



JPRS Report

Near East & South Asia

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

DISTRIBUTION STATEMENT A
Approved for public release;
Distribution Unlimited

19980713 067

Near East & South Asia

JPRS-NEA-89-030

CONTENTS

17 APRIL 1989

ARMENIAN

NKAO Decision Seen as First Step in Unification [Beirut ZARTONK 7 Feb]	1
Scepticism, Satisfaction Expressed at Moscow's Stance	1
Editorial Condemns Hardening Stance [Montreal HORIZON 13 Feb]	1
NKAO Decision Seen as 'Realistic,' 'Satisfactory' [Beirut ZARTONK 15 Feb]	2
Impact of Karabakh Committee Arrests Examined	3
Dashnak Writer Says Arrests Hurt Trust in Leadership [Beirut AZTAG 7 Feb]	3
Activist Writer Calls for Release of Detainees [Paris HARATCH 3 Feb]	4
Detainee Charged With Forming 'Illegal Association' [Paris HARATCH 21 Feb]	5
Writers' Union Protests 'Forced' Repatriation to AzSSR [Montreal HORIZON 20 Feb]	5

NEAR EAST

REGIONAL

Egyptian Contractors Reported Ready To Work on ACC Projects [London AL-HAWADITH 17 Mar]	7
--	---

PALESTINIAN AFFAIRS

Uprising Not Changing Arab Voting Patterns [Tel Aviv DAVAR 22, 23 Jan]	7
Economic Status, Viability of West Bank, Gaza	9
Future of a Palestinian State [London THE MIDDLE EAST 9 Mar]	9
Dependence on Israel [London THE MIDDLE EAST 9 Mar]	11

ALGERIA

Background on Berber Movement Revival [ALGERIE ACTUALITE 16-22 Feb]	12
---	----

BAHRAIN

Island Viewed As Possible Regional Financial Center [Dubayy AL-IQTISAD WA AL-A'MAL Jan]	16
--	----

EGYPT

Mubarak Expresses 'Displeasure' Over Badr Statements [AL-WAFD 2 Apr]	18
PLO Official Praises Bush, Mubarak Statements [MENA]	18
Government Advised To 'Contain Crisis' With Sudan [AL-WAFD 28 Mar]	18
Sudan, Egypt Resume Trade Relations [MENA]	18
Liberal Party Secretary General Speaks Against Family Planning [AL-NUR 15 Mar]	18
Labor Party Leaders Comment on Party Split [AL-SHA'B 21 Mar]	19
Economists, Bankers Offer Solutions to Debt Problems [AL-AKHBAR 11 Feb]	20
Magazine on Higher Dollar Against Pound [AL-MUSAWWAR 24 Mar]	21
Journalist Reviews Press Ownership, Content [AL-YAQZAH AL-'ARABIYAH Dec]	23

ISRAEL

Intelligence Site Reportedly Being Established on Chadian Border [Doha AL-'ARAB 1 Mar]	28
Bank of Israel Chief Proposes Economic Changes [YEDI'OT AHARONOT 6 Jan]	28
Religious Group Plans Restoration of Rites on Temple Mount [DAVAR 8 Dec]	31
Study Finds Israeli Students Hate Arabic Language, Culture [HA'ARETZ 13 Mar]	33

QATAR

Financial Policies To Stabilize National Economy Described [AL-RAYAH 5 Jan] 34

SUDAN

Paper Cites Al-Mirghani on Government, Peace in South [Manama WAKH] 35
Ba'th Paper Prints Party Position Statements 35
Recommendations on Coming Government [AL-HADAF 29 Jan] 35
Position on Constitutional Conference [AL-HADAF 29 Jan] 36
Damage by Foreign Forces in Darfur Tallied [AL-HADAF 22 Jan] 37
Nuban Involvement in Kaduqli Violence Denied [AL-RAYAH 12 Mar] 37
Islamic Front's Al-Turabi Interviewed [Jeddah 'UKAZ] 38
Roughly 302,000 Refugees From Equatoria in Juba [AL-HADAF 19 Mar] 39
New Southern Provinces Law Rearranges Budget Administration [AL-RAYAH 21 Jan] 39

UNITED ARAB EMIRATES

1988 Budget Allocations Enumerated [Dubayy AL-BAYAN 12 Jan] 40
Communications Projects Described [Beirut AL-ANWAR 24 Dec] 40

SOUTH ASIA

INDIA

Government Criticized For Not Promoting Hindi as National Language [JANSATTA 1 Feb] 42

IRAN

Official Details Relations With Algeria, Third World Trade [RESALAT 25 Jan] 43
Activities, Production of Oil Industry Explained [RESALAT 26 Jan] 44
Mineral Exports Earn Over \$100 Million [KAYHAN INTERNATIONAL 12 Mar] 45
Increase in Prices Examined [RESALAT 3 Jan] 45
Official Discusses Agricultural Needs [KAYHAN INTERNATIONAL 1 Mar] 45
Education Ministry Needs Public's Help [KAYHAN INTERNATIONAL 12 Mar] 46
'Revolutionary Line' Adjusts to Postwar Situation [Paris AL-MUSTAQBAL 11 Mar] 46

PAKISTAN

Repealing Eighth Amendment Seen As Undemocratic [JASARAT 26 Jan] 51
Defense Minister Indicates Collaboration With Turkey [DAWN 9 Mar] 52
Technical Cooperation With Iran To Increase [DAWN 10 Mar] 53
Opposition Proposal To Form Shadow Cabinet Supported [Lahore NAWA-I-WAQT 18 Jan] 53
Human Rights Violations Alleged [DAWN 3 Mar] 54
Torture Said To Be "Very Common" [DAWN 3 Mar] 56
Shadow Cabinet Idea Mocked [NAWA-I-WAQT 18 Jan] 57
Sharif Interviewed on Relation With Center, Alliances [THE MUSLIM 2 Mar] 57
End Urged to 'Ad Hocism' in Distribution of River Waters [NAWA-I-WAQT 22 Jan] 61
Unemployed Workers Going to Libya [DAWN 4 Mar] 62
Discrimination Said Responsible for Low Number of Females [THE FRONTIER POST 6 Mar] ... 62
Commentary Views PPP Efforts To Change Constitution [NAWA-I-WAQT 16 Jan] 62
Editorial Views Debt Burden as Immediate Threat to Economy [DAWN 4 Mar] 63
Editorial Calls for Efficiency in Fighting Inflation [THE MUSLIM 4 Mar] 64
Commentary Outlines Defense Production Plans [THE FRONTIER POST 4 Mar] 65
Editorial Calls for Merger of Islamic Law Institutions [THE FRONTIER POST 2 Mar] 66
Editorial Calls for Settling of Northern Areas Status [THE MUSLIM 26 Feb] 67
Commentary Blames 'Maladministration' for Violence in Colleges
[THE FRONTIER POST 6 Mar] 67
Editorial Criticizes 'Sindhudesh' Supporters [JASARAT 28 Jan] 69

NKAO Decision Seen as First Step in Unification
46050020d Beirut ZARTONK in Armenian
7 Feb 89 pp 2, 4

[Editorial: "The Administrative Separation of Karabakh From Baku"]

[Excerpts] Since 20 January 1989, Nagorno Karabakh has been governed by a new administration, or committee, which is described as a "special and provisional form of government" in the edict issued by the USSR Supreme Soviet on 12 January 1989. The abbreviated text of that edict was published in our paper and the Armenian press in general. As we stated previously, the interpretation of various aspects of the edict requires the expertise of a specialist on Soviet law, and the evaluation and implementation of the edict and the work of the administration led by Arkady Volski needs time. But given the urgent nature of the issue, it is possible to make certain judgments about some of the points of the edict.

Three points can be picked as the salient features of the edict which form the three pivot points on which everything else rests and depends. First, NKAO [Nagorno Karabakh Autonomous Oblast] remains part of Azerbaijan. Second, a special government committee appointed by the central administration in Moscow is "fully empowered" to govern the region. Third, this special form of government is provisional. [passage omitted]

The 12 January 1989 decision of the Supreme Soviet is the result of a realistic analysis of the situation, and as such can satisfy the demands of our kinsmen in the region for the time being.

The second principal feature of the edict, the turning over of administrative and judicial authority over NKAO to central authorities in Moscow is unprecedented even though the edict cites the 14th clause of Article 119 of the Soviet Constitution which reserves the right of arbitration in similar cases to the central authorities. With this decision, henceforth Moscow will effectively be responsible for the security and the economic, social and cultural affairs of the region. In the event of any foot-dragging by Baku, the people of the region will be able to demand action from Moscow. In addition, in a fair and proper step, the edict puts the judicial affairs of region under the direct jurisdiction of the chief justice of the Soviet Union, the USSR Ministry of Justice and the Supreme Court of the Soviet Union.

The committee led by A. Volski, which is "directly" accountable to the government of the Soviet Union and is "fully empowered" with the authority to govern the region, is in effect a viceroysip. Of its nine members, the majority, five, are ethnic Russians, three are Armenians and one is Azerbaijani. In other words, the Azeri presence in the committee has been reduced to one-ninth which is extremely important for us. In effect, the

11-month struggle for Artsakh has reduced the Azeri presence in the government of NKAO to a minimum which should be considered an unqualified success.

The third principal feature of the edict, the provisional nature of the "special form of administration," indicates that the central Soviet authorities do not view this new approach they have endorsed as the final solution of the problem. Neither do we, the Armenian nation, view it as such. Consequently, all future options and solutions remain open in the course of time whose framework has not been specified; as Volski disclosed recently, that framework may range from 3 to 30 years.

Consequently, the entire Armenian nation and particularly its members in Artsakh should utilize that time element productively with caution, diplomacy and uncompromising persistence to eventually unify Artsakh with Mother Armenia.

Scepticism, Satisfaction Expressed at Moscow's Stance

Editorial Condemns Hardening Stance
46050020b Montreal HORIZON in Armenian
13 Feb 89 p 7

[Editorial: "The Noose Is Retightened"]

[Excerpts] Despite some recent positive developments—such as the temporary political solution of the Karabakh issue, punitive action against the thousands of Azeri organizers and instigators of massacres, the decision to shut down the Metzamor nuclear power plant, the improvement of relief services to earthquake victims and assistance to orphans and migrants—we are concerned by other developments which force us to ask whether the catchwords of "glasnost," "perestroika" and "democratization" were just a sham and whether there was no one who believed them or wished to implement them in the first place.

What is happening in Soviet Armenia today—indeed in the Soviet Union in general—indicates that the old forces, the people who were never reconciled with the proposed reforms and who stand to lose the most if those proposals are implemented, are still at work.

The first worrisome development is the ongoing campaign for the upcoming elections for the Congress of the People's Deputies. Evidently, candidates who enjoy popular support but who do not necessarily play to the tune of the party—that is, the conservative wing of the party—are persecuted and ostracized. In particular, the candidacies of nationalist intellectual leaders, such as the members of the Karabakh Committee, are rejected or declared illegal if they are elected. This is also done against Russian intellectuals in Moscow, which makes one think that the old Mafia is fighting body and soul to preserve and to consolidate its positions. It appears that tyranny cannot be fought with democratic means.

The second worrisome situation is the persecution unleashed against the Soviet Armenian intellectuals who have been defending the national spirit. They—our best people in office who are in charge of running our press, radio, television and news agencies—are charged with the offense of excessively arousing nationalist sentiments.

That stance is unjust. Everyone who has been reading the Soviet Armenian press for the past year will acknowledge that even at periods of surging nationalist sentiment and times of deep despair the press remained loyal to Leninist and traditional Armenian altruism and internationalism, and it never allowed itself to sow interethnic hatred.

The unnecessary and unjust delays in the resolution of the Karabakh problem would naturally provoke deep discontent among the leaders of the Armenian intelligentsia especially because that delay and the belated effective intervention of central Soviet authorities led to the massacres and violence of Sumgait and Kirovabad. [passage omitted]

In the course of the past tumultuous year, it became clear to the entire world that the security of Armenians is not assured under the current Soviet system, that after living in the Soviet system for 70 years the Turkish-Tatar element is still ready to pillage Christian Armenians (and not just Armenians) with the same ferocity and that the Red Army is unable to prevent such fratricidal incidents.

Even so, the wise leadership of Soviet Armenia never lost faith in Gorbachev's policies hoping that they could lead to more humane conditions. If we disregard the secessionist calls made by some irresponsible elements at times of despair, neither the Karabakh Committee nor the intelligentsia in general ever saw the proper solution of our problems outside the Soviet framework.

Therefore the present repression in Soviet Armenia cannot be justified under any circumstances. The Red Army soldiers and their tanks must withdraw from Armenia without delay and must turn their attention to the East, on the bloodthirsty cubs of the grey wolf.

Also, the young men of the Karabakh Committee as well as everyone who was arrested for his or her political activities must be released without delay. The repression against our national leadership and institutions must stop.

Otherwise, how can they talk about glasnost, perestroika and democratization and still look in our eyes and without blushing?

NKAO Decision Seen as 'Realistic,' 'Satisfactory'
46050020b Beirut ZARTONK in Armenian
15 Feb 89 pp 2, 4

[Editorial reproduced from Boston BAYKAR: "On the Threshold of the Second Stage of the Reunification of Artsakh"]

[Excerpts] January 20, 1989 will become one of the landmark dates on the path of the just and final resolution of the Artsakh cause. Since that day, Artsakh has

been administratively separated from Baku and has been ruled directly from Moscow. This way, the Armenians of Artsakh and elsewhere can sense the redeeming presence of the clean air of liberation for which they have yearned since 1923 when Nagorno Karabakh was treacherously turned over to Baku with Stalin's blessing. [passage omitted]

This decision by the USSR Supreme Soviet is the first fruit of the persistent demands, the uncompromising struggle and the pan-Armenian campaign that began for Artsakh in February of last year. The decision is also evidence of the realism of the Soviet leadership with regard to the impasse that was created. In fact, as the statement of the decision says, "the decision was taken in connection with the continuing tension in interethnic relations with the aim of precluding their future deterioration and stabilizing the situation in the region."

It was thanks to the personal efforts of Mikhail Gorbachev that it was possible to impose on Baku a decision which takes away from it the control of a region which is officially part of its territory. The decision for administrative separation was taken at the beginning of December, but its approval was postponed for various reasons. [passage omitted]

The special administrative system that has been instituted for Artsakh is "provisional" as it has been announced. Its provisional nature has two meanings for us. The special committee that has been set up is for the moment a fully empowered body of authority for the region and replaces the constitutional and executive authorities in Artsakh—that is, the elected deputies and administration as well as the local party leadership. Artsakh will be governed this way for some time until it becomes possible to hold elections. We hope that power will then be turned over to representatives who come truly from the people and who represent its true yearnings. The present situation is also provisional because we consider it the inevitable first stage of the just solution of the Artsakh problem. For the moment, what is important is the physical security of the Armenians of Artsakh and the development of Armenian culture and the strengthening of the economic infrastructure in the region. [passage omitted]

For healthy development every country needs a legitimate internal opposition which must have its say at all government levels, particularly in parliament where it must be possible to hear the painful realities that go beyond those that are permitted as well as proposals aimed at remedying them.

Lastly, we have territorial demands from Turkey, which forms the axis of the Armenian cause and which received little of our attention last year. This year, the Armenian-Americans for example must at least secure the approval of Congress on the Armenian genocide resolution which has failed to pass for many years in the past for known reasons.

We will have other occasions to express ourselves on the USSR Supreme Soviet's decision on the Artsakh issue which is a victory for justice, though a peculiar one, and for which we express satisfaction as a nation.

We would surely be expressing our thoughts more cheerfully had the decision not been taken after long delays and at a time when the entire Armenian nation is mourning its innumerable earthquake victims on the rubble of its devastated population centers.

But reconstruction begins today, and the separation of Artsakh from Baku will help the Armenian nation to set to the work of building its bright future with more enthusiasm and vigor.

Impact of Karabakh Committee Arrests Examined

Dashnak Writer Says Arrests Hurt Trust in Leadership

46050020a Beirut AZTAG in Armenian 7 Feb 89 p 4

[Article by N. Berberian: "Hour of Seriousness"]

[Excerpts] Having partially recovered from the horrible shock of the earthquake disaster that struck Armenia on 7 December 1988, the demandful Armenian nation is slowly realizing that there has also been devastation on the Artsakh front.

The information that is slowly falling into place confirms that the unjustified anti-Artsakh criticism leveled by the No. 1 representative of the Soviet Union a few days after the earthquake was neither unexpected and circumstantial nor inconsequential.

Today it is quite obvious that the mistake Gorbachev made on 11 December was more than an ordinary political gaffe. The venomous language that the Kremlin's top leader directed against nominally the Karabakh Committee and "Armenian nationalists" was more than a case of mistimed, unnecessary and absurd criticism. [passage omitted]

These lines are not being written in defense of the Karabakh Committee or its leading members. They are being written simply because everything, ranging from Gorbachev's criticisms to the indiscriminate insults of the Soviet Armenian leadership, indicates that an effort is under way to silence the just voice of the Artsakh movement—a situation about which the rightful Armenian nation and, particularly, the Dashnak press can only express repugnance and revolt.

Moreover, even after all that has happened the Dashnak ideology continues to be defined by the conviction set forth in the Declaration of the 24th General Congress of the Armenian Revolutionary Federation [ARF] and reinforced by repeated statements from the ARF Bureau that Gorbachev's restructuring opened up and continues to open up encouraging vistas for movements seeking

rights and justice. Consequently, the new policy of hardening endorsed by the Soviet leadership is condemnable especially because it forces into a dead end the Artsakhian turnabout that came after so much delay and with so much difficulty. The Gorbachevian pledge is a strong assurance of national unity not only for Soviet Armenians but for all currents of Armenian political thought. Consequently, the Dashnak press believes that Soviet Armenians have every reason to resist the present wave of hardening stances and deepening crisis.

It follows that a concern much graver than the defense of the Karabakh Committee has been placed on the agenda of Armenian political thought. The unity over demands which restored the national-political vigor and the fighting spirit of the entire Armenian nation is in jeopardy. The neutralization of that threat is of cardinal importance at the present stage and is the imperative that must guide all currents and postures.

That situation requires that the Soviet Armenian government and party machinery as well as the Karabakh Committee and the spirited intellectuals gathered around it are obligated to overcome the hardening postures that the central administration has adopted.

The Soviet Armenian authorities have unleashed an unjustified campaign of repression against the Karabakh Committee and its sympathizers while the central administration attempts to use accusations of greed and malice leveled against the Artsakh movement to single out and to condemn the Ter Petrosyans and the Manucharyans.

Meanwhile, elements operating and speaking in behalf of the Karabakh Committee direct their criticism against the wrong target when they venture on a campaign of wholly discrediting the Suren Arutyunyan who are embarrassed by the earthquake disaster and weakened by Gorbachev's hardening stance.

More than ever before, Armenia needs a government-party leadership which enjoys the confidence of its people, its intelligentsia and its spirited youth. Having barely shaken off the Demirchyan yoke, the Soviet Armenian people have every right to give the highest priority to strengthening the new and healthy leadership and to subordinate all other considerations to that task. Conversely, that leadership would grow stronger only when the desire for harmony is strong at the level of political action and cadres and when the crucial importance of the work to build up confidence is understood.

Only then will the Karabakh Committee and its members realize that nobody in Soviet Armenia benefits from the discrediting of the Soviet Armenian leadership. On the contrary, that would deprive the Armenian nation of an authoritative interlocutor with Moscow and would open the stage to all anti-Armenian forces which are waiting for an opportune moment to destabilize the irrepressible Artsakh movement from the inside.

It is by taking the same approach that the Arutyunians will realize that the detainment of the Karabakh Committee hurts not only the Artsakh movement but the hopes of the healthy Soviet Armenian leadership itself because the recent anti-Karabakh Committee hardening posture set in motion by Gorbachev's declaration is equivalent to suppressing the people's voice.

It is true that when the Kremlin demands silence on the Artsakh front, and the Karabakh Committee and its sympathizers are not willing to bow to such a request even in Gorbachev's presence, harmony naturally becomes more difficult and confidence wavers.

It is also true that in an atmosphere of hardening postures the future progress of the political awakening of the entire Armenian nation is jeopardized.

That is why appropriate seriousness is required from all the forces representing the will of the Soviet Armenian people.

Activist Writer Calls for Release of Detainees
46050020a Paris HARATCH in Armenian
3 Feb 89 pp 2, 3

[Excerpts] (Editor's note) We publish the following open letter with involuntary delay and with the consent of its author, Sero Khazadryan, because SOVETAKAN HAYASTAN did not publish it as Khazadryan predicts at the beginning of his letter.

Khazadryan's daring words should not surprise those who are familiar with the writer and who know that he loves the truth more than Plato. The article entitled "Hour of Tragedy and Responsibility" to which Khazadryan refers in his letter was published in SOVETAKAN HAYASTAN on 13 December 1988. On 13 January, HARATCH carried an A. Totoyan article entitled "What Remained Under the Rubble" with reference to the said article in SOVETAKAN HAYASTAN.

[Begin letter] Dear Colleagues:

I know that you will not publish these words of mine in your newspaper. Nevertheless, I write to express the agony of my heart and the scream of my soul.

I read with anguish your editorial article entitled "Hour of Tragedy and Responsibility." It is true that the calamity caused by the horrible earthquake is national.

Alas, rather than mitigating the pain of this national calamity your article compounds it with further anguish. Your article attempts to discredit and to deny the equally tormenting experience of rescuing Nagorno Karabakh from enslavement by the Azerbaijani SSR [Soviet Socialist Republic] and the tragedy of the 300,000 Armenians deported by Azerbaijani chauvinists from their lands and homes in the Armenian-populated regions of that republic.

Our country and the entire world mourn compassionately for the victims of the earthquake that swept Armenia on 7 December. That reflects the awakening of human compassion.

But why forget the calamity unleashed on our nation by swords and fire a few months ago, the massacre of hundreds of innocent Armenians in Sumgait, Mingechaur, Khojalu and Kirovabad and the poisoning of innocent Armenian women in Masis by their Azerbaijani "sisters"? Why forget the deportation of Armenian men from Shushi and the massacre of the Armenian population of Baku? Why should we forget them? Why? Why should we forget the just cause of NKAO? Why? No mother has the right to run to the aid of one her wounded children while forgetting her other hurt children?

You criticize the Karabakh Committee saying that they are "trying to make political capital out of national anguish." Those who think so are far removed from feeling the people's anguish. I ask you: What is that "political capital"? Beside being untruthful and baseless, your characterization is hostile. [passage omitted]

What is wrong with the fact that [the Karabakh Committee] sent a list of demands to the European Parliament with regard to the Karabakh issue? After all, was it not the European Parliament which first recognized the Armenian genocide? Was it not only yesterday that Comrade Gorbachev stated kindly in Yerevan that the Karabakh problem remains unresolved and awaits a solution? He has also spoken about this issue overseas. Therefore, the Committee has not done anything illegal.

You criticize the Committee's leaders for "sending communiques even to the UN." What is wrong with that? After all, are we not also a member of the UN? Only recently, on 12 December, Comrade Ryzhkov received the UN representative in Yerevan in connection with the Armenian torment.

As a deputy I am deeply insulted by your characterization of the November 24 session as "self-convened." It is shameful to call it that. The session was fully legal. [passage omitted]

The national and human dignity of the Armenian people has not been as trampled upon as it has been in these days of tragedy. As the proverb goes, "when the ox falls knives proliferate." But let the entire world know that our sacred ox has not fallen and will not fall. As if we did not have enough tragedy in our hands, the press and television keep compounding it. Let me cite another proverb: The dog barks, but the caravan moves on.

You claim that they are spreading alarmist and false information. That may be true—I believe it—but those who are spreading those rumors are not the leaders of the movement but the provocateurs of certain leaders who are opposed to perestroika and people who have been

bribed by the enemy. I repeat, such people are not in any way linked with the Armenian people and the noble leaders of the Karabakh Committee.

One more point. Recently Baku officials have issued statements in the press and television calling on Armenians who have run away from Azerbaijan to return to their former places of residence in Sumgait, Baku, Kirovabad, Mingechaur, Shamakhi, Nukhi and so on. My advice is this: Misfortunate Armenians, do not believe in those alligator's tears. Baku is making those calls to swallow you forever. We have bitter experiences ranging from 1918 to 1988. Do not be fooled by the tricks of Turkish-Musavatists. Do not return. Have pity on your children and yourselves. The monster is opening up its den "with goodness" so that it can swallow you up. Stay on the bare rocks of Armenia. The rocks are more humane. Go to Karabakh. Karabakh is your home. Survive even if you have to live on only a sip of water and a piece of bread. Live on. Believe this old man who has experience that if you return to Baku or Kirovabad you will be lost.

Do not be lost, my dear children.

When we lifted the siege around Leningrad I was a regiment commander. When we saved Leningrad, many Leningrad mothers and sisters kissed me saying: "You, an Armenian, saved my home." Now Russian generals, captains and soldiers are in my house. They have arrested by children in the Committee. Do you generals and captains have any God? Keeping order in our house is not your business; we can settle it ourselves. What business is it of yours? Why should the 3-year-old boy whom I saved in Leningrad and who is now a general arrest my children? Why?

I demand that all Armenian detainees and arrestees be released without delay.

I am offended by the vulgarity of this article by the editorial board of SOVETAKAN HAYASTAN. You are forcing the Armenian people to cause fresh calamities this time in its wounded national and psychological world. You say that you want to help the earthquake victims. I do not see you doing that. Have some conscience; do not kill the dead and the wounded again. Help the nation to get back on its feet. Do not strike at the heart of the wounded. Whatever you do, the Armenian nation must live and survive. Do not act in a way that the nation's curse be on your head.

[Signed] Sero Khanzadyan, 18 December 1988

Detainee Charged With Forming 'Illegal Association'

46050020a Paris HARATCH in Armenian
21 Feb 89 p 1

[Text] As is known, since 10 January no information has been received about the members of the Soviet Armenian Committee of the Karabakh Movement seven of

whom were arrested on 10 December in the Armenian Writers' Union building and the rest of whom were arrested later. They were then moved to Moscow instead of being released. The first seven detainees were sentenced to 30 days in prison and were supposed to be released—as assured by Armenian Minister of the Internal Affairs H. Arutyunyan during a television interview—at the end of their term, on 9 January. They were not released, and it was later learned that they quietly moved to Moscow. Why? Probably Yerevan preferred that Moscow take responsibility for this "peril" and Moscow did not refuse such a "service."

Since then no information has been received. Even the detainees' families are not allowed to visit them. The first official news we have is a telegram from the head of the Soviet Department of Judicial Investigation to Sen Arevshatyan, the director of the Matenadaran [National Library] in Yerevan. The text of the telegram is:

[Date] 9 February 1989 Reference number: 58101188

I would like to inform you that Levon A. Ter Petrosyan has been charged in accordance Article 206/3 of the Armenian Penal Code.

He is currently under arrest and is kept in solitary confinement in Moscow for interrogation.

[Signed] Yu. A. Burdzev, Head, USSR Department of Judicial Investigations.

Apparently, we "had the favor" of this explanation thanks to an inquiry by S. Arevshatyan because Ter Petrosyan is a veteran worker of the Matenadaran.

Let us note that Article 206/3 is related to the formation of illegal associations, and it is on the basis of that article that the Ter Petrosyan and his friends were sentenced to 30 days in prison. What does this mean? At the minimum, it is slightly unusual that a person indicted in accordance with the penal code of the Armenian SSR [Soviet Socialist Republic] has been moved to Moscow, but apparently the considerations we mentioned above and the upcoming elections on 26 March have played a major role, all talk of perestroika notwithstanding.

Writers' Union Protests 'Forced' Repatriation to AzSSR

46050020c Montreal HORIZON in Armenian
20 Feb 89 p 1

[Text] According to a USSR Interior Ministry spokesman, a total of 300,000 people have migrated from Soviet Azerbaijan to Soviet Armenia and from Soviet Armenia to Soviet Azerbaijan. This was disclosed in a statement on 7 February which was carried by the TASS news agency. According to the same source, one-sixth of these emigrants have returned to their former places of residence. Of the 141,000 Azerbaijanis who have left

Armenia, 4,000 have returned to their homes, and 44,000 of the Armenians who were deported from Azerbaijan have been returned to Azerbaijan.

The note of protest by the general assembly of the Armenian Writers' Union below makes it clear that a large number of emigrant Armenians returned to Azerbaijan because of coercion by "Armenian leaders."

We publish the letter of protest with sympathy.

To Comrade S. G. Arutyunyan, First Secretary of the Central Committee of the Armenian Communist Party; Comrade H. M. Voskanyan, Chairman of the Presidium of the Supreme Soviet of the Armenian SSR; and Comrade F. T. Sarkisyan, Chairman of the Council of Ministers of the Armenian SSR:

Comrade N. I. Ryzhkov, Chairman of the USSR Council of Ministers, stated clearly during his meeting with the Armenian intelligentsia that the return of Armenians residing in Azerbaijan must take place only on a voluntary basis. However, refugees who have been deported by

force from Azerbaijan and who have been settled in various parts of Armenia come to the Armenian Writers' Union every day and ask for our help to stay in Armenia permanently stating that the local Armenian leaders are forcing them to return to their former places of residence. We understand the policy pursued by the Azerbaijani leaders very well; they wish to return Azerbaijanis to their places of residence in Armenia at any cost so that they can preserve their demographic status. They know very well that the Armenians deported from Azerbaijan will never return and will never put their lives and dignity at risk again. The Armenian Writers' Union protests the Armenian leadership's compromising, unprincipled and unconstitutional stance which ignores human rights and awaits your immediate and effective action to block these anti-Armenian steps and to put the process of the settlement of refugees on a government basis.

[Date] 4 January 1989

[Signed] General Assembly of the Armenian Writers' Union

REGIONAL

Egyptian Contractors Reported Ready To Work on ACC Projects

45000133 London AL-HAWADITH in Arabic
17 Mar 89 p 43

[Text] In a report to Egyptian Prime Minister Dr 'Atif Sidqi, the Egyptian Building and Development Contractors' Association has affirmed the readiness of Egyptian contracting companies to participate in implementing development plans in the Arab Cooperation Council [ACC] countries, which are Egypt, Jordan, Iraq, and North Yemen.

In this report, the association's president, Sharif Hafiz, indicated that these companies have tremendous opportunities in the building and development field. He said that the Egyptian companies' participation in development projects in the Arab countries will help to create new job opportunities for laborers and skilled workers, in addition to supporting relations between Egypt and her sister Arab countries in the ACC in particular and the other Arab countries in general.

PALESTINIAN AFFAIRS

Uprising Not Changing Arab Voting Patterns

44230057 Tel Aviv DAVAR in Hebrew 22, 23 Jan 89

[Articles by Yoram Levi]

[22 Jan 89 p 7]

[Text] The intifadah [uprising] has not changed traditional voting patterns among the Arabs of Israel. That is the conclusion of six experts who took part in a study day held last week by the Jerusalem Institute for Israel Studies on the subject of the 12th Knesset elections in the Arab community of Israel. Even so, the experts differed on the question of the real voting strength of Israeli Arabs.

Professor Yosef Ginat, an anthropologist from Haifa University, reached the conclusion that the struggle for equality in the community was more important in these elections than national and Palestinian concerns. He did not find changes in the Arab voting patterns, except for a small drop in the vote for the Zionist parties. In his opinion, this decrease derived from the founding of an Arab party by ['Abd-al-Wahhab] Darawishah which did not include any Jewish candidates, and partly from the religious extremists, who in the past had boycotted the elections but this time answered the call of Shaykh 'Abdallah Nimr, who called for voting for the peace forces. The presence or absence of an Arab candidate in a realistic position in a Zionist party did not influence the scope of the vote for that party.

Although the number of Arabs eligible to vote in the 12th Knesset elections grew 27 percent, the voting rate grew only 2 percent. Professor Ginat contends that the Arab bloc lost strength because the Arab parties did not sign an agreement for allocating excess votes among them and because the religious sector was not unified and there were religious Arabs who rejected the permission Shaykh Nimr had given for taking part in the vote. After the election, some Arabs were heard to say that they preferred to vote for extremist Arab parties or leftist parties than for the Labor Alignment because the Alignment in a coalition is no different from the Likud. Professor Ginat interpreted that as a protest vote.

Professor Ginat divides the Arab vote into five categories: A protest vote as a demand for egalitarianism, primarily in the villages; ideological votes; pragmatic voting; votes for Zionist parties in the hope that they will work for equality and peace; and voting on the basis of personal friendship, as in the case of voting for the party advocating transfer of Arabs, Moledet, because of a personal acquaintance with its leader, Rehav'am Ze'evi. Ginat interpreted the abstention from voting by many Arabs as apathy.

Dr Avraham Disqin, an expert in election analysis from the Hebrew University, examined a notable phenomenon of the last elections; despite the considerable growth in electoral strength among Israeli Arabs, the Arab parties for which they voted did not increase their representation in the Knesset. He listed three causes for their failure. First, the relatively low rate of voter turnout. In his view, this low rate derives from a feeling of alienation, which is dangerous and politically significant. Second, the absence of excess vote agreements between the Arab parties or between them and the Zionist parties of the left. All in all, there were 34,000 excess votes in the Arab sector, enough for two Knesset seats. Dr Disqin labeled the third factor "bad luck," by which he meant that the Progressive List received insufficient votes for a second seat.

According to Dr Disqin, except for a deviation in 1981, Arab voters since the founding of the state have been growing more extreme in their positions. He believes that the voting patterns among the Arabs are influenced by the communal and religious composition and strength of the settlements. In the smaller settlements, the inclination, as in the past, is to a more moderate vote; in large settlements, the tendency for more extreme voting continues. Unlike the Arab vote, the voting of the Druze continues to resemble more the voting patterns of the Jewish population. The trend is more to the right than that of the Arabs and the Bedouins taken together. The investigator also finds differences in voting between Christian and Muslim Arabs; the latter tend to be more religious.

Dr Majid al-Haji, who studied election propaganda in the shadow of the intifadah, presented another side of the vote in the Arab sector. His central conclusion is that

the intifadah influenced the content of the election campaigning of most of the parties to a large degree but not the results. He divided the parties into 3 groups: non-Zionist parties—RAKAH [New Communist List], the Progressive List, and Darawishah; left wing Zionist parties—MAPAM [United Workers Party], the Citizens' Rights Movement, Shinuy and Labor; and right wing Zionist parties—Likud, the National Religious Party (NRP), Tehiya, and Moledet. The campaign publicity of the first group stressed subjects such as the right to self-determination for Palestinians, two states for peoples and the PLO as the sole representative of the Palestinians. RAKAH borrowed many symbols from the intifadah for its advertising, but emphasized more the subject of equality and the Israeli identity of the Arabs, and called for support for "strengthening the peace camp."

The Progressives devoted their campaigning exclusively to the issue of the intifadah and made much use of 'Arafat's pictures and words. The Arab Democratic Party of Darawishah put more emphasis on Arabism than on Palestinianism. As a group, these three parties stressed the subjects of peace and equality; the list of priorities of each party was dictated by its position.

The left wing Zionist parties also emphasized the intifadah in their publicity directed to the Arab sector. Likud and the NRP emphasized the subject of peace in their publicity for the Arab population. Dr al-Haji contends that "Even if the intifadah did not influence the results of the election, that is not to say that the Arabs regard the Palestinian issue as secondary. Perhaps in the short term the influence is not apparent, but in another 10 years it is likely to generate change." In his opinion, the slight influence that the intifadah had on the election teaches that the Arabs of Israel have molded for themselves a special identity, which he designated "Palestinian-Israeli." This identity includes a national component and a civic component. Their demand for civic equality goes along with their aspiration for a solution to the Palestinian problem. "The intifadah sharpened and brought to the fore the conflict between the national component and the civic component," said Dr al-Haji. "To the degree that the intifadah achieves success, so it will reinforce the demands of the Arabs of Israel for progress in the civic sphere."

Dr al-Haji believes that the Arabs of Israel find themselves "on the periphery twice over." They are on the margin of the Arab world and they feel that they are on the margin of the state of Israel. "The Arabs in Israel are more conscious of their situation now than they have been in the past and they will not be content with their marginal existence for long." He notes that the Palestinianization of the Arabs of Israel does not necessarily mean a process of extremism, but a strengthening of their political consciousness which requires integration of the Arabs into Israeli politics. In his view, the Arabs today are in a new stage regarding their identity and

political strategy. "Their frustration has grown and grown, both because of a lack of progress in integration and because of the widening gap between what they want and what they have."

