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# Near East/South Asia Report

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11 June 1985

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REGIONAL AFFAIRS

TURKISH-ARAB ECONOMIC RELATIONS DISCUSSED

Expansion of Ties

Beirut AL-IQTISAD WA AL-A'MAL in Arabic Mar 85 pp 27-29

[Article: "Arabs and Ottomans' New Conquests"]

[Text] Turkey's "discovery" of the Arab world's importance is a very significant development which began in the early 1980's and which will undoubtedly generate large-scale commercial and political results that may change the character, realities and balance of the Middle East area.

In itself, the Turkish change is not surprising. What is surprising is that Turkey has needed all this time (perhaps since the end of World War I) to rediscover itself and rediscover this vast world, which it had ruled for 4 centuries, before getting tired of it and retreating to a Turkish nationalism with a European secular character and before this world also got tired of Turkey under the impact of the same Western nationalist ideas and of the dream of reviving past glories and establishing a united pan-Arab state.

AL-IQTISAD WA AL-A'MAL reviews here the important developments occurring at the level of economic relations between Turkey and the Arab world. It also talks with Turkish Prime Minister Dr Turgut Ozal in the first economic interview he has given to an Arab magazine.

Turkish-Arab economic relations have been experiencing unprecedented growth at various levels over the past 4-5 years. Turkey's exports to the Arab world (and Iran) have multiplied 12-fold during this period, rising from \$200 million in 1979 to \$3.2 billion in 1984. Whereas the Middle East market absorbed 10-12 percent of Turkey's exports in 1975, it now absorbs nearly 45 percent of all Turkish exports, compared to the 42 percent absorbed by Europe. This means that the Middle East, and the Arab countries specifically, have become Turkey's main market. If we take into consideration Turkey's service exports, especially tourism and construction contracts,

then the Arab market's contribution to supporting the Turkish economy becomes very significant and much bigger than what is implied in the foreign trade figures.

The value of the contracts won by Turkish firms in the Arab countries since 1980 amounts to nearly \$14 billion, including contracts valued at \$8 billion in Libya alone. Added to all this is the Turkish transit trade to Iraq and Iran, a trade which has flourished enormously in the wake of the closure of the ports on Shatt al-'Arab. This prosperity has contributed to developing Turkey's maritime fleet into the biggest such fleet in all of Europe. Within the framework of the transit trade, we can also include Iraq's use of Turkey as a corridor for the passage of the oil pipeline between Kirkuk and Dortyol and Iran's recent decision to build a pipeline similar to the Iraqi one between Abadan and the Mediterranean.

#### What Is Behind Openness?

Turkey's opening up to the Arab world has come as a result of two fundamental developments:

First, the cool relations between Turkey and the EEC and the difficulty that Turkish products encounter in entering the European markets. Turkey has tried and continues to try to be accepted as a full EEC member, but there is little hope of this happening because of the Europeans' fear of the influx of Turkish labor in to their countries and also because of fear of the burdens of the Turkish economy on the EEC budget.

Second, the political transformation being witnessed in Turkey since 1980 and characterized by the return to civilian rule and by the economic open-door policy at home and abroad: this transformation has dictated redirecting the economic system toward exportation and toward enhancing the competitiveness of the country's exports, as well as toward attracting the capital necessary for investment. Because the European market does not offer sufficient outlets to the Turkish economy, the planners of the Turkish economy have awakened to the importance of the Arab area and of Iran as a vital sphere for the new economic revival.

What draws attention is the fact that Turkey disregarded the importance of the neighboring markets all this time. What is even more interesting is that it was 5 or 6 years late in moving to benefit from the upsurge in oil revenues. The Turks' actual interest in boosting exports and in exporting contracts and labor to the Arab markets did not really start until the early 1980's.

#### Role of Iraq-Iran War

There is no doubt that the eruption of the Iraq-Iran war created a new situation in the Middle East and hastened to alert Turkey to the strategic advantages it enjoys as an eastern Islamic state and has, consequently, motivated Turkey to play a role which will inevitably become more prominent in the next few years. In this regard, there are several factors advantageous to Turkey, the most important being:

- Turkey's geographic proximity to the area's markets.
- A sense of cultural and religious affinity.
- An advanced industry and cheap labor.
- Agricultural self-sufficiency, with the availability of a surplus for export, all in an area experiencing a growing shortage of food. Canned and frozen Turkish food products have begun to invade the Gulf markets, forming 50 percent of Turkey's total exports to the area in 1984.

It must also be noted that Turkey has especially benefited from its military and political neutrality toward the Iraq-Iran war and has reaped the fruits of this neutrality in the form of big leaps in commerce and transit with the two neighboring countries, with the Gulf and with Libya. One example of Turkey's balanced policy is the visit made by Turkish President Evren Kenan to Saudi Arabia in February 1984--a visit which culminated in agreements and in aid, of which Turkey has received \$500 million as a first installment. This visit was followed in April 1984 by another visit to Iran by a trade commission which was headed by Turkish Prime Minister Turgut Ozal himself. This visit was also crowned with trade agreements. This is in addition to the numerous visits made by Turkish officials to Iran, Iraq and the Gulf countries within the framework of the ongoing efforts to put an end to the war or for economic purposes.

#### Opportunities for Arabs Also

But if the Arab world constitutes an important market for Turkish industrial and agricultural exports, then Turkey, with its geographic extension and its demographic weight, also constitutes an important market for the Arab countries. Turkish officials have begun to speak seriously of the importance of establishing in the area a joint market as an alternative to the idea of linking Turkey to the EEC--an idea that is still faced with insurmountable obstacles.

Turkey in particular can offer good spheres of investment for Arab private and governmental capital, especially in the wake of the ongoing economic and currency reforms which are expected to be entrenched and completed. These reforms (urged by the IMF since 1980) include reducing the Turkish pound's exchange rate by floating the pound and allowing it to reflect the actual market price. They also include a strict fiscal policy that has led to reducing inflation from 107 percent in 1980 to 45 percent at present, with this rate expected to drop to 25 percent in 1985.

#### Investment Opportunities

Regarding direct investment incentives, any establishment bringing with it a capital of no less than \$50,000 is now allowed to engage freely in a large number of sectors while enjoying the right to remit profits and capital at the current currency prices without any restriction or shackle.

The Turkish government has defined the mining, tourism, petroleum and agricultural production sectors as priority sectors. It has also begun to implement ambitious plans to complete the infrastructures, to develop transportation and to set up free zones (of which two zones have already been opened in Mersin and Anatolia).

To encourage savings, Turkish fiscal authorities have maintained an interest rate exceeding the inflation rate, amounting to 45 percent in 1985, for savings deposits. However, borrowing continues to be almost inactive as a result of the high interest rates charged for loans, which amount to 68 percent at times. This is why the state encourages Turkish organizations to borrow from foreign banks and protects such organizations from fluctuations in the exchange rates by covering the exchange-rate risks through the Central Bank.

It seems that the Turkish measures to liberate the economy have begun to bear fruit. Whereas total foreign investments in the country amounted to \$930 million from 1980-83, investments in 1984 alone amounted to nearly 1 billion dollars, in part coming from the Middle East. Numerous Saudi, Gulf and Lebanese firms have begun applying to set up import-export offices from and to Turkey. Most of these firms have active distribution networks in the Gulf. For example, a Saudi-Turkish holding company was founded in the first half of 1984 with a capital of \$150 million to invest in projects in Turkey, Saudi Arabia and elsewhere. Licenses have also been granted to a number of Arab financial establishments, including al-Barakah Group, the Saudi-American Bank, Dar al-Mal al-Islami [Islamic Finance Organization] and others.

#### Joint Projects

The Turkish government is exerting efforts to set up joint projects by inviting foreign capital to bolster the capital base of already existing Turkish firms which are capable of being profitable firms if given adequate resources. The government also seeks to attract foreign investments by gradually selling a number of public sector companies, either partially or completely, and by opening the door for foreign capital to become a partner in these companies.

Real estate and tourism investment is also one of the spheres that merit the attention of the Arab investors, especially since Turkey has opened the door for Arab citizens to own houses and real estate in Turkey without demanding reciprocal treatment from the countries concerned. The initial estimates for 1984 indicate that the number of Arab summer vacationers visiting Turkey has begun to grow rapidly, amounting to nearly 300,000 visitors and summer vacationers last year. Moreover, the tendency to purchase homes in Istanbul and in other parts of Turkey has been growing stronger year after year in view of the low prices for such houses in comparison with similar opportunities in Europe.

Development in Number of Turkish Contracting Firms in Arab World

Country	1978	1979	1980	1981	1982	1983	1984
Libya	13	19	34	68	98	105	112
Saudi Arabia	4	5	13	19	79	109	129
Iraq	3	4	7	13	35	35	36
Jordan	-	-	2	3	11	11	12
Kuwait	1	1	3	5	6	6	6
UAE	1	1	2	2	2	2	2
Egypt	-	-	-	-	1	1	1
Algeria	-	-	-	-	1	1	1
Tunisia	-	-	-	-	1	1	1

Observations: There are 223 Turkish firms and establishments that operate in the Arab world and abroad. Sixty of them operate in more than one country at a time.

Development in Value of Contracts Implemented by Turkish Contracting Firms in Arab Countries (in \$1 Million Dollars Accumulated Total)

Country	1980	1981	1982	1983	1984
Libya	2,340	7,100	8,167	8,565	8,640
Saudi Arabia	634	1,050	3,302	4,125	4,564
Iraq	430	728	952	1,031	1,051
Jordan	11	43	43	108	108
UAE	35	39	39	39	39
Kuwait	11	12	16	17	17
Algeria	-	-	37	37	37
Egypt	-	-	-	16	16
Tunisia	-	-	-	-	16

Source: Ministry of Finance and Foreign Trade, Ankara)

Observation: The total value of the contracts won by Turkish firms in the Arab world from 1980-84 amounted to nearly \$14.5 billion. However, it is noticed that these firms did not win any new contracts in 1984, with the value of the new contracts amounting to nearly \$550 million, compared to \$1,381,000,000 in 1983, nearly \$3,584,000,000 in 1982 and nearly \$5,511,000,000 in 1981, which was the best year for the Turkish contracting firms.

#### Turkish Prime Minister on Trade

Beirut AL-IQTISAD WA AL-A'MAL in Arabic Mar 85 pp 31-33

[Interview with Turkish Prime Minister Turgut Ozal By Rashid Hasan: "Ozal: My Advice Is: Look for Turkish Firms in Need of Money and Buy Them"]

[Text] Each era has its states and its men. At a time when states and kingdoms are built with maritime fleets, with export wars and with the diplomacy of selling and marketing, Turkey has finally found its champion, not in the person of a general or of a military conqueror, as in the past, but in the person of Turgut Ozal--a man who combines the knowledge of a economist with the intuition of a businessman and the skill of a sales director with the firmness of a politician at the same time.

As an economist, it can be said that Ozal is truly the father of the political and economic open-door experience being lived by Turkey since 1980. As an economist, Ozal has also proven that he possesses a clear vision over which he is not willing to bargain. This was proven by his resignation in the middle of 1982 as deputy prime minister for economic affairs when political pressures were put on him to terminate the fiscal austerity policy to fight inflation in the wake of the collapse of Kastelli Brokerage House. But Ozal returned triumphant as prime minister when his party achieved a strong win in the parliamentary elections of 1983 which reflected the strength of the current of change in Turkish society.

He is also well known as the initiator of the theory of "exports or death" and as the force behind the major development in Turkish exports to the outside world in the past 4 years--exports which have contributed to improving Turkey's current account balance and which have to a large degree rehabilitated Turkey in the eyes of the international banks. Many in Turkey believe that Ozal has actually succeeded in putting Turkey anew, and strongly, on the Middle East map.

Here is an economic review conducted by AL-IQTISAD WA AL-A'MAL with Turkish Prime Minister Dr Ozal:

[Question] The first question that comes to mind is why Turkey turned its back on the Arab world throughout the preceding era?

