus Marketing

Board.

Some of the speakers, who spoke against the destruction

of the branch “and turning the farmers into creatures

with little human semblance,” announced that they

would not heed the directive to cut the water quota and

declared that “they would not leave the trees thirsty,
even if policemen are stationed around each tree.” In a
Manpower Branch Chief Major General Ran Goren said that "you, Raful, have just drawn a gun and made us all lie down. No orderly exporting, no organized marketing on the domestic market, and if you want to dry out my orchard, write out a $5,000 check for every dunam that will be eradicated."

The minister of agriculture announced that the entire cost of dismantling the Citrus Marketing Board would be at the expense of the Treasury "and not out of the pockets of the citrus growers," and that in another one or two days they would reach a decision in the matter of the level of compensation to the farmers for the loss of income due to the cut in the water quota.

The minister said that "a million immigrants are more important than the orchards. By shouting and demonstrations you will not solve the water crisis and you will not change the water balance. Ten years ago, the Board exported 900,000 tons of citrus, and this year, barely 450,000 tons. This fiasco should have been stopped a long time ago."

Ya'ir Kaplan, executive committee chairman of the board (being dismantled), said that "the Citrus Marketing Board has no right to exist on the current scale," and announced that by the end of this April, the citrus growers would receive all payments due to them.

He revealed that 23 legal claims were filed against the Board and that "our goal is to end this season in the best possible way."

Education in High-Tech Fields Criticized

Great importance is attached to the skills brought by a technical school graduate to the IDF. Because of the length of service, three years for men and two years for women, training in a technical profession during military service reduces the period during which a real benefit can be obtained from a soldier's expertise. The more prepared the soldier comes, the more useful the soldier can be in contributing to the IDF's strength. However, technical education is not responding to the IDF's needs. The last five years have seen a decline in the number of students in technological tracks in secondary education. Despite the growing needs in the fields of electronics and electricity, the proportion of students in these two areas has increased by only 1 percent in the past five years.

The number of conscripts has increased because of the increase in the size of cohort groups. This increase will be dramatic starting in 1992, when young immigrants will begin to be conscripted. The quality of the manpower in the IDF has increased. If 42 percent of a cohort group completed high school in the seventies, at the end of the nineties [sic], the proportion of high school graduates stands at 84 percent. In other words: The number of high school graduates has doubled within a ten-year period. However, the growth in the technical manpower array in the IDF has not kept pace with growth in other areas: If, in the last five years, the proportion of manpower in compulsory service grew by 12.6 percent and in the combat array by 19 percent, the technical manpower array grew by only 11.6 percent. The general quality of the manpower in the IDF is improving. In combat units, which are not composed of volunteers, such as the Golani and Giv'ati brigades, 67
percent of the combatants are in the officer's quality group [as determined by indices].

Because of the importance of personnel with technical education in the combat array, the IDF transfers, each year, about 1,500 such soldiers from the technical array to the combat array. However, this number is lower than the number of persons with a technical education who were directed, based on their own desire, to combat units. In the past, the IDF transferred 2,000 graduates each year from the technical array to the combat array. The shortening of service for women is likely to threaten the quality of their service. Fewer women can be inserted into technical positions, because it is not worthwhile to invest resources in their training. The IDF is not satisfied with the training that technical education graduates receive in the technical schools. Therefore, it upgrades this training through suitable instruction for 25 percent of all technical education graduates who meet its quality requirements. To respond to the growing technological needs within the combat array, the IDF intends to direct a growing number of graduates of its academic reserve [students whose military service is deferred until the completion of their studies in fields that will benefit the Army in the future] into positions in the combat array.

The reform that has been conducted by the Education Ministry regarding technical education in recent years is acceptable to the IDF. This reform is shifting emphasis in technical education from practical work and specific expertise to a broad, basic, technological education. However, the reform requires the IDF to expand the number of courses that it gives to graduates of technical high schools at the expense of service. At present, the IDF is engaged in developing a quality group (indices for quality groups) in the technical field as well.

In summary, states Maj. Gen. Ran Goren, the IDF's recommendation to the Education Ministry and to the technical education authorities is to move in the following directions: increase the number of students in technological tracks, but not at the expense of their professional level; reinforce curricula pertaining to electronics, electricity, transport, and mechanics; subsidize technological education; construct good laboratories; and develop pre-military boarding schools.

Maj. Gen. Goren directed his remarks to the "who's who" of the educational system, from Education Minister Zevulun Hammer to the heads of the vocational authorities (ORT [Organization for Rehabilitation through Training], 'Amal, and 'Amit). In his benediction for the attendees at the conference, Minister Hammer expressed his support for the continued development and promotion of scientific-technological education. Prior to the conference, the education minister toured an air base as the guest of the Manpower Branch, the Ordinance Corps, and the Air Force.

Auto Market Said Recovering

91AE0329C Tel Aviv 'AL HAMISHMAR in Hebrew
12 Mar 91 p 11

[Article by Ayyal Segev]

[Text] The automobile market has recently returned to an almost full volume of activity. New cars, especially Japanese cars, are selling at a rate similar to the rate that existed just before the Gulf war, and sales of some Japanese cars, which comprise about 70 percent of new car sales, are exceeding prewar volumes.

Car dealerships have been surprised by the strength of the turnaround. On Friday, immediately after President Bush announced a cessation in fighting, people began to go to dealerships. They were interested and even bought. On Friday and subsequently, sales in many dealerships returned to normal.

The renewed wave of purchases has a number of explanations. First, there is a lag of a month regarding purchases of new vehicles. In January, a 45-percent decline in the sale of new cars was recorded: 4,100 cars were sold in January, compared to 7,220 cars in December 1990. February's sales were also far from their peak: Only 4,760 new cars were sold, which is 20 percent more than in January, but still 24 percent less than what was sold in February 1990. The automobile market is now seeking to overcome this lag.

Another reason for the recovery in sales was the fear, which proved to be justified, of a devaluation. People hurried to dealerships to purchase what was in stock. People also sought to lock in prices regarding vehicles scheduled for delivery at a later time.

A third reason for the recovery was the discount sales held by a number of importers. Opal and Peugeot announced an 8,000-shekel price reduction on new, expensive models and a 1,500-shekel reduction on inexpensive models. Renault announced a reduction of over 3,000 shekels in the price of Renault-19 models, and the public is buying.

Of course, one must not ignore the recovery that has occurred in the used car market, which is also a reliable indication of renewed sales of new cars. The past two weeks has seen a large demand for used cars, which began before the end of the fighting. As a result, prices increased by 3 to 5 percent relative to prices during the war. Even American cars, whose prices in the new automobile market declined, increased in the used car market, as reported by vehicle appraiser Levi Yitzhaq, the "guru" of the used car market.

As stated, the recovery in the new car market is being enjoyed primarily by importers of Japanese and American cars.

At Subaru, it is said that sales have returned to prewar volumes, after a decline of more than 50 percent during the war. Now, the sales floor is filled and sales have
returned to a rate of more than 100 cars per day. Delivery is being carried out regularly and the public is continuing to buy.

Regarding Mitsubishi, it is said that the recovery has exceeded the prewar situation. The manager of the dealership, Moshe Nagel, states that sales grew by about 10 percent in recent days, compared to before the war. This means that about 60 cars per day are being sold, compared to 50 just before the war. At the start of the war, sales dropped by about 50 percent. A 2,000-car shipment is about to arrive, which will include the Galant 2-liter, a new model in Israel. All 25 such cars in the shipment have already been sold. The price fluctuates between 72,000 to 85,000 shekels, depending on the accessories. There will also be an automatic Galant 1.6-liter, also new to Israel, priced at 57,000 shekels.

Regarding Daihatsu, the manager of the dealership, Ya'el Unger, reports that sales have returned to prewar volumes. She has a problem of a shortage in her inventory of Charade autos (the smallest). If there were cars, they would sell more. There are more Aflauz models (1.6-liter engine), but only at the highest level of accessories, and these have been snatched up. They hope to overcome the inventory problem by the end of the month, at which time they expect an increase in sales. They are currently selling between 30 and 35 cars per day.

Honda's sales have returned to almost the same rate that existed before the war, says dealership manager Joe Bahat. Buyers are mainly taking what is in stock. The Honda Accord models are the most expensive in his inventory and delivery is within a week. The more popular Civic is being sold for delivery only in April. The sales rate is 20 to 25 cars per day. The agency is responding.

Regarding Suzuki, sales have returned to what they were on the eve of the war. Next week, a consignment of 400 cars is arriving.

The American car market is the story of the war. The lowering of duties on these cars and the start of the importation of models corresponding to the Pontiac Tempest by the Hamizrah Company and the Chevrolet Corsica by Leo Goldberg (both of which are General Motors cars) have produced a revolution in the cars driven by Israel's managers. People prefer to acquire these cars, which have 3.1-liter shah [as published] engines, over European cars with 2-liter engines, which, in most cases, are more expensive. Also, during the war, these American cars were sold while other dealerships were empty.

Within several days, Leo Goldberg sold all 34 of the cars that it had been imported to Israel. The price: 84,500 shekels. Leo Goldberg is now trying to advance the delivery of additional cars. The delivery period for orders placed now is May-June. People are ordering. Money is apparently not a problem. More optimistic, the Hamizrah Company ordered more cars. They have already sold 200. Another 100 will be delivered soon. Buyers will have to wait until June for the rest.

A less popular model, also from the United States, the Geo Prism (which is no more than a Toyota Corolla under a General Motors label), was recently reduced in price by about 3,000 shekels, but it is still expensive, about 57,000 shekels. Less than 100 of these cars have been sold. In the European car market, the situation is not as good. However, even before the war, European car importers had problems. Importers who hold reduction sales are still selling something. Others are indeed experiencing a recovery, but have not actually recovered.

For example, it is said that Fiat's sales rate has returned to 70 percent of the prewar level. Fiat is not reducing its prices.

By contrast, Renault has returned to its prewar situation. The Renault 19 was reduced in price by 3,000 shekels, and there is a new model, the Renault Cleo, which is the descendant of the Renault 5. The dealership hopes that the current sales rate will continue in the coming days.

There have been almost no sales of Volkswagens, Audis, and Siats [as published]. The manager of the dealership, Isaiah Chatziq, reported interest and telephone calls, but sales have been weak. Last week, the company began a 10-percent discount sale. The results: Sales began to increase. The public simply likes to buy "bargains." At the same time, a significant growth in the sales of commercial vehicles was felt.

Regarding Opal, there was a price reduction sale, which produced interest and sales. There are cars in stock, but there is no panic [buying], and the situation is still not what it was before the war.

Regarding Peugeot and Citroen [situran], there is still no real recovery in sales, despite Peugeot's reductions (between 1,500 and 8,000 shekels). There is great interest, and sales have increased somewhat but have yet to return to their prewar level.

Regarding Ford, Fiestas, Scorpios, and cruisers [sayyarot] are in stock. There are no Escorts. The waiting period is about three months. However, sales are weak, mainly because of price.

Rules for Land Acquisitions Described

[Interview with land acquisition expert Shmu'el Eynav, by HA'ARETZ correspondent Gide'on Alon; place and date not given]

TA2204094891A Tel Aviv HA'ARETZ
in Hebrew21 Apr 91 p 2

[Text]

[Alon] A resident of the village of Kifl Haris in the territories, who appealed to the Supreme Court with a
request that development activities be halted at the Revava settlement, claims that the land was acquired from him deceitfully. Has it been your experience that deceitful acts take place in land acquisitions from Arabs in the territories?

[Eynav] I cannot say that there were no instances of deceit, but generally, since the explosion five years ago of the affair called the “land robberies” by the press, there has been very tight supervision by the Ministry of Justice and the elements involved have been very cautious. Evidence of the explosion of the lands affair was the disorder; lands were customarily bought by registration on pieces of paper, which represented an opening for corruption and deceit. Since then, the rules have been changed and new arrangements have been made. I do not believe that there is deceit.

[Alon] If so, why are the residents of Kifl Haris claiming that the land redemption fund tricked them?

[Eynav] I have been involved in these matters for many years. The Arab residents of the territories who sold their lands to the Jews always denied it afterwards—because of Arab elements that threatened them with banishment, excommunication, and even death.

Since the intifadah, this problem has been greatly enhanced. I will give you an actual example: A few months ago, one of the committees for the registration of lands in the Tabu discovered the name of a landseller in the Modi'in area. The man was a mukhtar in the village of Na'al'in. Forty-eight hours after his name was discovered, he was eliminated.

I do not believe that the land redemption fund, headed by professionals and whose lawyer is Moshe Glick, one of the best professionals in the area of lands over the Green Line, would take a step that was not 100 percent legal. They cannot allow themselves this.

[Alon] If their lives are threatened and they are prohibited from selling their lands to Jews, why do they sell?

[Eynav] Basically, they are pitiful. They are caught between the hammer and the anvil. They sell lands because they need the money and cannot withstand the financial attraction. These are lands that, under Jordanian rule, were worth 3 dinars per dunam. Now, they are offered 3,000 dinars per dunam. It is important to emphasize that they do not sell plantation lands or any other land that will yield fruit, but generally only uncultivated lands.

[Alon] Is every Israeli citizen permitted to deal in land acquisition from Arab residents of the territories or are there regulations on the matter?

[Eynav] There are very tough rules. There are Tabu committees and instructions and orders. In reality, nobody can acquire land from Arabs of the territories, unless a “work permit” is received and, afterward, a permit for the implementation of the deal. Today, private people do not receive permits for this, but only companies. Once, until the rules were changed, these permits were given to any Jew who requested one. In recent years, the matter has been under very tight supervision.

[Alon] How many Israeli land dealers work in the territories today?

[Eynav] I estimate that it is possible to count the number of representative firms working in this area on one hand. Even I, who worked in this area for more than 15 years, was not given a license, but I decided not to fight it. It is possible that, if I had appealed to the Supreme Court, I would have received a license, but I decided to leave this line of work.

[Alon] Are you aware of cases in which Arab landowners were compelled to sell their lands because of threats?

[Eynav] It is hard to believe that Arabs sold their lands because of threats against them because they are permitted to complain to the Civil Administration if someone tries to threaten them or asks them to do something against their will.

You must also know that any Arab landowner who feels he is being cheated or threatened into making a deal turns to an Arab lawyer without even paying him—because all these lawyers who receive powers of attorney go to Jordan to get funding for legal representation for an appeal to the Supreme Court.

JORDAN

End to “Arab Myth,” West’s “Savagery” Discussed

91AE0337D Amman JORDAN TIMES in English 2 Mar 91 p 4

[Editorial by Kamal S. Abu Jabir]

[Text] One of the most important, and perhaps terrible lessons that the world should learn from the 1990-91 Gulf crisis is that one should only depend on oneself and on oneself alone. The crisis shattered many myths, some on the international and others on the regional level. The most sobering and telling are those exploded myths on the regional level: The myth of Arab and the myth of Islamic brotherhood and solidarity. When the chips were down, Iraq was left alone to grapple with forces way beyond its means not only militarily but politically and otherwise as well. For exactly 210 days between 1 Aug 1990 and 28 Feb 1991 when finally the ceasefire was arranged, Iraq was left in a death struggle all alone. Neither Arab nor Islamic sentiment nor neighborliness moved anyone; no nation with very few exceptions, notably Jordan, was willing to even utter a word. Arab and Islamic silence was both roaring and deathly.

Iraq should have withdrawn from Kuwait immediately after it invaded it. We in Jordan kept hammering on this point while also pleading that there were other ways to
achieve this withdrawal without destroying Iraq. Before anyone else, we became aware of the trap that Iraq was being led into and we warned: We warned Arabs and Muslims on both sides of the western divide. As if hypnotised, neither we nor anyone else were able to stop moving in the direction of the trap. The plan was too clever, too comprehensive and so well laid out, its execution was not only bold but almost barbaric in its surgical operation: certainly without anaesthesia and definitely without mercy.

My Circassian friend warned, “never depend on your friend when you wish to fight with the bear.” How true. For, when the struggle began, the ranks of the onlookers, cheerers-on and bookies swelled, while those who earlier gave encouragement became strangely silent. Iraq, a country about the size of the state of California and with a population of about 16.7 million people stood alone against the 30 countries of the so-called alliance with a population totalling about 950 million. Militarily other nations, in addition to those in the alliance contributed, one way or another, to the attack against Iraq. The United States, Britain and France, all members of the United Nations Security Council were in on the kill while the Soviet Union and China suddenly became law abiding and mushroomed into full-fledged democracies fighting for the United Nations charter and the application of international law. Never in the history of man have stranger bedfellows come together. And in the meanwhile Shamir, happy with the results is smiling.