[23 Jan 89 p 7]

[Text] A change has appeared in RAKAH since the 11 Knesset elections, says Professor Ilan Grailsammer of Bar-Ilan University. The close relations the party has with Moscow influence its policies. Gorbachev's ascent to power and the resulting improvement in relations between Moscow and Israel are making it difficult for the leadership to preserve the unity of the party. "RAKAH must justify for its voters, most of whom are Arabs, the warmer relations between the Soviet Union and Israel, and during the intifadah, this is not easy."

Professor Grailsammer believes that RAKAH is involved in a difficult struggle as well with the growing extremism and the intensification of the process of Palestinianization in the Arab sector of Israel, in which there is "growing support for the PLO and increasing solidarity with the struggle of the Palestinians in the territories." Beyond that, it must compete with a strengthening of the extreme right in the Jewish population. The attainment of public legitimacy for the ideas of discrimination and transfer, and the view that parties such as Kakh and Moledet are less dangerous than RAKAH and the Progressives, says Professor Grailsammer, have obliged RAKAH to take into account the danger that its legitimacy and even its legality may be undermined.

"RAKAH is working hard to appear as a legal force within the Jewish public," says the expert. According to him, RAKAH's political position advocated recognition of the state of Israel and observance of the law in the political struggle, but it is forced to compete with extremist political forces that are identifying more and more with radical factions in the Arab population. "RAKAH is in a delicate situation, because it is being ground between Gorbachev's policy towards Israel, the intifadah, and the ascent of the right in Israel. These are 3 new facts." Professor Grailsammer emphasized that the changes that RAKAH is going through are of special significance because it is a party that was not accustomed to changing situations. Because RAKAH is in a new situation, it will not be able to continue on its current course and, in his opinion, must choose between 3 strategies. The first is distancing itself from the policies of the Soviet Union, a choice that could draw it into an internal crisis to the point that it could break up. The second is support for the intifadah and the PLO; and the third, which the scholar sees as the most realistic, is to become more moderate and to seek a common front with Darawishah's party or the Zionist left wing.

Yitzhaq Reiter, an orientalist from the Hebrew University, examined the place of the Arab Democratic Party, the ADP, in the electoral system, and of its leader,

Darwishah, in the political spectrum. He does not agree with the opinion that the intifadah did not have any influence on the vote of Israel's Arabs. In his view, Darwishah's withdrawal from the Labor party in protest of Rabin's security policy in the territories is a political expression of the influence of the intifadah on the Arabs of Israel. He believes that the founding of the ADP is an expression of despair with the attempt to influence the Zionist parties from within, through integration into their ranks, and the choice of a new course of independent Arab organization in order to have an affect on Israel's political map.

According to Reiter, there are few ideological differences between the ADP, RAKAH, and the Progressive List for Peace. It differs from them only in that all its members are Muslim Arabs. This fact has determined the content and the target audience of its election publicity. Reiter sees in the election of Knesset member Darwishah to the current Knesset the success of a new model of Arab party in Israeli politics. The ADP differs from the other Arab parties also in that it aspires to be included in the political consensus of the Knesset and the coalition, although not on any condition.

From an analysis of the elections in the Arab sector, Reiter has concluded that the ADP took nearly one seat from Labor Alignment. It is clear that it even received 1,400 Jewish votes, compared to just 900 such votes received by the Progressive List, which of course is a mixed party. Due to the representation of its list in the urban and village areas, the ADP reaped impressive success among the Bedouins in the Negev (43 percent) and enjoyed support in the eastern Galilee and in the Triangle (17 percent). Reiter rejects the claim that the 27,000 votes that the ADP swept up are nothing but protest votes. In his opinion, the supporters of the party attach great importance to its ideological component. "The ADP's direction is one of communal development of the Arabs of Israel," Reiter contends. "That is a political-Arab direction and the party, by its existence, represents for the state a more difficult challenge in the competition with its Arab citizens."

Dr Yosef Ben-David of Ben-Gurion University analyzed in his lecture the changes in voting patterns of the Bedouins of the Negev. In his opinion, the Bedouins have not yet crystallized political patterns for themselves, but it is possible to identify stages in the process. Since the end of the 1970's, that segment of the Bedouins that votes for the Zionist parties has transferred its support to the Likud. It is his opinion that this change in voting reveals the political influence of changing foundations of the Bedouins and the efforts of political factions among them to connect a solution for internal factions among them to connect a solution for internal problems to voting in the elections. Another trend noted in the political behavior of the Bedouins in the Negev is the increasing similarity between their voting patterns and those of the Arabs of Israel in general. The rate of

Bedouin voting for not-Zionist parties has grown, especially in the last elections. He points to a process of deepening fundamentalism among them, a strengthening of nationalism and increasing identification with the civic troubles of all the Arabs in Israel. Dr Ben-David explains the success of the ADP among the Bedouins of the Negev on the ground that it is a compromise party that has freed them of the need to define their nationalism against the background of the intifadah and that the vote for it is an expression of total disappointment with Labor. According to the scholar, the voting among the Bedouins is half on the basis of tribes and clans, but today is marked also by a trend toward stripping away the tribal framework.

Economic Status, Viability of West Bank, Gaza

Future of a Palestinian State

44000419 London *THE MIDDLE EAST* in English
9 Mar 89 pp 23, 24

[Article by Joel Bainerman and Paul Cossali. First paragraph is introduction.]

[Text] Will an independent Palestinian state on the West Bank and the Gaza Strip be economically viable? So far, that question has been overshadowed by political considerations. In the following two articles, Joel Bainerman from Jerusalem tots up the likely accounts, while Paul Cossali looks at how the Palestinian economy is faring during the intifada.

Whenever the topic of a Palestinian state arises the discussion is almost always confined to security matters. Two questions which never get asked are: How much would it cost and what type of economic relationship would such a state have with Israel?

According to research done by Dr Simha Bahiri, a professor of economics at the University of Birmingham, in order to create just the basic necessities for a Palestinian state would cost \$10-12bn. Bahiri estimates that over a ten-year period 600,000 Palestinians from Lebanon and Syria, and 400,000 from refugee camps on the West Bank and Gaza Strip would need to be resettled.

This would require 160,000 apartments (six persons per dwelling) at an average cost of \$25,000 per unit, amounting to a total of \$4bn. To create 250,000 jobs at \$15,000 per workplace would demand an additional \$3.5-4bn. Roads, telephone lines, an electrical grid, industrial infrastructure, airport, police and civil service would be another \$3bn.

This is a far cry from the current \$100m yearly budget (a 53 percent increase over the previous year) Israel allocates for West Bank development.

From 1967-1977 the West Bank economy grew by an average of 13 percent per year (albeit the base was low), double the Israeli rate. Since the early 1980s, growth has

been around 3-4 percent annually, but because of the rising population (which increased 19 percent from 1980-1986), is 0 percent per capita.

Approximately 100,000 Palestinians, 40 percent of their working population, are employed in Israel. This represents 40 percent of the West Bank and Gaza's GNP [gross national product], just under \$2bn.

Dr Bahiri's research, which was financed by Meron Benvenisti's West Bank Data Project, concludes that it would not be in the best interest of the Palestinians to be too closely tied to the Jewish state. For the first ten years or until they reach a certain level of economic development, he recommends an employee tax on Israeli firms as a disincentive for using Palestinian labour.

"Autonomy won't help the Palestinians economically," said Bahiri. "Only with an independent state will decisions between them and the Israelis and the Jordanians be taken on an equal footing. They need to separate from Israel in order to develop their own infrastructure."

Dr Stanley Merom researched the topic for Yad Tabenkin, a kibbutz research centre, and disagrees with all of Bahiri's points. Even if \$5-12bn could be raised, "throwing" these funds at the West Bank is like a rainstorm in the desert. It will be unable to absorb it.

He believes it is impossible to resettle one million Palestinians into an economy as undeveloped as the West Bank. This would cause intense competition for already scarce jobs and housing, and instead of leading towards greater stabilisation, the opposite would occur. Establishing entirely new towns would be a very expensive proposition.

A free trade or common market arrangement with Jordan and Israel is the Palestinian's only hope for a viable economy. Using Western Europe as an example, he insists a state of war can be overcome when parallel economic interests arise.

"The solution to the Palestinian-Israeli conflict is an economic, not a political one," he contends. "No political process alone will allow us to overcome the deeply-rooted hostilities. The political adjustments should be made in accordance with what is required for the economic process."

Merom suggests a regional economic framework where Israel, whose industrial infrastructure is high developed, is used as a locomotive by pulling the West Bank and Jordanian economies. The notion is that the West Bank's economy is totally interwoven with Jordan and Israel and to sever these ties would be at the cost of its economic development.

He envisages taking obsolete Israeli textile factories and moving them to the West Bank and Jordan. In this scenario, Palestinians continue to work for Israeli companies within Israel and West Bank companies manufacture goods for Israeli companies. Essentially, this means that the Israelis finance and sell what the Palestinians produce.

Bahiri claims that Merom's approach would block normal development and turn the Palestinians into an economic colony of Israel, albeit a prosperous one.

"By the year 2000 there will be one million inhabitants of the Gaza Strip. Its economy will have to grow by 250 percent just to bring the standard of living up to current West Bank levels." It is not the ideal situation, but what choice do the Palestinians have other than to go with Israel in some sort of autonomy or free-market arrangement? asks Merom.

Musa Hasidiyah is from a small Arab village outside of Haifa and an Israeli citizen. While not an economist, he is very well versed on Israeli-Palestinian economic relations. He is co-owner of an Arab-Jewish joint-venture advertising firm in Tel Aviv which promotes Israeli products to the Palestinian market.

He takes the view that a political solution must precede an economic one. Whether the Palestinians have a state or not, Hasidiyah says, as long as they lack jobs and their own industrial infrastructure, they will be impelled towards violent demonstrations. Who else but Israel will be the target of these economically frustrated people? To enter into negotiations with the Palestinians is not solely for political reasons, he believes, but to plan the economic future with them.

"Everyone understands that there will still be Jewish domination of the economic sphere of the Palestinian's life," he says. "The day after independence Palestinian workers will still be employees of Jewish factories. Their economic independence won't come in a day. But it will never come unless they have the power to decide for themselves what is in their best interests."

Who will foot the \$12bn development bill? Anyone who wants peace in the region, says Bahiri hopefully. The two superpowers, the Europeans, the international development agencies, wealthy Palestinians who reside abroad, oil-rich Arab countries and Arab banks.

Professor Gad Gilbar, an expert in Middle East economies at the Jaffe Institute of Strategic Studies in Tel Aviv, estimates that the Palestinians themselves, through the industrial and economic infrastructure of the PLO, have more than \$5bn at their disposal. "This might not finance the entire state-building project," said Professor Gilbar, "but it would certainly be a start."

"No doubt the Israeli economy will remain on top for a number of years but that doesn't mean that during that time the Palestinians won't benefit," Merom contends. "Ethnic and political pride, flags and national anthems are important, but in the end, nothing can replace jobs and homes as the most important needs of nay people, stateless or not."

Dependence on Israel

44000419 London *THE MIDDLE EAST* in English
9 March 89 p 24

[Text] Calls for the cultivation of marginal land, the boycott of Israeli produce and the development of small scale enterprises have all figured in the communiqués of the underground leadership of the Palestinian uprising. Whereas urban adherence to these directives has achieved little more than fewer Israeli goods on Palestinian shop shelves, there are signs in rural areas that the experience of the uprising has led to significant economic change.

In many West Bank communities there is a trend towards the promotion of self-sufficiency through a revival of the local economy. In village after village residents report that there is a new found commitment to cultivating the land, and that fewer people are choosing to work in Israel. In the West Bank village of Harbathah three shops, two carpentry workshops and a blacksmith have opened up during the period of the uprising. One former worker who invested savings in livestock is now supplying Harbathah with meat and dairy produce once purchased from Israel.

Although, as yet, these cautious expressions of autonomy hardly threaten Israel's control over economic activity in the Occupied Territories, they do pose an implicit challenge to a long-standing Israeli policy of blocking independent economic initiatives. As such, they are perceived by Israel as an "economic arm of the uprising" and have been targeted for suppression by the military authorities.

For example in Bayt Sahur the village's popular committee secured European non-governmental organisation (NGO) funding for an ambitious agricultural project which sought to cultivate communal land using advanced drip-irrigation techniques. Once the project was operational, the leading members of the committee were detained and the technology confiscated. In Ramallah the RC Cola company hired an extra 100 workers during the early months of the uprising to meet increased demand created by the boycott of Israeli soft drinks manufacturers. Shortly afterwards the military government refused to renew RC Cola's import-export licence and by the summer the company was reporting mounting debts and a huge overdraft.

At the same time Israel has stepped up the general levels of economic pressure in an attempt to put down the uprising. Complete export bans have been imposed on

certain agricultural product (e.g. watermelons) and marketing controls imposed on others. Currency transfers from abroad have been limited to \$800 per month and Palestinian businessmen are complaining of inflated tax demands. Communities singled out as centres of unrest have been particularly hard hit. A recent survey of eight West Bank villages carried out by a Palestinian research organisation estimates that Israeli economic sanctions have resulted in losses to the village of \$6m during the first nine months of the uprising. No exact figures are available on the overall losses sustained by the Palestinian economy in the last year, but informal assessments suggest that it may be as high as 20 percent of the 1987 GDP [gross national product].

So what are the prospects for Palestinian economic survival within the context of continued occupation? Samir Hulhayli, a developmentalist attached to the Jerusalem based Arab Thought Forum, believes that low level industrialisation and technological initiatives can provide a partial solution. "There are many possibilities; pickling and canning vegetable surplus on a home or neighbourhood level. Olive oil can be turned into soap. At the moment we have to import certain vegetable produce from Israel during the summer months, but I'm confident we'll develop our own refrigeration plants that will enable Palestinian producers to supply the domestic market throughout the year."

On the vexed question of export markets, Hulhayli expresses cautious optimism. Although export opportunities to Jordan, the Occupied Territories biggest export market, have been curtailed in recent months Hulhayli believes that new doors are opening. First, the ending of the Gulf War will allow resumption of exports to Iran and Iraq, and second, the new trade agreement with the European Community (EC) has opened up the European market to Palestinian producers.

Until last year the only Palestinian produce to reach Europe did so through Israeli marketing organisations and under an Israeli certificate of origin. This not only contravened Israeli trade agreements with the EC, it also meant that the West Bank and Gaza were the only Mediterranean territories with whom the EC had not established direct preferential trade agreements. To rectify this anomaly, the European Parliament instructed the Economic Commission in 1986 to establish channels for the direct export of Palestinian produce. Initially, Israel insisted that Palestinian exports go through their own marketing company, Agrexco, but finally agreed to direct export after Strasbourg took the unprecedented step of refusing to ratify Israel's own preferential trade agreements with the EC.

Although the chance of direct export to the EC has been well received in the Occupied Territories and a consignment of citrus has already left Gaza for Europe, Palestinians still retain certain reservations. There are fears that Israel may either renege completely on its promise to allow unhindered export or else might use clauses of

the agreement to disrupt free passage. Hulhayli believes that it is in Israel's interests to follow the spirit of the agreement. "If they don't," he says, "not only will they incur the wrath of the Europeans they will also see a massive increase in illegal marketing of Palestinian produce in Israel."

ALGERIA

Background on Berber Movement Revival
45190050a Algiers ALGERIE ACTUALITE in French
16-22 Feb 89 pp 25-26

[Article by Hanafi Taguemout: "The Long Journey of the Berber Cultural Movement"]

[Text] First you hear those troubling stories: they make you uneasy, but they manage to pinpoint the problem right from the start. Those who have personally run into one of those warning lights flashing from out of the past, or who have suffered so much they are willing to dedicate their lives to the struggle, speak of the experience with the serene assurance of people bound and determined to live by their convictions no matter the cost. Concerned more to inform than convince, they speak without bitterness of that absurdity from which they draw their strength and motivation.

There are countless such stories, and they cover many different realms of experience. But whether they move you to laughter or tears, they all have one thing in common: the Berber language...or, more precisely, its repression.

Here are three examples, as recounted by Berbers with firsthand experience.

The first is about justice. Mr Mokrane Ait Larbi, a lawyer from Tizi-Ouzou: "According to the law, judicial proceedings can only be carried out in the national language, which is supposed to be the language of all the Algerians, i.e., Arabic. Only foreigners coming before the courts have the right to an interpreter. Now there are some regions, like the one where I practice, where the whole population speaks nothing but Berber. So the situation becomes indescribably twisted and tragic: On the one hand, since they are Algerians, they have no right to an interpreter; on the other hand—and it is a reality that anyone can see—they are unable to speak Arabic so they cannot even communicate with the judge. The expedient improvised to get around the problem is both illegal and an incredible travesty of justice: having the court clerk act as the interpreter."

The second is about the publishing business. Mr Ramdane Achab is a professor of mathematics, and incidentally of the Berber language as well, at the University of Tizi-Ouzou. He put together a "manual on the transcription of the Berber language into Latin characters," and sent the manuscript to the National Book Publishing Enterprise (ENAL) for possible publication. "ENAL's

response was no surprise," Mr Achab explains, "for it was rejected on the pretext that the enterprise didn't handle books of this kind. But what was surprising was that the letter came from the department of foreign languages!"

The last example is a constant sore point for writer Mouloud Mammeri, a specialist in North African ethnography and professor of Berber: "The Berber language is offered for anyone who wants to learn it in Naples, Madrid, London, Leeds, Holland, Copenhagen, Warsaw, Budapest, Tokyo, Moscow, Berkeley, Cambridge (United States), Los Angeles, and Boston...but not in Algiers. It is stupid, absurd..."

Generations of high-schoolers, college students, and young people have always grown up believing that their language has been marginalized, or as the militants say, repressed. As proof they offer innumerable examples of the outrages that suffocate their everyday existence.

March 1980. Thousands of young people poured out into the streets and defied the police in almost every city and town in the wilayas of Tizi-Ouzou, Bejaia, and Bouira. Algerians were profoundly shocked at this wave of defiance, especially when they learned the nature of the grievance that sent the young people into the streets. The cause of the tumult: suppression of a conference on "the Berber poetry of Kabylia" which Mouloud Mammeri was going to give at the University of Tizi-Ouzou. News of the ban triggered an explosion the very next day. In the days to come there were demonstrations throughout Kabylia. These disturbances, the first Berberist demonstrations in the history of Algeria, were the political beginning of the movement which a year later, in 1981, named itself the Berber Cultural Movement (MCB). Its goal was to promote two important demands: 1) recognition of and action to maintain the Berber language and culture; 2) recognition of democratic freedoms. Later, toward the middle of the 1980's, a third demand—social justice—was also espoused, under pressure from leftist militants in the movement. The means? Peaceful struggle.

That, at least, is the movement's window dressing. But let us see what is inside the store. What path has it followed? What alliances has it made? What strategies has it pursued?

One preliminary remark: Throughout the different periods of its development, the movement's destiny has always been tied to the university. It is a place for acquiring experience, promoting the Berber language, testing the movement's ideas against those of the other political currents traditionally represented in that institution, and recruiting militants.¹

The nucleus around which the first post-independence Berber youth cell was formed² was a course in Berber taught by Mouloud Mammeri at the University of Algiers.³ "It was an informal course which I had decided

to give on my own initiative," he explains. "I was already teaching a class in North African ethnography, as I had done for many years. I turned it into a course in Berber." At first, in 1962, it was more abstract than it was later on. I found a lecture-hall and invited everyone who wanted to do Berber to come. True, there was no law or regulation authorizing the course I taught. But neither were there any laws forbidding it."

One of Mammeri's students, Dr Hachemi Nait Djoudi, who has been a Berberist militant since the 1960's and is now one of the movement's leaders, recalls that period: "Nearly all the political forces were already organized at the university. The National Union of Algerian Students (UNEA) was already dominated by the communists in the 'Section Committees.' Everyone was very active and well-organized, except for us, the Berberist militants. Moreover, every time we put forward a demand, we were invariably told that the third party congress, which had just been held in Algiers, had already voted to do 'more and better' in regard to the question of ethnic languages. Without any organization—we had no cadres, no discipline, and no hierarchy—we never made any progress in advancing our demands, not even within the UNEA."

The Berberists did not accomplish much of note in the 1960's. Certainly, more and more students were packed into Mammeri's course. But their influence, both inside the university and on the national political scene, was quite weak.

1973: The political authorities discreetly went on the offensive against the movement, putting an end to Mammeri's course in order to curtail the propagation of Berberist ideas. The author of "Opium et le Baton" said he believes "the Berber course was never well received. They didn't dare just come up to me and flatly say, 'Stop it,' so instead they resorted to all kinds of indirect means, but without success. In 1973 university reform finally gave them their chance. I was told that my course was not on the list in the new syllabus, and therefore I could not offer a course that no longer existed. The reason? Certain groups within the government of the time did not want Berber taught. As simple as that. Only it was one thing to take that view, but quite another to say so and take action on it, which in fact was done."

The militants spent the next few years in the political wilderness. In vain they made countless efforts to have Berber put back in the university's curriculum. The authorities adamantly refused to permit it, and would not even allow the Berber language to be taught. The government's position became increasingly rigid. The very word "Berber" became taboo, scandalous. When nothing else could be done, people resorted to beating around the bush and referring to Maghrebites, Numidians, indigenous populations.... "We invented lots of synonyms," says one militant, "with the sole aim of avoiding the word 'Berber,' because it evoked unpleasant memories, it was a survival from the past that at all costs had to be forgotten and buried."

There they were, without an organization and, for the first time since independence, hounded out of the university. They went from door to door, canvassing the clandestine political parties in an effort to get their backing on the Berber issue. But neither the Party of the Socialist Revolution (PRS) nor the Socialist Vanguard Party (PAGS) would agree to adopt the Berberists' demands.

Meanwhile, the Paris-based Berber Academy had for some years (since 1967) been elaborating a political manifesto that was overtly and resolutely racist. The Berber problem was posed in the form of an irreducible opposition between two cultures, in fact, two races. Anti-Arabism was its war horse, and one which it whipped to exhaustion. The Academy's gospel of self-absorption and rejection of diversity, along with its implacable "either-or" reasoning, gave the organization an ultra-rightist cast as pronounced as that of the most virulent fascist groups.

But its rhetoric was the result of despair, and was a reaction against what the Berberists perceived as their victimization, their de facto exclusion by both the government and the clandestine political parties. Indeed, in the early 1970's, that rhetoric was accepted and even avowed by many sympathizers who were insulted by the official political line and found every door they tried closed to them. No one really likes to talk about that period. In fact, there are people today who are still embarrassed by any mention of certain choice passages from the literature of the day—positions to which no one any longer subscribes. Others, by far the most numerous, dismiss both the state and the Academy as birds of a feather. Still others balk at throwing out the baby with the bath water. "I neither approve nor condemn the Academy's line," says Arezki Ait Larbi. "But I think that it was the government's extremism that engendered it."

"In the period that followed independence," explains Ferhat Mehenni, a singer, one of the main leaders of the movement, "and after the 1965 coup d'etat, there was a reign of political terror so horrifying that it took positions as extreme as those espoused by the Berber Academy to wake people up and stir their consciences. Personally," he continues, "I endorsed the Academy's line when it first appeared, and I think that it made an eminently positive contribution up to a certain point. By the mid-1970's, however, it began to run out of steam and lose ground as things started changing. Each of us has both a private and a public face. The passage from the first to the second does not have to be as traumatic for us as it was for the Berber Academy."

Mr Mammeri agrees. "What is the Berber Academy?" the writer asks. "It is an impassioned response to total rejection. When someone denies you utterly, when in his eyes you do not exist, when your very identity is a scandal, how are you going to respond? Very simply, with the most outrageous possible radicalization, with your emotions: if everyone rejects me, then I reject

everything else. I alone exist.... The Berber Academy can be faulted for a certain extremism, for rhetorical excess. But it is necessary to see what caused that extremism, that exclusivism, that radicalization of positions. It is a result of the fact that the people were muzzled."

In the opinion of Dr Said Sadi, one of the very first Berberist militants and currently one of the most influential leaders in the movement, it is essential to avoid taking things out of context: "The Berber Academy's rhetoric is what it is as a direct consequence of an official rhetoric that was totalitarian, repressive, and exclusivist in nature."

The war of words reached its zenith in the mid-1970's and led to the irreparable. In late 1975 and the early part of the following year, bombs were planted by Berberist militants in various national institutions. The one planted at El-Moudjahid exploded, while the others were defused in time. For the first time in the movement's history—the only time, according to one militant—it resorted to violence. It was an act many militants disapproved. In August 1980 during the conference of Iakouren, the first meeting of the movement's body politic, those who advocated taking unequivocal responsibility for the actions were overruled by their comrades. They even rejected the idea of demanding a reduced sentence or release for the perpetrators. "At the time," as Ferhat Mehenni sees it, "we were still so insecure—these actions were viewed as extremist right-wing terrorism—that the movement was reduced to stammering and mumbling, and could neither take responsibility for them nor avow them. But willingly or not, everything that happened in terms of political action before 1980 has to be accepted as part of the movement's historical heritage. We do not have to be guilt-ridden about it, even if we disapprove of the methods that were used or the rhetoric of the Berber Academy, which was completely extremist at a certain period."

The resort to violence was the logical end-point of the Academy's doctrines, the consummation of its rhetoric—but also, paradoxically, the beginning of its decline. Berberist political rhetoric jumped from the extreme right to the extreme left in the socialist climate of the University of Algiers where at the time Marxism was wholeheartedly supported and avowed by almost everyone. The switch was made very quickly. The Berber Academy people—exiles, out of touch with reality—could not move forward in their thinking because they were unable to see how things were changing on the scene. They stayed just about where they were at the start, while inside the country the pace of change was picking up. As the Academy lost more and more ground, the vacuum was filled by songs. The Berberist political rhetoric absorbed by the people in the countryside found its expression in the form of song, putting a much stronger "ethnic" stamp on the Berberist manifesto.

By the mid-1970's, that manifesto appeared to be approaching a dead end. But in 1978 there was a breakthrough. The Front of Socialist Forces (FFS) of

Hocine Ait-Ahmed, to whom the "Berber question" had been submitted, officially agreed to support the cause and included the Berberist demands in its 1979 charter. It is because of this that many Berberist militants, especially among the students, claim to have joined the ranks of the FFS.

Before that date the position upheld by the FFS and other parties as well was less categorical and less clear: it was enough to say that Berberism was a problem that would be solved once the primary and fundamental contradiction of the regime—in other words, the issue of democracy—is resolved.

Each side thought it needed the other and tried to draw maximum advantage from this political deal, which as one would imagine was negotiated in the strictest secrecy: to the FFS, hurting for new blood and recognition, it was a way to win notoriety and establish its credentials as a real opposition party, therefore as a player. The pact enabled the Berberist militants at last to endow their movement with an organizational framework and a political dimension, with the brand new University of Tizi-Ouzou as their geographic anchorage.

March and April of 1980 were marked by strikes, street demonstrations, repression, and arrests. There was general consternation among militants at the grass-roots level when they learned—in some instances from the very lips of the accused—that of the 24 Berberists arrested on 20-21 April, nearly half (11 of them) were avowed members of the FFS. Many had the disagreeable conviction of having been used, even manipulated. "We had hidden our affiliation with the FFS for obvious reasons of security," explains one of the detainees, who prefers to remain anonymous. "But once the security services discovered it, we immediately informed our comrades as soon as we were released in June 1980. We felt it was important to be honest with them."

The explanations given by those concerned did not succeed in dissipating the pervasive sense of unease or reassuring the grass-roots militants, who demanded a debate on the issue. In the end the marriage of convenience with the FFS, controversial from the moment of its disclosure, was rejected by most of the leadership, who withdrew from the party in September 1981, which was when people first started talking about the Berber Cultural Movement [MCB]. "After the events of 1980," confides Dr Said Sadi, one of those who negotiated the 1978 agreement, "continued affiliation with the FFS had a most pernicious effect on the activity of our movement, because the situation on the ground had profoundly changed. There was a big demographic change, and the young people who constituted the linchpin of our movement were hostile to it. After the withdrawal, we had to ask ourselves if the 1978 accord was a mistake."

Dr Hachemi Nait Djoudi has a radically different view: "If Berberism made a great leap forward at the end of the 1970's and this led to the events of 1980, it was because

the FFS made it a political issue. The work of organization was carried out by the scattered members of that group bound together only by the strength of their convictions. It is true that among the populace there was great anxiety about repression. I imagine the militants in the interior felt it was a millstone around their necks. There was, and still is, the temptation to insulate oneself from repression, to cloister oneself in a 'culturalism' that is seen as less serious than the politicization (in every sense of the word) of the issue."

According to Ferhat Mehenni, the net effect of the "marriage" with the FFS was indisputably negative: "A number of the leaders, and not the least important among them, thought at one point that the political affiliation would be a major pillar of the movement. And this was what they tried to accomplish with the FFS. It worked to the benefit of the party, but to the detriment of the movement. Instead of giving the movement an institutional anchorage, it gave the FFS the chance to try to ingest the movement."

The debate which got under way in the early 1980's had the salutary effect of pulling the movement away from extremism and stabilizing it politically along the lines of tolerance and respect for others.

Eight years later, in 1989, the debate is still not over. For the outcome will determine the answer to the question of double affiliation, namely: Can one be an MCB militant and belong to a political party at the same time?

Some feel that since the MCB is only a "movement," one can support a political party without compromising either one's commitment to the defense of the Berber language and culture or the demand for democratic freedoms. "You can be a Communist or a Muslim and still be a Berberist," as one militant says.

For others that is simply out of the question. One has to choose. Otherwise the movement runs the risk of breaking apart or becoming a mere satellite of the party embraced by the majority. In either case, it would forfeit its soul. "As for those who are already integrated into the party and who feel an affinity with our positions," responds Mr Mokrane Ait Larbi, "they should by all means promote them within their own party. All the better for the cause."

However, both sides agree that the MCB should not be turned into a political party. "Berberhood," says Ferhat Mehenni, "is not a political program but a real facet of the Algerian soul. It became a political question only because of the repressive policies and anti-Berberist attitudes pursued by the various governments since 1962."

"The proper aim of any political party," explains another leader who prefers not to be identified, "is to come to power. Now that is not our own ambition at all. We want to be a sort of counterweight."

Especially on the domestic political scene. [sentence as published] For if there is one phrase to avoid when speaking to MCB militants, it is "threat to—or betrayal of—national unity." When those words are uttered tension mounts, passions flare, eyes light up, and the temperature starts to rise. "We have suffered too much to remain passive," says Dr Lounaouci, who zeroed in on this point right from the start. "How can teaching the Berber language threaten the national unity? That is just outrageous. It is the argument of a government that wants to get the majority on its side against an oppressed minority. The Berber-speaking people want to preserve their unique identity inside the one indivisible Algeria, and maintain an ongoing dialogue with the other elements of the national culture."

Dr Said Sadi turns the argument back squarely against its authors: "It is precisely those who obstinately, and against all the evidence, deny the Berber dimension in culture and national identity who are a threat to national unity, not those who are fighting to integrate it. People only assert themselves when they are denied."

"The government's knee-jerk reaction, which is to depict the Berberists as a menace to national unity," says F. Mehenni, "has generated a sort of secessionist myth. What happened in 1963 contributed somewhat to that: Even though Ait Ahmed called his movement the 'Front of Socialist Forces,' the fact that it was organized in Kabylia gave it a certain regionalist, even secessionist aura, especially after it had been defeated. For the defeated are judged even more harshly than the absent."

Mr Ait Larbi puts the debate on another footing: "Certainly we are demanding [acceptance of our] Berberhood, but it must not be forgotten that we are also demanding democratic freedoms. Together they are the seeds from which can evolve a pluralistic political life, and the monolithic system has reacted to them with repression and accusations of threatening national unity. The creation in June 1985 of the Algerian League of Human Rights [LADH], which we saw as an instrument to protect ourselves against repression, led to the consequences with which we are all too well acquainted: its activists were arrested; hauled into the Court of State Security, if you please; and given sentences of 3 years and more. How is creation of the LADH a threat to national unity? But nobody was fooled this time, especially not international opinion, which as a result of the affair discovered the truth about the Algerian political system."

The debate which threatens to split the movement is currently focused on the position to be taken toward the government and thus toward the reforms under way. The problem goes back to the events of October and how the region reacted at the time. But what triggered the debate was the statement made to the newspaper LE MONDE by an MCB militant, Nordine Ait Hamouda, who said in

essence: "I believe that all democrats can support President Chadli now that he has announced political reforms." It was a statement that made quite a few waves since some militants in the movement were not at all of that opinion.

At the meeting held on 25 November in Tizi-Ouzou, Dr Sadi launched the debate by publicly declaring: "The Berber Cultural Movement, which for years has been an instrument of demands, must from now on be an instrument of persuasion."

Some militants agree. As Ferhat, the singer, explains: "For some time the MCB was an instrument of opposition and demands. Now, if the field of expression is open enough to permit us to defend our ideas democratically, the MCB must learn how to make itself an instrument of persuasion, and this is what the deliberations of the movement are going to focus on."⁴

Others do not agree. "To persuade," says pharmacist Said Khelil, "one has to be inside the system. Now so far we have no proof that the government is prepared to respond to our demands."

But behind this debate, it is really the eternal question of political participation—the same question that divided supporters and opponents of the FFS alliance—that is surfacing again, even though the lines of demarcation are sometimes imprecise. Supporters favor taking a hard line toward the government, while the others call for flexibility. And behind all that is a struggle for leadership of the movement.

The grass-roots militants seem to find all these vicissitudes quite natural. As one militant explains, "A movement is by definition a sort of cloud driven by every wind that blows; party discipline is lacking. It is normal for these different currents to clash. In the past, the need for secrecy kept their voices down, but with 'semi-freedom' the noise level has increased."

Another observer of these fireworks gives a more picturesque metaphor: "They are sparks thrown off by the wheels as the train goes down the track."

In that connection, there is another word that unhinges the Berberists. It is the word "dialect," a euphemism used by some to describe the Berber language. "The words 'dialect' and 'sublanguage,'" according to Mouloud Mammeri, "are bereft of any scientific significance. That is an ideological argument based on racism, and is merely a tool used by [speakers of] a majority language to denigrate a minority language."

Footnotes

1. With the exception, however, of the "Institute of Popular Cultures," created in response to the 1980 demonstrations but generally ignored because of its pedantic attitude.

2. Due to space limitations, we have confined ourselves to the post-independence period.

3. Contrary to general belief, there has never been a Berber professorship at the University of Algiers.

4. The hearings were held in December 1988 and January 1989.

BAHRAIN

Island Viewed As Possible Regional Financial Center

44040275 *Dubayy AL-IQTISAD WA AL-A'MAL in Arabic Jan 89 pp 36-37*

[Article: "Financial Institutions Bolster Regional Presence"]

[Text] Recent developments in the Gulf have changed the fiscal and economic outlook for Bahrain. There is cautious optimism now that financial institutions, especially offshore banks, have abandoned plans to leave the island. This optimism is supported by relative oil price stability, recent improvements in the current account, and the implementation of a government spending program that encompasses oil sector development.

The GDP [gross domestic product], calculated in 1986 at 1.5 billion Bahraini dinars in current prices, grew by 2 percent in 1987, after two years of shrinkage. An increase of 1.5 percent is forecast for 1988.

The General Budget

The 1988 general budget, approved late in January, projected expenditures at about 490 million Bahraini dinars (\$1.3 billion), 12.5 percent lower than in the 1987 budget, reflecting a decrease in outlays necessitated by lower oil revenues. Total income was estimated at 430 million dinars (\$1.14 billion). The projected deficit of some 60 million dinars is to be financed by domestic borrowing.

Actual figures for 1987 show actual outlays of 554 million dinars and revenues of 549 million dinars for a deficit of 5 million dinars. The increase in deficit for 1988 led to lifting the ceiling on government borrowing from 100 million to 300 million dinars (\$797 million) for the three year period through the end of 1990.

The government, in order to supplement oil revenues, has boosted taxes on several commodities and on some public services, although it has abandoned income taxes for the time being. It also sought to improve efficiency by eliminating duplication in certain ministries. Bahrain receives some \$300 million a year in aid from Saudi Arabia and Kuwait.

The higher ceiling on government borrowing has stimulated financial markets and boosted institutional participation in securing government credit. After the ceiling was lifted to 300 million dinars, weekly issues of 91-day treasury bonds increased from 4.5 million to 5.8 million dinars as a result of stronger bank demand. The bonds, influenced by dollar interest rates, returned around 8 percent. It was the third increase in weekly issues since government borrowing began in Sep 1986 with issues specifically targeted at the 19 operating banks in Bahrain. Moreover, in order to encourage sales to the widest possible base of investors, fiscal authorities on the island began issuing, in September 1987, notes in two denominations—100,000 dinars and 10,000 dinars. The government issued, in 1978 and 1979, 5-year development bonds redeemed in 1983 and 1984. The latest ceiling increase will permit issuing more development bonds and treasury notes. This will depend, of course, on the volume of oil revenues. The instruments, in addition to providing the government with means of fiscal control, will be traded on the new bond market.