[Answer] (Smiling) It is an involved story. But I do agree with your observation. For many centuries, Turkey was the cornerstone in this Islamic and Middle Eastern geographic dimension, which was the source of Turkey's strength as Turkey was the source of its strength and stability. It is perhaps due to a feeling of shock created among a generation of Turks during a certain period of time because of Europe's ambitions in

the area. But frankly, we are not the only ones who turned our backs. A wave of strong hostility was ignited against the Ottoman sultanate which was depicted as an embodiment of all the evils which afflicted the area. It is a portrait about which the least that can be said is that it is unfair and that it intelligently concealed behind it the schemes of the forces which were working from within and from outside to tear the East apart.

[Question] How do you evaluate economic relations between Turkey and the Arab countries and the horizons of the development of these relations in future years?

There Has Been Big Development

[Answer] There has been a big development in the past 4 or 5 years. In 1979, for example, our trade with the Arabs was very limited and the value of our exports to the Arab market did not exceed \$200 million. But after 1980, we began to implement an economic correction program. One of this program's most important elements is, perhaps, the correction of the currency exchange rates which allows these rates to reflect the actual exchange rates in the market. This has, of course, helped boost the exports greatly. We have also begun to pursue a policy of long-range rapprochement and cooperation with the area on the basis of the presence of common interests and geographic, religious and cultural proximity. All these are, in our view, elements that must strengthen the mutual interdependence of Turkey and the Arab world. As a result of this policy, the conditions began to change and our exports to the area mounted in 1984 to nearly \$3.2 billion or more than 45 percent of our foreign exports. We have also invested in the transit trade and we perhaps have the biggest maritime fleet in Europe, including Bulgaria which was considered until recently the number-one country in this sphere.

[Question] Part of the big development in the relations can be attributed to Turkey's efforts to take advantage of the economic activity in the Gulf. Is the preceding development expected to continue now that conditions in the Gulf and elsewhere have taken a different direction?

Problems of Contracting Sector

[Answer] This may apply to the activity of our firms in the contracting sector which will, of course, be affected by the growing competition and the drop in the number of projects. It is well known that we have been affected somewhat in Libya because of the problems of payment. But these problems have almost been settled. However, I don't think that the trade transactions, services, investment and tourism will be affected seriously. In these spheres, the growth potential is still big.

[Question] Don't the area's efforts to create numerous medium-size and small industries in the past decade limit the potential for the growth of Turkish exports?



[Answer] We do not view the Arab area or Iran as a market for selling our products. When I speak of the potential for trade growth, I mean by this an equal growth in the trade exchange founded on the ideal utilization of the resources of each state, on the integration of these resources and on the possibility of regional specialization and coordination. It is my feeling that this part of the world, which includes the Arab Peninsula and Turkey, and perhaps Iran and other countries, constitutes in fact a single area.

Middle East Market?

[Question] It is obvious that you are referring to the idea of establishing a common Middle East market or a free-trade zone between these countries. Are there specific concepts or proposals which you have submitted to the countries concerned?

[Answer] There are no specific proposals yet. But we are trying to play a role in advancing and crystallizing this idea through the Islamic Conference which we head and which meets regularly in Istanbul. At the conference's latest session, we presented for discussion ideas that seek to bolster trade exchanges between the Islamic countries, especially the Middle East countries. We focused in particular on investment in developing communication and trade routes, on studying the possibilities of dividing the work between the area's countries and on setting up joint projects, such as the fertilizer production project which was recently established jointly by Turkey, Tunisia and Kuwait. The fertilizers will be produced in Turkey, using ammonia produced by Kuwait and phosphoric acid produced from Tunisian phosphate.

Investment Climate Is Convenient

[Question] Do you think that the investment climate in Turkey has now become truly convenient to attract the Arab investor?

[Answer] Certainly. This is what we have been working for through the economic correction. We are also exerting efforts to encourage the Turkish investor to play his full role in development. Moreover, special privileges are offered, especially to the Arabs, such as the right to own houses and real estate in Turkey even though there is no reciprocal treatment in this regard. In addition to all this, we have abundant and trained labor, which will include 50 million people. We also have good managers and an advanced educational climate embodied in nearly 1/2 million university students and nearly 100,000 graduates a year. Moreover, our country's labor relations are stable and are founded on cooperation and understanding between workers and business owners.

[Question] What are the tax incentives which you offer foreign investors?

[Answer] All foreign investment is totally exempted from taxes until the capital is recovered. The investment is then initially subjected to the

companies tax, amounting to 40 percent in principle. But there are numerous cases where this tax can be reduced, especially in cases where profits are reinvested for expansion. Such profits are dealt with as if they are a new investment subject to the same exemption until the firm regains their value.

#### Advice

[Question] Permit us to ask more precisely: do you have any specific advice to give the Arab investor who wishes to come to Turkey?

[Answer] My advice is to look for firms and buy them. There are numerous companies and industries that are technically advanced and have a big potential but are facing financial problems. By pumping small sums into such companies, it is possible to enable them to produce and make big profits.

[Question] But are there expert advisory services that can lead the Arab investor to this or that firm, as happens in the Western investment banks?

[Answer] Of course. Our banking sector includes local and international banking establishments with long experience in Turkey. These establishments can provide information and study the proper investment opportunities, and can even arrange the agreements on such investments, such as the Is Bank, City Bank, Chase [Manhattan], First Botton Bank and others. All these banks have very advanced expertise in the sphere of investment services, keeping in mind that I believe that whoever wants to operate in Turkey should come here, and this is the least an investor can do, as the proverb goes, to see for himself.

#### Arab Summer Vacationing in Turkey

[Question] There has been a big development in Arab summer-vacationing activity in Turkey. How do you view the horizons for the development of this activity and the spheres of investment it may open?

[Answer] The year 1984 was very successful in this regard. According to my information, the number of Arab visitors and summer vacationers ranged from 200,000-300,000 people, many of them from Saudi Arabia, the Gulf states, Jordan, Egypt and Lebanon and a smaller number from Syria and Iraq. This wave immediately created a demand for summer houses and for the purchase of houses in a number of cities, especially Istanbul. The fact is that the Arab summer vacationer finds in Turkey a moderate climate and greenery. He is also comfortable with the Turk's hospitality and his friendliness, contrary to what happens to this vacationer in a number of European countries. The Turk views the Arab as a Muslim and does not feel that he is different from him in culture or values. This is, undoubtedly, an important psychological factor. But one of the main elements is the economic element, namely the cheap cost of houses or of building them in Turkey in comparison with building them in European cities. For example, you can get a luxury apartment in one of Istanbul's best areas for \$100,000.

If you wanted to get a similar apartment in New York or London, you would have to pay at least \$250,000. Any beautiful house build immediately on the beach may cost \$50,000 or less. There are numerous islands in the Sea of Marmara and in the Aegean Sea which can be purchased and on which tourist projects can be established. I personally believe that there are big opportunities for real estate development companies to purchase large tracts of land and develop them because the wages of a Turkish construction worker do not exceed \$100 a month and because the demand for buildings is much greater than the supply, thus permitting large profit rates in this sector.

8494

CSO: 4404/298

REGIONAL AFFAIRS

SOLIDARITY WITH LEBANESE, PALESTINIANS URGED AT CAIRO CONFERENCE

London AL-TADAMUN in Arabic 6-12 Apr 85 p 54

[Article by 'Adil al-Jawjari: "Fathi Radwan at the Conference in Support of the Lebanese People: We Need the Courage of Lebanese People Because We Have Nothing To Give Them Except Slogans"]

[Text] The Pan-Arab Committee for Support of the Palestinian and Lebanese People held its popular conference in Cairo on 21 March at the central headquarters of the Grouping party. Foremost of those attending were Fathi Radwan; the secretary general of the Grouping party, Khalid Muhyi-al-Din; Doctor Hilmi Murad, the secretary general of the Labor party; Farid 'Abd al-Karim, the constituent representative of the Nasirist Socialist party; Lawyer Ahmad Nabil al-Hilai; and Dr Sa'id an-Nishai, representing the Egyptian Committee for the Support of the Lebanese People.

Farid 'Abd al-Karim confirmed three lessons that the National Egyptian Movement had learned from the legendary resistance of the Lebanese people in the South:

That these battles proved the capability of the Arab people to confront the enemy, which does not have all the elements of strength as had been supposed by some; that it was the gun that brought down the (May) accord and which will bring down "Camp David"; and finally, it is the gun that will bring about an Arab peace, and not an American, nor an Israeli, peace.

Dr Muhammad 'Abd-al-Salam al-Zayat, president of the Egyptian Committee for Solidarity with the Lebanese People, added that the Lebanese resistance in the south was fought with flesh and blood and without any aid to speak of from the Arab movement or any Arab organization, which underlines the value of popular struggle and the necessity for cohesion of all the forces which fight against imperialism.

Dr Muhammad Hilmi Murad said: "It is not out of affection that we are in solidarity with the men of the "Lebanese Resistance," those who drove away the maritime forces of the Americans (the Marines) from the shores of Lebanon, and then made it necessary for the Israeli withdrawal in three stages ending in April, in addition to striking such fear into the hearts of the Americans that they placed sandbags in front of the White House and around the Pentagon when the outcries for revenge for their crimes in Lebanon began.

Minister of foreign affairs for Israel, Abba Eban, stated that putting an end to 7,000 Palestinians had gotten Israel into difficulties and had sown the spirit of revenge against Israel among 700,000 Lebanese.

'Abd-al-'Aziz Muhammad (the Bar Association) called for the establishment of a people's court to judge the war crimes of the Israelis along the lines of the court Bertrand Russell had called for in order to judge the American war crimes against Vietnam.

He called for a renewal of the efforts which had begun in the seventies to throw Israel out of the United Nations, to put an end to its barefaced crimes and to make the international community face its responsibilities.

Dr Muhammad Sa'id an-Nisha'i noted that the slogan "land in exchange for peace" is a new call for giving up the gun and for negotiating with Israel, and wanted to know, what land? what peace?

Fathi Radwan ridiculed all the propaganda in support of the Lebanese people and said:

"Its necessary that the heroic Lebanese people be in solidarity with us, and lead us to victory, and support us, because we have nothing we can give to the Lebanese people except cliches and catchwords, which achieve nothing." He added: There is a general opinion among the Arabs now that we must make all the Arab people aware of who is the enemy and who is the friend. Quite simply the enemy that the Arabs face is Israel and America, and I warned President Hosni Mubarak in my speech to the "Nasirists Conference" before his trip to America that the United States will never permit a Palestinian state because this contravenes the interests of the state of Israel.

Nabil al-Hilai said: "The Lebanese people have proven the words of 'Abd-al-Nasir, 'That which is taken by force will not be returned except by force'." The time has come for the Arabs to stop looking toward America and to look to themselves, and this is a frank call for Arab solidarity in order to save the rest of Arab territory.

Khalid Muhyi-al-Din concluded the conference's speeches by calling for a revitalization of the committees for support of the Lebanese and Palestinian Arab peoples in the villages and in the governorates, and the unification of national forces for the support of the Lebanese people in their legendary struggle in southern Lebanon.

12943  
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11 June 1985

REGIONAL AFFAIRS

BRIEFS

NILE BASIN ORGANIZATION FORMED--Dr 'Isam Radi, Egyptian minister of irrigation, announced continuing contacts for the establishment of an organization of Nile Basin countries the goal of which would be ideal use of the Nile water and the implementation of the projects which have been studied by the committee on lakes. He mentioned that these countries are Sudan, Ethiopia, Kenya, Zaire, Rwanda, Burundi, and Uganda. However, the organization will start with three countries: Egypt, Sudan, and Uganda. This activity comes at a time when fears are growing about the extension of the drought, in its 7th year in the Ethiopian highlands, which supplies 90% of the Nile's waters. Some Egyptian districts have called for taking precautionary measures starting now, to rationalize consumption of irrigation and drinking water. [Text] [Paris AL-MUSTAQBAL in Arabic 13 Apr 85 p 40] 12943

CSO: 4504/297

ARMENIAN AFFAIRS

TURKISH SOURCES REPORT ON ARMENIAN 'NEW ORGANIZATIONS'

Istanbul MARMARA in Armenian 11 Apr 85 pp 1,4

[Text] While the bloody activities of ASALA [Armenian Secret Army for the Liberation of Armenia] continue and are widely reported around the world, a variety of viewpoints have developed among Armenian organizations and communities with the regard to the methods of the said organization, and new movements for and against such methods are constantly being created.