And why not? For Shamir got someone else to do his “smiting” for him while still someone else who is supposed to be on the other side was paying for it. Truly the Lord works in mysterious ways.

The age of the new international disorder is upon us brought about by the western culture of violence whose coin and currency is the use of force. Colonialism, indeed the arrogant imperial mentality has not left the world: the western world. What happened since the end of the Second World War is not the liberation of the “wretched masses” of humanity as Franz Fanon put it, but the maintenance of colonialism by other means. In the jargon of Third World intelligencia, the phenomenon is referred to as Neo-Colonialism. What it really means, for those in the “know,” is that the pink faces simply transferred their soldiers from bases in the area to ships and troop carriers in the seas around it, or simply to bases in their home countries always ready to strike at us at the least provocation.

If the west is, or appears now, a friend to some of us, it is at best a very dangerous one, and it is certainly lethal. This is the reality of the world in which we live now and it seems also the shape of the world to come. Who is next on the hit list? Who in the area looks like he stands on his feet?

That is the shape of the world to come: the so-called new world order which is really nothing but the old order made uglier. The mask has dropped and a new energy has been released on the world. We have to live with it; we have to learn to cope with it, contain it and tame and humanise it if possible. For the Zionised West may be efficient technologically and in the industry of death, but still in need of taming that wild and violent strain in it; that return to the savage nature revealed at the least provocation. And we must brace ourselves as the job may take generations. Since the advent of the Protestant movement, and its latter-day wedding to the capitalist and the industrial revolutions, the Zionists have succeeded in awakening the most primitive and aggressive traits in the human nature of the west. That is the true meaning of converting western civilisation to the so-called Judeo-Christian, civilisation. We have a hard and difficult task ahead of us and we must go about it methodically and with patience. Like an amoral mischievous child, his spirit inflated with hatred by Zionism, the west is playing with over-sized toys of mass destruction: our destruction. Somehow we must counter that call to the wild in the western heart and believe in the possibility of teaching it that there are limits to the use of force. The west knows how to live in war and our challenge will be how to teach it to live with peace.

KUWAIT

Editorials Consider Future of Expatriate Palestinians

Domestic Political Concerns Discussed

91AE0309A London SAWT AL-KUWAYT AL-DUWALI in Arabic 12 Mar 91 p 13

[Article by Khalil Haydar: “Palestinians in Kuwait: Kuwaiti Perspective”]

[Text] This article containing a Kuwaiti perspective on the issue of Palestinians in Kuwait was written by Khalil Haydar in response to an article published by the newspaper AL-KHALIJ on the same topic and signed by Hamdan. SAWT AL-KUWAYT publishes both articles to clarify the facts.

On 9 March 1991, the esteemed newspaper AL-KHALIJ published an article in its Trends section written by Hamdan under the headline: “Palestinians in Kuwait: File Needing Closure Quickly,” which with all due respect, I find to be written in a conciliatory spirit that really misses the most important lessons to be learned from this crisis by Palestinians, Kuwaitis, and all other Arabs. As I attempt to present these observations, I have nothing but appreciation for the writer’s fervent desire to turn this page and see harmony return to Arab relations. Everyone shares these noble feelings with the writer. Yet all Arabs are called upon to take an objective look at the Palestinian role during the crisis of Kuwaiti occupation, free of demagoguery, auctioneering, and bidmaking, so these mistakes will never happen again. Such a review is the first step related to the writer’s insistence that a political, social, and media effort is needed “to open a firm fresh new page in Arab popular relations; for
without this, talk of a new Arab order with a stable base is simply nonsense.” To avoid overextending this introduction for the reader, we begin with these observations:

Neither the Palestinian people nor their leadership were overly naive politically on August 2, 1990, and later. Palestinians have been directly involved in political interaction, decisions, promises, wars, and leaders ever since the Balfour Declaration of 1917. They have half a century of political expertise and a lot of political sediment around them, including the pro-Hitler Germany bias of Jerusalem’s mufti Shaykh Amin al-Husayni against the allies, as well as mistaken policy practices in Jordan, Lebanon, and elsewhere. No one claims that the Palestinian is a blameless angel, or that his leadership is always right, but why did the average Palestinian and his leadership choose to turn their backs on this tremendous volume of recognized expertise which is documented, for example, in the very books of Fatah leaders?

In his memoirs, Abu ‘Iyad says the following: “We concluded alliances with Arab regimes, considering them to be strategic, only to later discover after having paid the price that we were extremely exposed, forcing us to swallow severe disappointments and unexpected failures.” Indeed, Abu ‘Iyad condemns the action undertaken by Shaykh al-Hajj Amin al-Husayni in allying with Hitler’s Germany for “committing thereby a mistake which we all condemn in the strongest terms possible.” Therefore, it can never be said that the Palestinian position of wide support for Saddam Husayn, the concept of “linkage” between the two occupations, and expanded military, patriotic, and national potential for Iraq sprung from insufficient political experience. And if the average Palestinian was guided by a Samson-like feeling of despair and nothingness, this was not, or at least it should not have been, the position of the leadership.

Let us suppose that a segment of the Palestinians, both leadership and rank and file, was naive, dreaming, or hasty. This is perfectly natural. What happened subsequent to August 2, however, was a broad-scale Palestinian bias among the leadership and rank and file in favor of Iraq. This bias on behalf of Iraq included the “rightist” leadership, represented by Fatah, and the leftist leadership, represented by the Popular Democratic Front (PDFLP). The Islamic trend was soon swept along with them, especially after the Jordanian fundamentalists demanded sworn allegiance to Saddam Husayn as the Caliph of the Muslims, receiving favorable responses from trends in Sudan and Algeria. Even if a Kuwaiti nationalist or progressive were able to swallow the secularist position of the Palestinian fronts, how could he understand the position of Palestinian and Jordanian religious trends which are the bitterest ideological enemies of the Ba’th party and the secular nationalist movement in general? Why have Palestinian Islamic [militants] who for more than half a century opposed “progressive nationalism,” Sati al-Husri, Michel Aflaq, and the “plots” of the Christians in the Arab world, suddenly decided to fight in the same trench with Tariq ‘Aziz, George Habash, Nayif Hawatmah, the general members of the Iraqi party, and the nationalist leadership. The Islamic movement in Palestine and Jordan (as well as elsewhere) presented itself as the alternative to liberal, nationalist, and leftist trends, and here it is miserably failing to avoid their mistakes.

More than any other Arab people, the Palestinians know and feel the meaning of occupation and loss of a homeland. So why were broad sections of them supportive and enthusiastic about Iraq’s designs and the annexation of Kuwait?

Hamdan correctly says: “National and moral practice required from the outset support of the right of the Kuwaiti people to regain their homeland. The minimum required of PLO leadership was that it openly, directly, and through Arab effort, demand Iraqi withdrawal from Kuwait.” He adds: “This is not simply a principled, moral, national stand in harmony with Arab and international legitimacy, but before all else a stand involving the immediate interests of the Palestinian cause, and would certainly have led to crowning its achievements in the arena of international legitimacy, at least, and would not have undermined its relations and those of the Palestinian people with the Arabs.” This precisely summarizes the calamitous Palestinian error committed when the leadership and rank and file forgot that their homeland is occupied and that they are demanding the right of self-determination, neither for Iraqis, nor Kuwaitis, nor indeed, for Palestinians.

It does not help the Palestinians very much in this regard to say that they were not supporting the occupation of Kuwait, but Iraq’s stance against Israel. Even were such a claim true, no official or popular political Palestinian effort of any kind was made to show it. Indeed, there was clear Palestinian determination to avoid any action or statement that would separate the Palestinian stance from that of Iraq. There is no doubt that a number of Palestinians, how many we do not know, opposed the annexation and were against blindly following Iraqi expansionist policy. But a political situation always demands that positions be openly declared. As for disavowal in one’s heart, fine; God will punish the believer for it ten times over on judgement day.

Some say it was just the Palestinian leadership that took the side of Iraq, while the Palestinian people distanced themselves from such support. There is undeniably some truth to this. Moreover, Palestinian leadership and the bureaucratic and repressive agencies with which it has surrounded itself have driven many away. The Palestinian people, too, with their great experience and the many intellectuals among them are capable of distinguishing between positions, but let us not forget that the Palestinians are also insisting that the PLO, with its moderate, radical, nationalist, and religious tendencies is the sole official spokesman on their behalf. When we say to some of those defending the PLO that they were not
democratically elected, they respond: "Who elected the rest of the ruling bodies in the Arab world?"

Unquestionably, that is a well-founded and silencing response, but it is more useful in depicting the crisis of democracy in the Arab world than in dressing the wound of the public Palestinian position.

When we put aside ordinary Palestinians and the complications and conditions of the PLO, another no less responsible body within the Palestinians appears before us, namely the intellectuals.

Palestinians are rightfully proud of having the highest percentage of intellectuals. We do not want to argue about this; the Palestinian contribution to culture, education, and management is clear to observers everywhere. But where were they during this grinding crisis that lasted many long months and destroyed incalculable Palestinian moral and material gains?

What is the leadership value of Palestinian men and women intellectuals if they are just employees or vassals of the Palestinian administrative bureaucracy, indeed when they are either silent or surging within the ranks of the drum beaters and fife players?

As we look at the Palestinian intellectual, we have the right to ask some perplexing questions:

1. Since 1967 specifically, there has been an Arab consensus of condemnation of dictatorial, military, and absolutist regimes. There has been a common demand within intellectual circles for democracy, strengthening human rights, and widening the base of popular participation in directing the affairs of the Arab world. The question is how can the Palestinian intellectual, a leader in this field, turn his back on all these principles and stand in support or sympathy with international, absolutist, dictatorial policies that have no laudable bearing on human rights?

2. How could the Palestinian intellectual imagine that a backward agricultural country like Iraq could be capable of defeating an international coalition composed of the finest Western technological formations, the wealth of Europe, America, and the Gulf, and an unprecedented string of UN resolutions that were clear, firm, decisive, and adopted with rare international consensus?

3. Perhaps the Palestinians were recalling the Vietnam experience, but how could they have forgotten the end of the Cold War, tremendous transformations in the direction of Western liberalism within the Soviet Union, and the end of the socialist experiment within Eastern Europe? Was it rational that after having condemned Iraq's occupation of Kuwait, Russia would find Iraq dearer than Poland, more valuable than Hungary, and more important than Czechoslovakia and East Germany in the Soviet balance?

4. How did the intellectuals imagine that Iraq would be capable of inflicting defeat on the United States, Britain, France, Egypt, Syria, and the Gulf countries, and then sweep with its vast armies to open a western front against Israel?

5. Even had Iraq been capable of doing all of this, and results have proven it was not, was it not incumbent on the Palestinian intellectual, be he an Islamic [militant] or secularist, to search his conscience somewhat before rushing off in support of this destructive adventure?

For 40 years, Palestinians in Kuwait have made an undeniable contribution to building and development. Along with other Arab brethren, they did the majority of the heavy work in all the service fields. If during this grinding crisis they had stood firmly as a group in defiance of occupation, we would all have a different view.

Personally, I am not a defender of preinvasion Kuwait's laws concerning residency, naturalization, and rent, and I sincerely hope that all of them will be amended. No one denies that these laws were a source of discontent for many Palestinians, Arabs, and non-Arabs. But on the other hand there was never a "Black September" between the Kuwaitis and the Palestinians, for example, or any similar battle. Kuwait was perhaps not heaven for all Palestinians, but neither was it hell for the majority of them. There is neither strength nor favor for anyone in this fact, for the men and girls of the Palestinian people worked with great dedication, were active in many fields, and a single one of them would often work at more than one vocation while enduring unbearable conditions and pressures.

What really pained Kuwaitis was that the Palestinians punished them more harshly than they believe they deserved, and that they abandoned them at a crucial hour of awesome trial unparalleled in Arab history. Not satisfied with this, they rose to applaud the occupying army with enthusiasm. Some, or many, of them cooperated with it, while the Palestinian leadership cheered and applauded "Great Iraq" and demanded that the fate of Kuwait be "linked" with that of Palestine.

Had Iraq been more just or democratic than Kuwait, had job opportunities under occupation been better, or had the currency been stronger when converted, we would have found some excuse for their stance, particularly since Palestinian sources put their losses at nearly $14 billion during the occupation, while rich Palestinians have lost a large portion of their wealth, shops, and investment opportunities.

Yet all of these moral and material losses failed to deter Palestinians, within Kuwait and abroad, from applauding Saddam Husayn or to force the PLO and the Islamic [militants] to reconsider their calculations. Then came the use of Palestinian wings and fronts with party links to Iraq, rabble-rousing in the Jordanian street, and resounding resolutions from Jordan's parliament, all flowing into Iraq's grist mill, cheering aggression. As can only be expected, this left painful wounds in relations between the Kuwaiti and Palestinian peoples, within
Kuwait and abroad. As a popular adage puts it: “any fool can throw a stone in a well, while even 50 rational men will be confused as to how to extract it.”

Had the Iraqi invasion been just another familiar international political military occupation, or had the Iraqi army that entered Kuwait on August 2, 1990, been an occupation force that respected sanctity, security of life and property, and law, perhaps it would have been easier for Kuwaitis and they would have found it easier to forgive the Palestinian position. But this invasion, as the Palestinians themselves were to come to know and today know even better, was a barbaric attack and an armed assault wetting the brow of every Arab, Palestinian, and Iraqi of honor. What happened during this period constitutes boundless and indescribable political and material devastation. History shows that Israeli behavior in 1948 and 1967 does not begin to compare to the excessively evil and vindictive behavior of Iraq, particularly as Iraqis are an Arab Muslim people and Kuwait’s neighbor. Kuwait always stood with Iraq, even in the blackest hours of the Iraq-Iran War, to say nothing of the ties of kinship and marriage that bind many families. No, by the Lord of the Ka’bah, Israel’s practices in all of its wars with it could not commit such revolting crimes and violations as those Iraq’s army used to sully its reputation in Kuwait. English or French colonialism could not possibly have done what the Iraqis did in Kuwait. The French colonized Algeria for 130 years; the English stayed in Egypt nearly half a century or more; yet neither treated the country and its believers in the manner of Kuwait’s invaders of summer 1990.

Who among us or the Palestinians could envision Iraqi patience with a “Kuwaiti intifadah” of the kind the Israelis have shown the Palestinians for several years? Indeed, is there a single Arab army with such restraint for virtually endless opposition, stone-throwing, demonstrations, and strikes? What Arab army ever used plastic bullets, even just for propaganda purposes?

Such despotic behavior and criminal acts accompanied the invaders until the very last when they destroyed shops, kidnapped worshipers, and set fire to the oil wells, probably to make the Kuwaitis poor. In this way social justice between the rich and the poor will be achieved in the Arab world! And now, who among us believes, for example, that were the Jews forced to withdraw from the West Bank, they would kidnap Palestinians and uproot the olive trees?

For all of these reasons, and because the armed Iraqi assault on Kuwait was a terrible and unparalleled act which neither the Kuwaitis nor any other people deserve, the Palestinian stance on Iraq’s side, for whatever reasons, was a painful slap taken in amazement by every Kuwaiti that will last for many years to come. When comparing Kuwait’s occupation with that of Palestine, every Kuwaiti envied Palestinians for the presence of the press, television cameramen, Israel’s Peace Now movement, flourishing Palestinian commercial establishments filled with goods, phones that worked, Arab newspapers being published, and leftist and opposition voices that openly stood up for Palestinian rights without anyone trying to dissolve them in acid or carry out a plot to assassinate them.

Here also, the Kuwaiti asked himself and others: “Do our Palestinian brothers not see the difference? Have they neither eyes to see nor the brains to figure this out?”

For many years we have supported the Palestinian cause financially and through the media. No Kuwaiti ever made a speech at a gathering on politics, education, economics, law, medicine, petroleum, or anything else without referring to the injustice befalling the Palestinians and demanding that they be heard and that their crisis be resolved. Indeed, the Kuwaiti press was more fanatical about Palestine than the PLO itself, while Kuwaiti political currents and the National Assembly were among those who accused Palestinian leadership of seeking a truce with the Israeli enemy and selling out the cause.