Banking System Developments

The banking system has shown renewed optimism, especially since the Gulf cease-fire. Total assets of domestic banks and branches of foreign banks grew by 4.4 percent to 621 million dinars in 1987, compared with 1352 million in 1986 [as published]. Bank profits were strained by the slowdown in commercial activity and by provisions for bad loans. Most institutions declared little change in profits for 1987. The Central Bank posted profits of 4.4 million dinars, the same as in 1986, compared with 8.8 million dinars in 1985.

Total assets of offshore banking units increased 14 percent in 1987 to \$63.5 billion—approximating the record for 1983—compared with \$55.7 billion in 1986.

The profitability of a number of offshore banks began improving after they put aside huge reserves in 1987 as provisions for bad debt. The recession that prevailed in the region over the past three years caused a change in strategies. Arab Banking Corporation (ABC) and Gulf International Bank (GIB), the two largest offshore units, focussed on the Arab world by establishing branches and subsidiaries abroad in order to develop actual presence in such selected markets as Saudi Arabia, the UAE [United Arab Emirates], and Libya, as well as other countries of North Africa. The new strategy aims at widening their customer base in Arab markets. The two banks, considered to be more competitive, knowledgeable, and understanding of markets and institutions, also seek to enlarge their shareholder bases by selling stock to private sectors in Arab markets.

The Oil Sector

Confirmed oil reserves at the end of 1985 are estimated at around 155 million barrels. This should last until the end of the current decade at the current production rate

of some 42,000 bpd. The Bahrain refinery processes some 250,000 bpd, most of it imported from Saudi Arabia. Half the gas extracted by the National Gas Company of Bahrain fuels the refining and aluminum industries. The development plan for the period 1986-1991 aims to maintain production at its 1986 level of 42,400 bpd.

Bahrain announced plans in Oct 1988 to modernize and develop its refinery—the oldest in the Arabian peninsula. The three-year project will cost some \$640 million.

Also in Oct 1988, the government announced plans for a \$200 million petrochemical facility with an annual capacity of 100,000 tons of propylene and the same quantity of polypropylene. Both are used in the manufacture of plastics such as pipes, utensils, and furnishings. The giant Bechtel Group of the U.S. will participate in the project.

Balance of Payments

The balance of payments was affected by oil market developments. Revenues from the export of crude and oil products, once at \$2.4 billion, shrank by 29 percent in 1986 as a result of the world oil glut, according to the IMF annual report. This decline, thanks to an increase in foreign sales of oil products, was not readily apparent in total export value, estimated to have declined slightly to \$2.3 billion compared to \$2.4 billion in 1986. Imports also declined, but at a much lower rate than exports. This is due to Bahrain's dependence on imported oil for its refining industry.

The trade surplus was estimated at \$20 million in 1987. It is believed that the current balance of payments account has shrunk by an estimated \$35 million [as published] compared with \$95 million in 1985, because of a decline in net services and remittances. Total foreign reserves, including gold, were estimated at \$1.15 billion by the end of 1987. Foreign debt was pegged at \$1.112 billion at the end of 1986.

Forecast

The economic outlook for Bahrain has improved thanks to recent stability in world oil prices and to the cease-fire and relative economic stability in the Gulf.

Business and financial circles, especially offshore banks, were increasingly optimistic in 1988. Current account improvements and economic growth of 1 to 2 percent are forecast for the year. Recent Bahraini drives to diversify the economy will help overcome economic difficulties.

Bahrain, having spent several years acclimating to a new level of activity, is in a good position to benefit from the return of peace to the region. It was able to create such new economic sectors as industry, tourism, service to tankers and warships, and a stock exchange.

The direction taken by financial institutions will bolster their presence in select Arab markets. By providing new investment vehicles and other banking services, they will make up for the profits foregone to bad loan provisions and for shrinking opportunities for traditional credit. The forecast is for a business boom in Bahrain over the next few years, especially if agreement is reached for permanent peace in the region.

EGYPT

Mubarak Expresses 'Displeasure' Over Badr Statements

JN0404111489 Cairo AL-WAFD in Arabic 2 Apr 89 p 1

[Text] AL-WAFD has learned that President Husni Mubarak has expressed to Interior Minister Major General Zaki Badr his strong displeasure over his recent statements against some Arab states and the Iranian leader, Ayatollah Khomeyni.

The president asked the interior minister to restrict his statements, which embarrass the political leadership and harm Egyptian-Arab relations.

PLO Official Praises Bush, Mubarak Statements

*NC0504112689 Cairo MENA in Arabic
1030 GMT 5 Apr 89*

[Text] Zuhdi al-Qidrah, Fatah representative and PLO charge d'affaires in Cairo, has praised the stand of U.S. President George Bush who has stressed the need to end the Israeli occupation of the West Bank and the Gaza Strip, to recognize the Palestinian people's political rights, and to hold the international peace conference.

In a statement to MENA, the Palestinian official said that history will note the agreement of President Bush and President Husni Mubarak on opposing the annexation of the occupied territories, on standing firm against any expansionist ambitions, and on the urgent need to bring about a comprehensive solution to tackle all aspects of the Palestinian problem and to obtain the Palestinians' political rights. President Mubarak is placing all Egypt's resources at the service of the Palestinian issue, and this is also a new, positive step by the United States toward the Palestinian people.

Al-Qidrah called on President Bush to insist on his stand, to act quickly to achieve just peace for the land of Palestine, and to reject the blackmail of Yitzhaq Shamir and his government and its false claims about democracy.

The Palestinian official added that President Bush is fully aware of the dimensions of the Palestinian issue and how just it is. He noted that the U.S. President must thus act to obtain the Palestinian people's legitimate national rights and the establishment of their independent state.

Government Advised To 'Contain Crisis' With Sudan

*JN3003080089 Cairo AL-WAFD in Arabic
28 Mar 89 p 1*

[Text] Diplomatic sources have told AL-WAFD that the Foreign Ministry received reports from some Egyptian embassies in Africa advising that the Egyptian-Sudanese crisis be contained before the convening of the African summit and the possible nomination of President Husni Mubarak as chairman of the next OAU session.

The reports warned against the continuation of the crisis and its possible exploitation by Libyan Colonel Mu'ammarr al-Qadhafi to penetrate Sudan and harm the Egyptian interests and the Nile waters.

The reports stress that most of the African capitals support President Mubarak's inclination not to get Egypt militarily involved in solving the problem in southern Sudan and his backing of a political solution.

Sudan, Egypt Resume Trade Relations

*NC0304140089 Cairo MENA in English
1252 GMT 3 Apr 89*

[Text] Sudanese Minister of Commerce Mirghani 'Abd-al-Rahman Sulayman and his accompanying delegation left here today after a 4-day visit to Egypt, during which he had talks with Dr. Yusri Mustafa, minister of economy, on economic relations between the two countries.

The Sudanese minister told reporters before leaving here that his visit was successful, pointing out that the two sides have agreed to promptly resume trade relations as well as to immediately implement the provisions of the trade protocol signed between the two countries.

The minister also said that Dr Yusri Mustafa was expected to visit Sudan in the second half of the Muslims' fasting month of Ramadan for further talks with Sudanese officials.

Liberal Party Secretary General Speaks Against Family Planning

45000131 Cairo AL-NUR in Arabic 15 Mar 89 p 10

[Text] Muhammad 'Abd-al-Shafi, secretary general of the Liberal Party and member of the Shura Council, has affirmed that family planning is in contradiction to the concepts of the Islamic and Christian religions.

The illustrious al-Azhar disapproves of the principle of family planning or family delimitation, at a time when we are living on an area which does not exceed four percent of the country's total area. In addition, the Christian religion points out that when God created the earth, He created man's sustenance with it, and that it is up to man to work hard and to recover that sustenance.

He added, when discussing the housing problem in Egypt in his speech at the Shura Council, that family planning will not be proven by relying on such religious principles, no matter what the fatwas [formal legal opinions] of the religious ulema say on the matter.

There are Koranic verses which affirm that God created each person along with his sustenance: "No creature is there crawling on the earth, but its provision rests on God." [Surah 11: verse 6].

The Liberal Party secretary general also indicated that we should not hang our failure to progress on the hatrack of the increase in population and that we have to expand the reclamation of cultivable land and agriculture instead of keeping the status quo in which we live on only four percent of the country's total area.

Labor Party Leaders Comment on Party Split

*PM3003080189 Cairo AL-SHA'B in Arabic
21 Mar 89 p 3*

[Unattributed report: "Shukri Exposes Plotters' Lies About Party's Reputation"]

[Excerpts] Following developments in the situation—namely after a group of party dissidents rejecting the Islamic solution stormed the [Socialist] Labor Party [SLP] center in Hada'iq al-Qubbah and after the police colluded with and protected them—the SLP held a press conference Saturday at which party leader Engineer Ibrahim Shukri and party Secretary General Dr Muhammad Hilmi Murad spoke. The conference was attended by a large number of Executive Committee members, foremost among them 'Adil Husayn and Hamid Zaydan. It was also attended by scores of Arab and foreign press and news agency reporters.

Shukri said: "Our party is the national unity party; it is the party of both Muslims and Copts."

Answering questions addressed to him, Dr Hilmi Murad condemned the Interior Ministry's practices and its support for those violating legitimacy. He also stressed the authenticity of the party's Islamic tendency. He said: "Islam, though more comprehensive, is not against socialism, that is, in terms of social integration and belief in God." He emphasized: "We are against heretical, Leninist, socialism and Marxism." [passage omitted]

On party interactions after the 1987 elections, Shukri said: "It was inevitable for the effects of the 1987 elections to emerge during the party's 5th conference. Since then, it has been clear that there are two tendencies interacting within the party: The first sees the need to adhere to our program's outward form, which we were forced to draw up to overcome the Party Law and establish the party. The second sees that religion constitutes both dealings and observances, and it is that alone which is capable of laying down the foundations of our

society. The latter tendency has been our party's authentic tendency since 1933. Ahmad Husayn's writings, both early and late in his life, laid the foundations for and stressed that tendency. Our understanding of Egypt's Islamic role and status is crystal clear, so we declared our objective, namely that Egypt and Sudan become a major state leading Arabism and Islam. It is those clear links in our ideological evolution which are today leading to a change."

Shukri added: "Our history is clear. And to those who are splitting away from us today and saying that this is imported and that we have leased the party to the Muslim Brotherhood, I say that we are not that sort of people, and if we were, the present situation would have been different. We always look for what will help the nation progress. We believe that our adherence to our religion and heritage and the teachings of the true religion are our authentic thinking." [passage omitted]

The party leader condemned the acts of some of those who reject the Islamic solution, namely the storming of the party's building in Hada'iq al-Qubbah, and the police protection for them. He added: "That was the tragic end of the situation. They stormed the party's office in Hada'iq al-Qubbah, detained the messenger, and then announced they would occupy it. Extremely regrettably, it was clear that the police helped them take refuge in that office. We went to the police station in Hada'iq al-Qubbah and submitted a report to the station superintendent, but he refused to accept it. Then I personally went to the director of the Public Security Department and submitted the report and explained the situation in detail, but they, too, refused to accept or record it. He said: Go to the Cairo Security chief. And actually Mahfuz 'Azzam went there, but they also refused to accept the report.

"So the situation is clear. Angered as a result of that situation, some party youths tried to recover the office, but the police opened fire at them from inside the party center. So it was clear that the police were protecting those who usurped the premises." [passage omitted]

Ibrahim Shukri broached the statement issued by dissidents, in which they included some lies. He said: "Their claims in their statement can be answered. If they say that the al-Minya formations were forged, al-Minya Secretary Fathi Fadl is here, and he witnessed the approval of town formations and the elections of the governorate committee and the governorate secretary, who was nominated for the Executive Committee but did not win." [passage omitted]

Asked by reporters about the party's transformation into a religious party Eng Ibrahim Shukri referred the question to Dr Hilmi Murad, who said: "The SLP is not pursuing a new line. The line has been pursued since the party was established. We want Egypt to assume the leadership of the Islamic world." Dr Hilmi Murad went

on to say: "We advocate Islam and call for a return to our pan-Arabism as well as cultural and religious roots. We are religious people and this does not contradict national unity." [passage omitted]

Economists, Bankers Offer Solutions to Debt Problems

45040240 Cairo AL-AKHBAR in Arabic 11 Feb 89 p 3

[Article by Muhammad 'Abd-al-Ghaffar: "Breaking Away From Stagnation Cycle; Credit Diminished, Projects Faltering and Debt Repayment Stopped; Financial Experts Suggest Debt Rescheduling and Forgoing Interest on Loans]

[Text] Stagnation and recession are an economic phenomenon that may develop in any country, even an advanced country. But when this phenomenon comes close to our commercial market, it evokes fears that we will plunge into the circle of bankruptcy and of its perils. The figures show that nearly 159,000 borrowers with debts of nearly 95 million pounds stopped making debt repayments in the first half of 1988.

The latest statistics show that in the past 3 months alone, borrowers failed to make repayments for debts amounting to 39 million pounds. What is more serious is that the contagion has been transmitted to the joint-stock and investment firms, with 172 such firms faltering. What is happening in the commercial market and what do experts and financiers say about this new phenomenon? How can we break away from the bankruptcy circle and restore prosperity to the market?

At the Chamber of Commerce, which is responsible for the market and the merchants' conditions, Mustafa Zaki, the chamber secretary general, said:

The cases of suspended repayment are due to the lack of liquidity and to the reduction of credit, with the aim of curtailing the inflation rates. The economic authorities' objective was to reduce the availability of credit so as to curtail inflation, which had amounted to 44 percent in some years.

Credit ceilings were actually lowered, and credit rates were reduced in order to reduce inflation to 12 percent. But the declared inflation rate is 25 percent. Thus, inflation continues to exist, whereas all credit reduction did was cause a number of production projects to stop. Another natural consequence of reduced credit is that merchants now have a large stock of stagnant manufactured goods, such as engineering commodities which include refrigerators, gas ovens, and television sets, as a result of the slow sale activity. Consequently, merchants have stopped making debt repayments because of this stagnation. The biggest component of sales is installment selling. For the market to revive, the banks must reschedule the debts of faltering clients in the industrial sector. This rescheduling should be done by an advisory team of economists and accountants who determine the projects

that can be floated. The banks should cancel part of the original loan and the loan interest for clients and projects that are viable after the rescheduling. The current credit ceiling should also be reconsidered as long as the banks have a surplus which can be invested and employed. The Central Bank's decision banning any bank from contributing more than 25 percent of the capital of any project should also be reconsidered. This decision affects the investment banks.

Cancelling Interest on Loans

What do financial and economic experts say about overcoming the crisis?

Dr 'Adil al-Hami, financial expert, governor of al-Buhayrah, and financial accounting professor: The market is suffering from inflation as a result of increased prices, at a time when there is stagnation due to reduced investment and spending. The prompt solution lies at present in curbing imports and in reducing customs duties on essential commodities involved in production activities and projects. As a result of the increased dollar exchange rate, the customs tariff has risen to 80 percent. What is needed is to reconsider the current tax laws because they curb investment opportunities. On the other hand, a number of investment firms have, according to what I know about the market, departed from the market because of the high interest rate on loans. Regrettably, the current interest rate charged for loans, amounting to 18 percent, cannot be reduced now because interest on foreign currencies will rise in the coming period by virtue of international inflation which develops at the end of every 10-year period.

But the prompt solution lies now in having the banks stop demanding interest on loans given to faltering projects. This is a sound financial step. I will give you an example: Al-Buhayrah clay brick company has a paid capital of 2.5 million pounds and accumulated losses of 5 million pounds, all embodied in interest on loans. If this interest or part thereof is dropped, and if the interest stops accumulating, the company can resume production. Its suspended production is a loss to the bank, also.

This step is not an innovation, but a step taken by international banks. For example, City Bank and Bank of America have written off \$3 billion and have stopped demanding the repayment of this sum. This will lead to reviving the activity of the companies and production projects concerned, will increase employment, and will enhance investment volume. The Central Bank must intervene to modify the credit ceilings for reputable projects are viable once again. If these measures are taken, prosperity may be restored in the next 3 years.

Wage Increases

Dr al-'Ushari Darwish, an economics professor, vice president of Tanta University and member of the National Development Bank's Board of Directors,

believes that the economies of countries are subjected to periodic fluctuations every 8 to 10 years during which they experience stagnation and then a revival period. Stagnation develops as a result of reduced spending, coupled with increased commodity stocks. In an attempt to dispose of the stocks, goods are sold at prices below the production cost. Consequently, losses rise, bankruptcies multiply, and unemployment develops. Also, investors refrain from investing because their expectations of the yield are colored with caution. They also stop borrowing from the banks. Thus, the banks' unemployed reserves grow and their profits drop. It is noticed at present that the market is dominated by a state of anticipation that has prevented investments from growing at the desired rate. Projects have stopped repaying their debts and bankruptcies have surfaced. This is due to the drop in spending on consumption, to the point where the economy becomes incapable of offering the opportunities necessary for employing society's production elements and where the banking apparatus unnecessarily reduces the credit it offers for fear that it may not regain its monies. To tackle the market's current problem, the demand for consumption must be increased by raising wages so that the increased wages may lead to increased consumption and, consequently, to increased demand for investment. All investment revenues must be exempted from taxes and credit must be expanded.

Restoring Confidence

Dr Ahmad Abu-Isma'il, chairman of the Board of Directors of the Cairo-Far East Bank, objects to cancelling a part of the interest on loans, saying: If we, as banks, are going to cancel a part of the interest, then how can we pay depositors the interest they have earned for their bank deposits? Of course not. However, the interest rate can be reduced in individual cases to solve the problems of faltering clients. Some facilities may also be given to merchants and projects who can stand on their own feet, provided that there is demand for these projects' products and that the facilities are not used to cover the projects' constant and changing costs.

If people are afraid, and if they are inclined to hide their money under a tile in their homes, then we, as banks, are also afraid. What is happening in the market is not reassuring, even though great liquidity is available in the banks. This is why I support the credit ceilings set by the Central Bank, amounting to 60 percent. This rate is enough to restore confidence and reassurance to the market. Dr Abu-Isma'il has also noted that a large amount of currency has been smuggled out of the country and has not been invested inside the country. He has also pointed out the disinclination to invest and the tendency to hide money under the tile. The solution, as he sees it, is to improve current wages so that the improvement may lead to increased spending. He also believes that encouraging Egyptians abroad to invest their savings will greatly influence the current market situation.

Al-Sayyid al-Habashi, chairman of the Alexandria-Kuwait International Bank's Board of Directors believes that the reasons for the cases of suspended debt repayment and for the current stagnation lie in the Egyptian pound's declining purchasing power and in the inefficiency of the commercial sector which relies on the banks primarily. Moreover, numerous new elements have entered the market without any prior experience, with disgraceful feasibility studies and with flawed financing structures. All this caused these elements to fail quickly. Consequently, the cases of suspended repayment started and the developments started to roll.

There are also project owners who borrowed loans in dollars. Then the new exchange rates came into existence. These borrowers have had to repay the banks at the new exchange rates. The problem these borrowers have is truly serious because, they get the dollar at its current exchange rate, which is 235 piasters per dollar, according to the prevailing rate, and are saddled with the burden of a difference of 135 piasters per dollar.

We cannot, of course, consider the opinion which advocates that we forgive a part of the original loan. The money is the depositors' money and the depositors do not waive the interest accruing on their deposits. As for our suspending, as banks, the interest accumulated on the clients' loans for a certain period of time, we say no. In cases where I think that this is the solution, we should cancel only a part, not all, of the interest.

As for raising credit ceilings, I believe that the ceiling is a safety valve because we provide loans from deposits. In a climate of fear and pessimism, the current ceiling set by the Central Bank is a stronger guarantee that I, as a commercial bank, will not lose and that the banks will not turn into faltering institutions.

In conclusion, the question that persists is, will the recession last long or will the government's economic agencies intervene to contain this phenomenon?

Magazine on Higher Dollar Against Pound
JN2803102589 Cairo AL-MUSAWWAR in Arabic
24 Mar 89 pp 58-60

[By 'Izzat Badawi]

[Excerpts] For the first time since the establishment of the free banking market, the U.S. dollar has risen by 21 piasters against the Egyptian pound in just 2 months! Thus, the price gap between the free banking market and the black market has widened to 25 piasters to the dollar, in other words, a difference of 10 percent in the price!

The black market is thus loudly sounding the danger signal and threatening the success which the free banking market has achieved since its establishment in May 1987.

Who influences the foreign currency market in Egypt and what are the reasons behind the sudden, recent rise in the price of the U.S. dollar against the Egyptian pound? Why has currency dealing returned to the black market once again, despite the blows sustained by this market in the past 2 years?

How can we stop this theatrical which is jeopardizing the national economy by undermining the free banking market and threatening a further drop in the price of our national currency?

In this report we will interview bankers, economists, businessmen, members of trade chambers, exporters, importers, and Interior Ministry officials who combat monetary crimes in order to learn the secrets behind this dangerous phenomenon which has surfaced recently. What do these people say?

Dr Fu'ad Hashim, former economy minister and chairman of the board of directors of the Arab Investment Bank, said: The free banking market is only one section of the foreign currency market in Egypt. All resources pour into this market, but the free banking market only caters to the demands of commodity imports which are transacted through banks. The free banking market cannot meet the huge demand for foreign currency inside the country. So people resort to the black market. Foreign currency demands outside the free banking market revolve around the following:

1. Noncommodity imports which are entirely financed from the black market. These include travel abroad for tourism, religious purposes such as pilgrimage, medical treatment, or studies.
2. Payment of old private sector debts, which amount to \$4 billion and are increasing yearly due to compound interest.
3. Savings in dollars, which is a strong currency in Egypt, to avoid the effects of inflation on savings in the Egyptian pound.
4. Financing the narcotics trade, which has spread alarmingly in Egyptian society in recent years.

Dr Hashim added: "All the aforementioned demands for the dollar seek financing outside the free banking market. These are huge sums and the black market offers a higher dollar price to attract the money resources which will meet those demands."

The former economy minister sprang a surprise when he said: "The free banking market is actually a follower and not a leader in the foreign currency market in Egypt. Foreign currency prices in the free banking market are determined on the basis of the prevailing prices in the black market! In fact, the free banking market was set up on this basis. The difference in prices between the free banking market and the black market was originally set

at no more than 2 or 3 percent. In fact, the free banking market began business along these lines and the difference in prices with the black market continued within this margin for a long time. But the situation changed in the last 2 months, when the difference between the free banking market and black market prices reached 10 percent. The price of the dollar in the black market this week reached 265 piasters, compared to 240 piasters in the free banking market." [passage omitted]

Dr Hamid al-Sayih, chairman of the board of directors of the Bank of Hong Kong, attributes the recent disturbing soar in dollar prices to the fact that revenues of the free banking market did not increase as expected. He attributes this to the market's dependence on the savings of Egyptian expatriates, revenues from conventional exports, and some other sources whose revenues did not increase over the past period. He said this resulted in a fixed input of foreign currencies into the market over the past 20 months, while there was an increasing demand on the dollar in the free banking market in order to meet commodity import requests or production and development requirements. There was also increasing demand on the dollar outside the banking market to meet other legitimate dollar requests not covered by the free banking market.

The president of the Bank of Hong Kong said fixed revenues of the banking market in foreign currencies, along with the increased demand on the dollar, made some importers secure their foreign currency needs from outside the free banking market to avoid a production interruption while awaiting their turn on the list of import priorities from the revenues of the free banking system. Under this system, imports are covered by one's own resources; that is, importation without transferring money. This is a legitimate system aimed at avoiding any obstruction of production projects due to any failure by the free market to cover the importers' needs for foreign currencies at the appropriate time. Hence, importers are allowed to buy foreign currencies from free accounts or the black market and to open bank accounts to import only production requirements. The foreign currency here can only be used for purposes of imports.

Dr al-Sayih adds: "Also, among the most important causes of the recent soar in the dollar prices is the confusion in the free market following the developments of the capital investment companies and rumors concerning banks. This led to the reduction of circulating foreign currencies in the country, and some of this money may have been moved abroad. This panicked citizens and affected their dealing with the banks operating in Egypt."

He said: "Therefore, the government this week dispatched a mission of economists and bankers to countries hosting Egyptian expatriates in order to reassure them and secure a continuation of the flow of their savings into the country through the legitimate channels."

The president of the Bank of Hong Kong expects the prices of foreign currencies to settle down in the country over the next months, with the beginning of the season when Egyptian expatriates' return home and the flow of their transfers into the country returns.

Sa'id al-Tawil, head of the Egyptian businessmen's association, believes that the recent dollar soar is due to a tangible reduction in the foreign currencies circulating in the country resulting from the decrease in Egyptian expatriates' transfers, as the continuing soar of the dollar prices in Egypt prompted them to keep most of their savings and transfer only what is necessary for the needs of their families in Egypt. They hope to achieve the maximum benefit from their foreign currency savings in case of a further increase in dollar prices. This is in addition to the caution and reluctance prevailing over those Egyptian expatriates toward the recent storm over the law of legacy fees, which has not yet been finalized. This made the Egyptian expatriates refrain from transferring their money into the country.

Sa'id al-Tawil adds: "Some refer to a third cause for the crisis, which I hope is untrue. They say that some government companies and establishments have entered the black market in order to secure their dollar needs to import their production requirements. This led to a quick and exaggerated soar in the dollar prices." [passage omitted]

Journalist Reviews Press Ownership, Content
45040243 Cairo AL-YAQZAH AL-'ARABIYAH
in Arabic Dec 88 pp 103-115

[Article by Dr 'Abd-al-Fattah 'Abd-al-Nabi: "The Current Status of the Egyptian Press"]

[Text] The current status of the Egyptian press may be viewed from two angles: from the first angle, one may look at the ownership mode and editorial freedom; from the second, one may look at the characteristics and general tendencies of the content.

First, Ownership Mode and Freedom

In accordance with the Press Authority Act which was issued on 14 July 1980, several modes of press ownership are now possible in Egypt.

1. Newspapers are owned by the state. These newspapers were previously owned by the Socialist Union. Now, the Advisory Council exercises the rights of ownership on these newspapers, in accordance with the Press Authority Act, and the Supreme Press Council manages the administrative and economic aspects of running them.

2. Newspapers are owned by political parties, unions, and public legal persons.

3. Newspapers are owned by private corporations. These should take the form of cooperatives or joint-stock companies, and only Egyptians may own stock in these corporations. No person or family is allowed to own more than 500 pounds of the company's capital. Paid-up capital for a company that publishes a daily newspaper is to be no less than 250,000 pounds; for a weekly newspaper, paid-up capital is to be no less than 100,000 pounds. This sum is to be deposited in an Egyptian bank prior to the newspaper's publication.

The law thus prohibited natural persons from owning newspapers, and it also forbade some groups of people from publishing them or participating in their publication or ownership. Among these groups of people are those who are prohibited from exercising political rights; those who are prohibited from organizing political parties or participating in them; those who advocate principles which deny divine laws; and those who were convicted by the Ethics Court (Article 18 of the Press Authority Act).

Accordingly, newspapers are to provide their own financing by relying on advertising and circulation or by becoming engaged in business activities that are related to publishing and printing. Newspapers may also become engaged in import and export activities and so forth. They may also receive state subsidies by way of the Supreme Press Council. Such subsidies would more likely come in the form of subsidized paper quotas, printing requirements, and other requirements as well.

In this context newspapers are not subject to any official censorship. That was abolished in 1974. Egyptian newspapers now fulfill their responsibilities under a system of self-censorship conducted by the editor in chief, who is appointed by the Advisory Council and given absolute authority to manage the newspaper and run all its operations. Newspapers receive comments or instructions almost daily from the presidential press office, from the Council of Ministers or from the minister of information. It is always said that in publishing a newspaper, it is in the national interest to take these comments or instructions, which are not made publicly, into consideration. Editors in chief usually adhere to them. Other than that, repeated statements made by state officials always affirm the freedom of the press and of journalists.

Article 5 of the 1980 Press Authority Act gave journalists the right to obtain news, information, and statistics, provided that the fundamental principles of society, which are stipulated in the constitution, are adhered to and provided the values which are mentioned in the Journalists' Honor Code and publishing rules are observed. The 1980 Press Authority Act gave journalists that right and forbade concealing news, information, and statistics from the press. However, actual practice

reveals that journalists face some difficulties and obstacles in receiving information and data from the main sources of this information because of the bureaucratic mentality which still prevails in most state institutions.

Second: Characteristics of Material Contained in the Press

If we were to shift our attention to the material contained in newspapers, we would find that the material we see as we turn the pages of Egyptian newspapers which are currently being published has several characteristics and general qualities. The most important of these can be pointed out in the following:

1. The material contained in newspapers tends to be biased. There is a geographical bias and a human one.

The geographical bias of these newspapers can be seen in the fact that Egyptian rural areas receive the least amount of attention. Urban subjects prevail in most pages of these newspapers, and bias can even be seen in the coverage of urban matters. When Cairo, for example, is compared with the remaining cities of the country, one finds that Cairo and its problems receive most of the newspapers' attention. In fact, inside Cairo itself, certain neighborhoods receive these newspapers' attention at the expense of other neighborhoods.

The human bias in these newspapers can be seen in the attention and respect they give certain social groups but not others. Egyptian newspapers devote attention to people in the artistic community, which includes actors and actresses. They report news about their comings and goings and their activities and parties, and they report their professional and family news. Policemen too are intelligent people who are active, always attentive to their duties and stay away from anything suspicious. That is also true of military men, judges, senior professionals, the upper classes, and so forth. Most of the time, however, newspapers conceal these people's conduct and practices. Also, they do not publish their mistakes. If they do, the headlines would be ambiguous, saying something like a well known actor, a senior official or a well known physician, etc., but they would not identify the individual. That treatment, however, does not apply to other groups of people like craftsmen, workers, and peasants. Newspapers do not give these groups of people the least measure of their attention. If they do, they do so on a seasonal basis, and their treatment then usually involves looking down on them, disregarding them, making light of their minds, and so on and so forth. Such treatment contributes to the fact that these groups of people turn away from the press, whose value to them is diminished as an appropriate tool which they can use and a source of information they can trust and depend upon in managing their affairs and solving their daily problems.

2. Subjects which are raised in newspapers tend to be slanted, distorted, and isolated from precision and objectivity. This is clearly manifested not only in the imprecise data, figures, and information presented by these newspapers, which see no difference between 1 million and 10 million, but it is also manifested in the prominence given to some events and facts which are of no real interest to readers. For example, much attention is given to a minister's visit to a certain location or a well attended reception for a few figures. These newspapers also mix facts that are actually important with superficial matters or matters that have no bearing on the subject. They also develop news from random facts and present the information as a complete fact. They always present subjects which are agreeable to certain interests, but they remain silent and ignore facts and events which conflict with those interests. These are the practices which we have come to expect from Egyptian newspapers. They cause readers to lose confidence in them or to find that the issues and subjects set forth in them are not convincing.

It is not only because of guidelines, self-censorship, and so on that facts are slanted and distorted, but it is also because many journalists derive success from and become interested in what they think is popular with the public. They do not conduct realistic studies of the public's real needs. In addition, journalists find it difficult in many cases to get to the source of information because of transportation difficulties, political restrictions, and the bureaucracy that can be found in many of our institutions.

We will review here an example of the method used by Egyptian newspapers to deal with an ordinary, nonpolitical news story. We will use this example to show clearly to what extent these newspapers do not investigate matters thoroughly and objectively and to what extent they rely on sensationalism and on creating confusion. That is why readers lose confidence in them and lose respect for everything they publish. A newspaper recently published a news report about an Egyptian scientist who had discovered a new drug for persons suffering from rheumatoid arthritis. In the same newspaper another news item reported that the dean of the College of Medicine was refuting the drug discovery allegation made by the scientist. Among other things the news report mentioned that "the dean of the College of Medicine at Qasr al-'Ayni wishes to point out that the college has no data on any research which was conducted on this subject. Publication of such matters and informing the masses about them in this manner, without checking with the authorized scientific authorities creates confusion in scientific circles. The damage which can result from such confusion cannot be estimated."

The Ministry of Health issued numerous statements as a result of this confusion. A statement entitled "A Statement from the Minister of Health on the New Treatment for Rheumatoid Arthritis" was issued on 4 February 1985. In that statement the ministry appealed to citizens

not to seek treatment with an unknown drug. The statement indicated that the ministry, the College of Medicine at Qasr al-'Ayni and the Medical Society were looking into the new drug. On 6 February the newspaper published a report entitled "A Scientific Trial for Scientist Who Discovered Drug for Rheumatoid Arthritis" in which it reported that the scientist had been convicted, that his suspension from practicing medicine continues, and that his papers had been turned over to the university.

The newspaper's headlines tended to be sensational, portraying the scientist, without any confirmation, as someone who was convicted. On the first page of its 7 February 1985 issue, the newspaper published a news report entitled "Dr Shafiq Turned Over for Investigation." Then, on the first page of its 11 November 1985 issue it published a news report entitled "Discussion of Rheumatoid Arthritis Drug Continues; Experiments on Humans Suspended." The title of the news story shows that the claim made by the physician who claimed he had discovered the drug was a true claim. In a news story which followed the news report and appeared on the second page of the newspaper, the details indicated that a discovery had been made.

It is not the contradiction, the inconsistency, the deception, and the obvious confusion in the newspaper's treatment of this news story that is important. Nor is it important that the newspaper neglected to hear both sides of the story from the outset to avoid such contradiction and to show the truth. What is important here is to point out that in all cases the newspaper was satisfied with its role of transmitting the news, and it abandoned its role of providing information and offering explanations, interpretations, and guidance in a country that is striving to develop itself. Instead, this newspaper became one of the factors creating confusion. Consequently, confidence in that newspaper has been lost, and its readers, as one researcher put it, continue to read the newspaper because they have become accustomed to it. People do not read these newspapers because they are fully satisfied with what is written in them and with the journalistic and cultural subjects they offer.

3. Most of the material contained in newspapers may be described as news, or news dominates the other journalistic arts such as articles, interviews, investigative reports, etc. This means quite simply that most of the content of newspapers is topical and related to daily events which occur inside and outside society. As time passes, therefore, the material loses its importance. It may also lose its importance because the news is heard from other sources that are more competent in reporting it. Furthermore, the function of Egyptian newspapers as a tool which serves to steer, interpret, and guide is undermined. This is the function which plays a principal role in persuading people and bringing about the change which is being sought.

4. Attention is given to form, not substance. This is clearly manifested in the large and sensational headlines which are incompatible with the subject matter. It is also manifested in the prominence given to topics, like the actions of a ministry, the departure of a president, and so on. Such topics have no importance for readers and no particular significance to them, except for the fact that the source of the information might be an official or responsible source. It is certain that such a course of action by Egyptian newspapers is considered another factor that helps undermine the readers' confidence in the press. Readers lose interest in following what these newspapers have to say even if, the papers later try to adhere to a neutral and objective approach when publishing the facts.

5. Sections that do not change are prevalent in Egyptian newspapers. This phenomenon is incomprehensible or unknown to international newspapers. It is wasteful and represents poor use of newspaper space. No writers can find a topic every day that they can write about, and no writers can handle all topics and write about all subjects. If such writers can be found, precision and profound analysis that are sacrificed. Yet we find that a column or a fixed section is designated for a certain group of writers, and each one of them can write and edit what he wants, as long as he abides by the general framework of the newspaper's policy. These writers write about politics, economics, literature, and the arts. Then they set these topics aside and try to capture the readers' attention by discussing their personal experiences, their personal adventures, and their fights with opponents. They may also raise issues that are marginally relevant to society. That is one thing which induced one writer to describe Egyptian newspapers as "privately owned newspapers," since a limited group of writers have exclusive access to pages in their entirety and can do with them as they see fit. These writers do not write about the people's lives, and they ignore the masses' feelings and their real hopes for change.

6. The material contained in newspapers includes some of the journalistic arts which, at least in our society's circumstances, are no longer justifiable. At a time when we need to use all the space we possibly can to serve change and development programs, we find that Egyptian newspapers are still interested in astrology, crossword puzzles, the daily horoscope, crime news, and other articles. It is always being said that such articles are used to entertain readers even though to many people newspapers are no longer a main source of entertainment when compared with radio and television. The newspaper has become a serious educational tool used by readers who seek accurate information and news about current incidents and events. A newspaper is to deal with urgent issues and problems, and it is to help readers deal with such problems. A newspaper should express, in general, readers' concerns and problems.