So far, three major Armenian organizations, two in the United States and one in Britain, have decided to review their activities and ideology and to call on all Armenians around the world to form a new organization that will collaborate with the Turkish working class and minorities in Turkey.

The leadership of the Progressive Youth Association of New York, the Armenian Popular Movement of Washington and the Socialist Union of the Armenian Movement of London have been publishing a press organ called VANGUARD. This publication criticizes the policies pursued by Armenians so far and attributes the failures that have been experienced to the wrong methods that have been used. The publication calls on all Armenians around the world to reorganize and to endorse a new path of cooperation and unity.

This collective appeal focuses primarily on Armenian nationalism while conceding that there are serious differences of views among Armenians today. VANGUARD says: "It is undeniable that class warfare is harmful to the Armenians. Certain elements have infiltrated the Armenian movement with the purpose of undermining the struggle of the Armenian nation with suggestions and gestures of compromise." The journal states that it is wrong to consider Turkey as the only target of the struggle and says that the new organization that is to be formed must recognize more closely the enemies of the Armenian people, namely "international imperialism, the Turkish government and the Armenian reactionaries."

In another appeal in the same journal, it is mentioned that current members of the Socialist Union of the Armenian Movement were formerly part of the organization named "Popular Movement for ASALA" and that they had disagreements with the said organization on grounds that ASALA deviated from its original and principal purpose, namely the strategy of short-term armed struggle, and endorsed a strategy of long-term armed warfare. The appeal notes that as a result of this erroneous policy, the Popular Movement was turned into a tool of

exploitation at the hands of a number of self-serving leaders. According to the appeal, some members of the Popular Movement refused to serve the organization blindly and withdrew from it. However, while they work on reorganization "these members have not abandoned their struggle which needs to be waged incessantly."

The former organization of the members of the Socialist Union of the Armenian Movement, namely the Popular Movement for the Liberation of Armenia (Democratic Front), has also broken ranks with ASALA and has dissociated itself from its ideology. In a communique issued in connection with the Orly trial, they declare that they do not agree with ASALA's methods. The communique says that ASALA leader Hagop Hagopian runs ASALA like a despot pushing the organization toward adventurism.

The communique continues:

"We would like to draw the attention of all the peoples of the world and the entire Armenian nation that while we disagree with ASALA despot Hagop Hagopian and his organization's adventurist policies with respect to the Orly airport incident we find the sentences handed to the defendants excessively severe. However, a victim needed to be found for Hagop Hagopian and it was found in Garbisian. Now they want to exploit these sentences to stage new adventures which are not in any way related to the Armenian liberation struggle and which will only serve their own ends."

The London-based Popular Movement for the Liberation Armenia (Democratic Front) says in its communique that a close collaboration must be established with the Turkish working class and a united front must be formed with other minorities in Turkey so that the Armenian cause can be crowned with success.

9588

CSO: 4605/154



ARMENIAN AFFAIRS

POPE JOHN PAUL II REFERS TO 'BITTER EVENTS' OF OTTOMAN REIGN

Istanbul JAMANAK in Armenian 26 Apr 85 p 1

[Text] Two days ago, in a sermon during a requiem Mass celebrated in the Vatican, Pope John Paul II, referring to the "bitter events that took place in the Ottoman Empire 70 years ago" called on all Catholics to pray for the souls of those who died in those events. To prevent the recurrence of such events, the Pope appealed for a peaceful coexistence among all nations.

The most widespread events in America took place in the State of California. There, demonstrators carried placards which not only referred to assertions of genocide but also declared that as a result of heroine smugglers from Turkey, hundreds of thousands of American young men lost their lives. The inscription "Down with the Turks, murderers of one million and a half Armenians" was quite conspicuous. On another placard was written "Hundreds of thousands of Americans victims of Turkish smugglers of heroine."

The Governor of California Deukmedjian in a second letter to President Regan said:

"We hope that your Administration will admit the Genocide at a very early date. We regret that so far you have not admitted this fact.

Under the headlines "Armenia in California" HURRIET states that the State of California, under the administration of Armenian-born Governor Deukmedjian has been transformed into Armenia as shown by the demonstrations of 24 April. The insolent Governor had all the American flags flown half-mast, as on a day of mourning. During a demonstration attended by 5000 Armenians before the Monument at Bicknel Park in Montebello, in Eastern Los Angeles, a Turkish flag was burnt.

The Democratic Senator from California Cuelho announced that he has already collected 222 signatures for the pro-Armenian Resolution 192 and will have it inserted in the agenda of next week's meeting. The NEW YORK TIMES published a full-page ad in its Sunday, April 28 issue calling on all Armenians to a commemorative meeting. It costs seven and a half million liras to publish such an ad. According to the correspondent of HURRIET the ad says: "Turkey may enter into the family of civilized nations only after admitting its guilt."

The Ottawa correspondent of the same paper reports that around 3000 Armenians gathered in the Canadian Parliament Gardens shouting anti-Turkish slogans for

two hours. In the afternoon they went to the Senior Turkish Embassy one kilometer away where they burnt a Turkish flag they were carrying, shouting "Your end is near", "We shall avenge our 70 years old wound", "The Turks are slaughterers", "We want Kars, Moush, Ardahan and Erzerum" -- such were the inscriptions on the placards they were carrying.

12951

CSO: 4605/160

ARMENIAN AFFAIRS

ARMENIAN-GREEK COOPERATION IN DEMONSTRATIONS CITED

Istanbul MARMARA in Armenian 29 Apr 85 pp 1,4

[Text] Athens: The Armenians living in Greece continue their anti-Turk demonstrations on the occasion of 24 April. Yesterday they had organized a meeting in the Theatre Orpheus in Athens which ended with a series of lectures on the Armenian Question. Close to a thousand Armenians who attended the meeting then went to the Sindagma Square and placed a wreath on the Tomb of the Unknown Soldier. Then they all sang aloud the Greek National Anthem and the Armenian National Anthem.

Representatives of Greek political parties also took part in these meetings and demonstrations organized by the Armenians. Speaking in their presence, Prof. Khristos Rozakis, lecturer in International Law at the Institute of Political Sciences in Athens, said "the Armenians do not need the assistance of superpowers like the United States and the Soviet Union."

He went on to add that "since there were no political conflicts in 1915, the massacres and the genocidal attempts at that time were not considered guilty actions. But the Turkish Government, instead of explaining this fact in these judicial terms, remains adamant on its positions and is thus considered legally a wrong-doer." Anastasokos, representative of PASOK and the representative of the New Democratic Party declared that they will stand firmly by the side of the Armenians in all their perfectly legitimate demands from Turkey, i.e., the admission of the Genocide and the return of the lands. Without resorting to the use of violence, Greece will support them without any hesitation in all their peaceful demonstrations and other acts as well as in their political struggle. The representatives of the Greek Communist Party also said that the present day Turkish people cannot be held responsible for the Genocide in question because imperialism is the only enemy and the only force to abet every evil.

12951  
CSO: 4605/159

11 June 1985

## ARMENIAN AFFAIRS

## ARMENIAN CONVENTION REPORTEDLY TO BE HELD IN SEVRES

Istanbul MARMARA in Armenian 2 May 85 p 1

/Text/ As we reported earlier, the Third Armenian Convention will be held in the French city of Sevres, from 13 to 17 July 1985. This information is reported at length in today's CUMHURIYET while other papers give brief reports but due to an error, they all write about a Second Convention whereas this is the Third.

Referring to the Third Convention, the correspondents of CUMHURIYET Sabetai Varol and Jenkis Chandar stress the fact that by holding the Convention in the city of Sevres, the Armenians wish to revive the still-born Treaty of Sevres that was meant to break up Turkey into pieces. The Third Convention will take place at the Sofitel Hotel in Sevres.

Like the Second Convention, this one too has been organized by an Armenian protestant Pastor residing in Switzerland called James Karnuzian. The Second Convention that gave rise to quite a stir two years ago ended on a note of disappointment. This had been caused by the unexpected participation of Turkish journalists in the Convention which had created some discord among the delegates and also because the delegations had failed to agree on certain basic principles caused mainly by the fact that the Convention had opened only a few days after the Orly massacre, an event that had given rise to a very unfavorable mood towards the Armenians.

This time too the Dashnak Party and the ASALA organization will not take part in the Convention although these two have always had their secret representatives or sympathizers among the participants. In spite of last year's failure, the Armenians succeeded in preparing a set of basic rules and regulations and in publishing a communique where they remind that although the Great Powers had previously signed a treaty accepting the independence of Armenia, they had later on torn it to pieces and signed the Treaty of Lausanne.

During the last Convention, in answer to certain questions of the Turkish journalists, Karnuzian had expressed ideas which had become subjects of controversy among the delegates. For example, a journalist had wanted to

know with whom would Turkey hold talks assuming that it consented to talk. Karnuzian had replied that Soviet Armenia could represent the entire Armenian people. This answer had displeased some delegates. Later, Karnuzian had been obliged to alter his declaration.

CUMHURIYET's correspondent notes that in spite of this, it is not right to disregard the importance of the Third Convention since it is likely that this time, the Armenian National Movement headed by Ara Torarian, and Monte Melkonian who had separated from the ASALA and had set up the organization Revolutionary-ASALA would play a large role in the Convention. In any case, the Convention will try to make a good impression on the Western world and in itself, the choice of the city of Sevres as a meeting-place is highly significant.

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CSO: 4605/161

ARMENIAN AFFAIRS

BELGIUM LAUNCHES CAMPAIGN AGAINST ASALA, TURKISH TERRORISTS

Istanbul JAMANAK in Armenian 4 May 85 p 1

[Text] Brussels--It has been determined that fugitive Turkish terrorists and the ASALA [Armenian Secret Army for the Liberation of Armenia] have played an active role in recent weeks in terrorist attacks against defense contractor firms and NATO installations in Belgium.

The death of two firemen and the wounding of 12 people as a result of an explosion in Brussels last Wednesday was the last straw that prompted a counterterrorist campaign across Europe. The secret services of Belgium, France, Holland and the FRG were concurrently ordered to go on the offensive.

Belgian Interior Minister Jean Gol declared that this last incident, for which the organization named Communist Fighters Cell claimed responsibility, was the last straw. Belgian secret service officials said: "Our patience was already running out, but because the essential decisions had not been made we were sitting idle."

Belgian secret police officials stated that in addition to the four countries mentioned assistance was requested from Greece and Italy.

According to well-informed sources, ASALA and members of a number of Turkish separatist groups play an important role in European terrorism.

A Belgian secret police official said about Turkish terrorist Muzaffer Kacar who was arrested carrying explosives in France last Saturday: "Kacar is not alone. The explosives found on Kacar are part of an 800-kilogram supply that was stolen from the (Ecodined) ammunition depot. These explosives are used by Belgian, French and German terrorists. The gas bottle explosions staged by the Communist Fighters Cell are similar to operations staged by ASALA. We see at least an ideological link between this organization and ASALA."

Although terrorist attacks have sharply escalated in Belgium since last year government authorities reacted very tardily.

In 1984 alone, the Turkish Airlines office in Belgium was bombed, Turkish diplomat Dursun Aksoy was killed, explosives were thrown at the Turkish embassy in Brussels, and yet no one was arrested.