So why then did the Palestinians fail to speak a single word openly on our behalf when the disaster of the Iraqi invasion took place? Why were all Palestinian pens, fronts, syndicates, and popular associations silent regarding our tragedy?

What if Saddam had won the mother of battles? Would the Palestinian leadership and the rank and file have felt the sorrow they feel today?

Finally, we come to a point that needs addressing separately: “Why did the world take such an impassioned stand on the liberation of Kuwait and not act similarly with respect to liberating Palestine?” I do not wish to detail here the differences between the two issues, nor to address the factors that hastened the liberation of Kuwait; I will speak to that in the days ahead. However, along with brother Hamdan, I say: “The Palestinian leadership has the right to criticize this double standard and to demand similar treatment for the Palestinian issue, but not on the precept that if international legitimacy neglects me, it must neglect my brother, or on the precept that legitimacy must be just with me and my brother, or else unjust to both.”

The strongest factor that engaged the world in the Kuwait tragedy was not oil or the simple act of invasion, but its inhumanity for all inhabitants, the unwise, unjustified, open collision with world norms, and the many illicit and thoughtless policies, to Kuwait’s good fortune, practiced by Iraqi forces, and from which no Kuwaiti, Arab, or foreigner was safe. The Iraqis provoked every nation of the world against themselves for no reason, exposing themselves to the hatred of the simplest of people in the Philippines, Bangladesh, Egypt, Europe, the United States, and almost everywhere. To the misfortune of the Palestinians, such stupidity was not committed by Jewish leaders or the “Israeli Defense Army.” Indeed, the Israeli court has yet to issue a death sentence against a single Palestinian despite the increase in resistance activities. Compare this with the brutish practices
of the Arab Iraqi army, shooting young people behind the skull, raping women, looting stores, and piling up women's underwear.

Once again, one is amazed at why Palestinians failed to see these things, why they close their eyes to Iraqi occupation practices in Kuwait, yet open them wide to occupation policy in the Palestinian West Bank? In closing, we want to emphasize that the Kuwaitis were not at fault if the entire world sympathized with them in this manner. We want the Palestinian issue to receive a just settlement soon. We have no interest in its continuance. The Kuwaiti government, contrary to several other Arab governments, has never once traded in the Palestinian cause or used it to achieve a balance within the parliament, the army, or the ruling body.

But in our view, the Palestinian leadership and rank and file have committed a political mistake that is both serious and sorrowing. Certainly, many Palestinians do not deserve the results of that mistake. No one consulted them before falling into it. But an important part of the tragedy of the Palestinian people is that it has always been incapable of preventing the repetition of such a tragedy.

Finally, I add my voice to that of the article's writer demanding that the Kuwaiti government be the nation of law and justice it always was, and that it avoid generalization and the use of collective punishment. I have every confidence it will not charge the Palestinian people with the mistakes of its leadership, and will hold responsible only the wrongdoers, the transgressors, and those who cooperated with the invaders.

The Palestinian people will still have to hold themselves accountable... and their leadership!

Critical Perspective Offered

91AE0309B London SAWT AL-KUWAIT AL-DUWALI in Arabic 12 Mar 91 p 13

[Article by Hamdan originally published in AL-KHALIJ; place and date not given; “File Needing Closure Quickly”]

[Text] We admit to much hesitation before taking up the subject of Palestinians in Kuwait because it is thorny, sensitive, subject to misunderstanding, and unappreciated by all concerned parties.

We felt that, although delving into this subject would complicate it, it would return to normal size within a few days, particularly after the legitimate government returned to Kuwait and announced publicly that it would deal justly with everyone, Kuwaitis and residents alike, that everyone would be responsible for his behavior, and that those suspected of harming Kuwait and its people would be held accountable through the courts.

However, this issue began to snowball due to statements and actions of certain Palestinian officials which reached the point of requesting United Nations and foreign intervention, and due to certain agitated Kuwaiti individuals who did not realize that the opinions and remarks they were expressing to media correspondents would be broadcast worldwide, or that there were those who would pick them up and use them to develop analyses believed to express the position of all Kuwaitis and their government, just as many considered the stands and statements of the Palestinian leadership which stood with the Iraqi regime to express the views of the entire Palestinian people.

In view of these developments and attempts to use the “issue” outside its area and field, an objective pause is needed based on the following facts:

1. It is improper and impermissible to speak of “Palestinians in Kuwait” as a monolith having the same attitudes and actions. The first thing to be pointed out is that 250,000 Palestinian residents of Kuwait departed following the invasion, were not present when it happened, and did not return during occupation although they could have done so. Of the approximately 150,000 to 170,000 who remained in Kuwait, at least half cannot enter any country in the world without a prior visa, including some countries that issued them travel documents. As for the rest who remained in Kuwait, their situation is identical to that of Arab and foreign visitors who did not leave Kuwait.

2. An unknown number of Palestinians cooperated with Iraqi occupation authorities; “other non-Palestinians cooperated, but no one speaks of them”; and an unknown number cooperated with the Kuwaiti resistance. The important thing is that Palestinians living in Kuwait who assisted the occupation authorities politically or in terms of security must be held responsible before the courts. Those who came with the Iraqi occupation, most of whom left with it, were from three organizations: one called the “Arab Front for the Liberation of Palestine” (AFLP), the Palestinian branch of Iraq’s ruling Ba’th Party, while the other two are associated with the names “Abu Abbas” and “Abu Nidal,” both under Iraqi sponsorship for many years.

The stands of Palestinian organizations on Arab issues have now become historically predictable phenomena, determined by their relations or political congruency with this or that Arab capital.

3. It is not difficult to understand how torn the Palestinian people were as they watched effective international and Arab forces engage their political, military, and media potential in support of the just cause of Kuwait, while recoiling from support of the Palestinian cause, which is also just, particularly during the last three years of the people’s intifadah as the Zionist enemy employed murder, torture, detention, and containment on them in a manner for all to see. PLO leadership bears a major and primary responsibility for deepening this division and for preventing the appearance of genuine,
positive advances against the double standard of treat-
ment by international legitimacy.

The Palestinian leadership has the right to criticize this
double standard and to demand similar treatment for the
Palestinian issue, but not on the precept that “if inter-
national legitimacy neglects me, it must neglect my
brother,” or on the precept that “either it be just with me
and my brother, or else unjust to both.”

From the outset, national and moral practice required
support of the right of the Kuwaiti people to regain their
homeland. The minimum required of PLO leadership
was that it openly, directly, and through Arab effort,
demand Iraqi withdrawal from Kuwait. This is not
simply a principled, moral, national stand in harmony
with Arab and international legitimacy, but before all
else a stand involving the immediate interests of the
Palestinian cause, and would certainly have led to
crowning its achievements in the arena of international
legitimacy, at a minimum, and would not have under-
mined its relations and those of the Palestinian people
with the Arabs.

4. The most dangerous results of the stupid policies and
stances of the Palestinian leadership are their delusive
effect on broad segments of the Palestinian people and
the Arab world. The stances of the Palestinian leadership
led many to believe that the objectives of the Iraqi
regime’s aggression on Kuwait were to serve the Pales-
tinian cause and liberate the territories occupied in 1967.
The fact of the matter is that Palestine entered the
Baghdad regime’s agenda on 12 August [1990] as it
attempted to cloak itself in Arab and international
resolutions to break the coalition opposing the occupa-
tion of Kuwait and to mobilize mass support for the
occupying regime.

That the Iraqi regime was using this card to serve its
calculations and ambitions was confirmed on 21 Feb-
uary [1991] when it abandoned its “conditions” for
withdrawal from Kuwait once its primary concern had
become getting out of Kuwait with a minimum of losses
and the saving of its own skin.

Movements and organizations associating themselves
with Islam assisted in the deception, giving it a wider
impact and disseminating it throughout the Arab home-
land.

The delusion came fully to the fore with the launching
of Scud missiles at Tel Aviv and other areas. Despite the
political nature of the missile targets, and their lack of
any military value, no one for even a moment should
have covered up the fact that the Baghdad regime sent its
army under arms and military machine to war for the vanquishing
and occupation of Kuwait. It did not send its armies to
enter a battle against Israel. Through these events, one
can understand the position of the Palestinian people
towards the crisis from beginning to end. The first
mission of the Palestinian leadership was to extract the
positive aspects of the crisis to serve the Palestinian
cause on the basis of firm, decisive, clear positions
rejecting and condemning the invasion in solidarity with
Kuwait and its people. But this leadership failed to do
that or to carry out the responsibility entrusted to it. The
first duty of responsibility is not to delude the people,
not to promote illusions among them, and not to employ
their torment and legitimate dreams in the service of
illegitimate situations.

The Palestinian people in Kuwait are paying a tax on the
mistakes of the PLO leadership. We are fully confident
that the government and people of Kuwait will not make
the mistake of holding Palestinians responsible for the
mistakes of their leaders and that wrongdoers will be
held accountable under religious and civil law. The file
of Palestinians in Kuwait must be closed quickly so that
it does not become a matter of political horse-trading, or
a source of greater resentment, rancor, and divisiveness,
for there are so many people lying in wait, working to
widen the divisions and heighten the rancor. Each has
his private objectives and scores to settle, never forget-
ting the scores and designs of our Zionist enemy.

Likewise, the file of Palestinians and others from Arab
societies whose regimes supported the Baghdad regime
must be closed in Kuwait and other Arab and regional
countries. Robust, healthy Arab popular relations are an
inexhaustible resource of the Arab nation, societies,
homeland, and states.

A political, social, and media effort must be made to
open a firm and fresh new page in Arab popular rela-
tions, for without this, talk of a new Arab order with a
stable base is simply nonsense.

It will be difficult for our nation to confront the huge
challenges awaiting it, whether it be the challenge of
resolving the conflict with our Zionist enemy, those of
development, construction, progress, positive and effect-
tive interaction in a world that only respects the strong,
and in an international system that we are entitled to
participate in fully, at least in matters involving our
region and Arab homeland.

SAUDI ARABIA

Treasury Loans for Industrial Production
91AE0321A London AL-SHARQ AL-AWSAT in Arabic
18 Mar 91 p 11

[Dispatch from Jeddah by Ahmad Makhtum: “Saudi
Industrial Development Fund Lends Out 642 Million
Riyals to Joint Industries in 1990 to Support the
Transfer of Modern Technology”]

[Text] The Saudi Industrial Development Fund (SIDF)
expects that the economic equilibrium program, some of
whose projects are already under way, will expand in the
near future and focus on identifying and implementing
technologically advanced projects and investments.

Projects for which loans have been authorized under
the economic equilibrium plan include a facility for aviation
maintenance and auxiliary equipment, another for advanced electronics, and a third for computer services; not to mention technologically advanced military industries.

The engineering products sector received the majority of loans amounting to 344 million riyals or 53 percent of all loans the Fund extended last year, according to the Fund's annual report.

The report, which reviewed Saudi economic trends in detail, said that the Fund last year granted 55 loans valued at 642 million riyals, bringing to about 17 billion riyals the aggregate value of loans it extended over the past 16 years.

The Fund, according to its report, encourages joint industrial projects, financed in part by foreign capital, as an effective vehicle for the transfer of advanced technology and technical expertise to the kingdom. Last year, the Fund approved nine joint projects for which it authorized loans of 162 million riyals, or 25 percent of all loans authorized for industrial projects during the year.

Capital invested in those projects, according to the report, amounted to 220 million riyals of which foreign partners contributed some 58 percent.

The report concluded that Fund-authorized joint projects accounted for 23 percent of all projects financed by the Fund since its inception 16 years ago. Loans to those projects accounted for about 40 percent of aggregate industrial loans through this past year. Foreign partners contributed some 35 percent of the capital invested in those projects.

The United States, with a 23-percent share of foreign capital invested, was the largest foreign partner. All the Arab states, however, had a combined share of 39 percent of aggregate foreign capital invested. The engineering and chemical products sectors, with 34 percent and 24 percent shares respectively, received the lion's share of loans to joint projects.

The report forecast that the kingdom's industrial sector will shortly undergo several significant favorable developments and that the next few years would bring more promising industrial developments, such as the country's first pharmaceutical plant, revival of the construction sector, expanded power generation, and the emergence of several new industrial investments.

The report added that the kingdom's economy continued to grow at a fast rate as the balance of trade increased and the current accounts deficit narrowed. The gross domestic product of nonoil sectors last year achieved a growth rate of 4.6 percent at current prices, compared with 1.9 percent a year earlier.

The report estimated last year's domestic rate of growth at about 4.4 percent, or an increase of 1.6 percent from 2.8 percent a year earlier. The agricultural sector growth rate last year was put at 11.3 percent, up from 10.8 a year earlier, while the industrial sector grew by about 10.4 percent, up from 4.7 percent [in the preceding period].

The report put the aggregate value of exports last year at some 102 million riyals for a 12-percent increase from the previous year. The report attributed the increase to firmer oil prices and improved revenues as well as to a rise in the volume of nonoil national exports such as petrochemical products.

The report emphasized that investment activity in the kingdom improved last year as deduced from the volume of government and commercial loan facilities, the number of startups, strong demand for domestic securities, and the swelling of economic equilibrium projects some of which are already becoming operational.

The report added that the chemical products sector ranked second in the value of loans which amounted last year to about 134 million riyals.

**Saudi Investment Bank Profits Up**

91AE0330B London AL-SHARQ AL-AWSAT in Arabic 21 Mar 91 p 10

[Article: "Saudi Investment Bank Increases Its Profits in 1990"]

[Text] Riyadh—AL-SHARQ AL-AWSAT Bureau—The final figures on the Saudi Investment Bank's performance last year point to an increase in the bank's profits and assets and the volume of loans it advanced to clients and to a decrease in its debt appropriations. Meanwhile, client deposits remained at the same level.

Profits rose by 22.8 percent, amounting to 13.2 million riyals. Assets rose by 17 percent, amounting to 7.6 billion riyals. Loans rose from 621 million to 723.4 million riyals whereas client deposits remained at same level as the previous year, amounting to 2.3 million [as published] riyals. Debt appropriations dropped from 95 million to 53 million riyals.

It has been decided that the bank's general assembly will meet on 6 May 1991 to ratify the final budget. The Board of Directors has recommended that no dividends be distributed to shareholders.

This is the seventh bank to declare the outcome of its activity for last year after six other banks had already declared this outcome. All the banks have experienced improvement in their performance level.

**SUDAN**

**Commercial Investment Policy Changes Suggested**

91P40249A Khartoum AL-SUDAN AL-HADITH in Arabic 21 Mar 91 p 8

[From the "Vision" column by Dr. Sulayman 'Uthman: "Guidance on the Commercial Investment Policy"]
[Text] Six months have passed for the commercial investment policy. While half of a year is a short period of time to objectively assess the success or failure of this experiment, it may be suitable to deal with the difficulties facing, or problems resulting from, this policy's application and to put this commercial investment policy on track.

After its announcement, the policy was initially applied to 10 essential commodities. Then the commodity list was expanded. This expansion led to exhaustion of the foreign currency funds available for financing commercial investment projects. This in turn led to price increases for goods imported through commercial investment, due to the rise in demand for foreign currency to finance commercial investment projects and to the importer's not achieving a commercial investment commodity surplus on the market sufficient to stabilize the prices or reduce them. I believe that reconsideration of the list of commodities officially registered for import through commercial investment may help to lower and stabilize commodity prices.

In addition, the commercial investment import policy coincided with the price liberation policy, creating obvious reasons for the prices of goods not on the list of commercial investment import commodities to rise due to the lack of price supervision. In my opinion, liberating prices in no respect means no price supervision. In fact, it means limiting the profit margin, according to supply and demand, so that it does not exceed legal profits.

I think that the Ministry of Commerce has a responsibility to follow the movement of world prices by coordinating with Sudan's commercial attache offices abroad and foreign offices in Sudan to set prices corresponding to the real cost of importing commercial investment products and to set maximum profit margins according to market supply and demand.

The commercial investment policy has been successful thus far in stimulating trade activity. However, it has failed to realize a surplus that would lead to lower commodity prices and has given rise to tolerating the open spread of a monstrous inflation rate, even for popular food items which are not on the commercial investment commodity list.

**TUNISIA**

**Assassination of Dutch Diplomat Investigated**

91AA0301A Tunis REALITES in French

8-14 Mar 91 p 4

[Article by Slim Bagga: “Who Benefits From the Crime?”]