This also applies to the space designated for sports. It is not that we object to the newspapers' interest in sports as

a means of properly educating young people and developing the spirit of cooperation and friendship between individuals and groups, but we do object to the style used by these newspapers in their treatment of sports. They concentrate much of their attention on soccer, and they devote pages of the sports section to the game. In fact, numerous weekly newspapers that are devoted entirely to soccer are published. People become preoccupied with the playoffs, with championship games, and with which club wins. The whole thing is commercialized. Sports has become serious business, and its aim is to contain the masses, especially the productive groups (the young). Sports keep the young preoccupied with trivial matters. Indeed, the fact that sports spreads disunity, disputes, and hostility among individuals requires that large numbers of policemen and central security forces always be mobilized for every game. Every game is usually accompanied by an atmosphere of fanaticism, tension, ridicule, and verbal abuse. The social consequences of that are grave, and the press, with its practices, is considered responsible for a large part of what happens at soccer games.

7. Egyptian newspapers handle events and incidents in what is mostly a manner that is determined by the climate of the moment. They have no general plan that they follow in dealing with different issues and problems, and they have no plan they can use to shape public opinion on these issues. Their coverage of different events and incidents depends mostly on the climate of the moment. Newspapers increase or decrease their interest in different subjects according to different occasions. Instructions from the editor in chief; from section chiefs; and from supervisors of those who write investigative reports or articles or who conduct interviews with officials, and so on, are issued as a result of different occasions or as a result of the availability of news on certain subjects. These instructions do not stem from a fixed position that is linked with a plan of action which the newspapers follow in their discussions of urgent issues and problems.

Besides the seasonal manner in which the issues and problems facing society are treated, the newspapers themselves change and shift their positions on the various issues and problems rapidly and for no comprehensible reason. Although this phenomenon is difficult to explain and has to be studied in depth, some of its reasons may be pointed out in the following:

a. Most journalists rely on official sources and use traditional methods to get their information. Therefore, they are convinced that how far they can advance in their work is related to how successful they can be in maintaining strong, friendly relations with these sources. That is why they resort to adopting their sources' opinions and ideas. But since these sources are always changing because they do not hold and keep the same positions, the journalists soon change their positions too.

b. In performing their function most Egyptian newspapers do not rely on firm, institutionalized rules which guarantee the soundness and continuity of the work. Instead, the newspapers' policies are to a large extent linked to individuals and their policies. Therefore, a newspaper's position changes when those who are in charge of it change.

c. There is a split between what is visible or declared and what is hidden or undeclared. This is the phenomenon which we call "the suppressed conscience." For various reasons which may not be discussed here, the positions and opinions expressed publicly by many writers and journalists are different from the positions and opinions they really believe in. Consequently, it is easy for them to change positions as prevailing conditions change.

8. Most of the press material which is contained on the pages of Egyptian newspapers does not usually connect thought with action or change. Instead, many verbose expressions and ambivalent terms are used in this material which speaks of accomplishments, experiments, ambitions, and desires. This material commends, glorifies, and uses such terms and expressions which have nothing to do with accomplishing anything in the world of action (it is a culture of words). Accordingly, Egyptian newspapers lack the drive and the ability to change.

The Holy Koran contains the best description of what constitutes responsible writing. When believers are addressed in the Koran, they are addressed as "believers and those who do good works." It is as though one's faith is not complete unless it is associated with good deeds, whose worthiness is relative to the goal which is being sought and to the situation which society is facing. A politician is virtuous only if what he says is tied to a successful plan of action; an economist is useful only if he knows a way for saving society from backwardness; and a writer or journalist can be useful only if what he writes is useful, beneficial, and inspiring.

9. Advertisements dominate newspapers, surrounding newspaper articles from every side. What matters here, however, is not the space which is allocated to advertisements, in comparison with the space allocated to articles, or the importance of advertisements as an important source of funds for a newspaper, without which it could not survive and so on. What matters is rather the content of these advertisements. In a developing country that is striving for growth, mobilizing all its resources, and eliminating all negative factors that stand in its way, newspapers are receiving millions of pounds in government subsidies. And yet, advertisements in Egyptian newspapers are emphasizing imported luxury goods such as electrical appliances, household appliances, detergents, decorative materials, cosmetics, soft drinks, foreign cigarettes, foods, and so on. Public taste has been affected by that, new modes of consumption have been imposed, and a new taste for luxury goods has been created. That taste for luxury goods is incompatible with

the standard of living of the majority of the population, who stand for a long time in long lines in front of cooperative stores, cigarette stands, and bakeries.

It is difficult for one to imagine the purpose of publishing such advertisements in a society that has shortages of essential and nonessential goods. But it is possible these advertisements are being published to serve limited groups of people and to spread the modes and values of consumption which are prevalent in Western societies. It is possible that these advertisements are being published for the purpose of expanding the market and mimicking and imitating the Western model at the expense of the public interest. One study that was conducted on advertisements which were published in AL-AHRAM newspaper, for example, revealed that advertisements for foreign articles were predominant, especially cosmetics, cigarettes, clothing, and food, not to mention appliances and luxury household objects, such as air conditioning units, color televisions, freezers, automatic washing machines, luxurious carpets, kitchen furnishings, and luxury cars which carry a high price tag. It is expected that advertising such luxury goods which the vast majority of the population cannot afford will create some kind of frustration, tension, or even envy among the deprived, broad masses of the people. Those who can afford to purchase these goods will rush to acquire them. They will be anxious to consume at a time when society needs to save for the purpose of building and construction.

10. A large part of the material contained in Egyptian newspapers is either translated from foreign newspapers or transmitted from Western news agencies. Many Egyptian writers and intellectuals have been divided about the consequences of newspapers and other media agencies transmitting Western cultural materials, implanting them in the Egyptian environment and relying on Western news agencies in getting the news and reporting it. Some of these writers and intellectuals affirmed that this leads to a multiplicity of cultures in society and to the distortion of culture as well. In addition, it spreads modes of consumption that are alien to the Egyptian environment. Others, however, affirmed the importance of realizing a universal culture and benefiting from man's accomplishments regardless of his environment. But this is not a question about the universal or local character of culture, nor is it a question of a subordinate or an independent culture. This question has to do with the quality of the material that comes in to the media and is relayed by newspapers and other media agencies. Are these newspapers transmitting cultural concepts which include the rational and scientific views upon which Western civilization is based? Are they transmitting concepts that do not express the essence of advanced Western civilization? The answer to this question is important to settle the dispute which is going on between proponents of this tendency and those of the other.

It seems to me that Western culture is dominated by two separate but contiguous aspects which, together, constitute the structure of Western culture. These are science

and art. The scientific aspect of Western culture employs the scientific and rational approach, which is bound by the actual facts of reality. But the artistic aspect places no restrictions or limitations on a person. A literary writer, an artist, or an author lets himself wander freely in the world of fantasy, hopes, and dreams in an attempt to make up for the restrictions he encounters in his professional life. He can thus satisfy some of his hopes and dreams.

Consequently, most literary and artistic works, which are evident in serials, novels, stories, and so on, represent that aspect of the imagination. Consciously or unconsciously they are carried by the media, thereby adding to our culture a culture of the imagination—and we have an abundance of that. This culture stands quite apart from the wisdom of science. In other words, what is related by newspapers about the West is neither scientific nor rational. It is also not the wisdom which led the West to prosperity. Instead, these newspapers report on things which have to do with consumption, appearances, the imagination, and ambitions. They also report on images of crime, sex, violence, manifestations of instability, loose behavior, and other such modes of conduct which have a compensatory aim in the life of a Western citizen. But these modes of conduct are not appropriate to our country's needs. For our country, an in-depth, rational view and adherence to the scientific method in our thinking and our conduct are required so we can make progress.

11. Despite all these shortcomings which ultimately reduce the value of the printed word in Egyptian newspapers and undermine its ability to have a positive and an effective impact on the social change which is being sought, we cannot ignore the concrete progress made recently by Egyptian newspapers in the area of editing, production, and the use of contemporary technology to print, communicate, and store information, and so on. Nor can we minimize the value of positive trends in these newspapers which are manifested in the emergence of numerous subjects and services which individuals rely upon in their daily lives. For example, newspapers publish radio and television program schedules, they publish the schedule for prayer services, and they publish a weather report. They publish a schedule of airplane flights and ship traffic as well as independent religious opinions and answers to questions about medicine, law, and society. Newspapers publish currency exchange rates and prices for fruits and vegetables. They publish news about civil servants, appointments and transfers, marriage announcements, and lost and found articles. In addition, they publish articles and investigative reports which appeal for services or for something to be done about complaints or providing people their rights. They publish news that offers assistance to a few individuals, and they publish other materials to serve the reading public. Nor can we minimize the importance of the fact that serious articles by major writers and intellectuals have been featured on the pages of Egyptian newspapers every now and then. Their aim is to make improvements

and to show where the imperfections and shortcomings have been. Their aim is to look for reform methods. And yet, this material continues to be limited and lacking in continuity. Accordingly, it continues to lack the ability to exercise the influence that is being sought.

ISRAEL

Intelligence Site Reportedly Being Established on Chadian Border

44000427 Doha AL-'ARAB in Arabic 1 Mar 89 p 1

[Text] Newspapers carried reports here [Beirut] yesterday that Israel is attempting to set up an intelligence station on the Chadian border.

The Lebanese newspaper AL-SAFIR said that Israel is trying to gain Cameroon's approval to establish a listening post on the Chadian border, which would be considered the second of its kind belonging to Israel in this African country. The newspaper said that the first site is in the capital, Yaounde.

Cameroon is considered the center for Israeli spying and information gathering from various areas in the region, especially Libya and countries in the central part of the African Continent.

Bank of Israel Chief Proposes Economic Changes

44230051 Tel Aviv YEDI'OT AHARONOT in Hebrew
6 Jan 89 pp 5, 26

[Text] At the center of an economic and political storm this week stood a man given to understatement, professor of economics and president of the Bank of Israel, Michael Bruno. Behind him is a week of devaluations and demands for his dismissal; ahead of him is a new economic plan, one that will be difficult to carry out and that is the second he has hatched in 5 years.

A team from YEDI'OT AHARONOT, that met with him for a special interview, asked him:

[YEDI'OT AHARONOT] In December, hundreds of millions of dollars disappeared from the country, and in the first week of January, the hundreds of millions returned. Along the way, bodies that bought the dollars cheap from the Bank of Israel and sold them high to the Bank profited immensely, all at the expense of the state coffers. The little man lost, the big traders gained. Has the Bank of Israel investigated to determine who the currency traders were?

[Bruno] The matter is under investigation at the Bank of Israel. We intend to examine what happened and to draw lessons from that.

[YEDI'OT AHARONOT] Do you intend more than learning lessons? Is there a possibility that you will take administrative steps against the speculators?

[Bruno] It depends on who you are taking about. If, for example, God forbid, it should turn out that the banks also engaged in these trades, that would be a serious crime. But the probability of that is very low. The banks are under close supervision in all matters related to currency speculations.

[YEDI'OT AHARONOT] In order to prevent this loss to the national treasury, was it not possible to close the foreign currency market for 3 days, from Tuesday to Friday, and by that means to lock the barn before the horses got out? And only after that to come out with the big plan and the great devaluation?

[Bruno] In truth, we too weighed closing the transactions room of the Bank of Israel as much as 10 days ago, from Tuesday to Friday. We knew that a flight of dollars could be expected. The main problem was that we found ourselves close to the end of the calendar year and so would have needed to suspend foreign currency trading in any event for a long 3 day weekend. In the opinion of everyone with whom I spoke, we could not add more than a day to those three. The economy needs to engage in foreign currency transactions. Therefore, we decided on a devaluation of 5 percent as a preventive measure.

Can I tell you that this was a pretty move? No, it was not pretty. But it was a choice between bad and worse.

[YEDI'OT AHARONOT] But this wretched situation was not ordained in heaven. It was the natural and predictable result of postponement in carrying out the devaluation. According to your critics, it is you who prevented the necessary devaluation during 1988. They sought it from you and you refused.

[Bruno] I will put things in their correct context. We are talking not about a request from the Finance Minister to bring about a devaluation, but of a proposal to change the exchange rate system in a very particular way; in fact, to abolish the linkage between the shekel and the foreign currency "basket." That was what I opposed. Minister Nisim's assistants proposed this system and I am not sure whether they misled him about its significance.

[YEDI'OT AHARONOT] And what is its significance?

[Bruno] The significance is that when differences arise around the world between the currencies, between the dollar and the mark, for example, then we are reducing the shekel against the entire basket of currencies. This is a devaluation that, in its timing and its size, you do not impose without accompanying it with an agreement with factors in the economy and without provisions for skimming and other accompanying steps, such as a cut in the budget. A procedure such as that stood in absolute contradiction to the finance minister's declaration, announced time and again, that we will not return to the system of devaluations. What does it mean that we will

not return to the system of devaluations? I read in that not to return to the system of creeping devaluation or moving devaluation. Therefore, the proposal is intrinsically untenable.

[YEDI'OT AHARONOT] Do you mean to say that the former finance minister did not understand the significance of a proposal to change from linking the shekel to the "basket" to linking it to the dollar?

[Bruno] I cannot say that. I tried to explain to him that we live in a certain system and need to be consistent with it. It is possible to decide to deviate from it or it is possible to decide on something that I thought we needed to do, much larger devaluation, one of gradualism. In general, Finance Minister Moshe Nisim is a man with whom I spoke a great deal and we agreed on most subjects. I must admit that on the subject of currency exchange, I did not get the message across. It may be that here is where the officials of the Finance Ministry misled him.

[YEDI'OT AHARONOT] And what about the devaluation undertaken, a product of the Finance Ministry and the Bank of Israel? Why was it not done?

[Bruno] It was my opinion that we needed to effect the devaluation at the beginning of February 1988. At that time, I was thinking of a devaluation of 6 or 7 percent. That was to carry out the reform program, of course, with the agreement of the Histadrut at the same time, and accompanied by complementary steps that were not significant. If we had done that devaluation, we would have avoided at least some of the troubles that we choked on in 1988, such as the decline in reserves, the drop in production, the stand-still in industrial exports and the rise in unemployment.

[YEDI'OT AHARONOT] Who is to blame?

[Bruno] I do not claim that any given person is responsible because that is not what happened. Perhaps the situation in the economy was such that it was impossible to come to an agreement. Perhaps the advisors offered different proposals. In any event, the fact is that I proposed something and it was not accepted.

[YEDI'OT AHARONOT] Was that not a deviation from the concept of a stable exchange rate as the anchor of the entire economy?

[Bruno] On the contrary, the devaluation that I proposed fell into line with the idea that I began in the economic program of July 1985. You stabilize the exchange rate, you do not marry yourself to a fixed rate. But you say that adjustments will be made, infrequently and in increasingly smaller degrees. We were speaking of 6 percent last spring, 3 percent now and so on until the economy arrived at a lower level of inflation. Of course,

we were never able to announce this, but that was the system. And so you do not jump all at once to a devaluation of 13-1/2 percent.

[YEDI'OT AHARONOT] So what prevented a package deal in 1988?

[Bruno] In the negotiations with the Finance Ministry, the Histadrut had demands not only regarding wages and cost of living increases. It also had budget demands, and sometimes political party demands. And the minister of finance was able to do his weighing and to say, "I was ready for a devaluation including a package deal, if the budgetary cost of the Histadrut had been lower." That was his right and he made the decision.

I myself was of the opinion that it was necessary to reach an agreement with the Histadrut, even if it was not as good as what the finance minister wanted, because the alternative was much worse. And the developments in the economy really bore that out. What is more, as it became clearer and clearer throughout the past year that the economy was in a slowdown, and a serious one at that, I personally reached the conclusion that the economic situation permitted and required execution of a devaluation even without the agreement of the Histadrut. Why? Because at various times, we foresaw very acutely what would happen to us without a devaluation. We especially foresaw the rush for foreign currency and the implications for the reserves.

[YEDI'OT AHARONOT] So why didn't you put up more of a fight? Why didn't you shout that the roof would cave in?

[Bruno] The finance minister never said that he would not carry out a reform of the exchange rate. That was never definitely "no." At every stage of the discussions on the devaluation, I was left with the feeling that execution of the devaluation was only a matter of the correct time and that we needed only to wait.

[YEDI'OT AHARONOT] Professor Bruno, if you saw such a grave future for the economy in the absence of the reforms that you had recommended, why did you not resign?

[Bruno] That is a question that a man asks himself, and I asked myself, "What will your resignation accomplish?" If I had resigned over the subject of the lack of reform in the exchange rate, that would not have changed the policy. I considered who would take my place and what would happen after I left. It did not seem to me that, by my resignation, I would be of any use for realizing my recommendation. So I decided not to resign. And I will not tell you that I did not consider that along the way.

[YEDI'OT AHARONOT] So why didn't you at least go with your demands to the entire government?

[Bruno] I went to the finance minister, the senior management of the Finance Ministry, and to the prime minister. I went to the prime minister twice. I considered—and I say this openly—I considered going to the plenum of the full government. That was in November. I came to the conclusion that that too would not change anything because that was an outgoing government. There is reason to go to the entire government only if you are prepared to draw all the conclusions. That is to say, either the government decides the same day that it sits to take the required step, or it decides not to, and then you must reach a conclusion.

[YEDI'OT AHARONOT] Is the new economic plan now being carried out your plan?

[Bruno] Nine days passed from the day that Shim'on Peres was appointed finance minister to the opening of the plan. Nine days. Under the pressure of time, we simply did not get together to discuss the comprehensive reforms that the Bank of Israel had proposed. They were placed on the table for the finance minister and the government, and I think that there is general agreement on that.

Provisions from the reforms proposed by the Bank of Israel were also joined to the introductory process of the plan itself. Likewise, the budget cut we had proposed is identical to the budget cut proposed by the budget division.

[YEDI'OT AHARONOT] And what about that "introductory process," in other words, the extent of the devaluation?

[Bruno] We proposed a somewhat bigger devaluation, 15 percent. The budget division proposed a devaluation of 17 percent, and a decrease in exchange insurance of 0.5 percent. From the standpoint of export profits, all the proposals were identical.

[YEDI'OT AHARONOT] Do you have reservations?

[Bruno] Definitely not. I take full responsibility for what the plan contains. If the plan is faithfully carried out, including its two central provisions (the agreement on cost of living increases, which cancels out all the price increases undertaken by the government, and the cuts in the budget and the government deficit), then a drop in the rate of inflation is certainly to be expected.

[YEDI'OT AHARONOT] Nine percent?

[Bruno] I did not say that.

[YEDI'OT AHARONOT] What kind of cost of living agreement do you propose now so we are not drawn, as you put it, into an inflationary spiral? How much is to be skimmed off?

[Bruno] I estimate that the general effect of the devaluation will be a tax decrease and an increase in subsidized goods and services will be 7 percent inflation.

[YEDI'OT AHARONOT] Which we need to skim off the next cost of living increase?

[Bruno] We must reach a new cost of living increase agreement with the Histadrut and make it effective retroactively to October of last year. According to the new agreement, no cost of living increase will be paid to a wage earner for inflation up to 10 percent a year. Above 10 percent, on the other hand, we must pay a cost of living increase almost in full. Eighty percent, 85 percent, even 90 percent of the excess rise in price, to the degree that inflation, God forbid, speeds up. By the terms of my proposal, we would not pay any cost of living increase for the next 2 months, neither compensatory nor otherwise.

[YEDI'OT AHARONOT] How much would real wages for the average wage earner go down?

[Bruno] The problem of preventing an inflationary spiral will be focused on the next 3 months, in which a rise in prices will be imposed without a rise in compensation. There is no room for paying a cost of living increase, neither in January nor in February. The first time would be April 1. A real decline in wages is necessary during the course of 3 or 4 months. I cannot say whether that decline should be exactly 5 percent or 6 percent, but that is the right scale. After that, during the rest of 1989, real wages would stabilize and again begin to raise.

[YEDI'OT AHARONOT] Will the Histadrut agree to that? Today more so than a year ago?

[Bruno] The wage earning sector needs to make concessions in the short term in order to make gains in the intermediate and long term. By the way, the long term is not all that long. I assume that when the plan succeeds, within just a year the level of real wages will be higher than it is today, despite the coming erosion.

[YEDI'OT AHARONOT] Do those gains include a reduction in unemployment?

[Bruno] Definitely. The key to a quick escape from unemployment is precisely a temporary reduction in real wages.

[YEDI'OT AHARONOT] What from now on will be the policy on devaluations? What is the meaning of "a flexible exchange rate" as was mentioned in a document released by the Finance Ministry?

[Bruno] There is an opening sentence in a pamphlet of the Finance Ministry that I did not see until I found it in the government, and it says that the exchange rate system will be flexible. That sentence can be misleading.

[YEDI'OT AHARONOT] How do all of you actually intend to act?

[Bruno] The importance of a stable exchange rate as a means of stabilizing the economy has not decreased. Nonetheless, within the bounds of the new policy, important things have changed. For one thing, oscillations of plus or minus 3 percent will be planned around the track of the stable exchange rate. This can be done through continuous management of the exchange rate policy. It will be called "the stable band." Why a band and not a line? In order to permit reactions to currency movements.

We will also arrange larger changes in the exchange rate, changes not of the sort of oscillations within the limits of 3 percent. The entire band will then be moved up. This will happen from time to time and not automatically. This system is characteristic of a large number of the governments of Europe.

[YEDI'OT AHARONOT] As time goes by, the cuts in the budget take on the appearance of additional taxes, additional duties and fees, in short, absorption of money from the public. And we had the impression that when you speak this time of reducing government expenditures by a billion shekels, the intention was actually to cut expenditures and not to create growth in incomes.

[Bruno] I did not speak of reducing expenditures in the public sector by a billion shekels, I spoke of cutting a billion from the government deficit. But together with that it is clear that by my thinking a billion had to be cut 100 percent from the economic activity.

[YEDI'OT AHARONOT] And is that what is happening in the government?

[Bruno] The deciding discussion in the government will be held after this interview. There is no point in anticipating a grade for an examination not yet taken. There are two decisive questions. The first is what will be done in the area of government employment. There is no doubt a decrease in the number of those employed by the government will be sought. Second, how much will be cut from real government activity, including the defense budget, besides a reduction in subsidies, and raising the burden on the citizen.

[YEDI'OT AHARONOT] And what will be the procedure for bringing down interest for short term borrowing? At least a worthwhile procedure?

[Bruno] The high marginal interest on overdrafts came down by October to an annual rate of 40 percent. The interest rate for a short term borrower, a number of months, came down then to 29 percent. Our intention, first of all, is to return to the conditions of October. Within a relatively short time, days or 2 to 3 weeks at the most, I will personally take up this matter.

[YEDI'OT AHARONOT] What about after that?

[Bruno] From that point on, the interest rate will depend on the picture for the economy as a whole, and we will apply a flexible monetary policy.

[YEDI'OT AHARONOT] You have been president of the Bank of Israel now for 2 1/2 years, you are exactly midway through your term of office. Do you enjoy your work?

[Bruno] I have been asked that question throughout my term. I have said that the word "enjoyment" is reserved for reading books, listening to music, climbing mountains, and spending time with my family.

[YEDI'OT AHARONOT] And satisfaction from work?

[Bruno] I have had more than a little satisfaction. Last year, less. Let us hope that there will be more again from now on.

Religious Group Plans Restoration of Rites on Temple Mount

44230038 Tel Aviv DAVAR in Hebrew 8 Dec 88 p 9

[Article by Noah Zevuloni]

[Text] During this year's Sukot holiday, a group of Jews in Jerusalem calling itself "The Movement for Preparing the Temple," observed the "commandment of pouring the water" in the court area of the Temple Mount. Among the members of the "Movement" are Yo'el Lerner, known from the days of the Jewish underground, Rabbi 'Oded Ki-Tov, Yosef Album, of the Album family weaving the trousers and belt for the high priest in his work in the Temple, Yisra'el Schneider, and others. The movement also includes members of Kakh. The objective they have set for themselves: to perform sacrifices on the Temple Mount although the Temple does not exist.

For various reasons, no publicity was given to the ceremony that the group performed during Sukot. From its members, I have learned these details. Towards Sukot, some of the members gathered and raised the idea of fulfilling the commandment of pouring water [drink offering] this year on the Temple Mount, in the court area, just as our forefathers would do in the time of the Temple. Each day of the holiday of Sukot, they would pour water with the daily morning sacrifice in addition to the regular pouring of wine [wine offering] for the year. The sources for the pouring of the water are the Bible and the Talmud. "How is the water to be poured?" A flask of gold containing three logs [liquid measure] would be filled from the spring of Shiloah. They went to the water gate, dipped it in, raised it, and dipped it again. The priest went up to the lamb and turned to his left, where two cups of silver were kept, and to the pourer of the water, he would speak: "Raise your hand that poured once on its legs, and all the people stoned it with their

citron fruits" (the pourer was a pious man and did not pour in the correct place because the righteous do not recognize the commandments of pouring the water), Suka chapter, pages one and two.

The members of the "Movement" ran into a problem. Because they were ritually impure, they were forbidden to go up to the court area, for only the ashes of a "red heifer" could purify them and, to our great misfortune, we have no red heifer today. They therefore turned to two rabbis with the question whether or not the requirement of purification for pouring the water is suspended for the sake of the public. The two rabbis pondered the question; one ruled that it was suspended, the other ruled to the contrary. Since the two repudiated one another, a third vote was necessary to decide between them, so they turned to the Chief Rabbi of Israel, Rabbi Avraham Shapira. The Chief Rabbi decreed and decided that the requirement of purification for pouring the water is suspended for the sake of the public.

Even before that, they had asked Rabbi Yisra'el Ari'el, who was rabbi of Yamit and known as a member of Gush Emunim, for his opinion on the problem, for they wanted his consent and blessing. The rabbi replied that it was not clear to him whether it was permissible to pour the water for the sake of the public, especially without performance of the sacrifice, and also doubted the possibility that the ceremony would take place because he assumed that they would not receive permission to enter the Temple Mount for this purpose. Instead, he suggested another idea, that a priest would go up to the court area on the Temple Mount with a small menorah in his hands and light it there. It is not clear what Rabbi Ari'el intended, but Lerner persisted in his own idea and his proposal was accepted. The movement decided to perform the task and to go up to the Temple Mount, to the court area, and to pour the water there in the prescribed way.

When the idea of pouring the water was raised, Schneider suggested that the "Movement" make it a public action and that they openly go to the spring of Shiloah in Kfar Silwan and draw the water before the eyes of the whole world, with celebration and dancing, and after that ascend to the Maghribi Gate of the old city to observe the commandment of pouring the water. If, as expected, they were denied permission, they would drop the water along the length of the Western Wall and continue in a ceremony of spreading the water in the synagogues of Jerusalem, which would serve for washing the hands of the priests that go up to the pulpit; in other words, a sort of substitute for pouring the water as prescribed.

The idea of pouring the water went around until it came to the Religious Affairs Ministry, where officials apparently did not want to get involved in the adventure and rejected the idea out of hand. The group then decided to search for Kohens, Jews descended from priests, who would volunteer to perform the commandment and so

they found three Kohens, one to pour the water and two others to stand by as in the days of the Temple: "Seven days before the day of atonement, the great priest would leave his house, and another priest would stand by him, lest he should become unfit." The members of the "Movement" acted strictly and put two under him. The three Kohens were David Tzvi Ben-Peretz, and Yosef and Benjamin Ben-Me'ir. The three immediately began to study the laws of pouring the water. In one consultation with rabbis, they collected everything necessary for performing the holy labor—the priestly clothing fitted to the sizes of the Kohens and the objects for sanctifying the hands and feet and for the pouring—and started practicing and examining the possibility of performing it on the spot, while Yequti'el Ben-Ya'aqov helped them.

On the advice of another member of the "Movement," Yosef Album, the group decided to organize a minyan, ten Jews, who would be prepared to go up to the court area on the Temple Mount in order to locate the exact spot and to rehearse the pouring down to the last detail. So that the instruments and ritual objects they were taking with them would not stand out during their entry to the Temple Mount, they had to bring baskets full of fruit and food covering the instruments and the clothing intended for the test runs. One of the three Kohens assigned to the job traveled to Rabbi David Album, known as a weaver of clothing for the high priest, and obtained the special clothing: a special high hat, trousers and a shirt sash woven by Rabbi Album himself. From the holy treasure house under his authority, the rabbi also picked out for them two instruments, one of brass for sanctifying the hands and legs and the second of silver for pouring the water.

Equipped with these things, the Kohen drilled himself in his tasks until he became expert. On the eve of Yom Kippur, he took with him his escorts and assistants, numbering ten for a minyan, and went up to the holy place, as arranged in advance, to look for the designated place and to try to pour the water, but only for practice.

Yosef Album, who arrived there as planned, saw the group waiting at the gate and all the police officers standing at the ready on the Temple Mount. The order was given: "Entry only in pairs." Album, for whom this was not the first time he had been in similar situations and who was well known to the officers of the Temple Mount, approached officer 'Ezra Tziyon, whom the members of the "Movement" call "the Sultan who symbolizes impoverished Zionism as in the days of 'Ezra," and asked him, "Why is today different? Why have you set a limit?" "It depends on who comes and how he comes!" the officer replied. Most of those going in were energetic young men known for their activity in restoring the "ruins of the Temple." Album requested the officer to permit him to enter with all his baggage, "on my personal responsibility." The officer granted the request.

The first to enter were the three Kohens, David, Yehuda, and Benjamin, followed by the Levite, Arye Bar-Yosef, and then the Israelites Yosef Album, Yequti'el Ben-Ya'aqov, A. Benpardezh, Yisra'el Schneider, Yo'el Lerner, and N. 'Ozri, together with the ten in the minyan. They walked on the usual path until they came to the southeastern corner, where they sat down in the shade of the trees and murmured in a whisper: "May it be His will that this abomination [ashera] be removed from the altar of the Lord," and recalled the service of the high priest in the most holy Temple on Yom Kippur, where the revealed name of the Lord, blessed be He, left the priest's lips in holiness and purity and the people bowed down at the sound of it.

Meanwhile, as befits the afternoon of a warm day, everyone took out bottles and canteens, washed their hands, blessed and ate and drank and made the blessing after the meal and wished one another and everyone and the Kohen restoration of the days as before and success in the deed they and the Kohen were about to do.

While they did this, a Jewish policeman came with an order from officer 'Ezra Tziyon "to get down quickly, because the time for Muslim prayer had arrived." With a broken heart, they got up, continued on their tour and arrived at the entrance to the court area, turned left and came to the holy place (the altar) and again purified their hands and feet and poured water on the pavement of the court area in the location of the altar. It is necessary to emphasize that the pouring was done strictly as an exercise. Yosef Album kissed the ground of the court area and then Yisra'el Schneider and all the Kohens did also. A Muslim guard nearby immediately alerted the police by walkie-talkie. "Those who came up to the Temple Mount are prostrating themselves!" Officer 'Ezra Tziyon issued an order. "Stop them until I get there." Meanwhile, they all again washed and again poured and took pictures and films.

Officer Tziyon arrived at the trouble spot and asked, "Who is prostrating himself here?" The Muslim policeman pointed to Album. Tziyon immediately ordered him removed. Album tried to explain his actions. "I only kissed the ground, I did not know that kissing is also a crime," but the officer insisted, "Remove him!" Instantly, the Muslim guard took Album outside and another policeman removed the photographers. The rest of the members of the "Movement" scattered in every direction, some to the east and others to the north, while the Kohen and his escort went northwest of the Temple Mount, where the Kohen took off his street clothes and went around the entire Western Wall in the holy clothing of the priesthood.

Although they had not enjoyed much success in their training, they decided to continue preparing for the sacred work. On Sunday of the middle days of the Sukot holiday, The Kohens, David and Yehuda, and the Israelites Yequti'el Ben-Ya'aqov, B. Gafstein, A. Laudenberg, Yisra'el Schneider and others, went down—this

time for real—to the spring of Shiloah to draw water, in great rejoicing and with dancing for fulfillment of the commandment, for use in the Temple. They stored the water in sealed plastic containers for the time when they would sanctify it in pouring it into the holy instruments in the court area of the Temple Mount. In addition, they planned to draw water publicly and openly for all to see for Wednesday of the middle days of Sukot. The procession went out from the Western Wall, with song and dancing, joined by a large crowd, but when they arrived at Kfar Silwan (the spring of Shiloah), they realized that the intifadah had preceded them. To avoid danger to those present, it was decided to give up on drawing water and everyone returned as they had come.

On "Hosha'na Raba," the fateful day, at 10:00 am, the Kohens, along with the members of the "Movement," went up to the Temple Mount. The Kohen in the priestly clothing sanctified his hands and feet with the instruments of brass acquired for this purpose and, in the prescribed way, poured the water that he had brought with him from the spring of Shiloah on the ground of the court area, in the place of the altar, using the instruments of silver. The Muslim guard from the Waqf watching the strange ritual grabbed the instruments and threw them over the wall of the court area. Those pouring the water rushed to pick up the "desecrated" instruments and left. At the gate, they met Officer Tziyon and told him about the "harassment," as they called it, of the Muslim guard. Tziyon sent a Jewish policeman to escort the members of the "Movement" and the Kohens who, thank God, had not suffered any injury, and started a search for the Muslim guard. It goes without saying that he was not found.

For now, that is the odyssey of the pouring of the water, but it is not yet over. Members of the "Movement" solemnly promise that next year, should they be lucky, they will be able to pour the water on the court area more easily, together with more of an altar service; in other words, they will be able to perform sacrifices in their full glory and in the presence of a large crowd. So be it!

Study Finds Israeli Students Hate Arabic Language, Culture

*44000428p Tel Aviv HA'ARETZ in Hebrew
13 Mar 89 p 4*

[Text] The majority of students in Hebrew schools hate the Arabic language and have a negative stance toward learning the subject. One of the primary reasons for this is that the students do not like Arabs, their culture, and their language which is considered inferior. This is the principal finding of the first study of its kind, currently being published, on teaching Arabic in the Israeli school system. The study was done in the framework of a doctoral study by Hezi Brosh, the head of the Arabic teachers certification department in the department of education at Tel Aviv University.

The population surveyed for the study includes 890 students from the 7th grade in Tel Aviv, Giv'atayim, and Ramat Hasharon. The primary goal of the test was to find out if moving from learning spoken Arabic (grades 4-6) to literary Arabic (from grade 7 onward) influences how the students relate to the subject. Brosh also wanted to determine whether the sharp gap between the two forms of the language was one of the elements for the large drop-out rate of students learning Arabic (only 6 percent of the students choose to learn Arabic for the matriculation examination). In his words, the frustration and feeling of failure by many students because of the need to forget what they learned in spoken Arabic when moving to literary Arabic affects the way they relate to the subject.

But this is not the primary reason for rejecting the language; instead, the hatred they express for the language, its sound, and their negative feelings is because of the culture it represents and the Arabs who speak it. He points out that for the time being Arabic is not a required subject in the schools and it is taken as an elective. What follows are opinions of several students who participated in the study: "In what country do they teach the language of the enemy?" "We need to know what the Arabs are planning against us." "I understand that this is important in Israel, but I hate this language. Sometimes I try to convince myself to like it, but this doesn't help." "In a nuclear war their language won't benefit us. After all these wars there is no need to be reconciled with them because they are not a people with whom to talk." "You can get by with English." "French is a much more acceptable language. I will be traveling to France, not Egypt." "I don't like Arabic, but I think I need to learn it because we are surrounded by a large number of Arab states that want to attack us and we also need to learn it for peace."

The study brought out that the teachers' dislike for Arabic and its teaching in school influences the morale of the students. Some parents are interested in their students learning Arabic, driven by the hope that their children will serve in intelligence units and not in combat units.

QATAR

Financial Policies To Stabilize National Economy Described

44040245 Doha AL-RAYAH in Arabic 5 Jan 89 p 5

[Text] His excellency Shaykh Hamad Ibn 'Abd-al-Rahman Al Thani, director of the Ministry of Economy and Commerce mentioned that since 1971 the ministry has continued to prepare its yearbook, the "Economic Review," with the aim of providing a groundwork of important reports and data which would enable researchers and those involved in economic affairs to research the issues that confront the Qatari economy.

His excellency explained in his foreword to the 1987 "Economic Review" that this year saw some positive signs in the performance of the world economy, in that the growth rates in some countries rose a little. He pointed out that that had been accompanied by relative stability in the world oil markets and a relative rise in its price, compared to what the situation had been in 1986, which saw negative economic developments. This led to a decline in growth in most of the developing countries in general, and the countries whose economies depend on oil exports in particular.

His excellency the director of the Ministry of Economy and Commerce asserted that the state has continued to intensify its efforts towards pursuing fiscal and monetary policies and corrective programs which will enable the Qatari economy to grow and to more effectively and efficiently confront any difficulties it might face, in order to maintain balance in the national economy and ward off the violent shocks to which the world economy is subject.