In recent weeks Belgium began taking serious steps after murderous attacks against NATO headquarters, the NATO pipeline and U.S. companies. Two days ago, the Belgian cabinet met and decided to end its moderation in the campaign against terrorism.

During the cabinet meeting it was decided to allocate the necessary funds for the counterterrorist unit formed under the jurisdiction of the relevant ministry. It was also decided to seek assistance from France, West Germany, Italy and Holland to search the homes of Turkish and Armenian terrorists. The Belgian government also sought from France closer collaboration between the Belgian and French secret services. France was also asked to share information obtained from the interrogation of captured terrorists.

Turkish terrorist Muzaffer Kacar who was arrested in France was recently interrogated by Belgian police officials in Paris.

9588

CSO: 4605/166

ARMENIAN AFFAIRS

TURKISH PAPER RAPS FRG TV PROGRAM ON 'ARMENIAN GENOCIDE'

Istanbul MARMARA in Armenian 6 May 85 p 1

[Text] GUNES reports that the VBR television station in the FRG has also been duped in connection with the "Armenian question" and that by broadcasting a so-called program of "documentary evidence" it has drawn the wrath of the 2 million Turks living in that country.

The host of the program, trying to promote his "document" on the "Armenian genocide", produced a number of papers alleging that they belonged to German health officer Armin (Tiwegner). To certify the authenticity of the said documents the producer invited Reinhard Gart, the director of German Literature Department at (Masbach). When asked if (Tiwegner) "really witnessed the Armenian genocide," Gart replied that he "would be exaggerating if he could give a definite answer to that question" and that "he does not remember if he has seen him." Despite this uncertain testimony, however, the photographs in question were broadcast as evidence of the "forced relocation of Armenians."

During the highly biased program, Reinhard Gart, presented as a "specialist on historical documents," said that at that time (Tiwegner) went to Turkey as a volunteer health officer and served in mobile field hospitals. That is how he witnessed the incidents in question. He secretly sent the photographs to Germany on various occasions, and after the war he delivered several lectures on the "Armenian cause." (Tiwegner) also published two novels on this subject and wrote several articles.

Gart said that (Tiwegner's) documents are preserved for those who want to study them. However, this was a completely biased viewpoint, and even though it was claimed that the said documents are open to all types academic research no opportunity was provided in the program for countercharges and rebuttals.

After the interview portion of the program, the program host talked about a Protestant priest, Dr Johannes, who wrote a book in 1919 on the "Armenians' journey of death" on the basis of (Tiwegner's) notes. The host charged, on the basis of this book, that the Armenians were forced to relocate in Syria and presented a number of photographs in that connection. Then he told how the Armenians were tortured and massacred on the way and how many of them died of starvation and exhaustion. In other words, the producers of the program tried everything to impress the German viewers, but instead they came under a hail of protest.

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CSO: 4605/167



ARMENIAN AFFAIRS

TURKEY TO ADOPT NEW METHODS AGAINST 'ARMENIAN TERRORISM'

Istanbul MARMARA in Armenian 20 Apr 85 pp 1,4

[Text] London--While the clamor continues to grow in all major capitals of the world in connection with the 70th anniversary of the so-called Armenian incidents in Turkey in 1915, FOREIGN REPORT, a serious British journal, reports that Prime Minister Turgut Ozal opposes the creation of commando units to counter Armenian terrorism and that he finds it more appropriate to guard Turkish missions abroad with specially trained units. The journal says that plans have been proposed to train counterterrorist units to infiltrate the terrorist organizations and to foil their plots preemptively. According to the journal, however, Prime Minister Ozal has not approved those plans and has seen it more appropriate to train special personnel to guard Turkish missions and diplomats abroad.

FOREIGN REPORT, which is published in Britain in association with the well-known weekly THE ECONOMIST reports:

"In the last 12 years, Armenian terrorists have assassinated nearly 40 Turkish diplomats. As a result, pressures have been growing in Turkey in favor of reprisals. The proponents of these view have been demanding the creation of special counter guerrilla squads to infiltrate the terrorists organizations to neutralize them or to destroy their centers with surprise attacks. However, Prime Minister Turgut Ozal has not approved this proposal and has stated that it would be more appropriate to assign the protection of Turkish diplomats abroad to specially trained squads, similar to what Israel has been doing successfully."

Official circles have indicated that Prime Minister Ozal's opposition to a "strike force" in favor of special guards is correct because Turkey is a legitimate government and it cannot employ the same methods as the terrorist organizations. Ozal's stance is explained as follows: "If a strike force is created and they undertake counterterrorist operations, Turkey will be seen as taking part in terrorist activities."

"Armenian terrorists have for a long time wanted to pull Turkey into the business of terrorism. If a counterterrorist movement is created it will mainly serve the purposes of the Armenian terrorists."

"In that event, Turkey will lose its advantageous position in international forums with respect to combatting terrorism."

In view of these considerations, it has been decided to create a protective commando system similar to the marines in U.S. embassies and the defensive measures taken at Israeli missions. Thus it has been found appropriate to train for this purpose young soldiers serving as commandos in the armed forces with the most modern security techniques and to teach them foreign languages.

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CSO: 4605/153

ARMENIAN AFFAIRS

PAPER BLASTS TURKEY FOR 'KIDNAPPING ARMENIAN LEADERS'

Tehran ALIK in Armenian 25 Apr 85 p 4

[Text] A few weeks ago, while the Armenian nation was preparing for April, the 70th anniversary month of the Great Genocide, the news spread of the kidnaping of Armenian Revolutionary Federation [ARF] Political Bureau member Sarkis Zeytlian and his colleague Garo Kolanjian on the morning of March 28.

This news shocked Armenian communities everywhere and spread a mood of indignation and protest among the Armenian masses.

The news was shocking, but it was not unexpected.

For the fascist Turkish government, the perpetrator of the first genocide of the 20th century, it must not be at all acceptable to see, instead of the sole museum specimen it had planned, a resurrected nation which is capable of obliterating a morally corrupt dictatorship.

The Turkish government has inherited from its Janissary ancestors not only our occupied homeland but also their genocidal skills and talents.

In their attempt to continue the genocide and to complete their unfinished task, the sons of the Talats have taken up criminal methods against the surviving masses of the Armenian nation.

In order to strike effectively they have resorted to their historical method of striking at the head first and then rolling over the body.

In the last few years we already witnessed examples of this well-known method. Conspiracies were staged against the leaders of the Armenian people: Melkon Eblighatlian in Lebanon, Hrair Khalatian in Iran and Aprahan Ashjian also in Lebanon became the targets of a Turkish government which has now resorted to state terrorism.

The fascist Turkish government has focused its poisonous assaults on the Armenian liberation movement and its armed wing, the revolutionary organizations, calling them "the puppets of international terrorism."

We do not need to discuss the absurdity of this charge. What is more interesting is that we hear a high-level Turkish delegation has secretly gone to Israel on the coattails of these conspiracies.

Of course, today we have no shortage of individuals or governments who are well-versed in and well-known for terrorist activities. It is clear, however, that the Zionist regime in Israel deserves the "gold medal" in this area with the terrorists it has trained and the abductions it has organized. Now Turkey is taking lessons from Israel to modernize its methods and is testing its newly-learned methods on Armenian leaders with an eye to drowning a revolution that is already ablaze and a movement that has already spread around the world and that has taken up its place in world affairs.

The objective is obvious and the method is an ancient one used in battlefields: To terrorize not one individual but the will of an entire nation by intimidating and terrifying it.

The persons who become the victims of these acts of terrorism and abductions are leaders of the Armenian people who have shown for the past 95 years that they are not frightened and that they will not be deterred by such breezes. When one of them falls he is replaced by another who is equally resolute. When one is abducted his work is taken over by others who have the same dedication.

Therefore, striking at individuals does not lessen Turkey's pains--not one of them. As for terrorizing the nation, it is true that it is a practical method and that it has produced successful results in the past, but Turkey should take a moment and think who it is up against. It is using this method against the Armenian people, a nation which has spent its entire life in the Turkish slaughterhouse, in a grave that Turkey has dug; a nation which has been bathed in blood, which knows Turkey well and which is familiar with the outmoded criminal method of the Turk; the Armenian nation which has gone through the genocide and has survived.

They are trying to intimidate and terrorize the Armenian with abductions.

It is absurd to believe that such an attempt could succeed.

The Armenian nation with all its ranks is capable of realizing that this latest ingenuity by Turkey is aimed at not just Sarkis Zeytlian and Garo Kolanjian but the entire Armenian nation. This is evidenced by the joint declaration issued by the three Armenian parties in Lebanon and the protests of an upright Lebanese-Armenian community.

Persecution instills strength; the harder Turkey presses against our ranks the faster we will proceed on our course.

The more the martyrs lost in the name of the timeless rights and the just cause of the Armenian nation, the thicker the ranks of those who will walk onto the battlefield and the stronger their resolve.

The Armenian nation chose this path of struggle having foreseen all these acts and having accepted the consequences, and it is prepared to respond with fire to Turkey's formerly genocidal and recently terroristic operatives.

The battle is unequal. But the Turkish government may lose its very existence in this battle while we may only lose the chains that bind us.

ARMENIAN AFFAIRS

TURKISH MINISTER REPORTEDLY 'PURSUED BY ARMENIAN TERRORISTS'

Istanbul JAMANAK in Armenian 30 Apr 85 p 1

[Text] Wellington--It is feared that Armenian terrorists may attempt to assassinate Foreign Minister Vahit Halefoglou who arrived in New Zealand from Australia.

According to a report by the Anatolia Agency, the Ministry of Internal Affairs and security officials in New Zealand are worried that bloodthirsty Armenian terrorists may infiltrate into the country to try to assassinate Halefoglou. The New Zealander authorities noted that during Halefoglou's stay in Australia five Armenian terrorists attempted to enter that country. Stating that they obtained this information from Australian security officials, the New Zealander authorities said: "We are concerned that the terrorists may attempt to enter New Zealand as well. Consequently, very strict security measures were taken around the Turkish foreign minister."

The authorities have urged border entry personnel to be alert against Armenian terrorists.

As is known, the Armenian terrorists organizations that were unmasked after the trial in connection with the Orly incident began preparing for "revenge." Last month, our embassy in Ottawa was assaulted and officials were taken hostage, but the assault ended with failure for the terrorists.

It is reported that the Armenian terrorists want to stage a big operation by attacking Halefoglou.

Yesterday, Halefoglou attended Anzac Day ceremonies in Wellington on the occasion of the 70th anniversary of the Battle of Canakkale [Dardanelles] and dedicated a memorial for Ataturk in the seaside district of Wellington. The venue of the ceremonies was cordoned off by the security forces. Airborne helicopters and gunboats in the sea surveyed the area around the clock. For security reasons, government officials barred the press from publishing the schedule of Halefoglou's activities.

Speaking during the dedication ceremonies for the Ataturk memorial, Halefoglou stressed that unlike other wars friendly ties have been established over time between the sides who fought the Battle of Canakkale.

ARMENIAN AFFAIRS

YAVUZTURK THREATENS 'TO RETURN' IF GENOCIDE PLAQUE INSTALLED

Istanbul JAMANAK in Armenian 1 May 85 p 1

[Text] Washington--A ceremony to place an Armenian plaque in the Arlington National Cemetery went ahead exactly as planned despite Turkish National Defense Minister Zeki Yavuzturk's threat "to cut his visit short and return." It is reported that "the actual plaque will be installed in place some time soon."

The "plaque incident" prompted telephone discussions between Washington and Ankara and nearly caused a crisis in Turkish-American relations. After U.S. Secretary of Defense Caspar Weinberger pleaded that "Turkish-American relations not be upset in their golden period for a simple plaque" the crisis was averted at the last moment.

The incident developed as follows:

The Armenian Church recently asked for permission from the U.S. Department of Defense to place a 3 inch by 5 inch plaque on the Tomb of the Unknown Soldier at the Arlington National Cemetery to commemorate Armenian-Americans who died during World War I.