[Text] The time: 1900 on Wednesday, 27 February. The place: Sidi Bou Said, where a dinner is being given at the residence of Robert van Ackerman, first secretary of the Dutch Embassy in Tunis, to honor an Italian diplomat whose tour of duty in Tunisia is drawing to a close.

The buffet dinner had been laid out and guests were awaiting the arrival of the guest of honor and the American diplomat.

While they were making small talk, a car pulled up. Aicha, the maid, recognized her employer's automobile and rushed to the door.

Robert van Ackerman had an armload of files as he got out of the car and Aicha moved toward him to give him a hug. At that precise moment, three men emerged just meters from the diplomat. One of them, equipped with an automatic pistol, fired three shots before fleeing in a car (some witnesses say it was a black Renault 9).

Van Ackerman died of his wounds as he was being rushed to La Marsa Hospital. Physicians say it was the third bullet that killed him, hitting a lung and causing fatal hemorrhaging. The other two struck him in the shoulder and chest.

Notified immediately, security services set out to discover the motive for the assassination and arrest the authors. Roadblocks were set up in the area, ID's checked, individuals questioned. The maid Aicha was also taken into custody at police headquarters, but the measure is thought to have been for her own safety, inasmuch as she would be the only person able to identify the authors of the crime. After all, she was moving toward Van Ackerman as he got out of his car and consequently might also be targeted by his killers to eliminate any trace of evidence.

The following day, Thursday, a bulletin from the Ministry of Interior noted the absence of any political motive for the Dutch diplomat's murder.

**Work of Professionals**

The investigation continues, but certain facts may already be revealing.

Indeed, some sources have mentioned the possibility of linking the murder to the settling of personal accounts. It is said that the diplomat is known to have maintained homosexual relations with a number of individuals.

However, others doubt the likelihood of this possibility, given the precision and the professional nature of the crime. Moreover, it is not easy to assassinate a diplomat 50 meters from the house of Palestinian activist Abu Jihad, murdered by the Mossad in April 1988 and whose house is still under guard!

The second clue has to do with Van Ackerman's stay in Baghdad on a temporary tour of duty at the Dutch Embassy until the Netherlands decided to close its embassy in Iraq when the war in the Gulf broke out.

Some have even found a connection between the diplomat's stay in the Iraqi capital and his assassination,
inasmuch as before taking up his post in Tunis, Van Ackerman was the Dutch representative in Geneva, serving on the nuclear and chemical weapons control commission.

Entrusting the interim period of a "tired" or "over-worked" ambassador to Iraq to an embassy secretary called back from Tunisia in the midst of the Gulf crisis does indeed generate questions, certain sources say, about the real nature of Van Ackerman's mission in Baghdad.

Finally, the third theory about the murder is one reported by some Western media and diplomats who point to Abul Abbas' Palestinian group. According to supporters of this hypothesis, Van Ackerman's murder was allegedly ordered by the PLO or Iraq or both.

So far, this is the only evidence we allow ourselves to print. The investigation continues and will definitely bring more answers, which we shall publish once they are confirmed.

Bhiri Discusses Ennahda Membership Freeze
91AA0329A Tunis REALITES in Arabic 4 Apr 91 pp 8-9

[Interview with Noureddine Bhiri, member of the Political Office of Ennahda Movement, by Najib Lakanji and al-Munsif Mahruq: "Noureddine Bhiri Tells REALITES, 'Government Bears Major Responsibility for Success of Initiative'"; place and date of interview not given]

[Text] The announcement that Mr. Noureddine Bhiri's membership in the Ennahda Movement was being frozen attracted the attention of those who have been watching what that movement has been going through. Mr. Bhiri, a member of the Political Office of the Ennahda Movement, was accompanied by Mr. Sidqi Labidi when he made that announcement. For more clarification REALITES met with Mr. Bhiri and conducted with him the following interview:

[REALITES] What are the reasons that prompted you to freeze your membership in the movement?

[Bhiri] I would say that as incidents go, freezing the membership was nothing new. From a historical standpoint, in fact, the membership was frozen before an announcement to that effect was made. This was something which had to be done because the circumstances, which surrounded the movement earlier, had intervened and prevented me and many leaders from doing our duty to organize the movement's rank and file, to stay in contact with the movement's members, and to conduct a dialogue within the movement. We were not able to do our duty because our relationship with the government and the level of harassment, restrictions, and disruption of all activity were such that, with publication of the newspaper interrupted, it became realistically impossible for us to function. The best evidence of that lies in the fact that the General Advisory Council was able to meet no more than once. An announcement had been made about that council in the context of the initiative which was undertaken to clear the political climate, to express a renewed commitment to act openly within the boundaries of the law, and to reject violence and secret activity. But the president of that council was arrested immediately after that one meeting, and the only method of communication between the movement and its members was the newspaper, [but then] publication of the newspaper was interrupted.

That is why I am saying that freezing the membership was nothing new. Harassment of the movement's leaders and the restrictions which were being imposed on them made that obligatory. What is new is the public announcement, and that announcement was made so that we could hold everyone accountable and tell everyone that we had reached a stage during which we had to speak candidly with each other and tell each other the facts as they are. A public announcement was made so we could tell each other that present conditions were making it incumbent upon us to choose between holding on to our declared principles of acting openly within the boundaries of the law and rejecting the use of violence as a method for settling disputes, or becoming involved in activity whose approach was quite different from that. By announcing this freeze we wanted to tell people, "You put us in a very poor position, and you are responsible for all the possible consequences of this situation."

[REALITES] Who are those "people" to whom you wanted to say this?

[Bhiri] What is meant first and foremost in this case which we have been experiencing is the government because it was a major player in the events which took place in the country. On the one hand, the government was politically involved, and, on the other hand, it is the party holding the reins of power. Naturally, its responsibility would be greater than that of others because it is responsible for running the country and it is the one holding the reins of power. And that is why I am saying that the government is responsible for the situation we are in today. It is responsible for the lack of control we have on possibilities for public and legal political activity.

[REALITES] There are those in the movement, especially rank and file members, who felt that the initiative was aimed against them. Since the initiative followed the Bab Suwayqah operation, they felt it was a reaction to it. [What would you say about that?]

[Bhiri] I would say that the initiative was not actually aimed against anybody. It was rather set forth to give expression to a set of convictions in a final attempt to save the situation in the country. The initiative was set forth to prevent conditions in the country from sliding into violence and getting bogged down in that violence, in reactions to it, and in the use of forceful methods to settle political disputes. The initiative was set forth to give expression to a feeling that many inside and outside
the Islamic movement had. They felt that our country was approaching a stage during which the interests of some people will seem to be served by pushing it into factional conflicts and conflicts between different political parties in which the minimum requirements for decent, rational, and reasonable political conflict would not be honored. This initiative was put forward to express a measure of worry and concern about saving the situation before it is too late. It was also put forward to indicate that our country needs all its energies, all its citizens, and everyone’s effort, regardless of his political affiliation. It was put forward to affirm that the anger and the conflict between the government and the Muslims or between the government and the remaining parties in the opposition can be solved and settled if the true political will and wish to do so are there—the political will that places the country’s interest above every consideration and above all political and personal considerations.

This is because to function is to communicate with the movement’s rank and file, to manage the dialogue inside the movement’s institutions, and to maintain contact with national and international public opinion. I would say that the point is that there are people in the Islamic movement who made sacrifices at a certain point in time when they felt that the situation in the country was almost being perverted. (Announcing the establishment of Ennahda, accepting the principle of the Political Parties Act, and changing the name). Once again and despite everything, these people in the Islamic movement are willing to overlook their personal interests and the interests of their party to take part in another action which takes the country’s interest into consideration. Once again they indicated that as far as they are concerned, the interests of the country are above every consideration. Although personal political considerations are important, they become irrelevant at critical and historical moments.

Whether some people do or do not join depends upon the reaction of the other party in question in the country. It is my judgment that so far, unfortunately, there has been no positive reaction in the full sense of the term. The mistake in my judgment lies in the fact that some people are trying to misinterpret this situation and to show it as one resulting from a crack inside the Islamic arena. They are suggesting that by freezing their membership some movement officials are dodging their responsibilities at a critical time. Let me make a warning about such misinterpretations because they strip the initiative of its importance and take us back once again to a dilemma we wanted to avoid. I call upon [our] counterparts to declare their position publicly. We had the courage to declare ours despite the consequences within the Islamic arena and beyond. We declared our position unequivocally, and we did not protect or flatter anyone. We also went so far as to freeze my activity in the movement as well as the activity of others who had founded the movement. Such courage is actually rare, and I would have hoped to see it in other parties. A serious reaction to the initiative is the minimum that is required of those others who should declare their positions on that initiative publicly and unequivocally because that is what will determine the next steps we will take: Do we go on, or do we go back? So far, the reaction in the media has been negative.

[REALITES] Do you believe that key figures in the movement who are abroad share the views you have expressed?

[Bhiri] The reaction of the Islamic arena and of some of the movement’s key figures to this situation involves some of the ideological premises about which there was unanimous agreement. I am certain that those who are rejecting the initiative are a minority and that the initiative itself fulfills those principles as well as those which are mentioned in the movement’s bylaws.

Reacting to the initiative depends upon the availability of a certain climate. It depends on having a sense that there is a serious wish to save the situation, and it depends on having a sense that the Islamic movement and the Islamic arena are not being targeted. All this requires several measures. [First.] it requires the conviction that the country’s existing problems cannot be solved by choosing security measures. Security measures cannot solve problems between the government and the Islamic phenomenon or problems between the government and the opposition as a whole. Second, the political climate has to be cleared so that confidence can be restored, because the crisis we are experiencing is in part a crisis of credibility and confidence between the elements of society as a whole, and one of those elements is the Islamic phenomenon. I would say then that continuing the campaign of restrictions and interruptions in the country will interfere with a positive reaction that many in the movement could have with the initiative.

[REALITES] Your initiative was dealt with in a paragraph that was part of the statement made by the president of the movement. What was your reaction to that paragraph?

[Bhiri] I do not have a personal interpretation of Rached Ghanouchi’s position, but I consider that position to be one which indicates that the movement and its president reacted more positively to the initiative than others did. This is a positive sign. If elements in the movement were to have a good understanding of the premises and causes of the initiative and if they were not to get bogged down in negative reactions, that would be a sign of their maturity. This is a sign that we hope will materialize.
[REALITES] You spoke about the need for a positive reaction from the government so you can take other steps. Can you be more specific and tell us clearly what you expect?

[Bhiri] The government’s responsibility in determining the fate of this initiative is considerable. It can foil this initiative, or it can respond to it and decree its success by reaching out to the hand which has been extended. In doing so, the government would be saving the situation, giving the initiative new prospects, and solving all pending issues in the country, especially that of the Islamic case. The government has to declare its position unequivocally and publicly. It seems to me that this is the least it can do to meet its historic responsibility at this stage. This matter after all is of interest not only to Muslims and to the government, but also to the country as a whole. Doing something to provide the necessary climate for such an initiative to take effect so that people can react positively to it without being subjected to pressure is the least the government can do.

We are turning a difficult corner here, and we hope to make that turn and come out safe and sound. That is why everyone must stay away from narrow political considerations and consider the interests of the country above all else.
Briefing newsmen today, Mr. Satya Prakash Malaviya, a party general secretary and Minister for Parliamentary Affairs, said his party was pleased about the decision especially because in announcing it the President had accepted the recommendation of the Government headed by Mr. Chandra Shekhar.

Political uncertainty had ended with the announcement of elections, Mr. Malaviya observed. He announced that all the JD(S) MPs, including those disqualified by the Speaker, Mr. Rabi Ray, would be fielded by the party in the elections.

Addressing a meeting of the JD(S) Parliamentary Party, the Prime Minister, Mr. Chandra Shekhar, explaining his resignation, noted that though the atmosphere in the country was not congenial for immediate elections, there was no other alternative.

The Prime Minister spoke chiefly about the achievements of his Government in the short space of four months. Briefing the press, Mr. Harmohan Dhawan, general secretary of the JD(S) Parliamentary Party and Civil Aviation Minister, quoted him as saying that there was a definite lessening of social tension in the country and a halt to economic deterioration. In the latter case, Mr. Shekhar cited the case of NRI [Non-resident Indian] deposits. He said before he took office, this was being withdrawn at the rate of Rs. [rupees] 500 crores a month on account of political uncertainty, but during his term the withdrawals stopped.

Cordial ties with other countries: In the area of foreign relations, the Prime Minister said never in the last 43 years had the country developed such cordial ties with other countries as it had under his stewardship.

In regard to Pakistan, he noted that there had been a definite change of attitude in that country towards India. He cited the Pakistani response to the recent abduction by militants of Mrs. Nahida Imtiaz, daughter of the National Conference MP, Mr. Saifuddin Soz. Mr. Shekhar said Pakistan radio and television had highlighted the case and condemned the abduction and the Pakistani Prime Minister, Mr. Nawaz Sharif, had assured India that the kidnappers would not be protected and his Government would provide whatever help it could (to the Indian Government).

The Prime Minister also noted that during his time in office, the major western powers, the U.S. and the U.K., had changed their stand radically on the Kashmir question, and no more supported the question of plebiscite and self-determination arguing that the Shimla Agreement superseded all earlier positions.

Kuwait permits re-opening of embassy: Mr. Shekhar said that under the previous Government, the country's relations had deteriorated with both Iraq and Kuwait. After
the Gulf war, Kuwait initially did not even permit India to re-open its embassy in that country, but had agreed only yesterday after persuasion. The Prime Minister also informed the colleagues that the Iraqi Foreign Secretary was expected in the country shortly.

No change in leadership: At the Parliamentary Party meeting, which was attended by almost all the JD(S) MPs, the Deputy Prime Minister, Mr. Devi Lal, made it clear that he was against change of leadership in the party. This was an effective rebuff to the moves made yesterday by a handful of MPs thought to be close to the Haryana leader.

Talking to reporters today, the Commerce Minister, Dr. Subramaniam Swamy, said the dissolution of the Lok Sabha was the ‘inevitable consequence of the failure of our efforts to bring about a rapprochement between the Janata Dal(S) and Congress(I)’. He said in response to a question that the efforts were made by himself and some others whom he did not wish to name.

Dr. Swamy’s hope: Dr. Swamy hoped that the JD(S) and Congress(I) would keep together in the elections, and for this reason said mutual criticism should be minimised. The two must come together if the country had to be kept from division, he observed. The two were the only secular and democratic parties.

As Commerce Minister he felt that the foreign exchange problem could be solved by the end of the year as the country could corner project exports of about Rs. 10,000 crores in the Gulf. This was feasible and enquiries had already begun to be made with India. In this connection he was to visit the U.S. later this month. This was now in jeopardy.

The second reason was that the Government was poised to make a breakthrough in respect of Punjab and Kashmir, and he had hoped that this might happen in the next two or three months. The breakthrough on these critical fronts could be conceived largely because of the cooperation of the U.S. and U.K., vis-a-vis Pakistan and on the question of terrorism, he observed.

The third reason was that a hung Parliament was the most likely outcome of the elections. ‘This means we may again have to do what we are doing now’, he added.

Move ‘Belatedly Welcome’
91AS0796C Calcutta THE STATESMAN in English 14 Mar 91 p 6

[Editorial: “Cleansing the System”]

[Text] Another stage in what might have turned out to be a major constitutional crisis has been surmounted by Wednesday’s belatedly welcome Rashtrapati Bhavan communique dissolving Parliament. The ninth Lok Sabha, which lasted for 466 days, was jinxed from the start since no party emerged with a clear majority. In spite of the grave allegations of financial and other misdemeanours that had been levelled against it, the Congress(I) remained the biggest group in Parliament, but with his personal reputation in tatters, Mr Rajiv Gandhi wisely realized that public opinion would not have countenanced his return to office at that stage. The National Front which formed a minority Government with the support of two unlikely allies, the BJP [Bharatiya Janata Party] and the Left Front. The sleight of hand right at the beginning that excluded Mr Chandra Shekhar and made Mr V.P. Singh Prime Minister added further to uncertainty, fears about the Government’s survival being compounded by Mr Devi Lal’s antics, the scandal of Meham, BJP exploitation of Hindu revivalism and, finally, Mr V.P. Singh’s dehanded attempt to upstage the BJP and carve out a caste lobby for himself. In the process, he subjected Indian society to a trauma that it has not known since, perhaps, the agony of partition.