Mr 'Ali Hasan Khalaf, director of the Economic Affairs Administration, mentioned in a statement of his in the preface of the yearbook that preliminary figures indicate that the gross domestic product at current prices is expected to achieve a rate of growth in 1987 of about 1.7 percent compared to 1986, which saw a record decline of about 18.4 percent. He explained that this modest growth comes as a result of growth of about 4.3 percent in the oil sector product. As for the domestic product generated by the other, nonoil sectors, it is estimated that it will achieve in its totality, a slight growth of 0.6 percent compared to the previous year.

He also explained that while the added value achieved an increase in some sectors, it showed a decline in other sectors. He point out that the conversion industries sector is scheduled to achieve a growth of 3.9 percent, construction and building 3 percent, and financial services and insurance 6.3 percent. Conversely, the electricity and water sector recorded a slight decline of not more than 1.1 percent, compared to the record growth that this sector achieved in 1986 of up to 90 percent. Likewise, the sector of other services, which represent 31.6 percent of the gross domestic product, recorded a drop of 3.7 percent, and that is due to judicious public spending because of the continuation of the world economic situation and its effect on the state's general revenues.

He asserted that the rapid adjustment of the state's economic policy has reduced the severity of the effect of fluctuations in the world economy on our national economy, and that the continuation of this policy will create new sources of revenue for development, and will reduce to a great extent the almost total dependence on one source.

The 1987 "Economic Review," issued by the Ministry of Economy and Commerce, Economic Affairs Administration, studies and analyzes the essential elements of the state's economic sectors.

SUDAN

Paper Cites Al-Mirghani on Government, Peace in South

*JN2603113589 Manama WAKH in Arabic
1020 GMT 26 Mar 89*

[Text] Doha, 26 Mar—Sudanese Democratic Unionist Party [DUP] chief Muhammad 'Uthman al-Mirghani said that what is required now from the new Sudanese Government, which took the constitutional oath before the State Council chairman yesterday, is to work to retrieve Sudan's Arab role of cooperation and solidarity with the Arab countries and extending regional and international cooperation bridges.

In an interview with the Qatari newspaper, AL-RAYAH, published today, al-Mirghani added that the citizens' problems and the economic and security situation are among the most prominent issues which the government has to confront and deal with, since the interests of the nation come above all other considerations.

He expressed optimism on the possible establishment of peace in southern Sudan in the near future. He affirmed on this issue that the new Sudanese Government is committed to achieving this objective in accordance with the phased program recently signed by the parties and political powers.

The Sudanese DUP chief added that peace is a necessity that has to be achieved in every region where fighting broke out. Proceeding from this, the peace initiative between the party and the rebel John Garang movement in the South was signed last November in Addis Ababa. He pointed out that the Prime Minister al-Sadiq al-Mahdi declared his acceptance of this initiative, which is considered a basis to stop the fighting and bloodshed in southern Sudan.

Al-Mirghani affirmed his party's support for establishing the Arab Cooperation Council and said that this support proceeds from historical convictions and steadfast policies.

Ba'th Paper Prints Party Position Statements

Recommendations on Coming Government

*45040216 Khartoum AL-HADAF in Arabic
29 Jan 89 p 2*

[By 'Umar Muhajir]

[Text] Having finished with the position paper on the Sudanese people's national identity, we take up with this issue the paper on the system of government in the Sudan. The paper first considers the growth of the central government in the Sudan until the stage of independence. Then it goes into a discussion of the government crisis that followed that period, a crisis whose grave consequences the country is still suffering.

Then the paper presents the Arab Socialist Ba'th Party's ideas for solving the crisis, including the constitutional, governmental, and administrative aspects of these ideas.

System of Government—Introduction

1. Compared with the centuries-old cultures and kingdoms known to us from history and whose domain was the northern, central, and eastern Sudan (the ancient Meroe culture, the Beja kingdoms, and the Christian kingdoms in north and north-central Sudan), the growth of a central state with influence covering all or most of the current geographical borders can be considered relatively recent. Although the factor of a single religion was present in the period of the Christian kingdoms, it was not sufficient to produce political unity among the Sudanese Christian kingdoms. A central state was first known in the Sudan in the time of the Zarqa' Sultanate, the first Arab Islamic kingdom in the Sudan. Its rise marked the fact that Arab Islamic influence had at that time reached the point of crystallizing the fundamental features of the Sudan's national personality, features that created a feeling of single citizenship. This sultanate's influence covered most of the regions of the Sudan as known today, with the exception of Kordofan, where the Taqali and Musabba'at sultanates were established; however, its authority did not extend to cover the south of the Sudan. Turkish rule added Kordofan, Darfur, and the southern Sudan to this area. The Mahdist revolution gave a broad impetus to national formation and deepened the feeling of national unity. In this revolution, Arabism and Islam played the principal role in the process of national unification and fusion. With the fall of the Mahdist state and the entry of British colonialism, the Sudan's present boundaries stabilized in the form of the present central government.

2. British colonialism established the modern central state to serve its goals of plundering the country's wealth and insuring the foundations of its own hegemony and dominion. Of course, these aims did not include putting the government and its agencies at the service of the people. Neither did these aims include the bringing about of scientific, economic, technological, and social growth and development, as leading figures and theoreticians of European colonialism claimed.

Since no radical transformations occurred in the state apparatus inherited from British colonialism, this apparatus has retained laws and regulations which are often marked by absence of internal democracy, hostility and a feeling of superiority toward the masses, and bureaucratic complexities. On the other hand, the modern economic sector, with its various branches, grew up during the British colonial era next to the traditional sector. The former received attention because of its connection with foreign trade and the requirements for colonial exploitation. Economic, educational, and social

services entered the regions of modern production, while the other regions were neglected. In the end, this led to an unequal rate of development among the country's various regions.

Colonialism's well-known divide-and-conquer policy helped plant obstacles to the natural flow of the movement of national fusion and strengthening the pillars of national unity. Colonialism's tools in this regard were the closed-area laws, the prohibition of the use of Arabic in the South, the imposition of English, and the use of Christian missionary work for political purposes aimed, among other things, at raising apprehensions, spoiling North-South relations, and inflating and falsifying facts about the slave trade in the past.

3. With the entry of British colonialism and its elimination of the last manifestations of rural resistance based on the Mahdist revolution, a political stage began whose leaders and pioneers in the resistance to British colonialism belonged to the newly formed middle class (military employees and growing commercial capitalism). Added to them was the newborn working class. Thus the weight of political movement moved to the city. The newborn middle class led the country to independence.

Government Crisis

1. After the achievement of independence, the national struggle was faced with a number of basic problems:

a. Achieving economic independence and counter-acting underdevelopment by achieving growth;

b. Strengthening the foundations of national unity and a peaceful, democratic solution to the problem of the South, following the outbreak of armed struggle there in the wake of the 1955 rebellion;

c. Achieving balanced economic growth to eliminate the form of unequal development left by British colonialism;

d. Establishing a permanent constitution for the country, one that would define the form of government and be able to take in the reality of a country based on unity and difference;

e. Preserving the democratic system, broadening its base, and releasing and liberating the masses' power to contribute positively to determining the country's future and to production;

f. Bringing about a cultural revolution by eliminating illiteracy, freeing the masses from the vestiges of backwardness, deception, and magic, deepening the feeling of citizenship, and raising it above clan, tribal, and sectarian ties;

g. Defining an economic and social development path and the means of strengthening the foundations of economic and social justice—a subject on which each political party had its own particular viewpoint, relying on the social classes and groups it expressed and whose interests it represented.

2. The post-independence years proved that the path followed at the time by the political and social forces that took charge in the country was unable to fully confront and achieve these tasks. This led to the collapse of democracy itself. The way was opened for dictatorship to consume more than 22 of the 30 post-independence years.

3. While the investigator may conclude that the ruling power during the two democratic experiments was unable to fully accomplish the tasks of the post-independence period, the dictatorship years, especially those of the May regime, were not only unable to accomplish these tasks, but even played a destructive role that confirmed that dictatorship was the twin brother of economic and social ruin, corruption, and abandonment of national sovereignty and unity. Democracy thus became the Sudanese people's only choice.

4. We see that the class structure of power and its political, economic, and social path have been the heart and core of the political struggle in our country since the dawn of independence. This is a matter not subject to the formulas of political compromise from above and solutions based on accommodation, but will be decided only through the political and social struggle going on in the country.

Position on Constitutional Conference

45040216 Khartoum AL-HADAF in Arabic
29 Jan 89 p 2

[Article: "Point of Entry for Debate"]

[Text] We say with great modesty that many political observers and some personalities with a high interest in issues of public activity have pointed out that the Arab Socialist Ba'th Party is in the vanguard of patriotic parties that have devoted extensive effort to issues of the constitutional conference.

The Ba'th Party was in fact the first party that advocated the idea of holding a constitutional-economic conference. This took place at a symposium the party held in the Khartoum University Student Union building on 28 April 1985, at which Professor Badr-al-Din Muddaththir spoke. Since that time, the party has worked energetically inside and outside the National Grouping to prepare the practical atmosphere for holding the constitutional conference. It participated in the Kokodam and Addis Ababa meetings and the work of the uprising forces in Madani. It participated in the work of the preparation committee in the peace ministry, supporting

it and contributing to all serious peace initiatives. It participated in carrying on broad discussions with various political parties to strengthen tendencies toward peace.

In 1986, the national party leadership formed a committee of experts in the fields of economy, law, history, and national relations under the leadership of Professor Badr-al-Din Muddaththir to prepare the party's papers for the constitutional conference and to prepare suggestions and rules that would contribute to the successful holding of the conference.

Against this background, the committee was able to prepare three papers going to the heart of the work of the constitutional conference: a paper on the national identity of the Sudanese people, one on the form of government, and one on development and unbalanced development in the Sudan. The party's political committee submitted these papers to the State Council, the members of the Council of Ministers, and the president and members of the Constituent Assembly. They were also delivered to all political parties, general trade unions, universities, academic personalities, newspapers, etc. The party's political committee held lengthy discussions with some of the political parties about the content of these papers, to create ground for mutual understanding among political forces on issues of the constitutional conference before entering its chamber. Political and trade union forces studied these documents and recorded their comments, expressing their approval of their essence and general directions.

In order to enrich the national dialogue and enhance ideas about issues of the national constitutional conference, AL-HADAF AL-USBU'I is publishing the papers of the Arab Socialist Ba'th Party on conference issues and will show its broad-mindedness by publishing all comments of a methodical and scholarly nature on any of the papers submitted for discussion by the party.

We would like to indicate that despite all the intentional and unintentional obstacles aimed at preventing the holding of the constitutional conference, this conference will be held sooner or later, given the fact that wars begin with talk and end with talk. In saying this, we draw inspiration from the great popular enthusiasm that has gathered to support, back, and bless the Sudanese peace initiative, which has thus confirmed in a conclusive historical way that the choice of peace is our people's only choice.

Damage by Foreign Forces in Darfur Tallied
45040206B Khartoum AL-HADAF in Arabic
22 Jan 89 p 1

[Article: "From September to January Over 122 Villages Burned, 143 Evacuated; Presence of over 1,000 Libyan Soldiers in Darfur Confirmed"]

[Text] Mr 'Abd-al-Jabbar Adam, member of the Constituent Assembly for Garsila District, confirmed the presence of armed, foreign troops in Darfur. He said that

these troops, which were burning villages in the region and using advanced weapons to do so, consisted of more than 1,000 Libyan soldiers who had come into Darfur. The troops also included some individuals who had been trained by Libya and the officer of Umbeli region.

A camp for these troops was discovered in the mountains near the area of (Tisah), but the division which was to attack the camp that consists of more than 1,000 tents was not able to carry out the attack. His excellency added that there had been a conflagration in the area surrounding this camp and that advanced weapons, missiles, and rocket propelled grenades had been used.

His excellency said that foreign troops had been stationed in Darfur to overthrow the legitimate regime in Chad. He indicated that during the period from last September till the current month of January, 221 villages had been burned and 143 became deserted after the property of their residents was plundered and looted. Over 40,000 of Darfur's citizens are now living like refugees, looking for food and shelter.

Mr 'Abd-al-Jabbar said that the tribal conflict in Darfur was the main result of foreign intervention in the region. It was also the result of the weapons which had been provided to some of the tribes. His excellency accused the government of arming the tribes in the areas south of the region, areas which are parallel to the southern regions. He said that had aggravated these conflicts.

Mr 'Abd-al-Jabbar concluded his statement by asking about Ibn 'Umar's remaining troops, which the government had not yet deported. He indicated that the government had admitted the presence of Ibn 'Umar's troops in the country and that these troops consisted of 2,000 soldiers. He said that the armed forces had deported 950 soldiers, and he emphasized the need to question the government about the remaining 1,050 soldiers.

Nuban Involvement in Kaduqli Violence Denied
45000135 Khartoum AL-RAYAH in Arabic
12 Mar 89 p 4

[Text] At the beginning of March, a band of fifth columnists and backers of the rebel Yusuf Kuwah carried out regrettable actions in the western and eastern Kaduqli countryside. Ten people were slaughtered and six were wounded, and some of the losses belonged to our Arab people.

'Abdallah Bashir 'Abdallah [title not given] said that the sons of Juba and the Southern Region deplored this vicious criminal action aimed at putting pressure on the secure (Miri) area, which has excellent relations and established ties of kinship with our Arab people.

His excellency said that the sons of Nuba reject attempts by the fools and the racists to drive the region into the axes of rebel activity. He warned the rebels and the fifth

column that this statement is tantamount to an official warning. He demanded that the security and judiciary organs punish the criminals as harshly as possible. He also implored the sons of the Nuba to heighten their sense of patriotism and cooperate with the government and the security organs in finding the fifth column and the rebels. He said "We are sad and ask God to bless the souls of the injured and the martyrs that they may reside with the righteous.

Islamic Front's Al-Turabi Interviewed
PM2203161089 Jeddah 'UKAZ in Arabic
15 Mar 89 p 16

[Interview with Dr Hasan 'Abdallah al-Turabi, Sudanese National Islamic Front secretary general and former foreign minister, by Muhammad Mahjub and Muhammad al-Busayri; place and date unspecified]

[Excerpts]

['UKAZ] Where, in your opinion, is Sudan heading?

[Al-Turabi] Sudan is searching for a formula of stability, and will remain unstable until current interactions mature and produce something stable, especially since the formula it is seeking is a difficult one. Had it been seeking security alone, it would have achieved it easily and without any of its current suffering. Had it been concerned with survival alone, that would have been easy. But it is seeking survival, democracy, and freedom combined. Freedom allows the numerous forces in Sudan to express their views. But Sudan adheres to all these principles and seeks to achieve them in combination, without sacrificing or shelving one at the expense of another. [passage omitted]

['UKAZ] Observers wonder why the [National] Islamic Front [NIF] kept silent for a long time after the Armed Forces' memorandum was submitted, in fact, until after the other parties, unions, and organizations began discussing the matter.

[Al-Turabi] That is untrue. Of course we did not want to issue a hasty response before the memorandum was announced. This, because we did not want the parties to talk with the Armed Forces directly, since this would cause the Armed Forces to lose their national role and neutrality, thus becoming a party maintaining relations with the other parties. We do not want the Armed Forces to deal with unions. I actually refused to do it. This is why we decided to exert control ourselves, since we were represented in the government affected by the memorandum. We did not want to make any party moves before the memorandum was published. We responded to it in a statement read out by the Armed Forces group, without making any party contacts, in order to preserve their national role and neutrality. Our statement was also announced publicly. Even when the Armed Forces' memorandum was announced to the public, we made a public statement on the memorandum. [passage omitted]

['UKAZ] It has been reported that numerous members have left the NIF and joined the Democratic Unionist Party [DUP].

[Al-Turabi] No. They are just two representatives from the Western Region. According to parliamentary traditions, representatives must maintain the same commitment on the basis of which they were elected. The post of parliamentary deputy entails representation and commitment. So if a representative wants to abandon the party and commitment on the basis of which he was elected, he must resign from parliament and then go to the people in his new guise to see whether they will grant him a new mandate. This, because the people are the arbiter. [passage omitted]

['UKAZ] What is your position on linking the U.S. aid totalling \$51 million and food supplies to Sudan to a cease-fire?

[Al-Turabi] Direct U.S. aid to the Sudanese Government has decreased to approximately zero. Most of these figures are for aid provided by the U.S. Government under the relief program. Part of it comes through North Sudan and other parts are sent to organizations serving the rebels and the areas under their control. So it is neither economic aid to the Sudanese Government nor military aid to our country. There is very little of it and it is decreasing daily. [passage omitted]

['UKAZ] Would you agree to the NIF militias joining the civil defense department?

[Al-Turabi] The NIF has no militias at present. Elements from the Front trained with elements involved in the confrontation with the former May government, but those militias were disbanded.

['UKAZ] Dr Al-Turabi, why did 'Abd-al-Majid Khalil resign?

[Al-Turabi] 'Abd-al-Majid Khalil took over the Defense Ministry as an independent, but under the Ummah Party umbrella. He failed to provide military supplies or train the forces in a combat strategy that would enable them to maintain steadfast positions and to eradicate pockets of rebellion. During his era, military positions began to fall and foreign supplies to the Armed Forces declined. Internal mobilization also declined in his era. He was criticized over various issues in the Constituent Assembly, in public, in the Council of Ministers, and in the National Defense Council. It forced him to resign. He did not want to shoulder the responsibility. He says that the blame lies with the government and other elements who did not facilitate his task. [passage omitted]

[UKAZ] Why did you not sign the peace agreement and the phased program, bearing in mind reports that you made your signing of the agreement conditional on certain additions to both documents?

[Al-Turabi] We did not sign it—even with such additions—because it makes no reference to the commitment to the September laws, particularly in view of the fact that the plan was drafted by a State Council member. The State Council has nothing to do with drafting political plans. Its job is to stand above political differences so as to provide a symbol of the Sudanese people as a whole and of their unity. However, the Council involved itself in political disputes simply because our representative in the Council was not appointed. [sentence as published] The council was influenced by the leftist groupings and undermined the shari'a, which is why we have distanced ourselves from that plan. We will not join any government on that basis. But the prime minister says that it is simply a plan proposed to the government, that it is the government which will draw up its own plan, and that it is for the Constituent Assembly to endorse such a plan.

[UKAZ] But the unionists insisted they would not join the government until the agreement was signed!

[Al-Turabi] In fact, they did not pull out of the government as a result of the dispute over that agreement. The dispute occurred but was settled, and then they returned to the government. They withdrew because of the public strike over high prices. They realized that the government was about to collapse, which is why they withdrew from it, and then blamed it on the agreement. They resolved this by means of a public statement, then actually rejoined the government. They attended the Council of Ministers meeting following Parliament's rejection of the agreement.

[UKAZ] Are we to understand that you have signed the peace proclamation document?

[Al-Turabi] That document contains a brief innocent idea which no one opposes. But the State Council member who drafted it added the idea of setting up a political tribunal, though political disputes are referred not to courts but, rather, to shura councils, that is, the Constituent Assembly, and administrative councils. We have said that that any pledge will not be honored, even by those who have signed it. We refuse to sign any frivolous memorandums, because as far as we are concerned, pledges are to be honored and are sacrosanct. Others have signed them, and I know they will ignore them because they are merely words.

Roughly 302,000 Refugees From Equatoria in Juba

45000134 Khartoum AL-HADAF in Arabic
19 Mar 89 p 1

[Text] Large numbers of refugees are pouring into Juba from the Jummyzah, Lobira, Nimule, and Farajok

areas, especially after the recent events in the areas of operations in Torit. Immediately after the events in Torit, the number of these refugees was estimated at 302,000.

Peter Than Cirillo, official spokesman for the Council of the South, told AL-HADAF that right now there are difficulties in getting necessary food supplies to the needy refugees and residents.

The official spokesman requested redoubling efforts to meet the refugees' needs, and he explained that the Sudanese Government-Sudanese Popular Liberation Movement cease-fire agreement to permit the passage of aid to the needy in the areas of operations has not been applied, and thus the matter necessitates a joint technical committee, which has not yet been established.

New Southern Provinces Law Rearranges Budget Administration

45040209C Khartoum AL-RAYAH in Arabic
21 Jan 89 p 1

[Article: "New Southern Provinces Law Confirms Status of Three Regions, Stipulates Establishment of Coordinating Council, Gives Each Region Separate Budget, Considers Existing Agencies Transitional"]

[Text] The Southern Provinces Administration Law, in accordance with Article 13.1, confirmed the current prevailing situation in the south, which is the existence of three regions. The law regarded each region as a separate legal entity, gave each region a separate budget, and treated each region as an independent, administrative unit.

Section Two of the Southern Provinces Administration Law stipulated that a Council of the South be established and that it have the powers to undertake the functions of supervising and coordinating activities between the three regions themselves and between them and central authorities. The law also determined how this council is to be formed, where it is to be located, and how its members and president are to be appointed. The president and members of the council are to be appointed by the head of state based on the prime minister's recommendation. The president of the council is to have the rank of deputy prime minister. The law also stipulated the council's spheres of authority, its powers, and the benefits due to its members.

The first subdivision of Section Two of the law included special provisions regarding the organization of the regional executive authority. Procedures for the executive council and procedures for appointing the governor of the region, his deputy, and regional ministers are regulated by the law which also determines the joint responsibility of the executive council to the regional council.

Section Four of the Southern Provinces Administration Law outlined the method to be followed in approving proposed laws or proposed temporary decrees. The law also outlined legislative procedures for each. Article 61 of the law stipulated that the regional council may entrust a regional governor or minister or any regional authority with the power to issue secondary legislative measures such as ordinances, rules and orders.

Article 62 specified the national matters which regional agencies are prohibited from handling when they exercise their powers, unless they do so with the permission of national authorities.

Regarding the financial independence of the three regions, Section Six of the law stipulated the provisions relating to the region's financial affairs, such as budget preparation, budget approval, and imposing regional taxes.

In accordance with this law, and to avoid having a legal vacuum, it was thought that transitional regional agencies should be created to exercise the authorities granted to the executive council and the regional council until these two councils are established. The law also stipulated that the provisions of this law supersede all other regional laws.

UNITED ARAB EMIRATES

1988 Budget Allocations Enumerated

44040236B *Dubayy AL-BAYAN in Arabic 12 Jan 89 p 2*

[Text] The funds allocated to foreign assistance in the UAE [United Arab Emirates] general budget for the 1988 fiscal year amount to 300 million dirhams, the same amount as was allocated in 1987.

A statistical appendix from last year's budget showed that the funds allocated to compensate the families of deceased persons and those injured at work reached 5 million dirhams; assistance to the municipalities and the general secretariat was 2.4 million dirhams; state assistance and donations, 5 million dirhams; the complex of higher technical colleges, 20 million dirhams; for retirement pensions and citizens' stipends, 140 million dirhams, compared to 120 million in the 1987 budget. Tenders of the real estate loan adjustment committee were allocated 140,000 dirhams; and 10,000 dirhams for losses to the public treasury. The return on revenues obtained from previous bonds was 7 million dirhams. Support for the union of chambers of industry and trade, 2.4 million dirhams; compensation and judgments, 3 million dirhams; disparities in currency rates, 5 million dirhams; and support for the Emirates' electric power stations, 350 million dirhams.

Under financial investments, 10 million dirhams was allocated for the general postal agency, compared to 22 million in the 1987 budget. Nothing was allocated under Arab investments, which include the Arab Shipping

Company, the Arab Establishment for Space Communications, the Gulf Investment Foundation, the Arab Establishment for Investment Insurance, the Arab Bank for Investment and Foreign Trade, the Arab Company for Shipbuilding and Repair, the Pharmaceutical Manufacturing Company, the Arab Mining Company, the Arab Oil Investments Company, the Arab Maritime Petroleum Transport Company, and the Arab Maritime Services Company.

Under international investments, an amount of 10 million dirhams was allocated to the International Satellite Organization, and a million dirhams to the International Maritime Satellite Organization.

Communications Projects Described

44040236A *Beirut AL-ANWAR in Arabic 24 Dec p 7*

[Article: "In the Coming Year the Emirates Will See Huge Projects in the Communications Field"]

[Text] During the coming year the Emirates Communications Foundation will see giant projects aimed at giving impetus to and developing work in the various facilities.

Mr 'Ali al-'Uways, general director of the Emirates Communications Foundation, explained that 1,302,744,000 dirhams were allocated for spending in 1989. That includes about 860.4 million dirhams for projects in progress, and 342.3 million dirhams for new projects, the acquisition of which will require great effort.

Mr 'Uways expects that by the end of the current year the total number of telephone lines in the UAE [United Arab Emirates] will reach 290,000, and he affirmed that by the end of this month the foundation will have covered all areas of the Emirates and will have provided all subscribers with itemized bills for telephone calls.

He added that preliminary contacts will be made in the coming year to implement some projects, the most prominent of which are the following:

- New exchanges [maqasim] at the national level, with 180 million dirhams allocated for implementation.
- Equipment for subscribers, including telephones for cars, offices, and homes, and some that link with the appliances that the subscriber uses, at a cost of 260 million dirhams.
- 58.5 million dirhams for a ground network and 35 million for electrical power batteries for the exchanges [maqasim] and transformers.
- 222 million dirhams to build the new central building for communications, work on which is expected to be completed within 2 years, and a number of installations which will bring together a number of offices in one place, and which will facilitate the work of the foundation and the public and raise productive capacity with regard to speed.

- Setting up a storehouse for the maintenance of the marine cables at the port of Zayid for storing all the marine cables that belong to the UAE and to India and Pakistan, as well as building a ship to maintain the marine cables.

Mr 'Uways said that during the coming year, projects for extending and connecting the new cables will be presented to company contractors for quick implementation, with the goal of providing more telephone lines in the shortest time possible, and putting an end to having to wait to get telephone service.

On another subject, the ministerial committee for spending guidance and resource development held a meeting

in which several subjects were considered, including a memo from the Ministry of Communications on reviewing the service fees for aviation, and agreement was reached on them.

The committee also considered the report presented to it on the results of the operations of the Emirates Public Petroleum Foundation, and the foundation's final statement, including accounts of profits and losses for the year ending on 31 Dec 1987, as well as the results of operating the foundation and developing its operations from the time when it was founded in 1980 to the present. It decided to submit a report on this matter to the cabinet.

INDIA

Government Criticized For Not Promoting Hindi as National Language

46240025 New Delhi JANSATTA in Hindi 1 Feb 89 p 6

[Article by Lakshmi Kant Verma: "They Cannot Remain Mute"]

[Text] It takes thousands of years of tireless effort for a people to develop a language. It is not one person's effort but manifestation of an entire people. It progresses by continuous use and all people contribute to its continuous development. If you want to destroy a people, take away from them their language. Within 25-50 years they will collapse. Today there are many such countries in Asia and South East Asia where French, Spanish, Portuguese and English are spoken in lieu of the mother tongue. In these countries colonial rule has destroyed their very language. Now even though colonialism has ended, those countries have lost their pride and, in a sense, imperialism still counts these countries as their cultural colonies.

Unfortunately in our country also there are some people in Mizoram, Nagaland and Arunachal Pradesh who regard English as their mother tongue. Even more unfortunate is the fact that by amending the constitution our government has included English among the Indian languages, and by an ordinance it has decreed that so long as even a single state opposes Hindi, neither Hindi nor any other Indian language will be made India's official language. It means that till that time, the country's official work will continue to be conducted through the medium of English language. In other words, the present regime has determined to promote English and cut at the roots of all the Indian languages. Today, the condition is that we are giving a cold shoulder to our own language, and without a language our mental condition is that of a mute. No effort to end this state of dumbness has succeeded or will succeed because it is no longer a fight between the native and the foreigner. Now it has taken the form of a fight between the native and the native. It is easy to fight the foreigners, it is difficult to fight your own people. Today all the Indian languages are getting exhausted in this fight while English is flourishing.

For the last many months, some protesters have been staging a sit-in at the gates of Delhi Union Public Service Commission to demand that the requirement of English in Public Service Commission's examinations be eliminated. Some days ago there was a talk in newspapers of uprooting their tents on the pretext that there was danger from the extremists, but they held their ground. They took out a torch light procession on 24 January right before the Republic Day. This procession reached the Boat Club. Later some people also met the president. He was presented with a memorandum in which it was urged that on the Republic Day he should deliver his address not in English but in Hindi or any other Indian

language, i.e., the mother tongue. In addition to the bonded workers' leader Swami Agnivesh, others in this procession were members of the All India Languages Defence Union, Indian Writers Platform and All India Arts and Literature Society. In the name of security police tried to stop them at several points on the way. This procession was not protesting in favor of any one language. It demanded: End the requirement of English, honor Indian languages, Indian people have only one desire and that is to see Indian languages at every level. At every place posters in the Tamil language demanded: Throw English out. This describes the position of English and the Indian languages. Forty years after independence every knowledgeable Indian has come to realize that so long as English remains, no Indian language can achieve its proper status, nor can it develop in the right sense of the word.

Despite all this, the incident had no effect. On the Republic Day, the president read his address in English and the torch light procession remained fruitless. It is not known if this news reached the champions of English and the English language or not, but one news story that they constantly get is that all the extremists distribute their pamphlets written in Gurumukhi. They also receive the news story that the indignation and self-respect found in Tikait's speech is not a gift of English. The language in which he addresses farmers is neither a dialect, nor pure Hindi, nor is it English. In Bengal, the language of the Naxalites is not English but Bengali, and the language in which Sharad Joshi conducts his intricate politics is spoken Marathi. The language with the help of which DMK [Dravida Munnetra Kazaghham] has returned to power after 13 years is Tamil. Not only this, ask our military which has recently returned exhausted from Sri Lanka in which language all the Tamil Eelam liberation movement is being conducted. To know this we don't have to study the official statistics which are released off and on in order to promote Hindi. This only goes to prove that the present government is well aware of all these factors but does not accord them any importance and it believes that with the support of a handful of English supporters, it can crush all these movements. This is the point from which originate all those threats which are destroying the faith and hope of all the country.

It is worth pondering why wherever there is a movement afoot against the government, only local or regional language is being used? It is also worth pondering why in all these movements English is not being used? Even more serious is the fact that whenever these hostile groups, conversing in their mother tongue, gather anywhere, meet one another or exchange ideas, this is not done through the medium of English or any other so called link language. It is through their own mother tongues that they exchange thoughts. They use their mother tongue and overall they realize very well which language to use if they need the support of the common man, and in which language they have to communicate with the public at large.

In reality, our country's present government does not want to have a communication. It establishes its centers and institutions at various places and runs the administration through them by making and breaking them over and over. The institutions which can truly represent the masses have been so much shackled by meaningless self-serving rules that they are not in a position to accomplish anything on their own. Take, for instance, the village panchayats or local bodies. They have been rendered so weak that their existence or non-existence makes no difference. In this administration, the language of communication looks with contempt on popular languages and produces a gulf between the government and the masses. Only by producing this gulf, can people's power and people's aspirations be kept aloof from the present establishment. The present administration wants to keep a distance from the masses because the masses are pure and swift like the Ganges. They are not inhibited; rather, they are open and they get their openness from their popular language, their popular customs in dress and their folk roots and foundations. All the foundations of Indian life are disappearing one by one and in these conditions what is foreign receives more respect than what is indigenous. The result is that we have English instead of popular language, we have copies of American houses instead of local architecture and we have foreign dress instead of native dress as the mark of the well-born. Today Indianness and authenticity are being discarded everywhere.

From the farmers movements and regional movements that are starting everywhere, it appears as though in the case of languages at least the tables are turning. With each of the regional movements, regional languages also seem to be gaining an upper hand. Today, in these language movements the best thing is their opposition to English language. This is natural also. Whenever there is a confrontation between the masses and the upper classes, the first blow will naturally fall on the foreign language which is hanging like a fog on all the media of that class. Take away the language from the upper classes, and as Gandhiji did, make a bonfire of their clothes and then watch how colorful and meaningful becomes the life of common man. The manner in which for the last 40 years the Congress governments have been playing havoc with popular institutions in the name of centralization and the cruelty with which popular languages have been corrupted and maltreated are now being exposed. Wherever popular movements are starting today, mass languages are also emerging side by side. Panchayats are emerging in place of rallies, word 'dharna' is rapidly replacing 'demonstration' and at the same time we see emerging the institutions which will pull down the sham pillars built by the government and in their place will come up new institutions thrown up by peoples' movements. The present administration also realizes the significance of these movements and that is the reason it is trying its best to suppress them.

On the one hand, self-confidence is growing on account of the mass movements and on the other hand, societies like All India Language Defense Union, Indian Writers

Forum and all India Arts and Literature Society are also raising their voices against English. These movements aim to remove English. Unless English is removed, Indian languages cannot develop. People are now realizing this. Now the question before them is very simple and that is the use of English should stop. They do not care which language will be the link language in the absence of English. Perhaps they do not even care which language will take the place of English. In fact this is the only way that the Indian languages can take their place of pride. For the last 40 years, this government has been baffling us with questions such as: After Gandhi, who?: After Nehru, who?: After Indira Gandhi, who?: "After English, what?" is also part of the same policy of spreading confusion. After all, even after Gandhi the country has survived, after Nehru also the country continued and after Indira Gandhi also the country has muddled through somehow or the other. What kind of calamity will befall the country after English that it won't be able to survive?. Following the removal of English, the country will fare even better. It is in answer to such questions that Gandhiji remarked: We are not worried what will become of the country after the English leave, we will deal with whatever happens in an independent manner but the good of the country dictates that the English should go.

In the same exact manner, the language movement today has to declare that its clear objective is the removal of English. Which language will take the place of English is for us to decide. The day that indignation fires all the regional movements, that day the Indian languages will come alive with self-confidence and self-preservation.

Today, the people who are asking the Union Public Service Commission to remove English from the tests of the commission are not confined to merely the Public Service Commission's policies. They are questioning the complete system. This question will have a deep significance only when this movement does not confine itself to examinations but allies itself with the common man. In 1927 Gandhiji had seen English as an obstacle in the path of this popular progress and on 5 July 1927 he wrote in YOUNG INDIA: "If I were a dictator I would have immediately banned giving of instructions in English, forced the teachers to adopt native languages, and fired anyone who disobeyed. I would not have waited for the preparation of text books." The major reason for the craze for English that is standing in the way of the mental progress of the entire country is that we have not followed Gandhiji in starting a real language movement. The day all regional movements join together, the removal of English will not be far off."

IRAN

Official Details Relations With Algeria, Third World Trade

46400064b Tehran RESALAT in Persian
25 Jan 89 p 11

[Text] The expansion of cooperation between Iran and Algeria was emphasized by the minister of economic affairs and finance of Iran and the Algerian ambassador to Iran.

Yesterday morning, Tuesday, Mohammad Javad Iravani, minister of economic affairs and finance of the

Islamic Republic of Iran, in his office met and discussed with Mr Mohamed Larbi Ould Khalifah, ambassador of the Democratic and Popular Republic of Algeria to Tehran.

Mr Iravani, while comparing the Islamic revolution of Iran with that of Algeria and the feeling of unity between the two, emphasized: The two countries of Iran and Algeria are both revolutionary, Muslim and brothers and they can expand their relations in every area. Thereafter, Iravani talked about the economic and political situation of the East and the West and stated: We are witnessing the birth of a unified and coalescent Europe. On the other hand, in the Eastern world some remarkable transformations are also taking shape and such changes serve as a warning to the Third World countries, emphasizing the necessity for self-reliance and universal unification of all the Islamic nations.

Mr Iravani pointed out the issue of the debt of the Third World countries and called it the latest device of the West's imperialism imposed upon the Third World nations. Mr Iravani asked all the Third World countries, particularly the Islamic nations, to break off their relations with the West and take the necessary steps toward expansion of the relations between and among themselves.

Mr Iravani went on to say: The Islamic Republic of Iran from the advent of the victory of the revolution until now has taken certain measures toward this goal. For instance, our country has increased the volume of its trade to the Third World countries from four percent before the advent of the revolution to 28 percent during the years after the advent of the Islamic revolution of Iran.

Iravani further added: The Third World countries must take steps to insure the interest of their own nations. In this regard he pointed out the necessity for more cooperation between OPEC members and asked that the OPEC nations properly observe the system of quota production so as to make the price of oil increase to its real and previous level.

Iravani expressed hope that the economic cooperation between Islamic nations will be expanded and eventually bring about a Common market of the Islamic nations. He said that the first and foremost step toward this goal is the destruction of traditional impediments and redirecting of the economy of these countries toward maximum utilization of the existing capabilities.