The U.S. State Department responded to the request by recommending that the word "genocide" that had been squeezed into the inscription on the plaque be removed, and this recommendation was accepted. The inscription on the plaque says: "In memory of Armenians who fell in World War I while fighting in the Ararat Brigade by the side of the French Legion and the British Army in Palestine against the Turks for human rights." Having been granted permission by the U.S. Department of Defense a religious ceremony was scheduled to be held on April 28.

A few days before the scheduled ceremony the State Department notified the Turkish embassy in Washington about the matter. Soon after that Turkish Defense Minister Yavuzturk began his official visit to Washington. When he was informed of the matter, Yavuzturk called Prime Minister Turgut Ozal on Friday night. Ozal's instructions to him were: "Do not stay there. Return."

When the U.S. State and Defense departments were informed that the Turkish minister would cut his visit short and return to Turkey, a crisis emerged. On Saturday morning, U.S. Secretary of State Weinberger came to the Turkish

embassy in Washington even though it was a holiday and had a meeting with Yavuzturk. Weinberger said: "Do not upset Turkish-American friendship for a simple plaque." Yavuzturk replied: "I cannot tolerate the dedication of such a plaque while I am here."

After Weinberger left Yavuzturk had another phone conversation with Ozal. This time he was instructed "to continue his visit." He thus withdrew his threat to return and he paid a visit to Weinberger the same day.

Weinberger received Yavuzturk with great honors.

The dedication ceremonies at Arlington on Sunday were not attended by [California Governor George] Deukmejian despite expectations. The ceremonies were attended by 3,000 Armenians instead of the expected 10,000. In a speech at the ceremony, Congressman Charles Pashayan spoke about the Armenians killed in the war without mentioning Turkey. The officials stated that the plaque was not installed on Sunday because the inscription on it was being changed to remove the word "genocide" and that it will be placed on the Tomb of the Unknown Soldier very soon.

No U.S. government officials attended the ceremony.

The ceremony ended after wreaths were placed on the tomb of General Pershing.

Yavuzturk returns to Turkey today.

9588

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EGYPT

## SOCIALIST PROSECUTOR REVIEWS ACCOMPLISHMENTS IN ANNUAL REPORT

Cairo AL-AHRAM in Arabic 14 Apr 85 p 6

[Article by Muhammad Zayid: "Important Indicators and Proposals in Socialist Prosecutor's Report to President of Republic and People's Assembly on Year's Accomplishments; 1984 Confrontation Underlined Need To Amend Legislation To Protect Egyptian Pound; 1985 Confrontation Is Currently Witnessing Serious Investigation of Usurpers of State-owned Lands"]

[Text] In his fifth annual report to the president of the republic and first report to the new legislative session of the People's Assembly--a report published exclusively by AL-AHRAM--Counselor 'Abd-al-Qadir Ahmad 'Ali, the deputy prime minister and socialist public prosecutor, announced that "extremely important" investigations are currently underway to deal with the cases of encroachments upon state-owned land and upon the Nile River's alluvial deposits along its course throughout the country.

This new confrontation in the first months of 1985 comes in the wake of a major confrontation--as described by the socialist prosecutor's report--which characterized 1984, namely the confrontation with the "money changers and their corrupt entourage." This confrontation was recently concluded with the sentences issued by the Values Court.

But "waging this battle" with all the strenuous effort it has demanded has not, according to the socialist prosecutor, affected the continuing confrontation against the "traditional enemies" who make a business of the people's suffering. This confrontation is embodied in 395 cases investigated last year, in addition to completing the examination and referral procedures in 19,598 complaints received by the "people's attorney" from the masses, with an increase of 4,000 complaints over the preceding year.

What are the most important facts, indicators and proposals in the socialist prosecutor's report for 1984--a report in which he stresses that he has not acted in all the cases he has confronted and is confronting out of "personal hostility" toward anybody but out of "honestly exercising" all the responsibilities entrusted to him by Egypt's permanent constitution?

A passing glance at the human types cited by the socialist prosecutor's report on cases investigated in 1984 proves to the obstinate that



confronting these types cannot emanate from "personal hostility" toward them by a national agency which is entrusted with securing the people's socialist procession and their social peace. Rather, the logical conclusion is that this is a "general hostility" by the people toward those who exploit the masses' hardship and turn it into a business, not to mention the fact that the acts committed by these types constitute major obstacles that pose a threat to any accomplishment or progress that may be hoped for. The masses have now been able, as the socialist prosecutor has accurately phrased it, "to put their finger, under President Mubarak's administration, on the economic problem as the cause of all problems and a comprehensive economic and social development plan has been drawn up and is coupled with the leadership's sincere intention to implement it and to mobilize all the forces behind it."

Of these types whose acts bore through society's bones, last year's investigations included those whose actions undermined the country's economic interests and those who aggrandized themselves through misuse of office and influence and through cheating, collusion and bribery to conclude contracts with the public agencies, through smuggling and trafficking in drugs, through the illegal seizure of public monies, through trading in currency in the black market in violation of the dictates of the laws and through the corruption that has spread into numerous banks which have advanced loans and credit facilities valued at millions of pounds without any real collateral, thus violating all the banking rules and traditions and causing the monies of those banks to be lost.

The investigations also included, the report adds, the endeavors to seize state-owned lands and the division of such lands in violation of the law, tax evasion, the collection of vast sums of money beyond the sums called for by lease contracts and shipping workers abroad and seizing their wages, in addition to turning cultivable lands into wastelands so that they may be used for construction.

Of the 365 lawsuits dealing with such cases last year, the socialist prosecutor referred 47 cases to the Values Court, coupling the referral with their quest that sequestration be imposed on those involved on the cases. Meanwhile, 268 other cases were suspended due to justifications weighing in favor of their suspension, even though in some of these cases, the socialist prosecutor made recommendations which he believed would set some matters aright and fill some gaps.

There is no better proof of the thorough performance of the Socialist Prosecutor Agency, of the soundness of the investigations it conducted and of the soundness of the referral-to-court decisions it made than the fact that the Values Court responded to his request to impose sequestration in 35 cases referred to this court, turning the request for a single case in which new developments cropped up after the case had been presented to the court. Meanwhile, the other cases are still under examination by the court.

The proof that those cases hit the nail on the head, as the socialist prosecutor's report says, is shown by the fact that the Values Court turned

down all the appeals presented to it and reaffirmed the sentences imposing the contested sequestration, not to mention the fact that the Higher Values Court revoked a ruling contested by the Socialist Prosecutor Agency and responded favorably to the prosecutor's request for sequestration.

#### Twelve Million Pounds Repaid to Creditors

Inasmuch as the court decisions in these cases--in which the assistant socialist prosecutors undertake the task of prosecution before the court--reflect the truth which they symbolize, they add a lot to the burden of the Socialist Prosecutor Agency in administering the funds under impoundment or sequestration, instead of having them administered by the Ministry of Finance in enactment of a presidential decree issued in 1981. By last December, these monies were estimated at 637,339,946 pounds and 838 mils held in the form of cash, developed real estate, cultivable lands, undeveloped lands, movable assets, cars and jewelry. It is unnecessary to say how much effort is required to manage such vast funds distributed over the various parts of the country, not to mention the alertness and good sense such administration requires in order to serve the public interest and the interest of the citizens whose rights are tied to the monies of those put under sequestration, in addition to protecting the monies of the person who has sequestered himself on whose behalf the socialist prosecutor administers the money.

The report underscores two indicators which have their significance in soundly achieving the administration's objectives:

In exercising the responsibilities of collecting the revenues of the monies put under sequestration, the total sum collected amounted to 2,986,000 pounds and 120 mils, with a collection rate of 83.4 percent.

In repaying the sums owed by those under sequestration to the government agencies, public sector companies and the banks, the total sum of the debts repaid by the Socialist Prosecutor Agency to these circles amounted to 12,636,222 pounds and 428 mils.

#### Codified Verification, Not Premeditated Domination

However, securing the people's rights in this manner is always coupled with the socialist public prosecutor's performance of his responsibility to insure society's "political safety" in its capacity as the "main guarantee" for preserving these rights. Herein lies the root of the socialist prosecutor's right--a right guaranteed for him by the law to protect values from vice--to object to the nomination of candidates to membership in the local councils, in the executive boards of the union organizations, in the public unions, authorities and companies, in the press establishments and in all kinds of associations, including cooperative associations and leagues. This right entitles the socialist prosecutor to object to nomination for the membership of such organizations by any individual against whom there is serious proof of involvement in or of advocating creeds that entail denial of the divine religions or that are in violation of the dictates of such religions. Such involvement is prohibited by the penal code.

In enactment of this right which safeguards for the people the sound and firm faith among their leaders, the Socialist Prosecutor Agency received last year reports against 105,172 candidates for membership of the executive boards of public companies, cooperative associations, clubs and union organizations. The prosecutor's report asserts that an examination of all the cases did not result in an objection against any of them. Perhaps this sufficiently reassures those who feared that entrusting this task to the socialist prosecutor would be tantamount to "premeditated domination" of the positions sought by the candidates and not a "codified verification" of the soundness of the candidates' religious beliefs because the Egyptian people cannot withstand dealing with any individual who has abandoned such beliefs, since such an individual becomes incapable of honest giving when his heart is devoid of faith.

The Socialist Prosecutor Agency also received reports on 1,926 candidates for top state and public sector positions involved in guidance and leadership, positions influencing public opinion and positions of appointed members of the executive boards of public authorities and companies and press establishments. The examination dictated by the responsibilities of protecting the domestic front and social peace did not result in a single objection by the socialist prosecutor against any of these candidates because there was no justification for objection on the basis of participating in or advocating creeds entailing denial of the divine religions.

#### Complete Solutions To Correct Course

In light of the gaps through which corruption penetrates, of the paths which those seeking illicit wealth follow, of the shortcomings which the professional merchants of crises utilize and of the opportunities which those who have no compassion for the people's suffering and hardship exploit--in light of all these drawbacks which were exposed to the Socialist Prosecutor Agency through the performance of its tasks in 1984, the socialist public prosecutor's report offers a complete combination of legislative and organizational proposals and numerous recommendations which have been sent to the authorities concerned with the aim of achieving the public interest and of dealing with the shortcomings. This means that the task is not just a "control" task leading to the rendering of accounts before the court but is also a "curative" task that leads toward the right path of insuring society's safety.

#### Regarding Legislative Aspect

The proposals devote a great degree of attention to the means to "block the gaps" in the face of the foreign currency merchants who have accumulated considerable fortunes as a result of their illicit activity in this sphere--an activity which has led to hiking the prices of foreign currencies and reducing the Egyptian pound's value. The proposals stress the need to reexamine the existing currency laws so as to attain legislative regulations and solutions that realize essential requirements, namely the state's protection of its national currency, which secures the foreign currency

needed for economic development and, at the same time, enables the citizens to benefit from the foreign currency they earn from their work.

If the existing laws permit the possession of foreign currency and, at the same time, prohibit the circulation of such currency except within the narrowest limits, then it is necessary to intervene legislatively to eliminate this contradiction and to achieve, as the report puts it, "state control over the foreign currency resources inside the country, to eliminate the local middlemen, to encourage Egyptians working abroad to remit their savings to the Egyptian banks and to try to fix and stabilize the Egyptian pound's exchange price versus foreign currencies."

If the law confronts the civil servant and people in a similar position with a stiff punishment for seizing public monies, then it is required that the same punishment be meted out for others who commit this crime, which poses a grave danger to the economic interests of the socialist society. The current penalty for such people does not exceed the punishment meted out to those engaged in ordinary theft.

To confront those who market damaged food commodities that are unfit for human consumption, thus disregarding the penalties stipulated for the importation of such commodities, it is required that the penalties be stiffened so that they may deter such corrupt people. It is also required that a complete legislative regulation be drawn up to insure serious control over all phases of the importation process and over the circulation of such commodities.