The only reason for re-capitulating this tragic sequence of events, which led to the National Front’s defeat last November, is to note that the ninth Lok Sabha represented a sad saga of missed opportunities. Starting off with tremendous public goodwill, Mr V.P. Singh was in a unique position to reform the system of corruption and nepotism and to give the country the kind of caring leadership it so badly needs. Much was expected of the new Government. His National Front certainly did not lack impressive ministerial talent; it also enjoyed a popular mandate and might well have come to grips with the task of political reorganization and economic reconstruction based on a set of sound principles shorn of doctrinaire rhetoric. But Mr V.P. Singh chose to squander away that legacy, proving to be nothing when deprived of the foil of Congress(I) mischief as a crusader. What was worse, the administrative and political systems disintegrated further under his shortlived, but chaotic, stewardship. However reprehensible Mr Chandra Shekhar’s decision to vote against him on November 7 may have been, it must be admitted that the National Front had virtually ceased to exist by the time the withdrawal of BJP support forced a formal collapse.

A second opportunity for some positive achievement was lost when Mr Rajiv Gandhi’s manoeuvres, calculated or accidental, made it impossible for the Janata Dal(S) Government to continue. True, the manner in which Mr Chandra Shekhar formed a Ministry with a handful of M.P.s [Members of Parliament], and the unorthodox arrangement that somehow saw it through a confidence vote, hardly augured well for continuity. But the Prime Minister’s initiatives in respect of Assam, Punjab and Kashmir were encouraging in spite of his untenable position, and the interim Budget he had to fall back on displayed the glimmerings of a pragmatic economic prescription. In one sense, however, it is just as well that Mr Chandra Shekhar quit when he did, for no
matter what the jugglery with numbers, the composition of the ninth Lok Sabha just did not lend itself to stability. The feverish behind-the-scenes bargaining that followed his resignation on March 7 only confirmed this, underlining the need for a clean break and the search for a fresh mandate that will wipe out the anxieties and confusion of the recent past. True, fears have been expressed that canvassing might lead to violence and that the election results may again be inconclusive; but these are risks that the country must accept. No democracy can afford to be afraid of elections. The system has to be cleansed from time to time, and if the interval is shorter here than elsewhere it may be because the human component of Indian politics is so much more murky.

Political Realignment Needed
91AS0796D Madras THE HINDU in English 14 Mar 91 p 8
[Editorial: “Now, Elections”]

[Text] The President, Mr. R. Venkataraman’s order dissolving the Lok Sabha with immediate effect, setting the stage for fresh elections comes as a matter of great relief because it allows the only truly democratic method of resolving the present political crisis to take effect. The tenure of the just dissolved ninth Lok Sabha which was the shortest in India’s parliamentary history saw an unprecedented degree of instability and uncertainty in governance, even as grave threats to some of its fundamental assumptions emerged. Fortunately, the President’s decision, coming immediately after both the Houses of Parliament had transacted in record time the crucial pieces of business puts paid to all the illusions that were being hawked around that it would still be possible to extract with dignity and honour an alternative “stable” Government from within the framework of the ninth Lok Sabha. There was no other way out of the fog that had enveloped the political process but to have elections and seek the people’s mandate once again.

It becomes clear now that the delay in the President’s announcement of the acceptance of the Prime Minister, Mr. Chandra Shekhar’s recommendation of dissolution was because of the realisation that critical legislation such as the vote-on-account and the Constitutional Amendment relating to President’s Rule in Punjab had to be negotiated along the correct constitutional route. The resignation of the Prime Minister and its acceptance by the President had made Mr. Chandra Shekhar a caretaker Prime Minister, opening up the question as to whether such a caretaker dispensation could pilot these Bills in Parliament. This injected some uncertainty into the process. Following this question, came the Opposition parties not-so-subtle threat of wrapping up their offer to pass the Bills in a condition that the President must promise to dissolve the House. The somewhat souring episode led to the exploration of the issue as to what would happen if the Opposition parties in their pique decided not to pass these bills. Could the President resort to an ordinance to cover these budgetary expenditures? It was then decided that it was best left to Parliament to approve these financial measures in this context, that the President decided to wait and see what happened in Parliament before pronouncing dissolution should not be at all surprising. There is a strong element of overreaction in the responses of the various political leaders and analysts who have read sinister meaning into the President’s silence as offering scope for horse-trading.

While the President’s actions can be said to have conformed to the correct constitutional course, the same cannot be said of the actions of the leading political players in the sordid drama that has culminated in today’s denouncement. That the Chandra Shekhar Government has come crashing down to a humiliating end is the result of some cynical and opportunistic manoeuvres on the part of the Congress(I) which had put the breakaway Janata Dal(S) group in power. Typical of the manner in which this unprincipled understanding had come about, at the eleventh hour, there were indeed desperate attempts being made to stir the embers of the now cold alliance. There were a scurry of moves between the Congress(I) and the Janata Dal(S), including a bid to persuade the Prime Minister to reconsider his resignation. Even if it did not seem at any stage that the “patch-up” move would really take off, the fact that there were these attempts by people on both sides showed the depths to which the political context had deteriorated, in which norms and conventions of parliamentary democracy were being interpreted in a bizarre and farcical fashion. There were also attempts to break the Janata Dal and last-minute moves to patch together a coalition based on the participation of the Congress(I), the JD(S) and aiming at luring away some senior Janata Dal figures. It was indeed to make a mockery of the idea of a coalition Government to suggest such an unprincipled coming together solely for the purpose of extending the life of the present Parliament. It is all for the better that the exercises petered out, forcing even these manipulators in the shadows to come to terms with the reality that elections were inevitable.

It is clear that there is an urgent need to rescue the political context from its present state of degradation where the substantive issues on the nation’s agenda have been forced to take a backseat as the politics of opportunism and manoeuvre have taken the centre-stage. The decision to dissolve the House and go back to the people is a short step in the direction of that rescue attempt. But, this is the moment for all the major political parties to pause and take stock of where they are heading and in which direction is their so-called leadership of the process taking the country. This would mean that they would have to look at the lessons of these recent months. The first issue would be certainly stability in governance.

That stability has eluded the political system these last months because of the collapse of the principle of governing with “outside support.” In the case of Mr. V.P. Singh, it was the nerve-racking experience of having to live with two partners diametrically opposed to each
other on every conceivable issue and attempting to arise
from this unhappy triangular formation a "consensus."
In Mr. Chandra Shekhar's, he went into the deal with his
eyes open, fully aware that the Congress(I) was backing
him for no other reason than political expediency and it
was naivete on his part to expect support for much longer
than that party found it necessary. But the country has
paid the price for all these governing "arrangements" which placed political survival at the helm of their goals.
There is a reasonable chance that the coming elections
may not return any party with a definite majority, which
would bring up the instability factor again. It is therefore
total vital to begin exploring possibilities of a realignment of
forces, particularly the centrist forces.

The other critical issues which the political parties and
the people will have to firmly place on the agenda of
these elections and speak their minds on are—
secularism, national unity and the state of the economy.
The controversy over the Ayodhya issue has left a searing
wound in the national psyche while the alienation of
Punjab, Assam and Jammu and Kashmir continue to
challenge India's sense of nationhood. These elections
will also demonstrate the impact of the appeal to sec-
tional interests as has been made in controversial poli-
cies such as Mandal. The adoption of the Mandal rec-
ommendations has had an acknowledged divisive edge
to them. The various political parties must take a prin-
cipled stand on these issues of social justice, keeping in
mind the national interest.

For India, to survive as a cohesive and strong nation
competing in an increasingly complex international
environment, there is no option but to turn back to the
issues themselves. No longer can the people be tolerant
of the endless posturing of the various leaders and
parties. The run-up to the elections would provide suf-
ficient time for the various parties to get down to the
attempt of framing a platform of issues and policy
responses. The next step after framing an agenda would
be for these parties to explore very seriously the possi-
bility of realignment or coalition building on the basis of
a programmatic or conceptual agreement.

Dissident CPI-M Members Meet in Calcutta
9IAS0791A Calcutta THE TELEGRAPH in English
9 mar 91 p 2

[Article by Barun Ghosh]

[Text] Calcutta, March 8: The coordination committee
of 20 dissident CPI(M) [Communist Party of India-
Marxist] organizations has decided to approach rebels in
the RSP [Revolutionary Socialist Party]-Forward Bloc
and the CPI [Communist Party of India], all major
constituents of the Left Front, to launch a concerted
movement against the CPI(M) leadership.

This was decided at a two-day convention of dissident
Marxist organizations here on March 2 and 3. More than
250 erstwhile CPI(M) leaders, who now head the Marxist
forums in different districts, attended the convention.

The dissidents formed such organizations after they
broke away from the CPI(M).

Sources said some "devoted workers" had been asked to
meet rebels in the RSP, the Forward Bloc and the CPI
and make them members of the coordination committee.
The convention decided to strengthen its base in the
industrial and rural sectors to woo masses in the leftist
stronghold. Several erstwhile CPI(M) leaders felt that the
best way to oust the CPI(M) from West Bengal was to
win over the masses.

Mr Dulal Chakraborty, convener of the Marxist organi-
sations said two committees had been set up to prepare
separate documents on "our proposed movement in rural and industrial sectors." He alleged that a large
section of the people in industrial sectors were disapp-
pointed with the CPI(M)-led Citu [Center of Indian
Trade Unions] union and opted for an alternative force.

Rural sectors were also disillusioned with the CPI(M)'
"corrupt village politics" and were for looking avenues
to organize themselves. "We are now keen on strength-
ening our base in the two sectors because this is the only
way to infiltrate into the red citadel," he added.

Mr Chakraborty told this correspondent that the forums
had decided on a certain plan of action based on the
basis of their interests. He announced that the coordina-
tion committee would hold public meetings in seven
districts "to tell the people about the CPI(M)'s mis-
deeds".

District leaders have been asked to create a public
opinion in favor of the proposed meetings. The move-
ment will culminate next month in a rally here.

Asked whether they had decided to step up their move-
ment against the Left Front with an eye to the Assembly
elections, which might be held in November, Mr
Chakraborty said, "yes," adding, "however, we have not
yet decided whether we will contest the elections under
political banner."

He, however, asserted that if the dissidents contested the
elections, it would adversely affect the CPI(M)’s vote
banks. "We are sure that 65 percent of CPI(M) voters
will vote for us if we enter the fray," he said.

He confirmed that several dissident leaders had refused
to go back to their fold despite regular feelers from top
CPI(M) leaders.

Uttar Pradesh: Rajiv Places 'High Stakes' on
Yadav
9IAS0724C Bangalore DECCAN HERALD in English
4 Mar 91 p 8

[Article by Atiq Khan]

[Text] Mr Rajiv Gandhi seems to have placed high stakes
on the political expertise of the Chief Minister, Mr.
Mulyam Singh Yadav. The UP [Uttar Pradesh] Chief
Minister's pre-eminence in Congress(I) strategy stems from the desire of Mr. Gandhi to blend the political acumen of Mr. Yadav and the administrative skills of the Leader of the Opposition in the State Assembly, Mr. Narayan Dutt Tewari, for securing a foothold in the politically most important State of India.

For the Congress(I) President, Mr. Mulayam Singh Yadav, fits the Bill better than Mr. N.D. Tewari or Mrs. Rajendra Kumari Bajpai who was relieved as Uttar Pradesh Congress(I) Committee chief recently. The feeling in Congress(I) circles in this regard is quite clear. If the party entertains any serious hope of getting back into the groove then the virtual control of UP politics is as crucial as it is to keep Mr. Yadav in good humour.

Committed to continuing support to the Janata Dal(S), Government in UP, the Congress(I) obviously wants to buy time since the party's alliance with the Janata Dal(S) has also ensured postponing the elections, albeit for a few months. At the same time, it has heightened the prospects of a Congress(I)-JDS electoral alliance emerging in the State. Both Mr. Yadav and Mr. Gandhi have proposed to fight (unitedly) for safeguarding the secular framework of the country.

Clearly, the Congress(I) is on a sticky wicket in UP especially in the context of the emerging political equations. At this juncture political forces are being identified in two distinct compartments. One consists of forces which have made the cause of Hinduism their central theme. These forces are identified with the Bharatiya Janata Party (BJP) and its supporting parties. In the past the Congress(I) was successful in attracting traditional Hindu support, but the BJP-led Hindutva campaign has punctured the traditional Congress support base.

Disconcerting

What is more disconcerting for the party is that it has already lost the support of the Muslims and the Sikhs and hence to compensate that loss it would like to have a fair share of the Hindu votes, which appears a daunting prospect considering the impact of the BJP campaign and the Congress(I)'s own dilemma which basically emerges from a crisis of credibility.

In another category are the forces which promise social justice and social change by taking up the cause of the poor and the depressed classes. They are identified with the Janata Dal and, to some extent, with the Janata Dal(S).

Mr. Vishwanath Pratap Singh's relentless campaign against the oppression of the poor and backward classes (which is the main theme of his public meetings) and his emotive appeal of including the poor in the power structure may or may not yield him political benefits, yet by making social change the main plank of his electoral game, Mr. Singh has gradually emerged as the leader of the backward classes and the minorities.

Thus, after the division of potential vote banks, the Congress(I) is left with a wooden spoon since, as of now, the party finds itself sandwiched between the Janata Dal-left alliance on the left and the BJP-Hindutva forces on the right. Hence, notwithstanding the vociferous protests by Congressmen, Mr. Gandhi has decided to continue to support the Yadav Government and in the process has quelled intra-party opposition to the high command's prerogative.

By the same yardstick, Mr. Gandhi recently removed the UPCC (Uttar Pradesh Congress Committee) President, Mrs. Rajendra Kumari Bajpai, and shifted her to New Delhi to take charge as the AICC (All India Congress Committee) General Secretary, a post which she held before coming over as UPCC Chief here. Her Opposition to her party's support for Mr. Yadav and the related differences with Mr. Tewari catalysed her removal. Mrs. Bajpai's departure means that Mr. Yadav has been saved from further embarrassment.

The new incumbent, Mr. Mahabir Prasad, is considered to be close to Mr. Tewari and Mr. Yadav. In fact, Mr. Prasad's appointment was in the pipeline for the last one month and it was decided to remove Mrs. Bajpai when the AICC Treasurer, Mr. Sitaram Kesari, visited Lucknow in January to pacify party legislators. Mr. Kesari had meetings with Mr. Yadav and Mr. Tewari, Mr. Prasad's closeness to Mr. Tewari and Mr. Yadav and the fact that the party high command has chosen a Harijan to head the Pradesh Congress Committee may enable the Congress President to re-define his party's strategy vis-a-vis the Harijans and backward classes. At the same time, Mr. Gandhi will have invigorated the party organisation through the organisational skills of Mr. Prasad.

Streamlining

When Mr. Prasad was the Pradesh Congress Chief during the Chief Ministership of the late Bir Bahadur Singh he is credited with having streamlined the party structure.

However, he soon ran into trouble with Mr. Singh and it was not long before Bir Bahadur Singh had Balram Singh Yadav nominated as PCC chief when the former was shifted to the Centre as a Union Minister. One of the charges against Mrs. Bajpai was that she did little for the party organisation.

Likewise, with Mr. Prasad's nomination, the Congress(I) would find itself better-equipped for checking the growing influence of the Janata Dal over the Harijans. Political observers are of the opinion that the Congress(I) is trying to take advantage of the anarchy prevailing in the Bahujan Samaj party where Mr. Kanshi Ram was finding it difficult to control the centrifugal forces. Recently, about 3,000 Bahujan Samaj party workers joined the Janata Dal.

The new PCC President arrived in Lucknow on Tuesday and the Chief Minister, Mr. Yadav, immediately swung into action and hosted a dinner at his residence in
honour of Mr. Prasad. Among the invitees were Mr. Tewari, Mrs. Bajpai, Mr. Balram Singh Yadav and Mr. Kesari. These invitees, however, preferred to stay away on one pretext or the other.

Nevertheless, Mr. Yadav's hospitality was unprecedented in the sense that it was for the first time that the Chief Minister had hosted a private dinner for the State President and members of the main Opposition party.

Political observers are finding a motive behind the Chief Minister's gesture. Actually, Mr. Yadav wants to get his budget passed in the Assembly, which will not be possible without Congress(I) support.