Thereafter, Mr Iravani pointed out the cooperation between the Islamic Republic of Iran and Algeria and said: Our two countries can cooperate with one another in various areas. In this regard he pointed out the cooperation of our two countries in the area of oil and gas and expressed his desire for further expansion. He also added: The formation of the common commission of our two nations will certainly help the expansion of

such cooperations. Thereafter, the Algerian ambassador while praising the struggles of the Iranian nation also alluded to the cooperation of the two countries and mentioned the common commission which was formed in 1987 and stated: The two countries enjoy very good possibilities for the expansion of their relations.

Activities, Production of Oil Industry Explained
46400064c Tehran RESALAT in Persian
26 Jan 89 p 11

[Text] With the reconstruction of a certain portion of the damaged oil installations in the Persian Gulf continental shelf, at present more than 200,000 barrels of oil is produced daily—which is an unprecedented event by itself.

According to the statements made by the managing director of the National Iranian Oil Company, the aforementioned oil production is produced solely from five oilfields of which the major portion is located in the Kharg oilfields.

Engineer Mohammad Aqa'i, in an interview with the correspondents yesterday morning stated: Despite the fact that during the imposed war the oilfields of Kharg region came under more frequent attacks by our enemy than any other oilfields, yet at present these fields are at the peak of their production.

He went on to say that before the start of the imposed war the maximum oil production from the Iranian continental shelf by the 14 oilfields' facilities was about 300,000 barrels a day, while during the imposed war this figure was reached by utilizing only seven oilfields in 1364 [21 Mar 1985-20 March 1986]. Moreover, with the completion of certain phases of reconstruction by the domestic manpower of the oil company, and utilizing only five oilfields, more than 200,000 barrels of oil have been produced on a daily basis.

He further added: Altogether 20 oil wells of Iran in the Persian Gulf area which are located in the oilfields of Now-Ruz, Resalat, Reshadat and Soroush were badly damaged or totally destroyed as a result of intense attacks by the Iraqi regime and the U.S. military, but now the fire and gushing of all these oil wells have been controlled by the experts and laborers.

According to a report by IRNA, Engineer Aqa'i added: Reconstruction of the facilities pertaining to the loading, unloading and pumping operations of import oil products comprised the most important activities of the National Iranian Oil Company during the time of the imposed war. The managing director of the National Iranian Oil Company also announced further exploration of producing oil wells during the imposed war in order to increase the number of such wells and said that the thrust of these operations focused on the oilfields which are jointly owned by Iran and other countries of the southern Persian Gulf region.

With regard to future programs concerning the expansion of marine oil industry, Engineer Aqa'i stated: According to an approved program with a timetable and with due regard to other priorities, the production of oil in the Iranian continental shelf is predicted to reach more than 500,000 barrels a day by 1371 [21 March 1992 - 20 March 1993]. This goal can be achieved through completion of reconstruction operations, expansion of oilfields and excavation of new oil wells.

Mineral Exports Earn Over \$100 Million
46000127c Tehran KAYHAN INTERNATIONAL
in English 12 Mar 89 p 6

[Text] Isfahan, March 11 (IRNA)—Over 100 million dollars worth of minerals were exported in the first ten months of the current Iranian year—a significant rise compared to last year.

Mines and Metals Minister Muhammad Reza Ayatollahi said over 354,000 tons of minerals worth \$106.65 million were exported between March 21, 1988-Jan 20, 1989.

This showed an increase of 64 percent in value despite the 10 percent increase in weight, compared with the same period last year, he added.

Iran's major mineral exports include zinc, copper and lead concentrates as well as construction stones.

The minister told IRNA here Saturday that steps were being taken to increase exports through changes in export laws and purchasing machines, equipment and parts needed by various mines.

Contracts had been signed with a number of universities in the country to provide special scholarships for students to study related subjects at masters level.

He also said the ministry was negotiating with the relevant agencies to increase miners salaries.

Increase in Prices Examined
46400064a Tehran RESALAT in Persian 3 Jan 89 p 7

[Text] A brief look at the increasing trend of prices in the province of Yazd indicates the fact that the continual price increases by the government sector is one of the major causes of this accelerating move.

Although after the acceptance of communique number 598 by the Islamic Republic, all of a sudden prices of commodities fell considerably, yet after a short time, once again above and beyond all expectations, prices took an upward swing and created some mental anguish. Particularly in the majority of cases, these price increases have been carried out by the government sectors on essential commodities needed by the low-income and poor strata.

Right now, there is talk of an increase in the price of liquid gas by the government, and, according to the reliable sources, this plan will soon be put into effect.

During the last two months the price of steel beam increased by 26 rials for each kilogram by the government, that of round iron bars increased by 40 rials, deformed iron bars rose by 46 rials, angle iron rose 29 rials and that of steel channel went up by 30 rials per kilogram.

According to IRNA, hypothetically speaking, if for the construction of an average-sized house we needed 50 tons of steel and we took a median growth rate of 30 rials, there would be a price increase difference of about 200,000 rials for steel alone.

As of today the price of steel plate increased between 10 to 30 rials for each kilogram. Likewise, during last week the cost of cement increased by 500 rials for each ton. In a similar fashion, during the last few months the price of construction clay brick and some other household equipment such as water heaters and coolers and other manufacturing cost increased between 30 percent to 100 percent.

Putting aside the issue of building materials, the price increase is even noticeable in the very essential needs of everyday life. For instance, during last month the price of tomato sauce increased by more than 100 percent compared to the same period last year. At present, the government price for one kilogram of tomato sauce is 500 rials—which is not even available in large quantities for everyone's use, while the price of the said item for each kilogram was 220 rials a year ago. Furthermore, it is said that the price increase of coupon chicken from 290 rials for each kilo to 320 rials is also being investigated. Alongside coupon chicken the price of chicken in the free market during the last few months has increased from 850 rials for each kilo to 1300 rials.

Official Discusses Agricultural Needs
46000127a Tehran KAYHAN INTERNATIONAL
in English 1 Mar 89 p 6

[Text] Tehran, Feb 18 (IRNA)—Construction Jihad Minister Gholamreza Frouzesh said at the third day of the First National Congress on Agricultural Development that in the Year 2022, Iran will have a population of about 150 million, and will then need 30 million tons of grain yearly.

He said the country now needs a mass mobilization to help the government with its agricultural development projects.

The minister, who commented that he is personally against the idea of manufacturing (French) Peugeot cars, added that rather than manufacture automobiles Iran should manufacture tractors.

He said in 1956 at least 69 percent of the country's population lived in rural areas whereas in 1986 the rate dropped to 45 percent of the total population, and the exodus of the urban population to larger cities still continues.

Plan and Budget Minister Massoud Rowghani Zanjani said at the congress that the Five-Year National Development Plan (1989-1998) places an emphasis on agricultural development with a growth rate of 6 percent.

He said in 1980 Iran produced about 4.5 million tons of wheat which increased to 5.9 million tons in 1988, but expressed doubt if Iran would be able to produce 10 to 12 million tons of wheat annually for the next five years.

The plan and budget minister said investment in the agriculture sector for the next five years is estimated to go up by 15 percent and that \$7.9 billion will be allocated for investment on agriculture-related projects such as petrochemical, machine-building, dam building, transportation and others.

Zanjani said Rials 740 billion (\$1.5b) are to be allocated for current development projects in the agriculture sector.

The seminar is to conclude with recommendations for better agricultural development plans Tuesday.

Education Ministry Needs Public's Help
46000127b Tehran KAYHAN INTERNATIONAL
in English 12 Mar 89 p 6

[Text] Tehran, March 11 (Kayhan Int'l)—Minister of Education, Dr Muhammad Ali Najafi here over the weekend appreciated Kayhan Institute's recent financial assistance (Rls 50m/\$700,000) to the Ministry of Education and expressed hope that interested organizations as well as benevolent people help the ministry for constructing new schools.

Najafi toured various departments and sections of Kayhan Institute and later on in a meeting with the director of the institute Muhammad Asghari and editor in chiefs of various Kayhan publications talked about the ministry's activities and shortcomings.

He said that after the advent of the Islamic Revolution in 1979 the ministry has built 21,000 and 7,000 schools in the rural and urban areas respectively.

He said that during 1367 (March 21, 1988-March 20, 1989) 1,080,000 new students were added to the total number of students in the country.

"If we had allocated one classroom for 40 students, we would have needed 25,000 additional classes," the minister said and added, "this problem will become worse next year."

Najafi said that the ministry strongly needs the people's assistance to build more schools throughout the country.

During the meeting also engineer Habibollahi, the head of the development and renovation organization of the ministry said presently the ministry needs \$60m in foreign exchange.

"According to our estimate, for constructing one square meter of educational space \$25 is needed," he added.

'Revolutionary Line' Adjusts to Postwar Situation
46040005 Paris AL-MUSTAQBAL in Arabic
11 Mar 89 pp 23-28

[Article by As'ad Haydar: "Report From Tehran: What Is Happening in Iran; Iran Opens up Timidly to Necessities of Age; What Was Impossible Few Years Ago Has Now Become Possible"]

[Text] Departure time from Paris and arrival time in Tehran at dawn have not changed in 10 years. The Jumbo 747, filled to near capacity, and the stewardesses in their stern Islamic uniforms, have not changed!

When the stewards closed the plane doors, I waited for a long time for one of them to utter, as usual, the words "Allah is great" and for the passengers to repeat thrice, occasionally 7 times, the words "Allah is great and Allah's prayers be upon Muhammad and his kinsmen." But light music rose timidly throughout the plane. It was the famous Blue Danube waltz.

At Mehrabad International Airport, we were met by snow, which has been absent from Paris' winter this year. Throughout 18 days I spent in Tehran, sunny days were just a pause before the next wave of snow and frost. In its first winter after the war, Tehran has thus lived under a thick layer of frost and snow that has concealed an extraordinary calm which, in turn, has concealed an extraordinary ebullition. Iran is living the postwar phase with all its payments due and its consequences.

The snows have doubled Tehran's traffic problems. A distance usually covered in one hour now takes twice the time. Even though the cold necessitates a type of clothing that is very compatible with the compulsory Islamic uniform, something has, however, imposed its presence on this uniform. Bright colors have reappeared and women who wore only black, navy blue or brown, have taken up a number of attention-drawing colors. Fashion has even meshed with the way the veil is worn and it has become very easy to make a distinction between women who wear the veil out of adherence to Islam and those who wear it as an imposed duty. Even lipstick has reappeared, though timidly.

When arrivals in Tehran express their surprise at this development, the answer given is the same: "The war phase, its grief and its concerns imposed a single dark uniform so that difference of uniform and color may

[not] create some sort of a challenge, distinction or sympathies. Now, the war has ended and it is time for the people to regain some of their special characteristics. In any case, Islam has never been opposed to gaiety. The war dictated the previous climate." But this does not mean that the "official veil" has disappeared because it is still required of female students and of female employees in official, even unofficial, institutions.

But this is not the entire change or transformation in the life, activity or hardship of the ordinary people. It is evident from an 18-day experience with the daily life and from the publication of a number of press articles, especially in KEYHAN—here one has to express astonishment at this full freedom in dealing with the people's concerns and problems—that a real change has occurred and that this change is some sort of a new beginning for Iran's march in the post-war era.

The television screen is no longer as gloomy as in the past. Even though the person who presents the program still wears her "official veil," the men appear at times without a beard and both radio and television have resumed playing music extensively. What was forbidden a few months ago is now permitted. Songs, with their special Iranian characteristics, have reappeared and singers have returned to the small screen. It is true that the singer stands rigidly throughout his performance, but he sings. Women have also reappeared on the small screen, though with obvious timidity and within strict standards. Moreover, a special ceremony has been held to honor and to award honorary doctorates to a number of prominent veteran Iranian actors who were well-known before the revolution. A number of well-known musicians have also been given awards in appreciation of their past achievements. The most prominent center included as a mandatory visit for guests attending the revolution celebration is a center showing a major Iranian art exhibit. But one should also note, and with accuracy, the special content of this exhibit which is displaying paintings with an obvious ideological and revolutionary tendency which is very remote from the predominant character of Iran's art in which 'Umar al-Khayyam and his women are the focal point.

The most prominent manifestation of the celebrations was the major movie festival in which a number of East European countries took part and which showed 170 movies, including 55 Iranian movies. But the awards ceremony was interesting. Women were absent from the ceremony because their presence in Iranian films complements men's roles and is not an independent presence. The prize-awarding ceremony reflected attachment to the arts of the age and to all their contents and forms. An indication of the type of films in demand is the fact that Danton, a French film starring Gerard Depardieu, is the most popular film in Tehran currently. In the French revolution's history, Danton was the strongest advocate of democracy, and he ended up being executed.

Next to this film, Japanese and Chinese films, especially films glorifying the people and underlining their sacrifices, were the most prevalent at movie theaters.

Athletics have also reappeared enthusiastically in Iran's life, including international contests in wrestling, skiing, soccer and volleyball. Television carries such events in full. Iran is thus entering a new phase remote from the phase when entire Iranian groups had to go to the coastline facing the UAE [United Arab Emirates] to watch the details of last year's Olympics in Seoul.

These are some aspects of life which clearly demonstrate that a new phase has begun in Iran and that the second decade of the revolution will in no way be similar to the first decade, especially if Iran moves from the no war, no peace situation under which it is living now to the phase of comprehensive and lasting peace. But because Iran is still in a transitional phase whose end is not yet clear, the war's payments due continue. Merely observing the ordinary Iranian citizen's daily life demonstrates this fact.

Queuing in lines is a new tradition which began with the war and which has now become a daily habit. What is interesting is that in a country like Iran, which is still a Third World country, the citizens queue with surprising calm to await a bus. There is no jostling. When the bus closes its doors because it is full, things seem normal to the citizens who continue waiting. Queuing has become an unavoidable part of daily life.

Perhaps one of the most distinctive features of this sudden peculiarity in Tehran's daily life is that the war, and the accompanying economic blockade imposed on Iran, has dictated rationing numerous essential goods. The ration card or "coupon" has become a complementary part of the lines or of the long queues forming in front of stores and fuel stations. The "coupon" has become, as KEYHAN asserts, a "big problem that frays the people's nerves. The citizen lines up as of dawn so that he may be the first to enter." Like everything else, the "coupon" has turned into a real commodity that carries with it new "maladies." What the Iranian Government has offered in an attempt to make the ordinary citizen's life easier has turned into more harassing difficulties.

An Iranian economist has summed up the living conditions by saying: "The cold economic war is storming the cities, markets, streets and neighborhoods violently. This war's troops are its profiteers and its fuel are the ordinary citizens." This economist has added: "When the war stopped, prices dropped and people stopped holding foodstuffs. The dollar price also decreased. But then the government froze the dollar price for a year and prices began to rise again."

This is the general picture of the current economic situation. However, new "maladies" have afflicted the Iranian citizen's daily life. These maladies can be summed up by observing the daily life and the surprising investigative reports published by KEYHAN.

One citizen, a government employee, has said: "Every month they announce the availability of a certain food commodity. For example, coupon No 322 is designated for butter. I have to take a day off to run from morning until evening to get this commodity. At times, I find that it has been sold out." Why do we have this situation which exhausts the ordinary citizen and which contributes in one way or another to "breaking his character?"

The price difference between the official market, where coupons are transacted, and the free market is enormous. For a proof, the price of a kilogram of meat in the official market is 75 tomans (the official exchange rate is one toman for a franc while the black market rate is 15 tomans for a franc, keeping in mind that the average income is 6,000 tomans) whereas in the free market, the price is 240 tomans per kilogram. This difference leads, on the one hand, to a rush on the official market and, on the other hand, to smuggling and exploitation by the beneficiaries of this situation, i.e. by the "troops of this economic cold war." One of the manifestations of this "war" is the smuggling of goods from the official market to the free market and the transformation of a ration card or a coupon into a profiteering element. This is why Inqilab Square, or the Revolution Square, has turned into a market where profiteers hawk their coupons loudly. Another manifestation is that of some warehouse managers who exploit their positions to collect large sums in graft money.

All this has led to stunning inflation. The ordinary citizen who cannot find what he wants in the official market is compelled to resort to the free market. Merchants control this market's prices, regardless of how strict the control is. What has intensified this situation, according to Dr Mahdi Taleb, a social researcher working at KEYHAN, "is that the consumerism concept we imported from the west prior to the revolution has not changed." When this fearful desire to consume is wedded to the shortage of essentials and the proliferation of profiteering, money becomes the master, with all the ramifications and negative impact of this condition on society—this society which the revolution has been trying for 10 years to rebuild on Islamic bases and ethics."

The ordinary citizen's hardship does not end at the ration card problem. The big difference between the dollar's official exchange rate and its black-market exchange rate (\$100 are equal to nearly 1,000 tomans in the official market whereas they equal more than 10,000 tomans in the black market) has brought about rabid inflation. From now until the dollar price stabilizes at a reasonable rate, prices will rise daily in all sectors.

Perhaps the three sectors in which the citizen experiences the greatest hardship are the clothing, housing and transportation sectors. In clothing, the price of a child's overcoat ranges currently from 1,500-2,000 tomans. The price of a man's suit ranges from 5,000-6,000 tomans, i.e. the salary of an ordinary employee. This is due to the high price of all imports, including cloth material and other articles, and often due to the inability of the official agencies to secure more than one month's supply of the raw materials needed by factories. It is necessary to secure at least a 10-month supply in order for any evident change to occur.

As for housing, the tenant has to pay the landlord a security deposit, in addition to the monthly rent. In this regard, there is great similarity between Tehran and Beirut. As an example of this crisis which riddles the youth especially is that the rent of a 2-bedroom residence with its facilities varies from one area of the capital to another: In central Tehran, the rent is 12,000-13,000 tomans; in North Tehran, it is 18,000 tomans; in South Tehran, it is 6,000-8,000 tomans.

The cash security deposit ranges from 100,000-1,000,000 tomans. To put it briefly, it is impossible at present for any middle-level employee to get a residence all for himself. The cause of the crisis is well-known. Most construction materials are imported from abroad and their costs are remitted at the black-market rate, except in specific cases where the government intervenes.

There remains transportation. If this sector was in a real crisis prior to the revolution, then the crisis has now redoubled. The causes are the halt in car imports, except by government decree, the unavailability of numerous types of spareparts, the rise of gasoline prices from one toman per litre at the outset of the revolution to 3 tomans per litre in the official market and 6 tomans in the black market, i.e. without ration cards, at present. All this has caused transportation costs to increase and the ordinary citizen's burdens to grow heavier.

Finally, drugs are another malady that has struck deep into the roots of Iran's society. It seems evident to the Iranian officials that Iran is currently subjected to a "real war" from abroad at this level. It is a guided war for whose success all illegal means are used. This is why the Iranian authorities have employed an "iron fist" policy that is founded on 2 points: first, severe penalties which reach the level of the collective execution of members of seized smuggling networks and, second, official agreements with neighboring countries, such as Pakistan and Turkey, to fight this "guided war."

As a demonstration of how deep and serious this problem is, the daily press now calls Zahdan area of Tehran the "addicts paradise." The ruins of South Tehran are now inhabited by old and young men, women and children who have been consumed and impoverished by drugs and who include "physicians, engineers and

pilots." Some farmers who did not even smoke 15 years ago have now become addicts. (KEYHAN report) The smuggling activities which used to involve a few grams in the past have now escalated into smuggling operations conducted via Baluchistan and involving quantities of up to 700 kg per operation. What is more serious, some jails are witnessing the proliferation of drugs in a manner that confronts the officials with big questions concerning the quality and elements of the smuggling networks.

It remains to be said that something is implanted deep in the Iranian society. After an entire decade of the revolution, even though Islam's roots in the Iranian society are deep to begin with and even though a certain daily life style—a style whose most prominent features are the veil and the "official veil" at work—has been imposed, the so-called ("Oshin issue") has surfaced. This deeply-implanted thing combines the entrenched element of westernization with the indirect expression of opposition.

The "Oshin crisis" story began with a live broadcast. An announcer asked a girl who evidently was no more than 18 years old (i.e. she was no more than 8 years old at the revolution's outset): Who is your supreme model among women? The girl answered promptly and clearly: "Oshin." The announcer persisted: Why Oshin and not Fatimah? The girl answered: Because Oshin is a daughter of the age and because she keeps up with the age.

All hell then broke loose.

On the same day, Imam Khomeyni decreed that all the officials in charge of the program, led by the official in charge of the broadcasting station's ideology, shall be punished. He also addressed a clear warning to the general director of radio and television, who is none other than Hashemi-Rafsanjani's brother, the Consultative Council chairman. Imam Khomeyni got angry for 2 reasons: The girl implicitly insulted not only one of Islam's symbols but also the revolution. To be specific, Dr Ali Shariati, the most prominent advocate of the revolution concept, wrote a book entitled "Fatimah Is Fatimah." The gist of the book is that Fatimah's importance derives from her personality and role, not to mention that she was the daughter of Prophet Muhammad, may God's peace and prayers be upon him, and the wife of Imam 'Ali, may God be pleased with him.

Even though the Iranian authorities have not been able to identify the girl because the contact was by telephone and even though, consequently, the true motives behind her conduct have not been discovered, it is certain that the problem lies in this strong attachment by the various Iranian circles to a personality that has no connection with the Iranian society. Oshin is nothing but a rural Japanese girl who comes to the city and struggles for a better life. This symbol, Oshin, is the name of the heroine of a Japanese [television] series who has imposed her presence on all Iranian families to the point that Tehran's streets become nearly empty from 2030 to

2200 on Saturday nights [when the series is shown]. Moreover, Oshin has become a business. In Tehran, there are "Oshin bagels" and Oshin children's sweaters that are 100 tomans more expensive than ordinary sweaters, and so forth. The question is: How has Oshin become the "beloved lady" of 10 million Tehran inhabitants, not to mention other Iranians in the other big cities? Even though one girl has attributed her attachment to Oshin to the explanation that Oshin teaches her to be patient, to struggle and to overcome difficulties, the truth goes beyond. Attachment to Oshin is a cultural attachment to the outside world. In this regard, Shaykh (Maseh Mohajeri), KEYHAN's managing editor, has said: "If we make a comparison with the revolution's initial months, especially in the Islamic culture area, we have achieved no success." With rare frankness, Shaykh Mohajeri added: "The disgraceful manifestations of the material culture control our society from afar."

These are some aspects of the ordinary people's daily life in Tehran. If life at the base is "boiling" because of this "cold economic war," the top is boiling at a much higher temperature. This higher temperature is caused by two interwoven wars: The "succession war" and the war over the "state plan" and the revolution's tendency at the outset of the second decade of Iran's revolution and government.

To clarify this, it is perhaps a lucky coincidence that chess has reappeared in Iran after Imam Khomeyni permitted it to return in a famous religious edict he issued last year. This demonstrates that Imam Khomeyni, despite 10 long years of ruling and despite the 86 years he carries on his shoulders, is still the sole and absolute master in the arena.

A prominent politician who has known Imam Khomeyni before and after the revolution and who has exercised power next to him, has said: "This is the imam. He has not changed. He holds the stick in the middle, balancing the various forces and parties. He settles disputes only when he personally determines the right moment for him to settle them. They have all become his proteges and they all need him. They all derive their influence from his person." An observer who has watched the revolution closely since its beginning has added the following to this characterization: "The imam does not forgive anybody who opposes a plan he has formulated. He is capable of striking and crushing any individual and is then capable of elevating him. Thus, any official is his captive." There are numerous proofs of this, the most striking being current President Ali Khamenei who opposed the imam's religious edict on the state. The imam's response was: "You have disappointed me. You don't understand jurisprudence." When Khamenei apologized, the imam said to Khamenei some words which restored to the latter his status and preserved his position as the head of state. Therefore, Imam Khomeyni is the first and last figure. After him, there are no independent figures but following figures. The imam's power emanates from two types of legitimacy: The legitimacy of his leadership of

the revolution and the legitimacy of the jurist's rule which has been adopted by Iran's constitution. Thus, any talk of a marginal or subsidiary role by Imam Khomeyni is no more than wishes or ambitions that are unlikely in the foreseeable future.

Even though it is unfair to talk of Ayatollah Montazeri, Khomeyni's designated successor, within the context of figures, one has to talk about him here because he is, practically, the number two man in Iran. But this "number two man" seems to be very different from all the figures that have been destined to play this role in other countries. He has not turned himself into a "shadow" of the number one man, i.e. Imam Khomeyni, in order to gain favor and power. For more than 2 years, Montazeri has been working to establish a distinction and to develop an identity and a role different from those of Imam Khomeyni's. This is why a source well-informed with the secrets of the situation has characterized Montazeri, saying: "If Montazeri is a successor who has his rivals and his foes, then he is undoubtedly the unrivalled and uncontested leader of the legitimate opposition." It is enough to read his address on the Revolution Day to realize the dimensions of his intense and surprising opposition.

One of those who are closely acquainted with Montazeri has explained this characteristic, saying: "Ayatollah Montazeri is a man who has experience with jails and oppression and he has contacted all the jailed currents. This is why he is a man with an open mind who believes in dialogue and plurality." Therefore, Montazeri's thinking has its contradictory sides. Though he is the leader for openness in the Iranian society at the various political, economic, intellectual and social levels, he seems to be intransigent toward the outside world and toward relations with the major powers. There is one more point concerning Montazeri's future—a point on which many Iranians are unanimous, namely: The robe of the jurist's rule is tailored to Khomeyni's measurements and will never fit Montazeri. Montazeri's ability to take his historical place depends on his ability to fulfill his promises and to transform his current criticism into positive action and practices within the government.

We now come to the "bastions, the strongholds" and so forth.

There is no doubt that Hashemi Rafsanjani, the Consultative Council chairman, has been and continues to be the strongest "bastion" in both the revolution and the government. Rafsanjani, as characterized by a well-informed source, is an "extraordinary politician. He is amazingly capable of holding the stick in the middle and he is the closest to Imam Khomeyni." A well-known Iranian figure who is well acquainted with Rafsanjani has said: "Rafsanjani has recently been dealt numerous blows and he has lost his influence with the radical current, especially in the wake of the council elections and of the Rohaniyun-e Mobarez) split, and he has not

gained much support among the traditionalist or conservative current. Yet, he continues to be the first among all because he is intelligent and because he is well aware of the secrets and intricacies of the game being played in the arena." Rafsanjani has succeeded in managing a major part of the game from under the council's dome and he no longer conceals his ambition to become the next president of the republic. He has sought to strengthen the position before he gets it and has tried to amend the article governing the presidency, demanding that the prime minister's powers be merged with the president's power, meaning that he wants a presidential system in every sense of the word.

But it seems that his attempts have faced strong opposition from Mohtashemi, the minister of interior and one of the radical current's most prominent figures, who has said in an interview we have had with him: "The matter has been settled. There will be no amendment." What has settled the amendment issue "is that the imam has decided that touching a single article to the exclusion of all other articles is a process that undermines the credibility of the constitution in its entirety." However, if no surprises occur as a result of the Rushdie issue, Rafsanjani will be elected president of the republic at the beginning of next summer. The same previous figure says here: "Rafsanjani is capable of transferring the council's glitter to the presidency and, with his strength and with the imam's backing, he is capable of giving this position greater power that will pull away the council's current glitter and apparent power."

Current President Ali Khamenei has taken his share of power, and some. According to the constitution, he cannot become president for a third term. Only Khomeyni's will can alter this condition by postponing the elections or by extending Khamenei's term. However, Khamenei does not seem to aspire for such an extension. After long years of disagreement with Rafsanjani, Khamenei has not hesitated at all to nominate his old opponent as a candidate for the presidency. The well-informed in Tehran say that Khamenei aspires to get the directorship of Imam Reza Razavieh in Mashhad, thus replacing Ayatollah Tabasi who may become the candidate for the presidency in case Rafsanjani declines it. If Khamenei is unable to get this position, he will have no objection to replacing Ayatollah Ardabili as chairman of the Higher Judiciary Authority.

Ahmad Khomeyni is another issue. His name is mentioned here because the game's "mechanism" dictates mentioning it. For years, Ahmad Khomeyni has been his father's eyes and ears. According to those close to Ahmad, he has gained in the past 10 years experience which has matured him. He now heads the radical current but he has his [communication] lines with Hashemi Rafsanjani. Ahmad Khomeyni has no problem with the government at present and, despite all the rumors about some sort of desire for the presidency, he is not seeking a role within the current structure. His father has determined that Ahmad's place is next to him, without

any official responsibilities. But Ahmad is undoubtedly seeking a role after his father. His gaining political legitimacy at present gives him strong momentum for later. The question is: Can Ahmad Khomeyni be as close to Ayatollah Montazeri, the successor, as he is to his father? It is difficult to answer this question, especially since the answer is interwoven with unforeseen conditions and developments.

Whenever Ahmad Khomeyni is mentioned, he likes the other "master" in the family, grandson Hosein Khomeyni, to be mentioned also. This "master" took distinguished positions when he was just a teenager. He has been close to Ayatollah Montazeri in Qom and these 10 years have given him maturity and courage mixed with bitterness, thus qualifying him for the future should he wish to return whence he came.

Ali Akbar Mohtashemi, the deputy prime minister and minister of interior, has been and continues to be one of the people closest to Imam Khomeyni. He is a radical or, as it is said in Iran, he belongs to the intransigent "revolutionary line." Mohtashemi does not conceal this fact but rather seems happy with this "accusation." It is as if he is preparing to leave the cabinet to devote his attention to political affairs. He even seems to be a candidate for the premiership. Should the current situation hold, he will be the man with the biggest chance to get the premiership.

Then there are others. Some of them are active and influential and some derive their strength from taking fortified positions within advanced "strongholds." Prime Minister Mir Hosein Musavi who belongs to the prominent Islamic "cadre" has known how to take a fortified position throughout the long past years. He aspires for the presidency. If the winds of radicalism generated by Salman Rushdie continue to blow on the Iranian arena, Musavi's hopes will grow stronger. Meanwhile, Foreign Minister Ali Akbar Velayati, who has clearly proven that he is dynamic and capable of movement, is also one of the prominent candidates in case Rafsanjani wins the battle completely. There is no doubt that Velayati will continue to be a strong force and presence. The circumstances engulfing the Iraq-Iran negotiations dictate more and more strongly [the presence of] Velayati's dynamism and his support for the others.

Others ascending strongly include Qarazi, the minister of post, telegraph and telephone, who is nominated by some circles as a candidate for the premiership. Qarazi has run his ministry successfully and he knows how to strengthen his relations with one group without weakening them with another.

Far from all of the above and, at the same time, close to them is Mehdi Bazergan, the republic's first prime minister. As his foes agree before his friends, Bazergan continues to be "Iran's most courageous politician."

Through his leadership of the Iran Liberation Movement, Bazergan has, despite his old age, played a prominent role in the political life and in his country's fate, especially by pushing for an end to the war. All assert that Bazergan is capable of getting 4 million votes in any future presidential election. This harbors dangers for the regime, but not for the Islamic Republic to which Bazergan is ultimately a "loyal son." This is why it is difficult to grant his party a legitimacy permit prior to the presidential election, unless one considers Khomeyni's message in the wake of Salman Rushdie's issue the "bell" [warning Bazergan] to return to the shadow and to be content with performing the role of the courageous opponent.

This competition for power which reaches the level of strife is not a unilateral competition. Essentially and fundamentally, it is a real struggle on whether the government and revolution line should be a line within the framework of the local, regional and international equations or a "revolutionary" line that views political independence and exporting the revolution as much more important than the talk about the government. Even though this distinction between the two lines is sound, it represents, based on the Iranian revolution's special nature, only one side of the reality. Explaining this aspect, a source very familiar with the conditions in Iran has said: "The diverse tendencies existing in Iran cover as vast an area as that covered by the system of the religious schools of thought which are known as the 'ulema tenure.' This system is similar somewhat to the old al-Azhar system of study groups. Though this powerful and diverse system has not gained the legitimacy to run the political battle, it still imposes itself on the country's leadership. Consequently, there is a current in authority which demands developing the private sector's role but opposes opening up to the outside world and rejects resorting to the policy of international loans. On the other hand, there are those who refuse to give the private sector any role but who, at the same time, aspire most strongly to establish a free democratic parliamentary system that can guarantee party plurality, but only in a manner derived from the Islamic jurisprudence and legislation."

PAKISTAN

Repealing Eighth Amendment Seen As Undemocratic

46560018a Karachi JASARAT in Urdu 26 Jan 89 p 3

[Editorial: "Amendments to the Constitution"]

[Text] The cochairperson of the Pakistan People's Party [PPP] and our prime minister has repeatedly stated that she would not be able to rest until she has succeeded in revoking the 8th Amendment to our constitution. It is obvious that she realizes that the 8th Amendment is not something that can be eliminated by a stroke of the pen. A lot has been written about this amendment and Benazir Bhutto herself knows that it will require another

amendment passed by acclaim to replace it. If the government and the opposition agree that another amendment is essential then all the amendments forced by [Z.A.] Bhutto with his party's help and without the opposition's support to the 1973 constitution, which was approved by the whole country, would become obsolete. The opposition will never agree to Benazir Bhutto's request to eliminate the 8th amendment. This would be equivalent to giving her a kind of civilian dictatorship and insulting the democracy openly.

It is an appropriate and timely demand to establish a parliamentary committee composed of representatives of the Islami Jamhoori Ittehad and the PPP. This committee should propose amendments to the 1973 constitution that help make our country a real democracy. If such a democratic approach is not followed and all changes to the constitution are made according to one's whims then the old history will be repeated again. This would be a step backward for us. The whole world knows that the late Mr Zulfikar Ali Bhutto was the prime minister of our country during its first martial law. He used to call the late General Ayub Khan his 'daddy' and was fully involved in all the dishonest tricks played then to defeat Fatima Jinnah in the 1964 presidential elections. The 1969 martial law led by Yahya Khan was enacted with Mr Bhutto's support. Later, he was appointed Mr Yahya Khan's deputy prime minister and minister of external affairs. He was fully responsible for the loss of East Pakistan. Mr Bhutto was appointed the first civilian martial law administrator after the fall of Dhaka. He was the one who had the motion to continue the martial law passed in the National Assembly. Benazir Bhutto is trying to portray her late father as a supporter of democracy. We all know that this is not a true picture.

The 1973 constitution was written in a way to make the prime minister the dictator of the country for a specific period. Mr Bhutto was still not satisfied and distorted this constitution by amending it repeatedly. He even enacted emergency rule to curb the judiciary and people's basic rights. He had established special tribunals, imposed DPR [Defense of Pakistan Rules] and took military action in Baluchistan. Ignoring all these facts and calling the 8th amendment made by the late Ziaul Haq as against democracy is not appropriate. A ruler should be large-hearted and open-minded. He or she should not ignore what that world thinks of his or her idol. Also, he or she should take into account what the people and the media say about that person. It is important to take realistic steps if we want to strengthen democracy in this country and we should not force the people to follow one's emotional feelings. If Benazir Bhutto wants to repeal the 8th Amendment, then she must take a second look at the seven amendments that her father had forced on the country. At the same time, she will have to change the 1973 constitution so that it meets the democratic needs of the time and is acceptable to the nation. Perhaps, Benazir Bhutto still remembers that Mr Bhutto had agreed at the end of the 1977 movement to put an end to all one-sided amendments to

the 1973 constitution. The nation cannot accept the 1973 constitution in its 4 July 1977 format because it will lay the foundation of a civilian dictatorship in the country and the people will never permit that.

Defense Minister Indicates Collaboration With Turkey

46000122a Karachi DAWN in English 9 Mar 89 p 5

[Text] Karachi, March 8: The Minister of State for Defense, Col (Retd) Ghulam Sarwar Cheema, on Wednesday indicated an increased collaboration between Pakistan and Turkey in the field of Defense.

On return here from Ankara, where he represented Pakistan at the inaugural ceremony of Aero Space Industries on March 5, Col Cheema said increased collaboration between the two countries particularly in the defense production would save them a lot in defence expenditure. He said under the collaboration the defence items produced in Pakistan would not be produced by Turkey and vice-versa.

This, he said, would avoid duplication in production of defence items by the two countries and also help in saving expenditure on this count.

He said the Aero-Space Industries in Ankara would produce F-16 planes.

The Minister said Pakistan and Turkey enjoy fraternal and brotherly relations since long and keenly desire that both the countries should have increased collaboration in defence productions.

Col (Retd) Ghulam Sarwar Cheema said Pakistan and Turkey also enjoyed deep rooted relations in economic and political fields as well, and these would be further promoted.

In this regard, he referred to his meeting with the Turkish Economic and Planning Minister. He also referred to his meetings with Turkish Prime Minister Turgut Ozal and said he was given a warm reception in Turkey. They Turkish people, he said, have deep love for Pakistan.

He said both Pakistan and Turkey have very close understanding in various sectors and this would be promoted further.

He said that the inauguration ceremony of Aero-space Industries was attended by representatives of 40 countries of the world.

After a brief stay at Karachi airport, the State Minister for Defense left for Islamabad.