Because the housing problem is one of the most significant and complex problems from which all sectors of the people suffer, there must be legislative intervention to prevent some property owners from circumventing the law that prohibits the sale of more than one-third of the entire area of the housing units such as condominiums. Those who circumvent this legislation claim that the legislator has not spelled out clearly what is meant by this phrase and they thus resort to renting two-thirds of the housing unit and selling the remaining third. This "interpretation by the circumventers" is absolutely not what the law means, since the law wants two-thirds of the apartments to be set aside for rent out of compassion for the people, the majority of whom cannot afford the purchase prices.

#### Regarding Organizational Aspect

Topmost among the proposals contained in the socialist public prosecutor's report is the proposal stressing the need to supply the authorities supervising the cooperative housing associations with a sufficient number of experts and specialists to insure effective control and to prevent the corruption and negligence exposed by the investigations conducted last year with a considerable number of housing associations which committed gross violations. These violations consisted in a failure to abide by the prices stated upon the conclusion of contracts, in the prolonged delays in delivering sold units, in lax management and in the failure to keep proper account books.

To foil the attempts of many people with large incomes to conceal the real volume of their activities and incomes for the purpose of evading the national obligation of paying taxes--attempts exposed by the prosecutor's investigations--it is necessary to take "specific steps" to verify the citizens' real incomes and to make them pay taxes for these incomes, without negligence and without excess.

To protect the people's public property, vast areas of which have been subjected to acts of encroachment, the proposals urge speeding up the formation of committees to make a complete inventory of the property encroached upon and to take immediate steps to eliminate the acts of encroachment so as to protect the public property from loss and tampering.

To block the numerous gaps through which some weak-spirited importers, as the socialist prosecutor's report put it, have been able to penetrate and to bring most their goods, especially timber and spare parts, into the country without paying the due customs fees for them, thus causing the gravest harm to the public treasury's revenues, the proposals urge the customs agencies to review comprehensively the procedures for clearing imports so as to discover the gaps through which evaders of customs fees penetrate and to formulate solutions to eliminate this widespread phenomenon.

Concluding his report, Counselor 'Abd-al-Qadir Ahmad, the socialist public prosecutor, said:

"All we hope for is that it will be firmly established in the heart of every citizen that illicit profits, however brightly attractive, easy and lasting they may look, are transient and will be exposed and that lawful profits, small as they may be, are lasting and perpetual."

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EGYPT

## INVESTMENT COMMITTEE DECISIONS ON LAND RECLAMATION, OTHER PROJECTS

Cairo AL-AHRAM in Arabic 15 Apr 85 pp 1, 10

[Article: "Plan to Reclaim 50,000 Feddans in Wadi al-Rayyan Approved; Higher Investment Committee Decides To Offer Reclaimed Lands for Sale at Price Ranging from 100-400 pounds per Feddan; Developing and Enhancing Port Said Governorate and Solving Free Zone Problem; Impermissibility of Contracting with Foreign Expert Firms Except Through Ministry of Planning"]

[Text] At its meeting yesterday under the chairmanship of Prime Minister Kamal Hasan 'Ali, the Higher Investment Committee approved the memorandum submitted by Dr Yusuf Wali, the minister of agriculture, regarding the broad lines for the reclamation and cultivation of 50,000 feddans of land in Wadi al-Rayyan and regarding the division of these lands into parcels of a certain acreage. Individuals and associations will be permitted to purchase parcels of this land, provided that cultivation be started within a year of the allotment of land to the buyers. Approval was also given to setting up an automated service station to serve the community and to building a network of temporary roads, also to serve this community. Land prices in this area have been set at a range of 100-400 pounds per feddan.

The Higher Committee also discussed several memoranda on developing and enhancing Port Said Governorate, on solving the governorate's problems and on dealing with some of the free zone problems. It agreed to subsidize the Port Said Governorate housing projects by increasing the investment appropriations by nearly 2 million pounds beyond the appropriations allocated for this year and estimated at 4.5 million pounds.

The committee also agreed to supply electricity to the areas located south and west of Port Said in order to encourage the establishment of industrial investment projects in these areas.

It was also agreed to form a working team comprised of the ministers of finance, economy, agriculture, industry, petroleum, supply, housing and cabinet affairs to conduct a complete study on the free zones in general and to evaluate their performance and the proposals to develop these zones in order to obtain optimum use of them in serving the national economy. The study will also cover all the problems facing investors and the requests made by investors to convert a number of projects set up in accordance with

the free zones system to the system of investment within the country. The study will look further into the points raised regarding the obstacles hampering the activity of supplying ships at Port Said.

The working team will also draft a report on the development of Port Said, which is actually stipulated in the 5-year plan, and on coordination with the Ministry of Petroleum to determine the oil installations and storage facilities that must be moved to the east in order that the development plan may be implemented. The team will also conduct on-the-spot inspections.

Kamal Hasan 'Ali pointed out during the meeting the importance of conducting complete studies to develop and advance Port Said Governorate in a comprehensive manner that covers all the economic aspects, utilizing all the tourism facilities offered by the governorate and expanding land cultivation according to a comprehensive study in which a working team comprised of the ministers of planning, construction and petroleum, the Port Said governor and the ministers of local government and of cabinet affairs will participate.

Safwat al-Sharif, the minister of information, stated that the prime minister announced at the outset of the meeting that no ministry, public authority or organization or any of the republic's governorates may hold negotiations or conclude agreements with any foreign international party, organization or expert firm on conducting studies or research or on training grants unless this is done through the Ministry of Planning and in accordance with the principle of concluding, when necessary, personal contracts for a specific purpose.

The prime minister pointed out that the rule is to utilize Egyptian experts and Egyptian establishments to conduct studies or training, also provided that the Ministry of Planning review the already existing contracts and exert efforts to utilize fully the Egyptian research centers, the Scientific Research Academy, Egyptian universities and Egyptian training centers.

The minister of information also stated that the Higher Investment Committee approved the Ministry of Agriculture's memorandum on developing the southern coast of Lake Qarun in al-Fayyum Governorate in an area of which 85 percent is owned by the Ministry of Agriculture. The committee also recommended that the feasibility study for this area be conducted, that all construction work there be stopped and that the area be expropriated.

The committee also approved in principle the formation of an investment firm subject to the investment law to act as a holding company whose main objective is to develop and advance this area. The Ministry of Agriculture, al-Fayyum Governorate, a number of banks, insurance and tourism firms and specialized tourism development firms are to participate in this holding company. The company will also plan the use of the land and of the various villages all along the southern coast of Lake Qarun, provided that a detailed plan for the villages and areas proposed for development be drawn up and that the total cost of each project be outlined separately. The holding company will also have the power to present these projects to

national and foreign investors or to form its own subsidiaries, provided that construction of the tourist villages be in accordance with a unified architectural design compatible with the environment and with using the area's available construction materials. The committee also recommended that steps be taken to broaden the Cairo-al-Fayyum highway and that a study be conducted on building temporary roads to the lake's southern shore.

The prime minister also pointed out that these conferences [not further identified] support planning for the next 5-year development plan and are beneficial to the Ministry of Planning and to all the other ministries in drawing up a complete plan that takes into consideration immediate and long-term requests that are compatible with the need to develop the various communities and beneficial in enabling the provinces to contribute to the development plan within the framework of the comprehensive plan.

The Higher Investment Committee then reviewed a study on the Egyptian vegetable-oil industry and its products and the investments needed to develop this industry. The study puts the facts before the eyes of the ministries of planning and agriculture so that they may draw up their plans to determine the acreage to be cultivated with seeds for the production of oils, to evaluate the current capabilities and the projects being implemented in both public sector projects and private sector investments, to develop a concept regarding the future of this industry and to determine the sums of money needed to import seeds for the production of vegetable oil and its derivatives, namely cooking oil, synthetic vegetable fat and fodder?

The committee recommended that the opportunity be made available to foreign capital and the private sector to invest in the vegetable oil and oil-derivative industry. It also approved in principle the improvements needed to put into operation the idle capacities of the oil production plants and to secure the financing necessary for these improvements during the current 5-year plan. The committee further approved in principle the new edible oil production projects, provided that complete feasibility studies be presented for them and that the Ministry of Agriculture take part in determining the raw agricultural materials needed for the production of vegetable oils and their derivatives so as to insure that the new expansions produce economically.

The Higher Committee then studied a comprehensive memorandum concerning the dairy industry and products. Engr Muhammad 'Abd-al-Wahhab, the minister of industry, said that the milk collection centers belonging to and existing in the dairy-producing governorates have the full capacity to absorb the milk delivered to them at a price of 23 piasters per kg of refrigerated milk and 18 piasters per kg of unrefrigerated milk. The minister also said that milk producers must turn to the collection centers to deliver any quantities they have at these prices. The minister of industry also pointed out that the current production capacity of the plants can absorb all the volume delivered to them, whether for the purpose of bottling, distribution or processing. The Higher Committee approved the urgent expansion plan, which is scheduled to be implemented in 1985-86 and



1986-87. This plan will make it possible to pasteurize all the quantities of milk sold by roving vendors and to bottle this quantity, estimated at 400,000 tons a year, in containers fit for use. A total of 125,000 tons will be used to operate the public, private and investment sector plants at full capacity. New production units will be set up to pasteurize and fill the remaining quantity, amounting to 275,000 tons. The committee approved the construction of nine production units at an investment cost of 27 million pounds.

Approval was also given for the construction of two units to produce white cheese, with each unit having an annual production capacity of 30,000 tons, at the Egypt Dairy Company at a total cost of 13 million pounds.

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EGYPT

PERSONAL STATUS LAW CHANGES DISCUSSED

Cairo AL-AHRAM in Arabic 6 May 85 p 1

[Article: "After Personal Status Law declared unconstitutional, final judgments take effect; courts resume application of old laws"]

[Text] The Supreme Constitutional Court's judgement the day before yesterday that the Personal Status Law was unconstitutional has had a variety of repercussions with regard to verdicts issued in accordance with it and with regard to the appropriate law to be applied now. This follows the decision by the Supreme Constitutional Court to end application of the Personal Status Law in the courts beginning the day following publication of the judgement in the OFFICIAL GAZETTE.

AL-AHRAM's correspondent learned that the following will result from the decision that the Personal Status Law is unconstitutional:

--In cases for which final verdicts have been issued by the Courts of Appeals in accordance with this law, the verdicts will stand, because they have already taken effect with respect to the parties involved and the general public. Stipulations made in accordance with these verdicts will remain in effect.

--In cases now in process in personal status appeals courts, application of Law No. 44 of 1979, which was declared unconstitutional, will cease. These courts will commence application of the Personal Status Laws which were in effect before some of its provisions were amended and which were originally enacted between 1920 and 1929.

--In new personal status cases the old laws enacted between 1920 and 1929 will be applied.

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EGYPT

## DETAILS OF 1984 CAIRO DEFENCE EQUIPMENT EXHIBITION

Paris AFRICAN DEFENCE in English Apr 85 pp 43-62

[Text] Representing 19 different countries, over 179 exhibitors took part last November 10 through 16 in the first Cairo Defence Equipment Exhibition, held at the Almaza airbase and sponsored by the Egyptian Ministry of Defence and Ministry of Military Production.

This exhibition, held at a particularly privileged meeting point between East and West and North and South, was primarily designed to display and promote the military systems, land and aerial weaponry, munitions, personnel carrier vehicles and aircraft manufactured in Egypt by 19 firms employing a total of 70,000 people. The event showcased the technical and industrial power Egypt has developed, along with the assistance it is now capable of offering to Arab and African nations and to other friendly countries in the areas of defence equipment supplies, technical assistance, repairs, instruction and battlefield training.