Commentary Criticizes President's Rule in Assam

91AS0725F Bangalore Deccan Herald in English 13 Mar 91 p 8

[Article by Utpal Bordoloi; quotation marks as published]

[Text] Guwahati: When President's rule was imposed in Assam on 18 November, Asom Gana Parishad [AGP] leaders warned that the Centre's action would only make the situation worse. "The very forces they want to suppress will get strengthened," AGP Home Minister Bhargu Phukan, frequently alleged to have close links with the secessionist United Liberation Front of Assam [ULFA], said at the time.

As one hundred days of President's rule elapsed last Thursday, such predictions seemed prophetic, official claims of improvement in the situation notwithstanding. Travelling for 750 kilometres recently through the central Brahmaputra valley—the heartland of Assam—this correspondent found a deep sense of anguish and desperation, with the majority of the people terrified, caught between the threat of the Army 'on the one side' and the menace of the ULFA, on the other. Worse, the alienation of the Assamese has grown to an alarming extent under Central rule.

The Indian Army, which is conducting "Operation Bajrang," the crackdown on the banned ULFA, has generated much ill-will and is viewed as an occupation army by the people, more so in the rural areas and small towns of the Brahmaputra valley which have borne the brunt of the counter-insurgency operations. The police and the civil administration remain thoroughly demoralised and unable to face the ULFA, as was admitted by former Union Minister of State for Home Subodh Kant Sahay after a visit to the State just before the Chandra Shekhar Government resigned.

The civilian administration, moreover, has been completely marginalised by the Army, which is unaccountable to the civil authorities by virtue of functioning under the draconian Armed Forces (Special Powers) Act.

"What has President's rule achieved?" asked Dr. Mohini Saikia, a former college principal in Golaghat, a district headquarters near the Nagaland border, and replying to his own question said: "Indiscriminate arrests, raids and harassment of the common people while the real ULFA cadres get away scot free. There is only talk of accelerating development and starting employment generating programmes, but no concrete action. Prices are sky-high—Rs. [rupees] 80 for a kilo of fish, Rs. 10 a litre of milk—that too watery."

No Security

"Even after President's rule half a dozen people have been shot in Jorhat alone. After each killing the Army harassment increases. There is no security of life or liberty. If it is not the ULFA then it is the Army. They [ULFA] are killing at a greater rate under President's rule than before. Tell me, how has the situation improved?", asked Mr. Anuj Bora, an unemployed engineering graduate in Jorhat.

The official view of the situation, however, presents a guardedly optimistic picture. "The achievements of the Government (during President's rule) are reasonable. The administrative machinery has been reactivated in spite of all difficulties. The confidence of the people in the fairness and sincerity of the administration has been restored," said Governor Devi Das Thakur, who has earned considerable personal goodwill among sections of the people by his visibly good intentions towards the State.

Mr. K.N. Prasad, Senior Adviser to the Governor, feels that a "turning point" came for the ULFA with the 22 February assassination of PCC(I) [Pradesh Congress Committee-India] General Secretary Manabendra Sharma, which triggered off a flood of protests and condemnation statewide as never before. This, and a "running battle" started by the All-Assam Students' Union (AASU) against the ULFA following the killing of AASU activists, has apparently compelled the ULFA to "put the brakes" on killings and influenced it to call a "ceasefire" from 28 February.

Mr. Prasad said the stray incidents of violence by ULFA cadres even after the announced start of the ceasefire indicated that the secessionist outfit was in disarray and their communications network had snapped.

Statistically, the ULFA should have been finished by now. Since the night of 27-28 November, Operation Bajrang has resulted in the arrest of nearly 2,900 ULFA cadres and "suspects." According to the Army's own estimates, the organisation has about 1,600 cadres trained in the use of weapons, and about a third of these are classified as "hardcore." The security forces have also recovered 1,200 and odd weapons.

The Army considers the operation a "resounding success." "Our success lies in the fact that we have dispersed the militants and rendered them unable to function as a cohesive force," says Lt. Gen. Baljit Singh, Chief of Staff, Eastern Army Command.
According to Maj. Gen. Ravi Eipe, G-O-C [General Officer Commanding] 2nd Mountain Division, the army in January moved into Phase Two of Operation Bajrang. Phase One was to destroy the militants camps and flush them out. Phase Two, involves occupying a “counter-insurgency grid”—posts located across the area the army wants to dominate, to apprehend the militants.

The way the Army is carrying out its task has given rise to cries—followed by cases filed in the Guwahati High Court—of atrocities and violation of human rights. This contributes to the growing alienation of the people from the Army and at one remove, from the national mainstream as represented by New Delhi.

A four-member team of the Bombay-based Committee for the Protection of Democratic Rights, headed by playwright Vijay Tendulkar, toured six upper Assam districts on a fact-finding mission at the end of February and declared that the Army was displaying a “criminal psychological attitude towards its task,” by acting on the presumption sab asami log ULFA hai (“all Assamese are ULFA”).

Torture

According to the team’s report, which is to be submitted to the President and also Amnesty International, in its 10-day tour it had investigated and verified 38 cases of torture, 11 cases of rape, nine cases of killing and one of a missing person, all by the Army.

Because of its oppressive presence and the widespread stories of torture and rape, the Army has come to be abhorred if not actively hated in the Brahmaputra valley. Even so, it is the ULFA which people fear more.

This is because Operation Bajrang is widely regarded as a failure. The common man notices that despite the Government’s claims, most of ULFA’s hardcore cadres and gunmen have successfully evaded arrest, surfacing only to hit at targets designated “enemies of the people”—Congress(I) members, Hindi-speaking Marwari businessmen, tea planters and informers.

Though the ULFA called a unilateral “ceasefire” from 28 February, generating fresh speculation of the possibility of talks between the militant organisation and the Centre, the killings have effectively terrorised the common people.

In Sonapur, Jagirroad, Nagaon, Bokakhat, Golaghat, Dergaon and Jorhat—in fact, all over Assam—there were only two major questions that troubled the common man. The first: when will the Army go back? The second: when will elections be held?

Killings apart, the State is going the Punjab way in more ways than one, what with ULFA’s recent directive to members of all-India political parties to resign by 30 March or face the consequences and the organisation’s warning to regional parties like the AGP that they would be treated “at par” with the national parties unless they came out openly in support of ULFA’s demand for an “independent Assam.”

While this is serious enough, what could be more worrying in the long run is that the ordinary man, the voter, has developed an aversion towards political parties, leaders and the entire democratic political process.

More than 100 days after the start of President’s rule and Operation Bajrang, it is more and more obvious that only a restoration of the democratic process can solve Assam’s problems. But as yet, no one has any idea how this can be done.

Possible Move of Left to Government Significant

91AS0725G Bangalore DECCAN HERALD in English 13 Mar 91 p 11

[Text] Calcutta, 12 March—If the National Front-Left coalition emerges victorious in the mid-term polls, the Left Front may consider joining the New Government said West Bengal Chief Minister Jyoti Basu here on Monday. Mr. Basu returned to the city last night after spending four days in Delhi discussing with CPM [Communist Party of India-Marxist] Central Committee colleagues the options for the party under the changed political circumstances.

Mr. Basu made it clear that under no circumstances would the CPM support a “Government through the back door” instituted by Mr. Chandra Shekhar or Mr. Rajiv Gandhi. He warned that to avoid elections at any cost the Congress(I) may pull off “coup’s” at the eleventh hour.

The CPM, he said, is also against any arrangement to install a “national government” headed by him or anybody else to avoid elections. That, in his opinion, will not ensure stability. “Elections have to be held, and fast,” was his cryptic reply to queries in this direction.

About the party’s position on the passing of the vote-on-account on the budget, Mr. Basu said there were a lot of reservations about aspects in the proposal. The establishment of a Bachat Bank and the size of the four-month budget was also causing reservations in his party. “The size of the 1990-91 budget was Rs.[rupees]1.10 lakh crore but Mr. Yashwant Sinha for four months has sought Rs. 74,000 crores,” he said.

Mr. Basu desisted from commenting on the floor crossing of Mr. Anil Shastri to the Congress(I) or the possibility of some more Janata Dal leaders following him. That, he said, was the internal matter of another party on which he should not make a comment.

Significant: Mr. Basu’s indication about the Left Front joining a coalition government is considered significant because at no time in the past had the Left been a part of the Central Government. In 1989, the front had extended support to Mr. V.P. Singh’s Government but had chosen not to enter it.
Meanwhile, the BJP [Bharatiya Janata Party] is gearing up for mid-term polls. The party's All-India Secretary Arif Beg said here that the national executive committee which is scheduled to meet at Delhi on 16 and 17 March will sharpen the BJP's electoral strategy.

“We feel that elections are the only alternative to end the present political instability in the country,” Mr. Beg said. When asked about the BJP's prospects in the mid-term polls, he said that it expected to get more than 250 seats, half the number it would contest, which should ensure it a majority to form Government.

Mr. Beg was apprehensive of a major effort by the Congress(I) to “buy out” a large number of Janata Dal MPs [Members of Parliament] which may help it form a Government and avoid mid-term polls. He said that the BJP would co-operate with the caretaker government in getting the vote-on-account passed though it has proposed two amendments.

Adverse Publicity Feared by BJP in Madhya Pradesh

91AS0725B Bangalore DECCAN HERALD in English 10 Mar 91 p 11

[Text] Bhopal. 9 March—Perturbed over the resentment among the BJP [Bharatiya Janata Party] MPs [Members of Parliament] from Madhya Pradesh against the Sunderlal Patwa Government, the party high command has instructed the MPs not to discuss their grievances in groups and to rush to the press to express their anger against the State Government.

They have been asked to contact the party high command for redressal of their problems. The party leaders are worried over the adverse publicity of the State Government in the national media. But the majority of BJP MPs are concerned about their future and are reluctant to face the electorate because of the non-performance of the Patwa Government.

The Chief Minister is also reportedly avoiding the MPs “for fear of facing their wrath,” said one dissident leader. The last minute cancellation of a dinner meeting of MPs with the Chief Minister on 4 March in Delhi without assigning any reason has further fuelled the speculations in political circles here that Mr. Patwa is in the midst of a political storm. According to reports the meeting was put off following suggestion from close aides of the Chief Minister who expressed apprehension that the MPs would utilise the opportunity to give vent to their pent-up feelings against the State Government's performance.

Meeting Cancelled: The invitation for the dinner meeting was sent to all the members of Parliament (both Houses) from Madhya Pradesh well in advance with the ostensible purpose of apprising the MPs with Patwa Government's first year's achievements as well as to urge them to secure clearance of State projects pending with the Centre.

However, Mr Patwa decided to cancel the meeting shortly before the scheduled time. On 4 March, consequently, many of the invitees could not be informed about it. According to Dr. Laxmi Narain Pandey, the meeting had to be cancelled due to a snag in the State Government plane which was to bring Mr. Patwa to Delhi from Bhopal. He said that no fresh date for the meeting had been decided.

The cancellation of the dinner meeting has coincided with publication of reports in newspapers about Mr. Patwa's uncertain future. Already, a sizeable number of BJP MPs have been campaigning against the State Chief Minister for his failure to look after their constituencies and party interests properly.

Those comprising the anti-Patwa lobby in BJP camp include Messrs Ramesh Bais (Raipur), Dilip Singh Judeo (Janjgir), Lokendra Singh (Dומoh), Prahlad Singh Patel (Seoni), Uma Bharati (Khajuraho) and Amritarwala (Khandwa). They have been agitated that Mr. Patwa was continuing with Anti-BJP bureaucrats, ignoring their Lok Sabha constituencies and not shielding the party workers' interests. Many of the State Ministers were without any work. Another point of unrest in non-withdrawal of cases against BJP workers who organised "Bharat Bundh" to register their protest over Mr. Advani's arrest in Samastipur last October.

Hesitant to Meet: There is a feeling in this camp that Mr. Patwa is hesitating to face them. It may be recalled that the Chief Minister's earlier encounters with his party MPs in Delhi had not been very pleasant.

Party high command is seized of the matter and is trying hard to keep the dissidence under the rug. L.K. Advani has advised the State MPs to not air their grievances against the Chief Minister even in party fora. They should tell the grievances straight to the high command.

Mr. Advani observed this when at a party MPs meeting in Delhi Mr. Lokendra Singh (Dומoh) pointed to the news stories about dissatisfaction within the BJP against Mr. Patwa in Delhi newspapers.

It is learnt that BJP General Secretary Kushabhau Thakre had held talks with some members of the anti-Patwa lobby. Mr. Ramesh Bais (Raipur) has had several rounds of talks with senior central leaders on this score.

RSS Parley Determines Election Policy

91AS0795A Bombay THE TIMES OF INDIA in English 12 Mar 91 p 8

[Article by Chinu Panchal: “RSS To Ally With BJP for Poll”]

This decision was taken at the recently concluded two-day meeting, here, of the Akhil Bharatiya Pratinidhi Sabha, the supreme decision-making body of the RSS. The reasons for such a clear-cut decision are, in the RSS opinion, that the BJP is the only political party which has come out openly for safeguarding the Hindu interest, and the RSS would like to do its best to see that the BJP emerges as the strongest contender for power at the Centre.

Two other factors are the RSS holding itself responsible for the political isolation of the BJP on the national scene and the Ramjanambhoomi issue that alienated the BJP from other parties. Even if the BJP would like to soften the issue by adding "roti" to "Ram" as it did at its Jaipur session, the RSS would like the BJP to stick to "Ram" only. Its joint general secretary, Mr. K.C. Sudarshanji, said, "The RSS is of the view that the Ayodhya dispute can be solved only after a political party safeguarding the Hindu interest comes to power."

It was because of this that Mr Nanaji Deshmukh, who had publicly talked of withdrawal of all political parties from the parleys over the mandir-masjid dispute, came under fire. He was closely questioned for advocating the withdrawal of the BJP from the negotiating table and was told that the BJP's presence was a must so long as there were other political parties present.

But the RSS's decision to support the BJP has one rider. It will not publicly share its platform with the BJP leaders. This is perhaps to maintain the facade that it is not a political body. But short of that the workers of the RSS and its associate bodies will individually and collectively help the BJP to swell its strength in Parliament this time.

Mr Sudarshanji set the tone of the election plank of the BJP by saying that the Ayodhya dispute and the Hindu interest will be the major issues in the coming elections. This is because the "Hindu interest is national interest."

One indication of the RSS deciding to prop up the BJP was the presence of more delegates from its front organisation, like the Akhil Bharatiya Vidharthi Parishad, the Vishwa Hindu Parishad [VHP][Mr Ashok Singhal], the Bajrang Dal, the Bharatiya Majdoor Sangh, the Hindu Munnani, the Deendayal Research Institute, the Graham Panchayat and others.

But significantly, only 22 BJP MPs [Members of Parliament] and MLAs [members of Legislative Assembly] from a total of over 400 in the country attended the meeting. The BJP president, Dr Murli Manohar Joshi, was present on both the days but his predecessors, Mr L.K. Advani and Mr Atal Behari Vajpayee, came for a day to just mark their presence.

Although there was no formal resolution on the political situation, the Pratinidhi Sabha devoted a major part of the session to discuss the latest political developments. The discussion centred around the "kar seva" at Ayodhya and the change it brought about in the socio-political atmosphere in the country.

A resolution passed by the Sabha described the "kar seva" as "the biggest satyagraha ever in the annals of world history" and appealed to the "Hindu society in general and the Sangh workers in particular to face any amount of sacrifice to take up the agitation to its logical conclusion."

The BJP, taking cue from the RSS, has already decided to project its distinct identity by laying stress on the "Ekta Manav Darshan" (Human unity) of Mr Deendayal Upadhyaya. This was stated by the party president, Dr Joshi, whose views about the role of multinationals in our country and America's desire to dominate the world scene, were surprisingly common with the Marxists leaders. Dr Joshi, said that multinational companies had concentrated on making profits rather than bringing any new technology or imparting training in them in our country.

Mr Bal Apte, the party ideologue, said that the Nehru model of democracy, socialism, secularism, and non-alignment had failed and the country would have to search for new alternatives or make suitable amendments.