Technical Cooperation With Iran To Increase
46000122b Karachi DAWN in English 10 Mar 89 p 9

[Text] Islamabad, March 9: There was a great potential of increasing cooperation between Pakistan and Iran in various fields and Pak-Iran Joint Ministerial Commission meeting has provided institutional frame-work to discuss all matters pertaining to expansion of sphere of collaboration between the two countries.

This was stated by a spokesman of Economic Affairs Division in a press briefing here on Thursday after the return of Pakistan delegation from Iran where it participated in the fourth meeting of the Pak-Iran Joint Ministerial Commission (JMC). The delegation was led by Mr V.A. Jaffery, Advisor to Prime Minister on Finance and Economic Affairs, Planning and Development.

The spokesman further said that both the sides felt that JMC was a good forum not only to review the existing cooperation between Pakistan and Iran but also to identify new areas of further cooperation.

The spokesman said that during the JMC meeting four working groups were set up regarding economic and finance, agriculture, industries, natural resources and technical cooperation, culture, education and scientific research, trade, oil and transportation.

The spokesman said that during the meeting various measures were agreed to remove the procedural difficulties about customs. It was decided that within the next six months the customs authorities of both the countries will meet in Islamabad for the purpose of exchanging views on establishment of uniformed customs documentation.

Both sides during the meeting expressed their desire to cooperate within the framework of Joint Border Commission for the elimination of smuggling across the borders. Issues relating to Pak-Iran textile mills in Pakistan was also discussed. It was agreed that a delegation from Pakistan would visit Iran after the Month of Ramadan to hold talks in this regard.

The spokesman added that reconstruction work in Iran after post-war era also came under discussion and it was appreciated by Pakistani side that they would attach priority to Muslim countries and especially Pakistan in this regard.

Referring to the industrial sector the spokesman said that fabrication of spare parts and components for sugar mills, cement, power and other sort of industrial installations, also came under discussion.

Agriculture projects in the Kohistan province in Iran, construction of fishing vessels and ships besides joint ventures in establishment of fisheries, imparting of training by Pakistan to Iranians in fishing expertise were also discussed during the meeting.

It was decided that within the next three months, an Iranian delegation would visit Pakistan to explore possibilities of collaboration in this field.

Both sides felt that they had reached a level of development and were getting into more sophisticated areas of industrial development. They felt the need to look at the cooperation in the establishment of heavy industries. The Iranian side wanted some technical information from the Pakistani side regarding the establishment of small scale industries in the rural areas. It was agreed that Iran would send a delegation to Pakistan to assess the situation themselves.

The Iranian side showed interest in new areas including leather products, surgical instruments, sports goods, plywood, chip board, extraction of oil and oilseeds.

On the natural resources side, both countries discussed the possibilities of exchanging experts in various areas to see the facilities in each other's countries.

About the education and scientific sectors both sides reviewed the implementation of various decisions. Pakistan would provide teachers and experts in information, cultural and scientific fields. Both agreed for cooperation in news programmes and training of personnel in radio and TV.

During the meeting both sides expressed the hope that there should be a balanced trade between the two countries and necessary steps should be taken to expand the volume which at present was 400 million dollars.

The spokesman said that "we have an agreement for import of oil and we import 20,000 barrels of oil per day from Iran and a high powered delegation would go to Iran soon to further negotiate in the matter."

He said that both sides also held extensive discussions over the possibility of starting flights from Quetta to Mashad. They also stressed that Quetta-Zahidan train service should be resumed within the next two months.—PPI

Opposition Proposal To Form Shadow Cabinet Supported

*46560016a Lahore NAWA-I-WAQT in Urdu
18 Jan 89 p 3*

[Editorial: "Shadow Cabinet ...Honoring Parliamentary Traditions"]

[Text] The Islami Jamhoori Ittehad [IJI] members of national assembly members from Punjab in a meeting made a principled decision to form a shadow cabinet on

the federal level. This decision is precisely in accordance with parliamentary traditions and the democratic spirit. Every political party forms a shadow cabinet wherever in the world there is a parliamentary system in force and the political parties enjoy freedom of action. This is done so that on one hand the government could be continuously held accountable, while on the other hand a team could be trained to shoulder future responsibilities so that anytime the people offer that party a mandate for the government, there is no time wasted on ministerial appointments, nor do the ministers remain at the mercy of their secretaries [i.e., high level bureaucrats] and other officials. The primary defect in our country is that democracy has never been allowed to operate smoothly. The reins of power have always been controlled by the military dictators. Politics and democracy were branded a forbidden tree. Therefore, in order to maintain even their existence, the political parties had to pursue a new course each time. Under such circumstances, it was not even possible for the political parties to bear in mind the democratic and parliamentary traditions and rules. Nonetheless, no plans were outlined by the political parties fully benefit from the occasional intervals when they got a chance to carry out their work. The wielding power behind the formulation of most parties was the innocent desire of some single politician to attain the leadership of the party. Many individuals were not at all mentally prepared to accept the number two position. Under the passion for leadership, therefore, newer and newer parties continued to be formed. However, no one after forming a party felt the need to pay attention to its vital demands. That is why whenever a party happened to gain an opportunity to achieve power, its ministers were unsuccessful merely because they were unaware of even the basics of their departments. Their ministries, therefore, always remained under the control of their secretaries. Thus, the citadel of bureaucracy could not be demolished. Now, however the IJI, sensing this need, has made a better and wise decision. We hope that the experiment to form a shadow cabinet on federal level will be extended to the lower level as well and, even where IJI is not in power, there also necessary training and homework will be initiated to provide instruction for alternate leadership. The remaining political parties of the country also should conform with this decision; though the current political climate is full of doubts and suspicions, and the appropriate environment in which the philosophy of the shadow cabinet could be fruitful is not available. To achieve this, there should be an exemplary environment of understanding, broadmindedness and mutual respect and regard between the administration and the opposition, so that the process of criticism and accountability is well-intentioned and is also wholeheartedly accepted. Regrettably, so far even a relation of fundamental respect between the administration and the opposition has not been established. The entire effort is being spent on slogans that have to do with forming and destroying the government. This can be of no service to democracy. The most vital issues of the country are being ignored in the slander of hostile statements. Nothing is being stated about the future of the Baluchistan

Assembly. There are no visible signs of mutual understanding between the federal government and Punjab. The problems of the people continue to remain unsolved. What is needed is that the administration, opposition and all political forces in the country pay attention to the real issues. Instead of wasting time and energy on minor issues, they should work with mutual understanding for a national reconstruction and the stability of democracy.

Human Rights Violations Alleged

46000123b Karachi DAWN in English 3 mar 89 pp 1, V

[Article by Maisoon Hussein]

[Excerpts] No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment. The Universal Declaration of Human rights.

"They took me to another room. Six policemen were seated there... The crime branch Inspector questioned me,... "Maulana, are you a member of Zulfiqar?" I said "No". The Inspector then said to the policemen, "Set the Maulana right". Slaps and punches pounded at me. This must have gone on for five minutes. I began to feel dizzy, the room began spinning. Blood oozed from my mouth, my face swelled. The Inspector—repeated his question. As soon as I said 'No' the order rang out, "Now hang him upside down." I was tied and hung upside down from the ceiling. The suffering and pain this causes is beyond words. I wanted to put an end to this once and for all, then I remembered God's command, suicide is a sin... They left me upside down for some eight to ten minutes during which the police continued to batter my body with shoes and bat ons until I fell unconscious..." Maulana Jawed Nomani in 'Jo Mujh Peh Guzri'.

Unpopular, repressive governments use torture as an instrument of terrorization while, at the same time, denying that such practices exist. In our country, the existence of some nine interrogation centers—including Lahore Fort, Attock Fort, Mach Jail (near Quetta), Balahisar Fort (Peshawar), Baldia Camp—where ill treatment and torture of prisoners have been reported, are a pointer to the scale of the practice. Moreover, police stations all over country are a byword for excesses.

The ordinary citizen however remains unwary of the true extent of the practice. Many grim truths remain hidden for torture is inflicted beyond the public gaze—in police lock-ups and in the closed system of the prison—where there are no independent witnesses, where those who see fear to speak, and the victim himself is silenced by the fear of further victimization.

Generally it may be said that the brutal treatment of the detenu is designed to break the prisoner's will, to obtain a confession, to extort money or to punish the victim (from personal animosity or rancor of the jailer).

What has led to a virtual institutionalization of torture in police lock-ups is the absence of scientific means of investigation and the long period of detention—up to 15 days—that Section 167 CRPC (Criminal Procedure Code) allows. Although the detenu has the limited right to see a lawyer (according to Rule 26.28, Volume 111, Police Rules 1934) this facility is usually denied, says Rashid Rizvi advocate Supreme Court and (former President of the Karachi Bar Association).

In the case of political prisoners, he point out, the 15-day term is abused. The provision that the detenu be produced before a Magistrate (for Magisterial satisfaction) is not followed.

Many factors sustain torture in prison. Foremost is the rigid and punitive prison system which Pakistan inherited. For the present penal code was promulgated by the British rulers in 1862 to ensure "better government of India". Advocate Kamil Shaikh (also Secretary-General, Prisoners Aids Society), says, "the amendment of some prison rules in the past was not motivated by humanitarian considerations but by a desire to inflict instant punishment, strict confinement of prisoners and to gain administrative control."

When the victim is unable to sustain the injury inflicted or if injury is followed by medical neglect then death in custody occurs.

During the eight-year Martial Law, a study conducted by the Sind Committee for Treatment and Torture reveals that far more deaths occurred in custody in Karachi Jail than those actually condemned to death by the Military Courts (although our country in this period attained the notorious distinction of being the 'fifth hanging nation of the world').

Unnatural deaths, says a spokesman of the HRCPC [expansion unknown], include those of Raju Punjabi, Amir Bux Khusro, Mathi, Hari Chand, Abdul Razak Brohi, Qassim Brohi, Mohammad Mustroi, Mukhtiar Niak, Billoo Mall, Abdul Majid Mossan, Masoor Shah, Syed Azam Shah, Jaffar Illyas, Titur Magsi, to name some.

"The deaths in Karachi Central Prison," adds Rafiq Safi, a human rights activist, "were caused by torture, medical neglect, suicide and homicide. However prison authorities after enquiries, recorded statements and autopsies claimed the deaths were occasioned by prisoner 'hitting his head against bars', jumping from top barrack, attempting to escape, 'electrocuting' and the 'non-availability of heroin'."

In the absence of independent enquiry and thorough investigation, exaggerated claims can be made on either side. However, no case was lodged against a police

officer or jail authority during this period, even under Section 304 PPC [expansion unknown], i.e., death by negligence. This shows something gravely remiss in the prison system.

This is a point stressed by Justice Fakhruddin "To explain death as 'hitting the head against bars' or by 'electrocuting' is shifting the responsibility of death to the prisoner whereas the onus of any injury or death in custody lies upon the police or jail authorities."

The lack of accountability has encouraged flagrant violation of the PPC. In the past three years (Nov. 1985 to Nov. 1988) some 33 deaths have occurred in our jails. Allegations of torture were made at the deaths of about ten prisoners. Five other deaths were reported as 'mysterious'.

Even when the evidence of torture was overwhelming and irrefutable as in the case of Khalid Mahmud whose autopsy showed broken ribs (four left and two right) light sentences were meted out to lower class officials such as suspension from duty.

During recent years PPHRC [expansion unknown] attempted to draw attention to the brutalization of prisons through press statements, protests outside the Central Prison, Sukkur (which the Committee feared was being turned into an interrogation center owing to the large number of deaths in custody here) and check visits by the Chief High Court Bar and District Bar, Sukkur.

But these measures failed to have the desired effect. Soon afterwards Umer Lund died in suspicious circumstances; no less than the present Prime Minister made a public statement against this. Other deaths followed, namely Allah Dino, Mir Mohammad Jaskani, Mohammad Mustoi, and Abdul Manan in Sukkur prison.

The PPHRC then appealed to Amnesty International [AI] to send an investigation team. On the basis of the PPHRC report and testimony of prisoners in custody, the AI team drew a detailed report on Umer Lund's death, Wazir Laghari's torture (the lower part of whose legs was amputated to save gangrene from spreading) and of Ghulam Hyder's case whose death declaration was recorded owing to his near death state from multiple contusions (measuring 24 x 20 cm) inflicted upon him.

However the AI reports failed to move the Government to hold an independent enquiry or to publish the reports on the grave injuries and deaths in custody as called for.

Evidently, far more is needed under the circumstances to unleash sufficient pressure to make the authorities cautious and to prevent excesses in custody.

On a wider perspective civil liberty groups in SAARC [South Asian Association for Regional Cooperation] countries could consider a joint commission to monitor

human rights violations on a regional basis. The need for this is felt as newspapers are neutralized towards friendly countries and fail to publish human rights abuses occurring in the region.

Torture Said To Be "Very Common"

46000123c Karachi DAWN in English 3 Mar 89 pp 1, V

[Article by Justice Abdul Hayee Kureshi]

[Excerpts] "Torture" is the word which at first impression turns one's thoughts to inhuman or debased treatment to which a person, generally a citizen, is subjected by another who has official power or authority to act on behalf of the State or Government.

Such authority comes to be vested in a variety of persons, from the Sheriff of the English Middle Ages to the law enforcement of the modern age in most countries, particularly the Third World countries. Even in the present times, at least one out of four persons arrested or detained under the ordinary law of the land or under legislation providing for preventive detention comes with a complaint of torture at the hands of the detaining authority or the authority executing the order for pre-trial detention or imprisonment following the passing of sentence. The phenomenon of such complaints is indeed very frequent and the mode of inflicting torture is also variegated. Complaints are often made in courts of beating, confinement in isolation, degradation by making a person naked and beating him insultingly or contemptuously, calling the family members particularly female members and insulting them in the presence of the person detained, physical beating, lashing, whipping, making a person sit on slab of ice, preventing the detained person from sleeping or keeping him awake by some other means. Instances are also not unknown when persons in custody of law enforcement agencies have died on account of physical torture.

Somehow or the other such complaints of torture which are frequently made are rejected by the courts with frequency, and rarely do we find a proper judicial enquiry following such complaints, in order to test the veracity of such complaints. The Judicial records in numerous cases would show that the prisoner complained of torture but very rarely do the records disclose the taking of any action by the courts, so that by such forbearance a confidence may be created in the law enforcement agencies that they may practice torture with impunity and get away with it. To say the least, not only in Pakistan but throughout the Third World, torture of detained persons by law enforcement agencies is very common.

In these circumstances, it is indeed necessary to find out the reasons which induce or persuade these agencies to resort to adoption of torture in the performance of their duty. By and large such behavior is attributable to a desire on the part of such agencies to obtain confessions or evidence. Sometimes such behavior is the result of a

person's animosity or incitement or instigation of a person bearing hatred or enmity to the person detained. Sometimes torture may be resorted to by law enforcement agencies against persons who are antagonistic to the government or the rulers of the country. There may be some other cases like torturing persons who are known to be enemy agents or adversaries of the State. Besides the aforesaid reasons which impel the law enforcement agencies there may be a few more, which on account of being less frequent, do not come to one's mind so easily.

While dealing with some cases in which torture is resorted to for the purpose of extorting a confession or obtaining a statement, one starts thinking why such methods are resorted to. The Law enforcement agencies, if they are honest, sometimes say that the criminals are hardened persons who are not expected to reveal their misdeeds without being subjected to such third degree methods. This is perhaps a half truth and while the blame is laid on the hard core that criminals have, it is also an expression of the fact that the methods of investigation and collection of evidences do not serve the ends of effective and fruitful investigation. And what is more, some detainee may not be a hard core criminal or may not have been guilty of the crime alleged, in which case the application of torture would completely frustrate the supposed justification underlying such behavior. At this stage a story comes to my mind. A person lost some property lying in the house and suspecting his servant of theft he went to the Police Station where he lodged a report, in consequence whereof the servant was arrested and the servant was beaten up and subjected to inhuman treatment. The complainant in the meantime trace the property, in respect of which he had lodged the report, in his house. He then went to the Police Station to inform them that he had found the property. He was told at the Police Station that what he was saying was nonsense because the servant had confessed to have stolen the property and was being sent to a magistrate for recording his confession. An intriguing situation had arisen. What may have happened to the complainant or his servant may best be left to imagination. Such instances take place so frequently, thanks to torture.

In other cases where torture is applied in the pursuit of personal vendetta, the situation is worse and the action completely indefensible. Likewise torture inflicted on account of political reasons is completely indefensible because the only fault of the detainee may be that he is a prisoner of conscience or maybe he is out to criticize the Government for its overt or covert acts and for its failure to do some act which the person may desire to be done by it. Torture of anti-state subjects or enemy aliens or enemy agents also needs to be looked upon with contempt although in some cases it may seem to have a semblance of justification because it is not easy to obtain evidence in such matters.

Since the Courts are for reasons good, bad or indifferent reluctant to take proper action in such matters, it would indeed be of salutary effect if Tribunals of exclusive

jurisdiction are set up to investigate cases of torture by law enforcement agencies as also wrong acts, intentional or accidental on the part of such agencies. We have been reading numerous reports in the Press about persons having been killed by law enforcement agencies but has an enquiry ever been held to find out if such killing was justified, because if it was not justified then the killing was first degree murder inexcusable by any canons. The Government would do well to set up such high powered Tribunals to look into such cases.

The other provisions which are contained in the Penal Code are also designed to put a stop to acts on the part of law enforcement agencies which may amount to torture. These provisions are contained in Sections 217 to 221 of the Penal Code. Likewise the Police Act also contains similar provisions.

The object of what is herein stated is to enlighten the Government and the citizens on the situation that arises when citizens are subjected to torture or even inhuman treatment, say like flogging in public and the publicity given to it. The law has ample provisions but an effort needs to be made to put the laws into proper effect. It may be considered if in cases of killing by law enforcement agencies in what have come to be called "encounter killings" the matter may not be reopened by holding judicial enquiries by very high Tribunals to judge the justification underlying such killings.

Shadow Cabinet Idea Mocked

46560016b Lahore NAWA-I-WAQT in Urdu
18 Jan 89 p 2

[Nazir Naji column: "Sawere Sawere"—The Morning Rap: "The Shadow Cabinet"]

[Excerpt] The IJI [Islami Jamhoori Ittehad], (lit. "nearly or almost arrived"), whom the People's Party [PP] calls "Gai Je Gai" (lit. "neatly or almost gone") is striving to establish itself on a strong footing. Yesterday, it decided to form a shadow cabinet. The opposition party in Britain composes a shadow cabinet. Its ministers work in their respective departments under the party policies. The government furnishes them with every kind of facility to obtain the required information. In our country, however, even the perception of such cooperation between two adversaries is impossible. We cannot imitate those people who allow even an administration that operates on just one member majority to complete its tenure, and they never try to topple it. In our country, on the other hand, even those who hold a 30 to 35 member majority are not at peace. The day the PP learns that Mian Nawaz Sharif slept peacefully, that same day Farooq Leghari issues a statement saying: "We will annihilate him in 2 months." Similarly, the day IJI hears that Benazir slept for 6 hours, Mian Nawaz Sharif issues a statement: "We are about to form a government in the center." Our politicians do not even let their opponents in power sleep peacefully, how will they let them govern? Now a shadow cabinet has been formed. Perhaps this is

another link in the chain of statements and claims by Mian Nawaz Sharif that he would form his government in the capital. Now he can say that he has fulfilled his promise of establishing a government in the capital, that he has formed a shadow cabinet and that further details could be learnt from the minister of information and broadcasting, Chaudhary Shujaat Hussain. It would be difficult for the federal government to tolerate this shadow cabinet. It is possible that the administration might launch a campaign to destabilize it, and arguments such as these might be heard:

We will not let the federal government operate.

We will not let the shadow cabinet function.

After living under the martial law, the temperaments of our politicians have been overpowered by a zeal for opposition. Miss Benazir Bhutto has already become the prime minister of Pakistan, but, as if to fulfil her desire to be in the opposition, she elected a chief minister. She is the prime minister in every other respect, but as soon as Mian Sharif's name is mentioned, she becomes an opposition leader. Mian Sharif's party is in power in Punjab. However, his true talents are revealed in being an opposition leader against the federal government.

Do you think that after establishing an alternate government in the federation, Mian Nawaz Sharif will rest in peace? Certainly not. Tomorrow Malik Hakmeen Khan [a PPP leader] will issue a statement, saying: "We too will institute a shadow cabinet in Punjab." The reason why I sighted Malik Hakmeen Khan for the above mentioned statement is that even a heart patient might not need a by-pass surgery as much as he needs a ministry. The People's Party in Punjab has two Maliks clashing against each other. They are Malik Mukhtar Awan and Malik Hakmeen Khan. Whatever Malik Mukhtar Awan does, Hakmeen Khan does one better. Supposing Mukhtar Awan states that he fought against Zia's dictatorship for 11 years. Then, Malik Hakmeen Khan's claimed would be that he combated Zia's dictatorship for 13 years. If Mukhtar Awan says that he has been a provincial minister for 4 years, Hakmeen will declare that he has been a minister for 8 years. Malik Hakmeen will not at all care for the fact that Gen Zia and the PPP have not been in power for 13 years and 8 years respectively. Even if you try to remind him of this, his response would be that it might not have been so but at least he taught Mukhtar Awan a lesson.[passage omitted]

Sharif Interviewed on Relation With Center, Alliances

46000125c Islamabad THE MUSLIM in English
2 Mar 89 pp 1, 6

[Article by Maleeha Lodhi]

[Text] Lahore, March 1: Nawaz Sharif has called for cooperation between the Center and the Punjab Government in the "larger interest of the country" describing

the current feud as counterproductive for democracy. In an interview with "The Muslim" the Chief Minister of the Punjab and IJI [Islamic Jamhorri Ittehad] head adopted a conciliatory tone about future relations with the PPP [Pakistan People's Party] government but urged reciprocal efforts on both sides to end the long running row. "Its time we had some clean politics," he said, adding that "defections and threats of defection can hardly be good for democracy". Mr Sharif however was uncompromising in maintaining that it was the Center that started the "confrontation." And he also put the major onus on the Federal Government to mend relations.

He denied that he had taken any action to provoke or confront the Central Government. Instead he accused the Center of firing the first salvo by ordering the transfer of officials from the provincial government. Asked to identify the nature of the problem between his government and the Center he said: There is no problem, only misunderstandings, which needed to be removed. Rejecting the suggestion that he had shown an unwillingness to accord Ms Benazir Bhutto due deference as Prime Minister, Mr Sharif said that whereas he had acknowledged her from day one, the Center had demonstrated reluctance to accept her as Chief Minister. He denied he had a hand in trying to engineer defections from the PPP. He also denied that he had sent in a police party to the P.M. Secretariat to arrest an officer, claiming that no such incident took place.

In a wide ranging interview, the Chief Minister answered a number of questions about Punjab-Center relations his handling of the recent violence in Faisalabad and other issues. Excerpts from the two and a half hour interview:

Question: There are signs of nervousness in the Punjab Government amid talk about 'forward' blocs and defections from the IJI. Indeed there is speculation about a simmering revolt against you. How do you see the current situation?

Answer: Forward blocks are being created by some PPP members. So far there has been no forward bloc created by any IJI member. But there has been some discussion on this in the newspapers. this two-way traffic will possibly go on for a little while. But there is no reason for us to be concerned. I have not heard of any IJI forward bloc in the Punjab Assembly. As for this 'simmering' business I have been Chief Minister for almost four years, and we have experienced this in the past also. That continues. But it is time now for some clean politics. Defections and threat of defections can hardly be good for democracy. We don't think the people want defection and threat politics.

Q: Would you agree that the current Punjab-Center row is hampering the consolidation of democracy, and urgent business is not being dealt with because political energies are being dissipated in this ongoing tussle?

A: I quite agree with you. This is counterproductive. I feel this should stop. I told the Prime Minister when she came here (Lahore) that we would like to cooperate with you. I also said in my first speech on the floor of the Assembly after having been elected Chief Minister that we want to forget the past, the bitterness of the elections. We would like to develop some sort of understanding for the larger interest of the country. This was my first speech after being elected Chief Minister.

But unfortunately the confrontation was started by the Federal Government. I am not hesitant to say that they are the ones who tried to stop my oath taking. The moment we arrived at the Governor's House, there was a message lying with the Governor from the Prime Minister's Secretariat that Nawaz Sharif cannot be given the oath. And to my surprise the message lying there said that the would-be Prime Minister's would-be Attorney General has said that under the Constitution, this oath is not permitted. It was a terrible shock to us.

After that the Prime Minister also said there had been selective rigging in the Punjab, and then I was branded as the G.M. Syed of Punjab. So this thing continued. And then the Federal Ministers and Advisers also started issuing all sorts of statements in the press, which aggravated the whole situation.

I think since the Federal Government has started it, they are the ones who can put an end to it. Lately, what happened in the by-elections I am sure you are aware of. This can prove highly unproductive, because the country is set on a democratic path and if this doesn't stop, other forces can come into play.

Q: You blame the Federal Government, But the PPP government has a long list of complaints about you. To mention just a few, let me take you back to the period immediately after elections. The PPP won the election emerging as the largest single party in the national Assembly. You in particular but the IJI in general made every effort to challenge the fact that they had the right to form the government at the Center. You did every thing possible to try to deny them power. You made a series of belligerent statements vitiating the atmosphere at the very start. Then when Benazir Bhutto assumed Prime Ministership, your belligerent tone continued and in some statements you even questioned the patriotism of her party.

A: It's very simple. After the elections, we tried our best and so did the PPP because neither obtained sufficient seats to form a government (at the Center) on its own. No party had an absolute majority. Therefore, the PPP had to win the support of small groups or independents in the National Assembly. And the same was true of IJI which had fewer seats than the PPP. Therefore we tried our best to get the support and cooperation of JUI [Jamiat-i-Ulema-i-Islam], MQM [Muhajir Qaumi Movement] or other smaller parties and independents. And so did the People's Party. But I hardly remember that I

worked against them. It was my right as an IJI man to muster as much support as I could. And it was also the right of the PPP to do the same.

The battle ended after she was nominated as the Prime Minister of the country. Till that time we both made an effort. She succeeded and we failed. But the day she was nominated the Prime Minister we said: yes. We accepted that.

But they also did the same thing to us in the Punjab. They were continuously saying that IJI is in no position to make a government and we will see to it that the government is made by the People's Party. So it was two-way traffic. It was not one-sided.

As far as statements go, the PPP was also very aggressive. As for patriotism, they also raised doubts about the IJI.

Q: Subsequently, the Prime Minister came to Lahore and her advisers have been to see you several times. But how many times have you been to see Prime Minister Bhutto.

A: Never.

Q: Why?

A: The Prime Minister was received in Lahore with full protocol. After that there was no follow up meeting. As far as I am concerned I have not said that I won't meet the Prime Minister. There has been no opportunity since...

Q: Twice you were invited to attend Cabinet meetings. Once you were asked to attend a meeting in Karachi concerned with law and order. But on one pretext or another, you never showed up.

A: I never received an invitation to any cabinet meeting. As for the Karachi meeting, I was then going for Umra. But I sent my Minister and Chief Secretary who represented me.

Q: When you blame the Center for starting a 'confrontation' and for trying to undermine your government, what specific and concrete examples can you cite to substantiate your claim?

A: One example is the transfer of officials in the Punjab. They did that without consulting, without even informing the provincial government. Now my additional IG [Inspector General] Special Branch has been suspended by the Federal Government. A man who has served here for so many years very sincerely and in a dedicated way has been suspended for no rhyme or reason, no justification. What does the Federal Government expect me to do under these circumstances. Do they expect me to cooperate under these conditions?

Q: When you order a police party to enter the Prime Minister's Secretariat in order to arrest an OSD (Officer on Special Duty), will you not call that provocation? There are certain procedures under the law to take action against an individual if he has contravened a law. So why was this provocative action resorted to?

A: I think if the Prime Minister wants to have this matter investigated she should do so because this is not true. No one entered the Prime Minister's Secretariat to arrest anyone there. My information reveals that this was an absolutely baseless charge against the provincial government. This is not true at all. I don't know why this is being propagated.

Even if it was true the additional IG Special Branch was not responsible for it.

Q: Then who was responsible?

A: The police, not the Special Branch—if police really entered the Secretariat. But this is not correct.

Q: You are saying this did not happen at all?

A: Yes. I checked up and it is totally wrong.

Q: Now, as far as 'forward blocs' are concerned, here too you are alleged to have made the first move by encouraging Manzoor Mohal.

A: I had never met Manzoor Mohal except once three years ago, I never knew he was going to make a forward bloc until he had decided to do so. And that too I came to know through somebody. The day after I found out, he made his forward bloc. Whether I encouraged him or not is not very relevant. If someone has decided to do this and his mind is made up, then I can't stop him.

Q: But you are alleged to have offered him financial inducement.

A: That is totally wrong, incorrect, baseless. The Prime Minister has ways to check that up.

Q: From the Center's point of view your threat to send back officials is tantamount to challenging the Federation.

A: I never said that. A contradiction about that came in newspapers the next day.

Q: The kind of language we have heard from you on provincial autonomy reminds us of what leaders of smaller provinces called for in the past, yet it was the Muslim League who used to dub such leaders as anti-state...

A: Probably such leaders (of smaller provinces) could not get provincial autonomy as laid down in the Constitution. I am not aware of conditions prevailing at that

time, but there must have been some reason for them to say that. I feel that the provinces should get all the autonomy as per the Constitution of Pakistan. If that is not done, these things happen.

Q: The Prime Minister has already said that the Constitution will be adhered to as far as Center-province relations go...

A: Where have we not cooperated with the Federal Government? Did we give any reason to the Federal Government to believe that it is the province that is confronting the Federal Government? Give me one example.

Q: Your statements and behavior suggest an unwillingness to even acknowledge the democratically elected Prime Minister and show due deference to Prime Ministerial and Central authority.

A: You mean it is only a question of symbols. Let me tell you. We were also not accepted, but we accepted her. The Center does not accept us to this day. As far as we are concerned, we accepted her from the very first day. And we said if she comes to Lahore as Prime Minister we will respect her. But if she comes as Co-Chairperson of the PPP that is a different matter.

Q: How do you distinguish between the two?

A: We make a distinction between a state occasion and a party occasion. For example, the first time the Prime Minister came to Lahore we went to the airport to receive her. However, what was to be a state occasion was transformed into a party occasion when party workers flying flags went up to the aircraft. I was there, but their party was shouting slogans against me.

Q: But a Prime Minister does not cease to be a Prime Minister because her party supporters turn out to receive her. Let us however move to another question. An IJI colleague of your recently described the Punjab-Center row as a 'personality clash.' How would you depict it? What is the real problem?

A: The problem is nothing. There are certain misunderstandings which I think need to be removed.

Q: How can this be done?

A: The Center should stop interfering in provincial matters. They should go by the Constitution.

Q: This is precisely what they say they are upholding?

A: They are not going by the Constitution. They are violating all the conventions. Now for example on the unilateral transfer of officials the convention is that the matter is first discussed and then after such consultations (between the Center and provincial governments), the orders are issued. And it has to be reciprocal. If we

ask them for a certain officer, they should give him to us. If they can't then they should let us know the reason why they can't? But usually they do. I have never experienced anything like this during my tenure as Chief Minister. And by the Grace of God, I have had the longest tenure as Chief Minister. One's experience is a reflection of that. Never have I seen this happen before. They are taking officers away from us without even informing us. This will increase tensions between us. now who has created these misunderstandings? Not me. It is the Federal Government which is responsible for all this. They are making civil servants pawns in a political game.

Q: A recent source of tension has been the Faisalabad incident. Law and order is the responsibility of the provincial government. How do you explain your administration failure to maintain the peace in Faisalabad?

A: Had we not taken prompt action in Faisalabad, the situation would have been much worse. I think it was all inspired. It was an organized show. I am going to hold an enquiry through a judge of the High Court. Then the truth will be revealed. My reports so far reveal that it was all inspired and the PPP was behind it.

Q: Let us go through the sequence of events. Trouble originally began with delay over the arrest of those responsible for the murder of a worker—a murder initially depicted as suicide...

A: No, the police arrested the culprits immediately and people were satisfied, and there was no point for agitation. Peace reigned for 36 hours. Nothing happened. But suddenly after 36 hours, it started in almost all the areas of Faisalabad on that side. All the IJI property in that area was set on fire. All the property belonging to the PPP was left intact. I am an eye witness. I went personally to see that.

Q: But there is evidence to show that PPP property was also destroyed.

A: No Sir!

Q: How do you explain the fact that the original demonstration was organized by a man who is an IJI sympathizer. That triggered off the protest that led to labor unrest.

A: There was hardly any laborer in the entire agitation. People who have been identified were all PPP men. The mayor's house, which is five miles away, and effort was made to set that on fire.

Q: Now for the larger issue-how can the tension between your provincial government and the Center be resolved?

A: We should both cooperate for a common cause—democracy. We should ask that if other forces take over, who will be the losers? We will all be the losers.

Q: It is often said that the Jamaat-i-Islami's dominance over the IJI is a major obstruction in the way of such cooperation. Indeed the Jamaat factor has been the source of much resentment among the Muslim Leaguers.

A: I disagree with you. There is no question of anyone dominating the alliance. Decisions are taken democratically. This is a myth perpetuated with a purpose.

Q: When you say you want a relationship of cooperation with the Center, what gesture are you prepared to make now to substantiate your claim?

A: An effort has to be made from both sides. It has to be reciprocal.

End Urged to 'Ad Hocism' in Distribution of River Waters

*46560014b Lahore NAWA-I-WAQT in Urdu
22 Jan 89 p 10*

[Text] According to news reports, the Punjab government has asked the federal government to take necessary measures for immediately implementing the Justice Haleem Commission report pertaining to the distribution of river waters in the provinces. It is said that the Commission has compiled this report after taking all the issues into account and was fair to all the provinces. It is our misfortune that even after 41 years after the establishment of Pakistan we have failed to act in unison as one nation. Instead we remain divided on provincial and regional basis and our line of action on matters of national interest continues to be seriously restricted. The provinces have failed to reach unanimity on any formula governing the distribution of waters between them. As a sharp contrast to this we reached agreement with our eternal enemy India three decades ago on the distribution of river waters. It is really surprising that a nation that created a separate motherland for itself by keeping aside all kinds of sectarian, regional, racial and linguistic differences now pursues a policy of compromise with outsiders but hatred and distrust among its own people.

Pakistan came into being on the basis of the two nation theory. The Muslims of Punjab, Sind, Baluchistan, Northwest Frontier Province and Bengal overwhelmingly agreed that their ups and downs, their life and death would be decided simultaneously, and that their common national resources would be utilized for the welfare, prosperity, development and progress of one nation and one country. But unfortunately, after the establishment of Pakistan, instead of promoting the concept of Pakistani nationalism, the nation was divided into splinters and groups. This was a consequence of a lack of foresight on the part of our political leadership and the opportunist tendencies of the civil and military bureaucracy which, instead of working for the welfare and prosperity of our nation according to the requirements of the modern age, imposed military and civil dictatorial rule. New experiments [in government] and the repudiation of democratic values have seriously

damaged our image and the concept of one nation, and the propaganda of our adversaries and the cruel dealings of our own people have turned us into strangers. As our concepts and thinking changed, we also lost interest in common goals and benefits. Individuals belonging to various groups, provinces, regions and languages became engulfed in the narrow confines of their individual thoughts and ideas. The soil, rivers, forests and mountains of Pakistan belong to the nation as a whole. All the individuals of the nation by acknowledging this right in 1947 bound the future of their coming generations with this nation. But now the situation has changed and we are not prepared to abide by the formula on the distribution of our waters based on equal rights of the four provinces, a formula which was decided by a commission consisting of the judges of the high courts during the Bhutto government.

After signing the agreement on the distribution of waters in the Indus basin within the country, the commission formed by Ayub Khan presented its recommendations, but these were not implemented and the distribution of the waters continued on the basis of a transitional arrangement. Bhutto later formed a commission under the chairmanship of Justice Haleem and promised the nation a fair and equitable distribution of the waters in the light of its recommendations. But this promise too could not be fulfilled. Despite the fact that the commission's report contained a viable formula, no action was taken on it until 4 July 1977. According to some reports, due to the pressure exerted by some Sindhi ministers in the central government the recommendations of the commission were stalled. It may be mentioned here that, although at the time there existed even a council for guarding the common interests (of all provinces) and a ministry for interprovincial affairs, a permanent arrangement for the distribution of waters was not given due consideration. The distribution of waters continued on an adhoc basis, with the result that not one province at the present time is prepared to obtain water according to its requirements and legitimate rights because, irrespective of whether or not it benefits from this arrangement, there is a possibility that some other province may benefit from it, something which no one is prepared to see happen. This is the reason why the Muslim League and Pakistan People's Party [PPP] together with the leaders of Sind and Northwest Frontier Province seem to support Wali Khan who is in the forefront in opposing the Kala Bagh Dam project. The fact of the matter is that as a result of the construction of this Dam all the provinces stand to gain from the development that would take place in the field of energy. Besides, southern Punjab the regions of Sind which are without water and vegetation will be irrigated by the waters from this Dam and the excess water in the Sind, instead of being wasted in the sea, will be saved and the creation of marshy lands along the coastal areas will be avoided.