Foreign manufacturers were also on hand from Austria (1 manufacturer), Belgium (2), Brazil (2), Canada (1), Spain (4), the United States (32), France (44), United Kingdom (25), India (1), Italy (26), Iraq (1), Pakistan (1), West Germany (14), the Netherlands (2), Portugal (1), Sweden (1), Switzerland (1) and Yugoslavia (1), exhibiting the most advanced technology available today in the area of land, naval and aerial defence equipment, along with the contribution they are either in the process of providing or able to provide for Egypt. Following is a complement to African Defence Journal's first summary of this event, published in African Defense Journal no. 52 in December. This important exhibition was visited by military delegations from: Austria, Abudhabi, Cameroon, the People's Republic of China, Cyprus, North Korea, Dubhai, Barhain, the United Arab Emirates, Ethiopia, France, United Kingdom, Indonesia, Iraq, Jordan, Kenya, Kuwait, Oman, Pakistan, the Netherlands, Portugal, West Germany, Rumania, Thailand, Turkey, Senegal, Somalia, Sudan, Switzerland and the United States.

### ACMAT (France)

•The **VLRA military vehicle** is a tactical liaison, reconnaissance and support vehicle in service in 26 countries over the five continents. Available in different 4 x 4 (1.5t and 2.5t payload) or 6 x 6 (4.3t payload) versions including air-transportable versions, the VLRA features extensive range over desert terrain and dusty climatic conditions as well as on road surfaces such as washboard. The ALM 6 x 6 **TPK-6-40SM3** measures 694 x 225 x 190cm (height above steering wheel) and has an unladen fully equipped weight of 5,700kg (laden weight: 10,000kg). Its 138hp diesel engine gives it a maximum road speed of 90km/hour and a range of 1,600km. It can carry 21 men or 4,300kg of diverse payload, and can tow 6 additional tons when fully loaded. It can also be used as a weapon platform for the 81mm mortar or a twin-barrel anti-aircraft cannon.

### Aerospatiale.- SNI (France)

•Division Engins Tactiques.—The **AS-30 Laser heavy air-to-surface missile** is a

general-use laser-guided weapon fired from planes against specific hardened and strongly defended surface targets. The laser guidance enables the carrier aircraft to begin evasive manoeuvres immediately after the round has been fired and thus remain protected from close-in defence systems around the objective. It can be adapted to all supersonic tactical aircraft (Mirage 2000, F-16, F-4, F-1, etc). The AS-30L weighs 530kg and has 240kg of explosives in its warhead. Its effective range, according to the speed and altitude of the launch aircraft, is from 3 to 10km, covered in approximately 21 seconds. The target is illuminated either from the carrier plane or from an accompanying plane or from a ground station.

●**Division Helicopteres.**— The **Super Puma twin-turbine helicopter** for tactical transport is produced in two military versions. The AS-332B can carry 21 commandos and 2 pilots, and has a maximum external load capacity of 4,500kg. The AS-332M has a clean weight of 4,060kg and a maximum takeoff weight with external loads of 9,350kg. Its Makila Turbomeca 1,780hp engines give it a top speed of 306km/h (fast cruise speed: 288km/h) and a range of 885km (1,320km with additional fuel tanks). The Super Puma may be armed with a 20mm canon or two 7.62mm machine guns mounted in gunports, 68mm or 2.75" rocket launchers, the AS-15TT anti-shiping missile or Exocet AM-39 anti-shiping missile (made by Aerospatiale), ASM torpedos, etc.

### Agusta Group (Italy)

●**Aircraft Division.**— The **SIAI Marchetti S-211 trainer aircraft** is a tandem cockpit plane powered by a Pratt & Whitney Canada JT-15D-4C high-bypass turbojet engine. Its maximum speed is 360 knots/h (cruise speed: 350 knots/h) and its rate of climb is 4,200ft/min. At its maximum takeoff weight of 3t, it can carry 600kg of diverse weaponry on four external pylons, giving it ground support or fire training capability.

●**Helicopter Division.**— Powered by two Turbomeca Arriel 1K 723.5hp turbines, the **A-109K multirole military helicopter** has extensive warm climate flight capability. At a maximum takeoff weight of 2,850kg including 1,255kg of payload (a unit of 7 armed troops, for example), it has a maximum speed of 168 knots/h (cruise speed: 146 knots/h) and an endurance of 3 hours, or 300nm range. The A-109K can fulfill different missions including liaison, patrol, medical evacuation, SAR, and can also be armed with anti-tank missiles, rocket launchers, pod-mounted machine guns or can launch military drones such as the Mirach Meteor.

### Alcatel Thomson (France)

●The **FH-961** developed with SAT, is a **tropospheric shortwave digital unit** designed to provide mobile telecommunications networks for deployment of a large unit. Without requiring an intermediate repeater, it has an output of 1.152 or 2.048 Mbit/s over distances of several hundred kilometers. It operates in the 4.4 to 5GHz frequency range and has an adjustable transmission power between 150W and 1kW.

### Arab International Optronics — AIO (Egypt)

●Established in cooperation with United Scientific Holdings (UK), this factory has been operational since mid-1984 with 100 employees. Since March 1985, it has been producing optical units for assembly in the L12A1 7x 42 **binoculars**, the NVS-700 and NVS-800 second generation **night viewers**, the LH-80 **laser rangefinder** and the M-2 **simplified theodolite**. Assembly for these units began in 1984 with imported parts. The AIO is also to produce optical components for tank fire control systems as well as for aerial reconnaissance cameras and artillery aiming units.

### Arab Organization for Industrialization — AOI (Egypt)

This organization was created in 1975, associating the governments of Egypt, Saudi Arabia, Qatar and the United Arab Emirates. It is specialized in the aeronautic, electronic and vehicle industries. Since 1979, following the signature of the Camp David agreements, the AOI has been run entirely by Egypt, with nearly 20,000 employees. It comprises five plants of its own and four production units jointly run with foreign firms. It also has extensive human resources thanks to its Arab Institute for Aerospace Technology.

●**Arab American Vehicle Co — AAV.**— Shown were various **Jeep 4 x 4 light APCs** for civil and military applications manufactured by this firm in association with American Motors Corporation (AMC, USA): CJ-7, CJ-8, Wagoneer station wagon, J-20 and AM-720. The latter is a pickup truck that measures 549 x 333 x 136cm and is equipped with a 6 cylinder petrol engine. It weighs 4,100kg and has an on-the-road payload of 1,800kg (1,400kg off the road).

●**Arab British Dynamics — ABD**— Over 6,000 wire-guided British Aerospace **Swingfire anti-tank missiles** have been produced by ABD and delivered to the Egyptian army and then Sudan, starting in 1979. This weapon system has a range of 150

to 4,000m with a detachable four-tube launcher mounted on the back of an AAV CJ-8 Jeep or on a Waleed armoured vehicle. Originally, the launcher and its equipment weighed 300kg. It now weighs only 171kg thanks to the use of hyperite circuits instead of printed circuits and the reduction from five to two-command units (one electronic command unit and one sequence selector supplied by the BAe Dynamics Group). This means that the cost of the system has also been cut and that maintenance is much easier to perform. The system now features better resistance to sharp changes in temperature and high degrees of atmospheric humidity, enabling its storage lifetime to be doubled. For training purposes, the Egyptian Armed Forces are equipped with multirole field training simulators. Munitions for the firing units are carried by CJ-8 accompanying Jeeps, each carrying 13 missiles in their launch containers.

— The **Early Bird** is an upgraded version of the SAM-2 Soviet anti-aircraft missile developed in cooperation with North Korea. The two-stage missile has a powder accelerator stage and a liquid propellant cruise stage. It has a horizontal range of 3 to 34km and an altitude range of 500m to 28km. Its velocity is Mach 3 (weight: 2,283kg; length: 10.841m). Series production is scheduled for this year.

● **Arab British Engine Company — ABECO.**  
— This plant, initially designed with Rolls Royce, performs **assembly and revision of the Turbomeca Astazou XIV H turbine** (factory 4th level repairs). This turbine powers the Aerospatiale Gazelle helicopters produced in Egypt. The plant also manufactures components for the Turbomeca Artouste III B engine and provides maintenance for the Astazou IV railway engines and the TVZ-117A turbines used on Egyptian-made Soviet model Mil Mi-8 helicopters. ABECO is also planning to provide **repairs and maintenance** on T 55-L-11D engines powering the Agusta Bell Chinook CH-47 helicopters and for the 1400H Gnome turbines used on the Sea King and Commando helicopters made by Westland.

● **Arab British Helicopter Company — ABH.**  
— Originally set up for production of 250 Westland Lynx helicopters, ABH has recently finished **assembly of 30 Gazelle helicopters** made by Aerospatiale (SA-342L). Twelve of the helicopters are armed with 20mm canon and 18 with the Hot Euromissile anti-tank missile. The project began in 1983. The production line may be relaunched to meet new orders from Iraq and ABH may also take over assembly of the Aerospatiale Super Puma helicopter if the order covered by an agreement signed on November 10, 1983

with the French manufacturer comes to fruition.

● **Aircraft Engines Factory.** — This engine division of the AOI provides final **assembly and testing of the 80 Larzac 04 jet engines** that power the Alpha Jet, developed by Snecma/Turbomeca. It also ensures production of spare parts and maintenance for Soviet model jet engines.

● **Aircraft Factory.** — Located at Helwan, this plant will finish **assembly** next September of 37 Avions Marcel Dassault Breguet-Dornier **Alpha Jets** begun in 1983 (26 MS 1 and 11 MS 2 NGEA). A possible Iraqi order may extend the operation of this assembly line while it awaits new Egyptian orders for 15 additional aircraft. The aircraft factory also makes parts for the Alpha Jet air frame such as wing flaps, ailerons, rudders, the rear fuselage section, the housing for the cold section of the engine and avionics racks. It may also assemble Egyptian Mirage 2000 aircraft thanks to its extensive aerospace experience gained in assembling the HA-200 and HA-300 aircraft and in continually upgrading the EAF, MiG 17 and MiG 21 planes, in particular.

● **Electronics Factory.** — This factory produces field communications equipment (the Yugoslav Pupin model CTC-4 and ITC-10 telephone switching exchange, telephone equipment (Pupin IM-66 field telephone) and aerospace communications equipment (the TRT model ERA 7000 VHF/UHF unit). The plant also makes a number of electronic circuits for the Thomson-CSF Cyrano IV radar and the Matra 530 missile as well as pc boards and modules for the Thomson-CSF HUD display on the Mirage 2000, diverse avionics equipment (with TRT, the AHV9 radio altimeter), the Minnie proximity fuse (with TRT, for caliber 122, 130 and 152mm munitions) and test equipment (with Heathkit: model IG-1271 function generator, model IO-4550 oscilloscope, model IM-2212 ohmmeter, model IM-2215 digital multimeter, models IM-2400 and IM-2410 frequency counters, voltmeters, etc).

● **Kader Factory for Developing Industries.**  
— Founded in 1950, this factory produces the ab initio **Gomhouria Mark 8R trainer aircraft**, a side-by-side tandem cockpit plane, and has recently ended assembly of the first of 10 **EMB-312 Embraer Tucano ground support/trainer planes** delivered in kit form last November. A total of 110 of these aircraft are to be assembled in Egypt, including 80 for Iraq under the terms of a contract signed on December 1, 1983. In addition to 50 to 500kg **aircraft bombs**, the Kader factory ended production in October 1984 on the **Waleed** and **Kader 4 x 4 armoured vehicles**. It has also recently launched series production of

the new **Fahd** (Leopard) armoured vehicle under the terms of a co-production agreement with Mercedes Benz. This 12-person APC is a 4 x 4 with variable tyre pressure controlled from the cabin. It measures 6 x 2.45 x 2.1m and has a combat weight of 10.9t (unladen weight: 9.1t). Its Daimler Benz turbo-charged 168hp diesel engine, type DB-OM-352A, gives it a road speed of 90km/h and a range of 800km. It may be armed with three light machine guns and an optional 20mm cannon or multiple VAP rocket launcher made by the AOI (Sakr factory). The Kader factory also showed two US FMC tracked armoured vehicles. The first, an **M-106** was armed with a 120mm mortar made by the Helwan Machine Tools Company, and the other was an **M-113A2** equipped with removable armour plates on top, front and sides, capable of stopping 23mm armour-piercing rounds fired 100m away. This steel armour is 20mm thick in the front and 5mm thick elsewhere, and is set between two layers of rubber.