RSS Said Growing in West Bengal

91AS0733C New Delhi ORGANISER in English
24 Mar 91 p 13

[Article by Rajju Bhayya: "RSS Makes Headway in West Bengal"; first paragraph is ORGANISER introduction]
[Text] Professor Rajendra Singh, Sahasarkaryawah of the RSS [Rastriya Swayam Sevak Sangh—Organization of Servants of the Nation] has warned against complacent approach of the government to the problem of infiltration from Bangladesh into West Bengal. Describing it as dangerous, he said that this problem has become quite serious in Murshidabad, Nadia, Malda and Birbhum districts.

The RSS leader, who made an extensive tour of West Bengal recently, said that people in these districts come to Sangh for help and succour. He said that partly due to this the Sangh work has increased and RSS branches (Shakhas) have gone up from 500 to 1200. In the four districts mentioned above, Sangh branches have crossed the hundred mark.

Recalling his impressions of the tour, Prof. Singh, more popularly known as Rajju Bahiya, pointed out that RSS service activities in the state have also increased. There are now 10 hostels run by Vanavasi Kalyan Ashram, a smaller number by VHP [Vishwa Hindu Parishad], and a number of dispensaries and other service activities in slums. He said that due to a number of pre-occupations their number has yet crossed 100 which was the target last year.
He pointed out that one of the important movements in which Swayamsevaks participated in a big way was for the construction of Ramjanmabhoomi Mandir. The Shila Punjan took place in 7,000 villages. The Ram Jyoti Yatras were taken out at 3,000 places and more than 5,000 Swayamsevaks joined the Karseva.

The sad killing of Kothari brothers and the bullet injuries of Dulal Manna and Abhaya are well known, he said, but many others suffered minor injuries due to lathi charge and police firing. Public pressure has increasingly been built up in the state for handing over the Ramjanmabhoomi site to Hindus.

Of late, there is an effort by some leftist and communal minded leaders to brand RSS, VHP, BJP [Bharatiya Janata Party] as anti-secular.

“We have taken up the challenge and through seminars, street corner meetings, pamphlets and letters to the editors we are educating the people about the fact that what is being paraded as secularism is nothing but anti-Hinduism and pure pampering of the minorities.”

There have been instances of Government interference in the VHP programmes which is not expected in a democracy, he said. There have been attacks on our functions by the CPM [Communist Party of India-Marxist] people in North Bengal.

The killing and open selling of beef on the roads hurts Hindu sentiments, he said, and is on the increase. This is not permitted in other States. The West Bengal Government, he demanded, should fall in line. Otherwise it will give Hindus one more ground for agitation.

West Bengal has seen 13 years of communist rule. There is frequent load shedding. The condition of roads is terrible. There is overcrowding in the buses where travelling on the roof is a common sight. Shri Rajju Bhaiya feels that it all shows that the communists are no better administrators than other parties. Therefore, the disenchantment and the general collapse of communism in the West will lead to a gradual slide of communism in Bengal also. The nationalistic parties will gain in West Bengal also in the coming years.

Shri Rajju Bhaiya, however, saw a good future for Hindu thought, which is being received with enthusiasm in the West, for it shows the true way for peace and brotherhood. In Bharat too, Hindus are increasingly becoming aware of their great heritage and participating in large numbers in programmes to organise the Society and rid it of its aberrations which have accumulated during centuries of slavery. The Centenary of Swami Vivekananda's famous speech in Chicago is falling in 1993. “We wish to make it a great event for propagating the Hindu thought which was Swamijee's desire,” he said.

The war in the Middle East has shown, he said, how callous Muslim leaders are in their pursuit of power. There is hardly any democracy in the Muslim World and the dictators are willing to sacrifice millions for their whims. When Indian Muslims support Saddam it is highly regrettable, for India had endorsed the UN resolution and was in favour of the pull out by Iraq from Kuwait. The British Muslims who were using the mosques for prayers for Saddam's victory had been banned from doing so, for Britain was a party to multinational force against Saddam.

Post Gulf-War Impact on Economy Viewed

[Text] The end of the Gulf war does not signal the end of India’s economic crisis. The developments that followed Iraq’s occupation of Kuwait last August only aggravated the existing pressures on the balance of payments and domestic prices, the causes of which are yet to be tackled. Second, it is doubtful if the status quo will soon be restored in India’s economic relations with Iraq and Kuwait.

The decline in foreign exchange reserves had begun in late 1988 because imports of bulk commodities (crude oil, edible oil and fertilisers), capital goods and industrial components continued to outstrip export earnings. The country’s growing indebtedness had also begun to make foreign lenders hesitant about providing more loans. The only change that will now take place is that international prices of crude oil and petroleum products will rule at relatively lower levels. They will be nowhere near the peak of $40 a barrel reached last October, but they could be higher than the pre-August prices of $18 a barrel. With every dollar increase in crude oil prices estimated to add Rs. [rupees] 400 crore to the import bill, the price of $21 a barrel that oil exporting countries are now talking of will only marginally reduce the pressures on the balance of payments. Further, rising domestic demand and the shortfall in production by the Oil and Natural Gas Commission have increased the country’s need for petroleum imports. Hence, even if international crude oil prices do tumble, the overall gain will be marginal.

The Government could also find itself being over-optimistic if it hopes that annual earnings from exports to Iraq and Kuwait and remittances from the two countries will quickly return to the pre-war level of $500 million. With the burden of reparations and the almost certain denial of Western assistance to rebuild its ravaged economy, Iraq for a long time to come will provide little hope for Indian construction firms. The reconstruction bill in Kuwait will be huge. However, contracts in the first phase have already been allotted mainly to United States firms with whom Indian firms have had few sub-contracting links in the past. Further, India’s ambivalent stand on the Iraqi occupation of Kuwait puts a question mark on Kuwait opening its economy to a large influx of Indian workers as before August 1990. The early signals are that Kuwait is in any case not enthusiastic about resuming its earlier dependence on expatriates. All told, while the pressures on the balance
of payments and prices will ease a bit, they will not disappear without attempts to remove the structural imbalances in the economy. These include reducing the budgetary deficit and pruning the import bill.

**Government’s ‘New Tax Efforts’ Delineated**

91AS0724A Bangalore DECCAN HERALD in English 4 Mar 91 pp 1, 9

[Words in boldface as published]

[Text] New Delhi, 3 March—Even before the budgetary exercise, Union Finance Minister Yashwant Sinha has assured the Government of an additional Rs. [rupees] 1,830 crore over the next financial year, an amount in excess of what his predecessor, Prof. Madhu Dandavate, sought through a series of tax proposals.

In addition, the Government may mop up an amount ranging up to Rs. 4,600 crore by continuing the oil surcharge imposed last year. Even if oil prices go up, from the $16 a barrel last week to $20 a barrel that oil producing countries want, the Government would still gain on account of the surcharge though it would impose additional foreign exchange burden.

If these are positive signs, there are areas which may emit negative signals as well. What for instance, has been Government expenditure, including on defence and subsidies? How has the Government fared on revenue realisation?

It is for such signals that the interim budget will be watched with keen interest. Though it is shorn of suspense in the immediate context as no new tax proposals are expected, it will still emit signals on the extent of resource mobilisation effort that the Government might undertake when the vote on-account expires.

Of particular interest will be the revised estimates that Mr. Yashwant Sinha offers for the current year under various heads and the overall deficit.

**Pre-Budget Taxes:** Mr. Sinha’s pre-budget taxes, levied during December last, work out to Rs. 1,830 crore for the next financial year as against last year’s budget proposals of Rs. 1,790 crore.

Of the taxes levied by Mr. Sinha, and expected to continue into the next financial year, the indirect taxes—hikes in auxiliary duties of customs and basic excise duties on aerated waters, yarn and certain man-made fibres—are expected to fetch Rs. 1,340 crore. The hike in surcharge on non-corporate income tax will fetch Rs. 150 crore. In addition, Rs. 90 crore on account of this surcharge, due this year, will be carried into the next year on account of realisation difficulties on tax imposed towards the year end.

Likewise, the change in depreciation rules for tax purposes, though effected as a one-time measure, would enable a realisation of Rs. 250 crore in the next financial year, Finance Ministry sources had made it clear when the depreciation provisions were changed last December.

The continuation of the petroleum surcharge is another favourable factor for the Finance Ministry. Though imposed belatedly in the wake of the Gulf crisis, it is to be continued into the next financial year even as the international oil price now is far below the domestic price. The International oil prices last week, after the war, were around $16 a barrel for crude and compared fine, from India’s standpoint, with the $14-15 a barrel price before the crisis. The surcharge sought to tune domestic prices to the international price of $25 a barrel.

**Deficit:** As far as the current year is concerned, the situation has been a difficult one with the realisation of taxes falling behind targets and an expected deficit of around Rs. 1,700 crore on account of the additional petroleum imports at higher prices.

Petroleum Ministry officials say that though the cost of petroleum imports for the current year has been revised downwards to Rs. 10,500 crore (as compared to estimates of Rs. 12,000 crore after Gulf crisis) it still leaves a deficit on the domestic front as the Gulf surcharge was imposed belatedly. The Government, as it is, had underestimated the petroleum import requirements last March and had to revise them upwards even before the Gulf crisis. Subsequent estimation of shortfall in domestic crude production to the tune of 2.4 million tonnes worsened matters, resulting in imports of an estimated 29 million tonnes of crude and products as compared to 24.5 million tonnes projected last April.

While the additional import bill has worked out to approximately Rs. 4,100 crore in foreign exchange, the Gulf surcharge is expected to yield Rs. 2,400 crore during the current year, leaving a gap of Rs. 1,700 crore approximately.

The Finance Minister’s primary concern, no doubt, will be the budget deficit, which he promised Parliament last December would be contained at 8.3 percent of gross domestic product [GDP]. It was also promised to Parliament, with an eye on an IMF loan negotiation then underway, that the fiscal deficit would be reduced to 6.5 percent of the GDP in 1991-92.

**Difficult:** This would be difficult to achieve, given the political compulsion of offering a tax-free budget. Though a restricted attempt can still be made in that direction by reducing the expenditure under the head of “subsidies,” and postponing the “rationalisation” meaning curtailment of subsidy of benefits on food or fertilisers, it is doubtful if this would pass without attracting criticism.

The Railway annual plan for 1991-92, with a lower plan outlay as compared to the previous year and that too with larger recourse to market borrowings, could well be an indication of things to come. Whatever the size of the annual plans, the budgetary support component may
A visit to Sirpur, Manchippa and other villages near The Dakshin Expressed derailed when a remote-controlled explosive placed on the track went off. After much coaxing two youngsters showed the spot where the village cell met regularly. They were prepared instantly. Narender jumped out only to be shot. Late the number of visits of naxalites had come down. Of the bus was completely damaged and the driver died. Change in leadership or policy, but had noticed that of PWG men had planted landmines on the route on which Do they perceive any change in the policy of the Government towards naxalites after N. Janardhana Reddy had been set on fire by naxalites. The burning of the bus with some policemen in a State Transport Corporation demoted it among some of us. It is a good thing they distributed it among some of us. It is a good thing they have done. But most of it is still unoccupied because of the fear that the police may evict us."

Consider these Bhimbai, a Gond tribeswoman of Indervali mandal in Adilabad district, was dubbed a police informant, beaten up and shot dead. Another tribal, Pyka Rao, sarpanch of Champenguda village in Adilabad, was branded “an enemy of the people,” tortured and beaten to death, on the day his brother, K. Bhim Rao, Congress(I) MLA [Member of Legislative Assembly] from Khanapur, was sworn in Minister. His appeals to spare him as he was not guilty were ignored. He was thrashed continuously in front of his family members with brief breaks for drinking water.

Mojaram Naik, the sarpanch of Bairapur Tanda, a tribal hamlet in Nizamabad, was beaten ruthlessly till the villagers gathered courage and chased away the Mallanna dalam. The charge against him was that he had diverted Jawahar Rozgar Yojana funds.

A visit to Sirpur, Manchippa and other villages near Nizamabad was revealing. A tall red “stupam” or pylon erected by naxalites in memory of their colleagues killed in encounters with the police is the only permanent structure in Sirpur. Most of the houses are made of mud and have thatched roofs. The fear that set in following attacks has gone to such extent that a statue of Bhagat Singh has been set up in front of a house. The people’s minds. Every stranger is seen with suspicion. It takes quite a bit of convincing to make them talk.

Posetty, a farm labourer, said, “Annalu (brothers, that is Harijans and Girijans, rather than landlords or “exploiters”—a far cry from Charu Mazumdar’s theory of annihilation of class enemies.

The two incidents indicate that unlettered, misguided elements have come to stay at the “implementation level” in the PWG. They know nothing of Marx and Lenin and kill or maim people without any valid reason. A majority of their attacks in the two districts have been on innocents, such as Harijans and Girijans, rather than landlords or “exploiters” — a far cry from Charu Mazumdar’s theory of annihilation of class enemies.
to talk only on condition of anonymity. Most of the cell members, in their teens, “actively” participated in holding praja courts and punishing the “guilty,” but they did not know why they were doing all this. They had not heard of Marx or Lenin, nor did they know anything about naxalite ideology. They only knew how to do a ‘lal salam’ (red salute) and that they were working for a “party that operates from the jungle.”

Occasionally some dalam (an armed underground squad often has 10 to 12 hardcore extremists) members come and supervise the activities in the village, but even they had not talked about ideology. They swear by the party and are prepared to do anything the party asks them to do. A majority of them are school dropouts and work as farm labourers. One of them returned after working as a helper in Dubai for about three years.

These are the first rung leaders in the village. Though young, even the elders respect them, for the latter know the youngsters have developed contacts with the party leaders and might get weapons soon. There seems to be no better bargain for a teenager. Unemployed and frustrated, he falls prey to the allurements—of carrying a gun and getting things done as he desires. Visit any interior village in Nizamabad or Adilabad district and develop contracts with dalam members, one is sure to come across a gun-toting youth. The sudden rise in status guaranteed by the gun seems to be too tempting for the youth.

There are six active dalams each in Nizamabad and Adilabad. Thanks to the liberal policy of Channa Reddy, they can now boast of sophisticated weapons, including AK 47 rifles, automatic and semi-automatic guns and self-loading rifles, and also jeeps and motorcycles. They have collected huge sums as donations, often using force. In some places they have assumed the role of judicial, police and revenue officials. They hoisted black flags with impunity both on Independence Day and Republic Day in Adilabad district. Shankar, the Nizamabad district committee secretary, roams the forests and visits villages wearing a bulletproof jacket he got after killing Raghupathi Reddy, an agriculture graduate, a few years ago.

Two other revolutionary groups, which differ with the PWG in the use of violence, have three squads in Nizamabad—one owing allegiance to the Pyla Vasudeva Rao (Prajapantha) group and the others to the Chandra Pulla Reddy group. Pratap, leader of the PV group’s dalam, said, “Our squad is meant only for self-defence and to check PWG raids on us.” There have been exchanges of fire between these groups.

The PWG has extended its activities to the mines of Singareni Collieries in Adilabad by floating a militant trade union, the Singareni Karmika Samakhya (SIKASA). There have been violent attacks leading to the murder of two workers. The General Manager of the Mandalmarri division, Govardhan, was kidnapped in support of certain demands and later released. The union also has led a number of strikes during the last six months and at the end of one such there was a production loss of Rs. [rupees] 50 crores.

But, of late, a distinct change is discernible in the two districts. Public meetings, praja courts and forcible occupation and distribution of land by naxalites have come down. The explosion in the houses of two Congress(I) MLAs from Nizamabad, Santosh Reddy (now a Minister) and Suresh Reddy, and the kidnapping of the Telugu Desam MLA from Adilabad, G. Rama Rao, seem to have prompted the Government to swing into action. The police are no more silent spectators as was the case during Channa Reddy’s regime. They conduct regular raids and combing operations.

But how well-prepared are the police to combat naxalism? R. P. Meena, Superintendent of Police, Nizamabad, the youngest IPS [Indian Police Service] officer in Andhra Pradesh to get the President’s police medal, said, "Our morale is very high and we are prepared to meet any challenge thrown by naxalites. We have repulsed all their major actions. The recent blasting of a landmine was a big setback for them, and as during the last two and a half years we have not only come out unscathed but also chased them.

He has been “reasonably successful” in checking naxalite activities as “the people are with the police. They have come to realise that what the naxalites were doing was bad. In some places they even passed on to us valuable information.” He said it was because of police pressure, applied by killing the hardcore naxalites and relentlessly chasing others, that about 800 of them were arrested and 500 forced to flee to Bombay, Madras or Nagpur.