As a matter of principle the government of Punjab should not have been the one to demand that the problem of the distribution of the waters be resolved. At

a time when due to load shedding and irrigation problems facing major parts of the country we are forced to import agricultural products, it is the duty of the federal government to see that in an agricultural country like Pakistan there should not be any problem with respect to the fair and equitable distribution of water in accordance with the requirements of the nation. Since this has not been done so far and the Punjab government has felt the need for it for the completion of several of its long and short term agriculture and irrigation projects, attention should be focussed on this subject without any further delay. Federal Minister Mr Farooq Laghari in a recent statement said that the central government was giving priority consideration to the problems of distribution of water and the construction of Kalabagh Dam.

Chief Minister of Sind Syed Qasim Shah's statement published only in today's newspapers says that the Kalabagh Dam issue will be settled in consultation with all four provinces. In reality, the Kalabagh Dam project was planned about one and a half to two years before independence and it was reviewed during the 1950's. Though four decades have passed since then the process of consideration and review has not come to an end. This project is a part of Sind Basin treaty. During this period, the construction of Tarbela Dam has been completed. If we wanted we could have completed the Kalabagh Dam project and started work on the Bhasha Dam too.

In this era there are only two means of development of a nation. One is industry and the other is agriculture. In either case the acquisition of energy is an utmost necessity, because without energy just as industry cannot make any progress so also agriculture cannot attain the goal of self-sufficiency. Electricity from water is the cheapest means of energy. Since it costs two to three times as much to obtain energy by thermal means, it is a costly proposition for any developing nation. According to the original plans, from Kalabagh Dam we can obtain 3600 megawatt electricity, and according to revised estimates worked out during the Junejo administration that figure will be 3200 megawatts. This will resolve to a great extent the load shedding problem in the industrial and domestic sectors, although we will still not be able to achieve our goal of self-sufficiency in energy and we will have to focus attention on the construction of Bhasha Dam. Due to the delay in the construction of this (Kalabagh Dam), according to conservative estimates we are suffering a loss of 500 million dollars annually and the cost of construction too is increasing by hundreds of millions of dollars. We must therefore get over our narrow provincial prejudices, put petty political differences aside and start work on this most important national project. The People's Party is in power in the two provinces which are sensitive with respect to Kalabagh Dam, whereas the Punjab government is already in its favor. The PPP federal government should therefore give its immediate attention to the completion of the Kalabagh Dam project. It is impossible to have unanimity of views on such major and long term projects anywhere in the world. In such cases the wider interest of

the country and the nation will have to be given top priority. To delay this project under the pretext of lack of agreement amounts to neglecting the country's economic and social problems and the federal government should not take such a responsibility on itself.

Unemployed Workers Going to Libya

46000122c Karachi DAWN in English 4 Mar 89 p 1

[Excerpt] Multan, March 3: The Federal Minister for Labor and manpower, Malik Mukhtar Ahmad Awan, has said 50,000 people would be sent to Libya and thousands of jobless men would be sent to Saudi Arabia, Iran, Iraq and other Gulf States shortly.

Discrimination Said Responsible for Low Number of Females

46000124d Peshawar THE FRONTIER POST in English 6 Mar 89 p 2

[Text] Karachi—Pakistan is in The Guinness Book of World Records for a most unusual reason—the world's lowest male-female ratio, at 1000 men to every 936 women. For a standard to go by, the world average is 111 women to 100 men, the other way around.

Statistics show that women have a lower life expectancy rate than men. The major reason for the Pakistani women's poor health status lies in the discrimination she faces from the time of her birth.

According to a report, female deaths in Pakistan between the ages of 15 to 40 years are 75 percent more than male deaths, this despite the fact that in accidents, male deaths predominate.

One significant reason for so many female deaths is the extremely high rate of maternal mortality in Pakistan. Even when the women survive, the rate of morbidity and chronic illness are extremely high, the biggest syndrome which plays havoc with female lives is nutritional anemia. Of all pregnant women 97.4 percent are anemic in Pakistan. Anemia results in lowered blood pressure, pale and tired look and listless feeling and also leads to greatly lowered resistance to disease.

About reason for more boys than girls, some pediatric researchers have indicated a preponderance of boys by age 12 and then the line is set for that unusual ration of 936 females to 1000 men.—PPI

Commentary Views PPP Efforts To Change Constitution

46560014a Lahore NAWA-I-WAQT in Urdu 16 Jan 89 p 10

[Editorial: "Annulment of Eighth Amendment No Easy Matter"]

[Text] Prime Minister Benazir Bhutto in her address on the occasion of the Rawalpindi High Court Bar Association's annual dinner said that her government would

not rest until the Eighth Amendment was annulled. She said that the said amendment was a black spot handed down to them as a legacy, and that the Pakistan People's Party [PPP] had pledged to do away with the ugly law imposed by a military dictator and ratified by a parliament formed under the protection of martial law. This amendment, she said, abused justice and law and signaled an attack on independence and democracy. It had no place in a system based on people's desires and justice and it cannot be maintained in the present democratic period.

The desire of the People's Party to do away with this amendment, she said, was not hidden from anyone. The Pakistan People's Party and its allies, despite being within MRD [Movement for the Restoration of Democracy] during martial law regime, always demanded the restoration of the 1973 Constitution. In the face of general elections, the MRD could no longer sustain itself. The People's Party, which decided to campaign all by itself, is now facing problems in gaining the support of its allies. The political elements which during martial law or the Junejo regime took a stand against the Eighth Amendment are now changing their position. But the People's Party is still adamant on its demands to annul the Eighth Amendment. One reason for this could be the official problems faced by the People's Party. The existence of this amendment tends to increase the balance of power in favor of the president, and the People's Party, because of its concern for long term consequences, is anxious to do away with this amendment. It is a pity that the PPP could not get a majority in the National Assembly. Up until now it has not been able to gain the support of the other members of the National Assembly so as to enable it to gain a secure majority. In order to make amendments in the Constitution, a two-thirds majority is necessary. Even when the People's Party gains a majority in the Assembly the letter and spirit of rules and regulations required for amending the Constitution should be adhered to. The Constitution is a sacred fundamental document and the whole nation must agree on it unanimously. It cannot be dominated by any class or party. If the government wishes to make changes in the Constitution then the best way for it is to make a decision by mutual deliberations. Syed Iftikhar Gailani, the federal minister of law, in a recent statement advised holding a referendum on this issue. But the government soon realized that the Eighth Amendment cannot be removed by holding a referendum. The best way would be to form a committee consisting of various groups in the National Assembly, which in turn would contact and hold consultations with legal experts outside the Assembly and, after hearing the views of other national political leaders, would suggest a solution to this problem. The government has acknowledged the importance and necessity of holding talks with the opposition. The Eighth Amendment cannot be done away merely by empty words. It requires well arranged and organized lines of action. If the government, instead of getting involved with annulling the Eighth Amendment, focused

its attention on more serious national and public problems, perhaps it would earn itself a good name and popularity. The national treasury at this time is practically empty. Nobody is prepared for new investments nor are circumstances suitable. Corruption, bribery, embezzlement, blackmarketeering, smuggling and obtaining illegal commissions are at their peak. The nation is the victim of language, racial, group, class and regional strife. The subversive elements and terrorists have bled the nation white. The danger of foreign invasion is lurking along the borders. Worst of all, the people are faced with problems like hunger, poverty, unemployment and ignorance. If the government were to come out and accept the challenge posed by these realities, then it would benefit not only the country and the nation but the government will do itself a favor also.

Editorial Views Debt Burden as Immediate Threat to Economy

46000123a Karachi DAWN in English 4 Mar 89 p 7

[Text] A grave problem inherited by the Government is the colossal external debt burden which threatens to cripple the country's economy. In June 1988, this stood at a whopping 12.6 billion dollars, having risen more than three-fold from about four billion dollars in 1972-73. It is not just the extent of the indebtedness that is disquieting. Our limited capacity to repay the loans makes it a crushing burden. Pakistan's public debt amounts to nearly 30.9 percent of its GNP [gross national product] when India's much bigger debt, in absolute terms, is only 12 percent of that country's GNP. The burden imposed by debt servicing in Pakistan's case is also more severe and has been growing rapidly over the years. In 1985-86, the country paid 1,060 million dollars in debt service. In 1987-88, this went up to 1,228 million dollars and consumed 28.28 percent of the export earnings. A number of factors account for the worsening state of affairs in this sector. While a large number of the loans contracted many years ago have now reached maturity, the more recent borrowing have not been on very favorable terms. With a shorter grace period and higher rates of interest, these loans have matured fast creating repayment problems. Pakistan has also found itself under compulsion to borrow bigger and bigger amounts because of the shortfall in remittances which were expected to fetch 17.6 billion dollars in the Sixth Plan period but actually brought in 13.4 billion dollars. Moreover, on account of the debt servicing the net availability of aid has declined severely. In 1987-88, the gross disbursement of loans and aid came to 1824.3 million dollars. But debt servicing consumed 1228 million dollars leaving a small net inflow of 596 million dollars.

Evidently the root of the problem lies in the government's failure to balance its budget. With a high consumption rate, low savings and low investment and mounting expenditures on administration and defence with an inefficient tax collection system to boot, it has not been possible for the rulers to generate resources for development. They have perforce to turn to foreign

donors as well as internal borrowing to finance development projects. But with the economy living on borrowed time—to use the World Bank's words—we cannot afford to let this problem grow unchecked. We have already mortgaged our future and any further increase in indebtedness without a corresponding increase in the capacity to repay would undermine our independence of decision making and tie us to the conditionalities imposed by the donors. According to one estimate, if the present trend continues, our foreign debt will grow to 40 billion dollars by the turn of the century and will come to constitute 46 percent of the GNP.

Hence it is time the Government tightened its belt in an effort to end the gross mismanagement of the economy that has brought things to this pass. In the first place more revenue must be generated by means of more efficient tax collection and by bringing into the tax net sectors like high agricultural incomes which have so far been given exemption for no justifiable reason. People must be motivated to cut down spending and save more to increase the national savings and bring them to a respectable level. At the same time, unproductive expenditures must be curtailed so that scarce resources can be used for financing much needed development in order to preempt prodigal borrowing from external sources. As for the foreign loans and grants, these must be invested in projects which have a short gestation period and which are labor-intensive, so that they generate employment as they become productive in the near future. All these measures would call for stronger financial discipline and a programme of economic austerity, which obviously would not be too popular with the people. But being a representative government which claims the support of the masses, the present administration will be expected to take the people into confidence about the true state of the economy and the need for measures which could lead to hardship but which are essential to put the economy back on the rails. The people would extend their cooperation so long as they are convinced that the Government's priorities are correct and that the burden they will be called upon to carry is distributed in an equitable manner.

Editorial Calls for Efficiency in Fighting Inflation
46000125b Islamabad THE MUSLIM in English
4 Mar 89 p 4

[Text] The Government's anxiety to bring down the rate of inflation is real, but its ability to achieve that depends on its readiness to act firmly on a number of fronts. The problem cannot be solved by opening more utility stores and Friday or Tuesday markets alone. Such institutions help a small number of persons, and often the rich with their deep-freezers, refrigerators and private or official cars. What ultimately matters is how the market mechanism functions and the actual supply and demand level.

The rate of inflation which was 18 percent as the new Government came in is said to have come down to 11 percent in respect of the consumer price index and 15

percent in respect of the sensitive price index. Simultaneously the Minister of State for Finance, Mr Ehsanul Haq Piracha, has said that the sensitive price index has come down from 181.93 as the Government came in to 179.72 which was hardly a relief. And the latest official figures show that in the 12 months ending January, the consumer price index rose by 11.18 percent and in the seven months of the current financial year ending January it rose by 11.35 percent. Even this is a gross understatement as the official CPI [consumer price index] only partially reflects the real increase in prices.

Curtailling money supply, as Mr Piracha has indicated, is a welcome step but that can be only a part of the solution in a country with a very large underground economy, and the money earned through corruption, crime and tax evaded incomes adds to the pressure on the consumer market in a big way. So simultaneously steps have to be taken to ensure that prices do not rise because of increase in the prices of agricultural and industrial inputs, rise in utility charges for power, gas and water, and due to higher transport costs. When indirect taxes rise through enhancement of the tax rates or arbitrary tax collection, prices will increase steadily. Adding to such pressures is the steady shrinking of the external value of the rupee which frequently enhances the rupee cost of imports.

Unless the Government operates efficiently on all these fronts, inflation cannot come down. Certainly not to the extent of 7 percent next year as promised by this Government. But even if many of the conditionalities prescribed by the IMF are implemented the price rise will become sharper. If subsidies on consumer essentials are withdrawn, and if indirect taxes are increased, and even more through a wider spread of sales tax, prices will rise and not fall. And if utilities like gas, power and water as well as petroleum products are charged more, the multiplier effect of such increase will be heavy on the prices.

So the Government will have to come up with a comprehensive package of measures to bring down prices. If that is not done, the need for larger revenues for the Government, and particularly to pay higher wages for its employees will increase and the investment and construction costs will rise. Therefore official measures have to begin with far more reliable consumer price index than available from the Federal Bureau of Statistics now. It is not enough it prices in 50 cities are collected now, instead of 20 years ago, to determine the basis of the CPI. Equally or far more important, is the manner they are collected and the respective weights given to various consumer items in the CPI. Clearly the Government has a tough task when it grapples with inflation. What really matters is not the proliferation of advisers and consultants in the economic sector, but how well they understand the complexity of the problem and how effective they are in tackling its various vexatious facets.

Commentary Outlines Defense Production Plans

46000124a Peshawar THE FRONTIER POST
in English 4 Mar 89 pp 4-5

[Article by Mushahid Hussain]

[Text] Pakistan's historic announcement on February 5 regarding the successful firing and testing of an indigenously manufactured surface-to-surface long-range missile should help in qualitatively altering the military balance in South Asia. This military balance, which after 1971 had become lop-sided in favor of India and to Pakistan's disadvantage, is now being restored to a new level of parity in sophisticated military and military-related technology. According to the announcement made by the Chief of Army Staff, General Mirza Aslam Beg, Pakistan "tested recently tow types of surface-to-surface missiles, one having a range of 80 kilometers and the other 300 kilometers". He added that "these missiles, including their guidance system, ave been developed indigenously and these are extremely accurate systems which can carry a payload of over 500 kilograms".

Apart from Pakistan, Iran, India, Israel and China, Brazil is the only other Third World country that has the capability to develop surface-to-surface missiles. North Korea has also been producing and exporting its own version of the Soviet Scud-B. According to the Bulletin of the Atomic Scientists, (issue of June 1988), the missile projects in various Third World countries "were unfolded in direct combination with obvious nuclear weapons programmes". Interestingly, the new American Secretary of State, James Baker, during his confirmation hearings on January 18, referred to the "proliferation of new and dangerous weapons" and in this regard mentioned the "ballistic missile as well as chemical weapons."

Pakistan is formulating a two-pronged defence production strategy which endeavours to link Pakistan's geopolitical and security interests with selected states. One aspect of this strategy is to promote closer security linkages with such states as China, Iran and Turkey, countries with which Pakistan shares historical bonds and common perceptions in the region. That such linkages are being promoted is evident from recent developments. Prime Minister Benazir Bhutto made her first foreign visit to the People's Republic of China, a country which has served as Pakistan's sheet anchor in developing an indigenous defence capability in various fields. During the last week of January, the highest-level defence delegation from Iran to Pakistan since the revolution in that country came for a week-long visit under the leadership of the Iranian Minister for the Revolutionary Guards, Ali Shamkhani. Upon his return to Teheran, Shamkhani said that "Iran in collaboration with Pakistan will form an important part of Islamic defence line in the region". On the eve of his arrival in Pakistan for an official visit on February 16, Turkish President Kenan Evren said in a newspaper interview

that "Turkey and Pakistan should make a reappraisal of their defence industries potential to increase cooperation in defence production between the two countries.

Despite having one of the Third World's most solid military machines, Pakistan has not been able to build up an indigenous defence industry commensurate with the size and role of its armed forces. Currently, 80 percent of all the defence needs of Pakistan, including military equipment for the three services, are met by imports, mostly from the United States, China and Western Europe. Approximately 20 percent is met by domestic defence production, which largely revolves around the 11 factories grouped within the state-owned Pakistan Ordnance Factories (POF) plus the anti-tank ammunition factory and heavy artillery ammunition factory and the heavy rebuild factory (HRF), responsible for assembling and overhaul of the Chinese-built T-59 tank. Of this 20 percent, the private sector support does not exceed 5 percent and that too is confined to the production of different components needed by the army.

The second component of the strategy is to seek greater indigenisation in its defence industry, linking it with joint production with selected countries such as China, Turkey and Iran with a view to developing a potential for exports of locally made military equipment in the Third World. This strategy is shift from the early 1980s when military manpower export was seen as a factor to promote Pakistan's political clout in the region and to earn hard currency. The 10,000 or so troops that Pakistan stationed in Saudi Arabia between 1983-1987, a decision that was hotly debated within the top military brass at that time, fetched approximately 300 million dollars a year in foreign exchange. Apart from progress in missile technology, Pakistan has started upgradation and indigenisation of armour. In the short term, Pakistan has been engaged in a limited modernization programme of the Chinese made T-59 tank and General Aslam Beg announced on February 5 that "Pakistan would be able to roll out its first homemade tank within the next two years". This tank will be a more modern version of the Chinese-made T-69 with 105mm gun plus enhanced mobility and fire-power. The current work on the T-69 is expected to provide the technology, expertise and infrastructure of a totally new replacement tank which Pakistan expects to produce in cooperation with Turkey and China. This tank, it is hoped, will also have export potential and the first prototypes will be ready within five years.

Similar efforts are under way to develop the potential of the Pakistan Aeronautical Complex (PAC) at Kamra, 100 kilometers north of Islamabad. The PAC, which was completed with the help of Chinese specialists, is part of the defence production division of the Pakistani ministry of defence. It is a conglomeration of three projects: the Mirage Rebuild Factory, which since February 1980 has overhauled 37 aircraft and 117 engines; the F-6 Rebuild Factory, and the Aircraft Manufacturing Factory. The PAC's F-6 rebuild factory has overhauled 112

F-6s (a variant of the Chinese-made MiG-19) since November 1981. An overhaul facility is also being planned for the F-100 engine installed in the F-16 fighters which the Pakistan Air Force has. The third part of the PAC, the Aircraft Manufacturing Factory, builds the "Mushaak" primary trainer aircraft which is assembled from kits imported from Sweden.

The initial 142 Mushaaks were assembled from kits imported from Sweden but the last 75 aircraft have been built entirely by the PAC apart from the engines and some other components which had to be imported. Currently, the PAC is engaged in coproduction, together with China, of an advanced trainer aircraft called the "Karokoram-8" since the two neighbors are linked together by the Karokoram mountains.

The government has also taken initiatives to start joint ventures with private sector overseas defence manufacturers. An agreement has been signed with the American Food and Machinery Corporation (FMC) for production of armoured personnel carriers (APC). Additionally, the government is planning to go into a joint venture for indigenous production of helicopters and it is considering offers from two American companies, Bell and McDonnell Douglas. In both cases, the government has made it a condition that after meeting 50 percent of the needs of the Pakistan Army, the rest of the production will be for export in the international market. It is no accident that the recent developments in Pakistan's missile technology have been given Islamic names that the people relate to early exploits by Holy Prophet Mohammad (PBUH) in Islamic history. The purpose is to emphasize Pakistan's Islamic identity and to inculcate a sense of pride in Pakistan's achievements in defence technology not only within Pakistan but also Muslims elsewhere. Additionally, it is perhaps a sign of the growing positive national self-image of the Pakistan Army post-martial law and in a democratic system with a functioning civilian government that attempts are being made to develop a better rapport between the media and the military. It is in this context that the first seminar on the "role of media in promoting national security" is being held by the Inter-Services Public Relations directorate at Rawalpindi on March 25. Cumulatively, these developments should help to forge a national consensus behind the Pakistan Army in its efforts for development of indigenous defence, a consensus that was visibly lacking on account of martial law in the past.

Editorial Calls for Merger of Islamic Law Institutions

46000124c Peshawar *THE FRONTIER POST*
in English 2 mar 89 pp 4-5

[Text] There are at present three organizations entrusted with approximately the same work, namely, research into questions pertaining to Islamic law and related matters and to guide the government and legislators in their efforts to frame an Islamic policy in Pakistan.

There is the Islamic Research Institute, which once was located in the Melody market but has now been shifted to the International Islamic University in the precincts of the Faisal Mosque. There is also the Islamic Ideology Council, and the ministry for religious affairs having its own research wing. All three organizations are engaged in the same work but it is strange that these have not been merged into one organization for guiding the public and leaders of public opinion and the government in matters pertaining to Islam relevant to the concerns of today, when we are making efforts to reform our society in accordance with its Islamic principles and teachings.

There is an urgent need of a unified body of experts and competent scholars of Islamic history, law and those who know the language of the Holy Quran and the Hadith to be able to interpret these in terms of language that can be understood by our legislators, jurists, and all men keen to know how Islamic teachings can be applied to the problems of a modern society. In the absence of such a body; the self-appointed Ulema constituting a class of persons claiming special knowledge and assuming the role and functions of the kind of priesthood that is sanctioned in European Christianity there is no room for this class of priests in Islamabad, professional men claiming some sort of authority in religious matters and acting like the Roman Catholic popes who issued ex-cathedral judgments of religious matters, much as our Ulema do nowadays when they issue Fatwas of various questions of religious importance. Islamic history is replete with examples of such Ulema who have obliged powerful rulers, wealthy sections of society by issuing Fatwas which suit the interests of those who pay them and patronize them.

A news item from the Peshawar correspondent of a Lahore daily reports that the late Zia-ul-Haq had to pay huge amount of money to Ulema and Mashaikh for their participation in the Ulema and Mashaikh conference held at Islamabad during the second week of August last year. Each participant was paid Rs 50,000 while Rs 2 lakh were paid to each foreign participant. In this way Gen Zia-ul-Haq obtained the endorsement for his policies from the Ulema and Mashaikh. This lavish patronage seems to have suddenly come to an end and the Ulema and Mashaikh now feel called upon to start some agitation to compel the present governments to win their support by similar means.

During the latest conference of the Ulema and Mashaikh held in Rawalpindi, the Ulema seemed deeply concerned about a woman being the head of the government and in their sermons brought in sectarian matters relating to the relatives of the prime minister. In the past Pakistani society has been made to suffer many hardships, bloody clashes between the state and the simple people of Pakistan inflamed by the rabble-rousers claiming some sort of religious authority to interpret Islam for our common people. It was partly to put an end to this kind of unscrupulous use of the supposed learning of the Ulema to stir up political trouble in the country, that the

government established institutions consisting of men really competent to understand and interpret Islam for the common man and also to guide the government in its work of policy making and legislation. Different regimes set up their own bodies hence the existence of three such organizations doing the same work. The time is ripe for the amalgamation of all three organizations under the control of the ministry of religious affairs. These organizations were initially staffed by recognized scholars and specialists in various fields of Islamic studies and whenever a problem was referred to them, they were able to produce well documented and reasoned interpretations of Islam relevant to contemporary situations. Quite often the governments were not pleased by these decisions and recommendations and ignored them. Zia-ul-Haq once referred the question of the Islamic interpretations of Sood and interest because he wanted to start what is now called 'interest-free banking'. The report of the Islamic Research Council was not acceptable to the general and he just threw the report into the waste paper basket and went ahead with his own plans.

These organizations can be made independent and can use the services of scholars who have devoted a life-time of selfless and quite unpublicized study and research of the Holy Book and Hadith and Islamic history. By and large such a body of scholars who neither claim divine authority, nor assume the arrogance and infallibility of the pope can be relied to give an objective opinion on religious matters. The new federal government should take early steps to merge all three organizations along with their libraries into one body upon whose judgement the nation can rely for correct guidance.

Editorial Calls for Settling of Northern Areas Status

46000125a Islamabad *THE MUSLIM in English*
26 Feb 89 p 4

[Text] Recent statements in the Press calling for determining the status of the Northern Areas underscore the need to retrieve the territory from the constitutional limbo it has been in for the last four decades. It is not proper that a people should be placed in a state of uncertainty for such a long period regarding their area's statutory position, when they are to all intents and purposes enjoying the benefits of citizenship. This creates an anomalous situation concerning their constitutional rights within their territory, which otherwise they are assured without.

Without going into the historic background of the area, a recapitulation of events in the last two decades would help place the issue in the correct perspective. In 1972, the PPP [Pakistan People's Party] government effected certain far reaching administrative and political changes in the complicated setup in the north which devolved on a cluster of states and territories that had acceded to Pakistan at the time of independence. This new arrangement names as the Northern Areas, was designed to give a definite constitutional identity to the territory that it

comprised. However, the new setup involved only marginal administrative and political changes and the people were denied the benefits accruing from the constitutional democracy then in effect in Pakistan.

It was expected that the situation would be corrected, but this was not done. The military regime too did not introduce any changes, but it did provide tacit recognition to the area as an administrative unit at par with the other provinces, by declaring it as martial law zone "E" with its own martial law administrator. With the expected end of the military regime, it was hoped that zone "E" like the other zones would also benefit from the induction of quasi-civilian rule and a revival of the political system. This expectation was belied, and the Northern Areas were once again returned to the bizarre non-constitutional position they were in earlier.

Without prejudice to the different claims regarding the future of the territory, we deem it necessary to point out that it is not correct to continue to deny a people democratic rights of electing their own representatives and participation in the country's parliamentary system and having their own assembly if it is considered a province. The ineluctable condition holds that since the people of the Northern Areas are paying direct and indirect taxes and have Pakistani citizenship, they have every right to join in the political system in the country. Moreover, it would also be wrong to deny them the benefit of the due process of law which is their right under the constitution, while surprisingly the Pakistan Penal Code is applicable to them.

It is for such reasons that the present government should take a decision and remove the people from their state of uncertainty. Forty years of non-representation is hardly the reward due to a people who had voluntarily joined Pakistan.

Commentary Blames 'Maladministration' for Violence in Colleges

46000124b Peshawar *THE FRONTIER POST*
in English 6 Mar 89 pp 4-5

[Article by Ejaz Ahmed Cyprian]

[Text] Armed violence in institutions higher learning has taken deep roots in our society and the unusual method of dealing with the problem always proves futile and yet campus violence is met with the time-worn device of closing down colleges and universities and delivering pious sermons that reflect neither seriousness of purpose nor even the most elementary understanding of the nature of the problem. This situation is not of recent growth, but is the result of many years of maladministration, dishonesty and hypocrisy of the academic leaders entrusted with the leadership of our institutions. Large-scale corruption by top officials of universities,

absence of moral courage of senior professors who, though honest themselves, lacked the strength to speak up to expose their colleagues and superiors lest they suffer for their candor.

There were far too many second rate minds lacking enough knowledge of their subjects to have the ability or desire to maintain high standards of academic rectitude, so they resorted to all sorts of dubious methods to satisfy their students, firstly by lowering standards of education and secondly by pampering the more vocal and aggressive student leaders whose favors they tried to win so as to cover up their own academic deficiencies. This happened because education expanded at too rapid a rate and quality was sacrificed to quantity.

Till the 60s any sort of academic attainment ensured a student some employment and if he had enough family influence he could hope to rise steadily even if he started his career in a humble way. Gradually employment opportunities shrank and except for the few top students the average ones had a bleak future no matter how hard they worked. Then came the opportunities of going abroad to Europe and the Middle East for employment, mostly as skilled or semi-skilled and even unskilled labor. This opened up an avenue for economic advancement without anything more than a school education and those who attended colleges did so only to mark time till they too got the chance to leave the country. The young men who would have been ashamed to be seen doing manual work at home, cheerfully accepted work as sanitary workers, and even dangerous and dirty work which the Europeans would not do. The wages they received were good and they could enjoy some of the benefits of advanced industrialized societies.

Teachers, doctors and engineers also went abroad to very well-paid jobs in the West and also in some affluent countries in Africa. Saudi Arabia offered fabulous salaries to teachers from Pakistan and Libya and some African countries also attracted many of our qualified teachers. These are the factors that reduced the importance of education in Pakistan and hence our colleges and universities were reduced to youth clubs where young talent was recruited and trained by far-sighted political parties to form disciplined bodies of activists and storm troopers, and commandos for their political campaigns and in their struggle against their political opponents. In this game the student wing of a fundamentalist party was the most successful and it soon mastered the technique whereby a small but well-knit minority could rule unchecked in the universities and many colleges, dictate to the administration and control the teaching staff. They could get their supporters from among the faculty promoted to higher positions, they could obtain scholarships for their members, and get them appointed on their return to teaching posts in the universities. They were the pioneers in arming their trained workers in the educational institutions forcing

their opponents to make feeble efforts to do likewise in self-defence. Without the student wing the party would be an insignificant political party in Pakistan.

Following their example every political party tried to recruit in each college and university its own adherents and hence the politicalization of the educational institutions. To expect the political parties now to give up this source of valuable cadres for their parties is asking for too much. Let education be ruined altogether, but now universities will remain recruiting grounds for the militants of all political parties. Education as such has almost become irrelevant to our political leaders. There are a few dedicated teachers and some few departments here and there where teachers and students continue their work seriously, in the midst of the chaos and general degeneration of education all around them.

Our only hope to reconstruct our new education system on the ruins of what we now have is the existence of outstanding men like Dr Salimuzaman who at 91 is still guiding and inspiring students to work with dedication in his research laboratories. There are many such among teachers in all colleges and universities who have the moral courage and the energy to radically reform our education system. The new democratic governments must discover them and help them to rebuild our colleges and universities as places of learning and where there is freedom for all political views and discussions, but where there is no room for militant political activity contrary to the pursuit of learning.

As union elections approach the increasing number of violent clashes between rival student organizations in Punjab should serve as a warning of the dangers of a hasty and ill-considered decision to permit unions in educational institutions. The present situation is the result of many years of maladministration and the one-sided encouragement given to certain favored student organizations to impose their will upon the student community by sheer force of arms, and strong arm methods. The extent to which dangerous firearms are being used freely on the campuses all over the country is alarming and has reached the point at which the usual police methods will be quite futile and ineffective.

Political parties have now made it part of their main programme to organize their own student wings in all colleges and universities which serve as recruiting grounds for party militants and activists. The most successful in this exercise has been the IJT [Islamic Jamiat-e Tulba] associated with the Jama'at-i-Islami. In Punjab and elsewhere the IJT has grown so powerful that now even their parent political party can no longer control them. The Jama'at-i-Islami and the Muslim League allied in the IJI besides other internal troubles are now plagued by the violent clash between student wings of the Muslim League and the IJT. The latter proclaim that they will not respect the wishes of the Jama'at-i-Islami and that they will use their armed might against the MSF [Muslim Student Federation], whatever

happens. This split and clash between two components of the IJI should not gladden the hearts of the opponents of the IJI because the clash between their student components spells danger to them much more than the IJI. It threatens to destroy the very basis of a democratic society and threatens the very existence of a united Pakistan. There are conflicting reports on the clash in the MAO College which state that the IJI-MSF were the aggressors against the PSF [Pakistan Student Federation]. A similar situation is taking shape in Sind where the student organizations are larger in number, more sharply divided and more determined to fight for their objectives. In Sind the ethnic complexity lends another dimension to student violence.

We have no more than one occasion warned against the hasty removal of the ban on student unions. Now the whole world can see that colleges and universities can no longer be allowed the peace and calm atmosphere where learning and teaching can be continued. Even in those few departments where serious work still continues to be done by dedicated teachers and serious students who are really students, the widespread bloody clashes and the inevitable intervention of the police, leading to the closure of colleges and universities, will interrupt academic work. The normal routine of daily work cannot be maintained when large numbers of hysterically aroused young men are flying at each other's throats and when bullets are flying about and the campuses. The real students will naturally stay at home even if the institutions are not closed. What kind of elections and what kind of training and what kind of an education will result can easily be imagined. There is, as we all know, every little by way of education in this country and even that little is now likely to come to a dead end by the so-called freedom of the unions.

This is a clear case of the gross abuse of freedom and hence it should be taken away till we can restore the process of education for those who are genuine seekers of knowledge, and we can weed out the professional political activists masquerading as students. Schools, colleges and universities should have room only for those who desire knowledge. When this is established, discipline ensured and the academic norms restored, only then can we afford the luxury of student unions which should be concerned only with extra curricular activities after study hours and in their spare time. The kind of politics now rampant in educational institutions should be strictly banned and anyone making the first move to use the campuses for political purposes should be forthwith expelled, blacklisted and denied entry to any other institution in the country. If we do not take firm measures we might as well close all colleges and universities and concentrate upon the education of the illiterate masses and education for the toiling masses, and restrict education only to poly-technical education and training which will make students become productive members of society. Only those educational institutions which have shown their ability to maintain peace and which can control their student bodies and which have been

able to continue the process of education in a normal manner may be permitted to continue their work. Research bodies and centers of excellence may be permitted to function if student unions are strictly banned there.

Editorial Criticizes 'Sindhudesh' Supporters
46560018B Karachi JASARAT in Urdu 28 Jan 89 p 3

[Editorial: "Dirty Politics"]

[Text] The atmosphere in our country has become very unpleasant mainly due to the recent elections and political instability. Just as the newspapers are publishing news about the possibility of Pakistanis in Bangladesh returning home thanks to help from various international Islamic organization, the narrow-minded, short-sighted elements inimical to the nation's unity have raised their head in Sind. They are demanding a ban on the entry of these Bangladesh Pakistanis, who had been waiting for 17 years to return to Pakistan, into Sind. The people who make these demands are the same who are against Pakistan's unity and security. They support the idea of a 'Sindhudesh.' These elements have begged Indian leaders to send Indian military into Sind to 'liberate' it and make it a part of India. One of these mindless persons wrote that it was time for Pakistan to disintegrate. These people have been fighting against the ideology of Pakistan and are opposed to Islam and Islamic teachings. They believe that Sind should separate itself from Pakistan at any cost. They have strong relationship with India. They prefer Hindus over Muslims and like Hindu culture and civilization. They consider Raja Dahir as their hero and call Islamic leaders as oppressors and aggressors.

Movements of this kind have been increasing in Sind for some time. The government did not take timely steps against the founders and leaders of such groups. These unsavory groups had been becoming bold and had succeeded in poisoning the minds of the Sindhi youth. These groups are now openly demonstrating against the present elected government. They are holding public meetings, taking out processions, and causing unrest in the country by spreading instigation among the people. There are signs of unrest and apprehension in the country. The majority of Pakistanis are waiting for the return of fellow citizens from Bangladesh who have made many sacrifices for Pakistan. It took a great effort and numerous resources to make arrangements for the return of these persecuted Pakistanis who have sacrificed everything they owned for Pakistan. The anti-Pakistan elements and other vested interests are opposing it and are trying to give it a political, racial, and regional color to incite the people. All this could result in factional clashes leading to unrest in the province.

We have a right to demand that the present government not delay action against these mischievous elements. They should be taken care of before they succeed in

destroying the peace in our country. New laws authorizing certain and severe punishments against persons who work against the country, Islam and its ideology, safety and unity of Pakistan, and the founders of Pakistan should be passed immediately. All civilized and industrialized countries in the world have laws to curb elements that work against the country's unity and security. Unfortunately, serious steps in this directions were never taken in our country and the enemies of the country had the opportunity to harm it. We must act now to put an end to such nonsense and punish the traitors without losing any time. If we do not act fast, the results would be very serious and

the situation will continue to deteriorate. The government should make arrangements to bring the persecuted Pakistanis back from Bangladesh and not be intimidated by the false threats of these trouble makers. Bringing these Pakistanis back home is a sacred cause for our nation and it should be taken care of at any cost. If the government does not act fast in this direction, we will be forced to conclude that the government is not interested in taking any action and is trying to undo the little progress made in this direction by using these processions and demonstrations as an excuse. We will even believe that all these demonstrations were carried out at the direction of the government.

10

22161

42

NTIS

ATTN: PROCESS 103

5285 PORT ROYAL RD

SPRINGFIELD, VA

22161

This is a U.S. Government publication. Its contents do not necessarily reflect the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, economic, military, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available source, it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed, with personal and place names rendered in accordance with FBIS transliteration style.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Soviet Union, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.