Ironically, naxalism has done one good thing to the two districts—it has focussed the attention of the Government on their backwardness. The Government has launched Remote and Interior Areas Development plans. These are for infrastructure facilities such as roads, drinking water supply, power supply to villages, loans and land for the landless.

Nizamabad and Adilabad have been allotted Rs. 3.5 crores and Rs. 3.9 crores respectively for the year 1990-91. Binoy Kumar, Nizamabad District Collector, said, “Unlike in routine development, a vigorous push has been given to the development of the remote areas. The accent is on intensive, integrated and speedy development.” As many as 294 villages and 295 tandas have been identified as affected by extremists. He said works for Rs. 2.7 crores had been completed. Roads had been laid in Manal, Chadmal, Chimanpalli and Somarampet villages, some of them through thick forests and hilly terrain.

Mobile revenue teams have been sent to the villages to solve problems relating to land. In Adilabad, 625 km of interior roads are planned, linking 171 villages. As many as 810 minor irrigation works will be launched. These will benefit 1,054 families and irrigate 4,288 hectares.
Reserve Bank Reports on Banking Trends

91AS0793A Calcutta THE TELEGRAPH in English
11 Mar 91 p 8

[Text] Bombay, March 10—The Reserve Bank of India (RBI) has come down heavily on commercial banks for the structural imbalance evident in the portfolios of certain banks. The credit position of these banks are far out of alignment with their own resources and they have over-extended their credit positions, the RBI says.

In a report on the “Trend and progress of banking in India 1989-90” released here, RBI points out that these commercial banks depend on the money market as a source for meeting persistent disequilibria in their sources and uses of funds, and goes on to partially blame the volatility of the money market for such a situation.

This underlines the need for further improvement in the system of funds management, avoiding over-lending and mismatched between assets and available sources of funds, the bank feels.

The report found that the performance of commercial banks in promoting “bill culture” leaves much to be desired, and the “portfolio of bills are only four percent of the total bank credit.”

With the remission of stamp duty on usance bills routed through banks, to the advantage of genuine commercial and trade transactions has been eliminated, it says.

In the year under review, scheduled commercial banks’ operations were characterised by an accelerated growth in aggregate deposits (19.1 percent) and a slower growth in bank credit (19.8 percent). The annual average increase in aggregate deposits during the Seventh Plan was Rs [rupees] 18,943 crores or 18.2 percent per annum.

Despite enhanced competition from other instruments, aggregate deposits as a percentage of GDP [gross domestic product] at current market prices have risen from 17.5 percent at the end of March 1985 to 37.7 percent at the end of March 1990, the report points out.

Rural credit: The report stressed the need for providing a “decisive thrust and dynamism” to rural lending. Despite a rising growth curve, from three percent in the early 1950s to 65 percent in 1981, there is substantial scope for improvement.

In this context, the bank stressed the need to activate the service area approach scheme in rural credit. On its part, the RBI would emerge the “scope and coverage” of its branch inspection to boost operational efficiency of rural and semi-urban branches of commercial banks.

Banks’ maturity: In spite of operating in an increasingly competitive milieu, the banking system has shown a considerable degree of maturity and resilience. This is reflected in several areas including exercising the freedom to charge lending rates above a floor rate, sanctioning credit proposals of large borrowers by banks under the RBI post-sanction scrutiny and gradual improvement in funds management despite availability of alternative short-maturing and near-liquid assets.

Commercial banks have been quick in responding to the change, diversifying into new financial services like merchant banking, equipment leasing, mutual funds, housing finance and venture capital, the report said.

Priority sector: The priority sector advances of public sector banks constituted 42.3 percent of net bank credit at the end of June 1990, above the 40 percent target. Banks’ advances to weaker sections was 11 percent of their net bank credit at the end of June 1990 against the target of 10 percent.

Although public sector banks as a group are yet to achieve the revised target of direct finance to agriculture of 18 percent of net bank credit which was required to be reached by March 1990, these banks are fast moving towards attaining this target. Under the differential rate of interest (DRI) scheme, the amount outstanding at the end of June 1990, was Rs 708 crores in 42.87 lakh borrowal accounts which constituted 0.9 percent of the total against a target of one percent.

Plans for sick units: Health coding and annual review of accounts and determination of the viability of sick units have resulted in toning up of the system. To maintain the tempo of various measures initiated by banks, RBI has advised banks to draw up action plans for a further period of two years till March 1992. The plans are to place special emphasis on measures to improve profitability, organisational and control arrangements and manpower utilisation, and upgrading the quality of customer services.

An increasing number of private sector financial companies also collect public deposits to take up a growing variety of financial institutions, including the UTI [expansion not given], LIC [Life Insurance Corporation] and GIC [General Insurance Corporation], have become important lenders of term finance as well as in the money market.

The report said these developments underscored the need for an integrated view of the operations of financial institutions and banks in order to provide a more comprehensive basis for the conduct of monetary and credit policies.

The liabilities and assets of the non-bank financial institutions and companies are growing rapidly. So, RBI is taking steps to widen the scope of its over-sight beyond banks to gradually encompass the broader financial system, the report added.

Article Envisions Utopian Government

91AS0725A Bangalore DECCAN HERALD in English
10 Mar 91 p 7

[Text] Bombay, 9 March (PTI)—Former Union Minister and Congress(I) MP [Member of Parliament] Vasant
Sathe today called for formation of a National Government headed by Vice-President Shankar Dayal Sharma as Prime Minister to save the country from further economic crisis.

In an appeal to President R. Venkataraman and national leaders, Mr. Sathe said, "the imperative need of the hour is to form a national Government by putting aside personal ego considerations."

The national presidium would consist of leaders like Mr. Jyoti Basu, Ms. Jayalalita, Mr. V.P. Singh, Mr. L.K. Advani, Mr. Chandra Shekhar and Mr. Rajiv Gandhi, he said.

The Prime Minister could induct eminent economic experts in the Government whose main task would be to pull the country out of the economic morass and provide relief to the common man by way of lower prices and improved economic conditions, he added.

Mid-Term Poll: Mr. Sathe emphasised that the Government should at least work for a year, after which the national leaders could take a decision about holding mid-term elections.

Mr. Sathe said the fall of Mr. Chandra Shekhar's minority Government was inevitable. However, "the economic situation in the country is virtually precarious."

The full-fledged budget itself would have to be passed before July 1991, he said adding unless negotiations with international financing agencies were completed before June, it would be impossible to meet the obligation of repayment of credit which begins in June 1991 which would prove threat to India's credit-worthiness and the nation would be plunged into the category of "banana republic."

He said the country would be forced to hold a mid-term elections before June, preferably in May, though the MPs from the Lok Sabha would not want polls just after a year when the people have elected them for a normal term of five years.

No Major Issue: "It is true that the leaders of all political parties have resolved to go to the people and yet everyone is aware that there is hardly any major issue on which a fresh mandate from the people is called for," Mr. Sathe said.

In the appeal, which was also sent to Mr. Rajiv Gandhi, Mr. V.P. Singh, Mr. Chandra Shekhar and other senior national leaders, Mr. Sathe said unless any one gets a decisive mandate, the hard option required for rigorous economic discipline essential to overcome the economic crisis would not be possible.

The bitterness and hostility generated during the forced snap poll would not create a conducive atmosphere of co-operation in the post-election period, he added.

India's pledge to help was conveyed by the Vice-President, Dr. Shankar Dayal Sharma, at a dinner hosted by the Prime Minister of Mauritius, Mr. Aneerudh Jugnauth, on the occasion of his country's 23rd independence day.

Dr. Sharma said India, Mauritius and many littoral and hinterland countries in the Indian Ocean region had long sought a better climate of peace in the region.

Dr. Sharma regretted that the abhorrent doctrine of apartheid in neighbouring South Africa still continued. He reaffirmed India's heartfelt solidarity with Africa and commitment to the struggling people of South Africa.

The secretary-general of Organisation of African Unity, Dr. Salim Ahmed Salim, was also present at the dinner.

Dr. Sharma, who is on his third visit to Mauritius, handed over a letter from the President, Mr. R. Venkataraman, to the Governor-General, Sir Veerasamy Ringadoo, in which the President had underlined the desire of India to strengthen the multifaceted bonds of friendship and cooperation between the two countries.

Flypast by the police helicopters and the Dornier of the national Coast Guard and colourful performance by the school children marked the 23rd Independence Day celebration here today. Dr. Sharma was the chief guest at the one-hour long celebration.

'No crisis': "There is no political crisis in India and everything is being worked out smoothly under the Constitution," Dr. Sharma said.

He conveyed to the Governor-General that Mr. Venkataraman was desirous of resolving the current political impasse in the country strictly in accordance with the Constitution, an official spokesman told reporters.

The spokesman said the Mauritius leader enquired about the political situation in India.

The spokesman said Mr. Aneerudh Jugnauth called on the Vice-President.—UNI, PTI
Asian countries—India, Pakistan, Bangladesh and Syria—and an African country—Morocco—that have been adversely affected in various ways by the Gulf war but who, however, were not included among the recipients of $2 billion aid to the Gulf frontline nations.

Reports quoting government officials said today that each of the four nations, apart from Syria, were expected to receive an additional $100 million on top of the aid they already received each year. Syria would get $500 million for a power project.

In this connection, a fact-finding mission led by Mr. Taro Ishibashi, Director of the Loan Aid Division of the Economic Cooperation Bureau of the Foreign Ministry, visited New Delhi at the end of last month. The five-member team which he led also included officials from the Finance and International Trade and Industry ministries and the Economic Planning Agency as well as two other Foreign Ministry officials.

The Foreign Minister, Mr. Taro Nakayama, had said in the Diet about India having suffered a loss of close to $3 billions in foreign exchange earnings [as published]. As such, a quick decision is expected on the proposed additional aid.

Mr. P. C. Shukla, Finance Secretary of the Government of India, was in Tokyo for two days last month in course of which he met all Japanese Government concerned officials.

Sources said that the aid to India would come through normal channels, namely, through the Aid India Consortium. Although today's report said that the additional aid to India would be of the order of $100 millions the sources suggested that the figure is likely to be somewhat higher. Last year, Japan's aid to India amounted to 105 billion yen (over $800 millions). Sources said the additional aid was likely to be between $100 millions and $200 millions and the total aid for this year could be of the order of 120 billion to 130 billion yen.

The additional aid could be in the form of a two-step loan, that is, from Japan's OECF (Overseas Economic Cooperation Fund) to the Industrial Development Bank of India (IDBI), with the IDBI dispersing funds to Indian industries importing spares and components from Japan and other countries. The possibility of something like half the expected total aid for this year (60 to 65 billion yen) being disbursed quickly is also not ruled out.

**IRAN**

France Joins other Meat-Exporting Countries

The stockpiling in cold storage of meat produced by member nations of the European Community and the payment of enormous subsidies by livestock producer nation governments has caused some of these countries, including France, to direct their livestock marketing activities to the Islamic Republic. According to a report in a newspaper printed in Paris, a number of French meat-exporting companies are talking with Tehran's Islamic officials about exporting significant quantities of meat to Iran. The Paris newspaper LES ECHOS has put the amount of red meat that will be sold by France to the Islamic Republic at a minimum of 30,000 tons and a maximum of 60,000 tons. In its report on the talks on exporting meat to Iran, the newspaper writes that the contract on this commercial transaction may soon be signed. The newspaper LES ECHOS put the price of each ton of meat exported by France to Iran at about $2,000 and noted that to export surplus meat in Europe, French livestock product exporters are now competing with German export companies. Currently the Islamic Republic buys significant quantities annually of red meat and other meat and livestock products from various countries and provides them to domestic consumers. Among the nations which have exported the largest amounts of meat to Iran in the last ten years are Australia, New Zealand, Turkey, the Republic of Ireland, Pakistan, Argentina, and several other South American and European nations.

**Renault, Nissan Assemblage up in 89-90**

Last year the automobile assembly plants in Iran multiplied by about 2.5 times their production of Nissan minivans and Renults compared to the year 1369 [21 March 1989-20 March 1990].

Early last week during a visit to the SAIPA company's Renault and Nissan assembly plant by the Islamic regime's minister of industries, the acting director of this company announced that in the year 1369 [21 March 1990-20 March 1991] 16,500 Renaults and Nissan minivans were produced and delivered to consumers. The official noted that a comparison of the SAIPA company's automobile production for last year with that of the year 1369 shows a 2.5-fold increase. The acting director of the SAIPA company also announced that the Renault 21 production line is being completed and it is expected that this type of automobile will be in production and on the market by late this year.

**Passengers Down as Domestic Fares Increase**

The Aseman Airlne Company has expanded its flight network with the rental of several aircraft from France, and its flights are to include the cities of Khorramabad, Hamadan, Sanandaj, Ramsar, and Nowshahr. This company also intends to double the level of its domestic passenger load over the figure for last year by renting two more aircraft from Western countries.

'Ali 'Abedzadeh, acting director of the Aseman Airline Company, announced recently that to expand this company's flight network, Aseman's flights to Hamadan, which were stopped about six months ago because of the
lack of aircraft, will resume. The official, who was speaking because of the chaotic market for Iran Air tickets in the last few days and the confusion among officials because of the regime's abuses in designating airline ticket prices, criticized the increase in the price of airline tickets and announced that the increase in the price of airline tickets would be followed by an increase in the prices of goods, increasingly complex problems of overland transportation, and an increase in vehicle prices in the country. He declared that the recent measure by the Iran National Airline to increase airline ticket prices is illogical. He said that this measure has reduced the number of passengers and will consequently have a negative effect on the revenues of airlines. Continuing, the acting director of the Aseman Airline Company added:

"Another problem is flights to the nation's deprived areas, such as Zabol, Iranshahr and Birjand. People object to the current price of tickets to these areas, which is about 900 tomans, and if this price is to increase several times over, the problems of the people in the deprived areas will double.

Country's Forests Reduced to Half
91AS0812J London KEYHAN in Persian 11 Apr 91 p 4

[Text] The relentless destruction of the nation's forests in the last few years and the utilization of trees which were cut for fuel use have reduced Iran's natural forests from 30 million hectares in 1355 [21 March 1976-20 March 1977] to less than 12 million hectares at the present time. Studies conducted by experts on Iran's natural resources show that the continuous destruction of forests in the northern part of the country in the last two decades has reduced this natural resource by about one half, from 3.4 million hectares to about 1.8 million hectares. A report published in the Tehran press states that the authorized level of wood production from the northern forests has fallen to less than 1.5 million cubic meters. The experts believe that if the existing forests in northern Iran are saved and revived, the level of production of these economic resources can be increased to ten million cubic meters. In part of a report printed in the Tehran newspaper KEYHAN, under the heading "Destruction of Natural Resources Continues," it says: Currently Iran's forests include the forests in the northern Alborz foothills, the forests in the Zagros chain, and the southern tropical and plains forests. In terms of area, only 7.3 percent of the country is covered, with a per capita share of .24 hectare.

Continuing its report, the newspaper mentions the destruction of the nation's pastures: "According to the experts, the total area of the nation's pastures is about 90 million hectares, including 14 million hectares of good pasture, 16 million hectares of weak pasture, and 60 million hectares of average pasture, and the annual production of this portion of the natural resources is estimated to be 10 million tons of dried feed usable by livestock. This is only enough to feed 60 million head of the nation's total herd of 100 million livestock animals.

For example, in the entire province of Lorestan there are about 20,100,000 hectares of pasture, of which about 750,000 are forested, the remainder nonforested. These pastures produce 370,000 tons of dried feed annually. This amount can feed two million head of livestock per year, and the other 41.5 million head of livestock in the province are faced with a shortage of feed.

Bandar-e Shahpur Petrochemical Complex Operational
91AS0812D London KEYHAN in Persian 11 Apr 91 p 4

[Text] The liquid gas separation unit of the Bandar-e Shapur Petrochemical Complex went into operation early this year, and based on information obtained from Ahvaz, this unit's production capacity is estimated to be about 60,000 barrels per day. Petrochemical officials from the Islamic Republic's Ministry of Oil recently announced that 75 percent of the production from the liquid gas separation unit of the complex will be used for domestic consumption, and the remainder will be exported. These sources noted that so far about 40 billion rials has been spent to put this unit into operation.

An expert on petrochemical affairs said that the value of the liquid gas separation unit's exports will be about $100 million per year, and it is expected that when ultimate use is made of all the production phases of this unit, the value of its products will be about $1 billion per year.
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