•**Sakr Factory for Developing Industries.**—

This factory produces the **RPG-7 anti-tank rocket launcher** and its munitions. It also makes various **artillery rocket launchers** and munitions, including the 80mm **VAP**, the **Sakr 18** and the **Sakr 30**, 120mm **illuminating or smoke rockets**, the **Hossam anti-tank grenade**, air-to-surface rockets and, in particular, the **Sakr Eye anti-aircraft missile launcher** (Falcon's Eye), derived from the Soviet SAM-7, with an IR homing head. The Sakr Eye, for which series production has recently begun, will also be given day/night firing capacity thanks to the addition of a Rank night viewer (UK). Developed with technical assistance from Thomson-Brandt-Armements, the system is equipped with a Thomson-CSF PS-340 IFF.

### **Avions Marcel Dassault — Breguet Aviation (France)**

•The **Mirage 2000** offers an exceptional cost/performance ratio and has been ordered by five different countries to date. This multirole fighter is a 10t class aircraft designed mainly to fly air defence missions: all-weather interception of enemy bombers and destruction of enemy fighters. It is also capable of flying air-to-surface missions with specialized equipment and can be refuelled in flight using a retractable refuelling arm.

A two-seat penetration version derived from the multirole plane is the **Mirage 2000N**. This plane has been adapted to low-altitude penetration missions at long distances from its home base, and carries an advanced navigation and attack avionics package. The plane is powered by a Snecma M-53 high bypass engine whose thrust, with after-

burning, reaches nearly 10t in the series versions. It has been specially designed to offer excellent acceleration at high supersonic speeds at high altitudes while at the same time satisfying the rigorous requirements of low altitude flight. It offers easy maintenance thanks to the interchangeability of all sub-assemblies (modular design).

The general aerodynamics of the **Mirage 2000** was designed to reduce drag in order to offer greater acceleration and increase the aircraft's lift at high angle flight, giving it optimized manoeuvrability for close-in aerial combat. The **Mirage 2000** integrates a wide range of technological innovations both in terms of its air frame and its avionics:

- The large surface delta wing design features advanced aerodynamics, and has automatic tips equipping the leading edge;

- The design of the wing-fuselage connection integrates the most recent techniques, providing lighter wing construction and optimized installation of the fuel tanks while reducing aircraft drag;

- The use of composite materials (carbon fiber and boron) particularly for the rudder and ailerons to diminish the weight of the plane (about 20% for these parts);

- Entirely electrical flight controls, making for easy and standardized flying under all aircraft stability conditions.

The application of these technologies and the low wing load of the **Mirage 2000** (one of the lowest for this generation of fighter aircraft) coupled with its high-thrust/weight ratio make it an aircraft that fully satisfies the requirements of air superiority missions. The **Mirage 2000** can also take off on less than 1,200m at full load. It reaches a speed greater than Mach 2.2 and a service ceiling of over 18,000m.

The multirole **Mirage 2000's** integrated weapon systems is built around a multi-function Doppler radar with a range of approximately 100km. This radar gives it interception capability at all altitudes, including against very-low-altitude planes. Two synthetic CRT displays provide the pilot with all necessary data in either head-down configuration on a wide screen radar or HUD using superposition on the windshield glass. Its avionics contains a number of advanced technology components, including:

- inertial navigator,

- two main computers for system management and attack, a **DIGIBUS** multiplexed data transmission system which enables the **Mirage 2000** to fly air-to-air and air-to-surface missions with maximum efficiency.

The integrated weapon system aboard the

Mirage 2000N (penetration) is derived from the weaponry carried by the multirole version with the following differences:

- a specialized Antelope radar for following terrain variations in place of the multifunction radar,

- two inertial navigators.

This enables the aircraft to fly low-altitude penetration missions at high speed and great distances from its home base with maximum efficiency.

Finally, the Mirage 2000 may be equipped with an internal electronic countermeasure system for threat detection (passive system) and threat jamming (active system). The Mirage 2000 has five external pylons under the fuselage and four underwing pylons, letting it carry over 6t of external payload in addition to its two internal Defa 554 30mm cannon (250 rounds) on the multirole variant. With additional fuel tanks, the Mirage 2000 can cover over 3,400km. At the end of 1985, Egypt may receive its first Mirage 2000.

### Armourshield (UK)

- The model **FW-25TF** bullet-proof vest is comprised of front and back plates made of a composite ceramic compound. It offers protection against 5.56mm × 45 AP and 7.62mm × 39 API projectiles, or against 7.62mm × 51 AP rounds fired 5m away.

### Bazan Empresa Nacional de C.N.M. (Spain)

- Developed according to Spanish Navy specifications, the **Descubierta class Corvette** is an anti-aircraft combat, ASW and anti-surface shipping vessel with a displacement of 1,500t fully loaded. It measures 88.88 × 10.40 × 6.20m. It is powered by four Bazan-MTU diesel engines (16MA956TB91), each generating 4,500hp maximum continuous output and driving two shafts. This gives it a maximum speed of 28 knots (sustained speed: 24.5 knots) and a range of 4,000nm at 18 knots. Its armament is comprised of an Ota Melara 76/62 C cannon (600 rounds), a twin-barrel 375mm Bofors ASW rocket launcher (24 rounds), two single Bofors 40L70 cannon (3,000 rounds), an 8-tube Albatros surface-to-air missile launcher (16 missiles), two triple MK-32 torpedo launchers and 8 Exocet or Harpoon sea-to-sea missiles. It carries a crew of 148. In Africa, the Descubierta class is in service in Morocco (×2) and in Egypt (×2).

### Bharat Electronics — BEL (India)

- With four plants employing some 17,000

people and three new units under installation, BEL is India's leading professional group in electronic. In particular, it manufactures **radio communications and navigation equipment, radars, switching systems and antennas.**

- The **VHF model LVM 225 portable transceiver** operates in the 30 to 75.975 MHz frequency bands with 1,840 channels available at 25kHz increments. Its nominal output power is 5W/25W. It weighs 6.5kg and measures 350 × 104 × 260mm.

### Berema (Sweden)

- The **Pionjär model 130 military jack hammer** is a stand-alone unit equipped with a two-speed 185cc petrol engine, giving it a power of 20kg, equivalent to a pneumatic jack hammer. It weighs 24kg and measures 690mm in length. The Pionjär can be fitted with various tools on its 22 × 108mm chuck for demolition, perforating, digging or compacting work.

### Beretta (Italy)

- The **Series 81 pistols** (81 BB and 82 BB in 7.65mm and 84 BB and 85 BB in 9mm short barrel) are semi-automatic double-action weapons designed for defence applications. They measure 172mm in length, 122mm in height and 35mm total thickness (barrel length: 97mm). The type 84 BB weighs 660g with its 13-round zig-zag magazine empty.

- The **PM-12S sub-machine gun** is a caliber 9mm Parabellum automatic weapon that operates using the blow-back system (weight recoil) and can be fired in bursts or single-shot mode. This extremely compact weapon measures 660mm in total length (418mm with the stock folded; barrel length: 200mm) and is 244mm in height with its 32 round magazine. The PM-12S weighs 3.77kg loaded. Its theoretical rate of fire is 550 rounds/min. and its muzzle velocity 430m/s.

### BMY (USA)

- The **M-110A2 self-propelled gun** is armed with an M-201A1 203mm piece (with two rounds each weighing 90kg and having a range of 30km). Fully equipped, it weighs 28,350kg and measures 10.73 × 3.15 × 3.14m. Its turbo-charged Detroit diesel 8V71T 405hp engine gives it a speed of 54.7km/h and a range of 523km. It is crewed by five men.

- The **M-88A1 tracked armoured breakdown vehicle** has a combat weight of 50,803kg and measures 8.27 × 3.43 × 3.12m. Its Teledyne Continental AVDS-1790-2DR (RISE) diesel engine generates 750hp, giving it a maximum speed of 42km/h and a range of 483km. It has a tow capacity of 40,824kg. Its cupola is armed with an M2HB Browning 12.7mm heavy machine gun.

## **Borletti (Italy)**

•Designed to equip 155mm artillery shells, with or without base bleed, the **FB 375 proximity fuse** uses a Doppler effect electronics triggering system coupled with an impact trigger. It is adjusted to explode a warhead 10m from the ground at any angle (30°, 40° or 60°) or in any geographic or climatic environment.

## **Casa (Spain)**

•The **CN-235** multirole military transport aircraft has STOL capability and is a newcomer to this wellknown range of medium tactical pressurized cabin aircraft. It is equipped with a rear loading ramp. The CN-235 can carry 41 paratroops, or 22 infantry men, and an APC, or 24 stretchers and 4 medics. It can also fly electronic warfare missions or maritime patrol or ASW combat, armed with two Exocet AM-39 missiles or with two Whitehead A-244S torpedos. A twin-turboprop high-wing aircraft powered by two GE CT7-7 engines, it has a total takeoff weight of 14,400kg (total payload: 5,000kg or 50.24m<sup>3</sup>). With an 1,800kg payload, its range is 4,750km. For an airlift mission with 41 paratroops, it has a 900km radius of action.

## **Central Automatica Electrica Portuguesa (Portugal)**

•The **P/PRC-425 transceiver** is a modular VHF/FM unit that operates in 10MHz bands in the 30 to 76MHz bandwidth. The basic model operates from 47 to 57MHz; 400 channels are available at 25kHz increments, and its output power can be switched from 3W to 15W, enabling it to provide tactical links out to 8km or out to 30km with special adapted antennas. With its batteries, it weighs 6.8kg and measures 350 × 270 × 90mm.

## **Cilas Aicatel (France)**

•The **TM-22 laser rangefinder viewers** feature a stabilized line of sight. These viewers have been developed in cooperation with British Aerospace Dynamics, and group together in a single unit all of the features performed by the TM-18 laser rangefinder binoculars and the GS-907 stabilized binoculars. The TM-22 has a magnification of × 6 over a field of vision of 7° (120 mrad). Its measurement field ranges from 150m to 9,990m. The TM-22 weighs 3.4kg without battery and measures 282 × 252 × 80mm.

## **COFRAS - Compagnie Française d'Assistance Specialisee (France)**

•For all French-made armaments in service in foreign armed forces, this firm provides **personnel training** at every level in order to ensure optimized operation of advanced equipment as well as **maintenance** through continuous, customized logistic support. COFRAS also designs **specialized infrastructures** required (instruction platforms, firing ranges, repair shops, parts warehouses, etc) along with **teaching materials** that are both highly effective and modern.

## **Colt Industries (USA)**

•Fitted on the M-16A1 or M-16A2 assault rifle is the M-203 40mm **grenade launcher** (1 round). It gives a single weapon the ability to fire 30 5.56mm × 45 NATO calibre rounds and an entire range of 40mm munitions (HE, HEAP, practice, etc) generally fired by the M-79 launcher. Loaded, the M-203 weighs 1.63kg and measures 38.1cm total length, 8.4cm in height and 8.4cm in width. With a maximum range of 400m, the HE M-406 round (muzzle velocity: 74.7m/s) has a lethality radius of 5m and the M-433 HEAP (for High Explosive Armour Piercing) fragmentation round can pierce over 6cm of steel armour.

## **Contraves (Switzerland)**

•The modular design of the **Gun King optical sight** enables it to be fitted to all types of anti-aircraft cannon in calibre 20mm to 57mm now under production or in service in the world. Controlled by a microprocessor linked to a laser rangefinder, the Gun King automatically calculates firing parameters. It can also control the periscope of a day/night viewer, the rangefinder in its tracking phase and artillery pieces using servo-control systems. At the optimized moment for the highest direct hit probability, the operator receives an audible alarm signalling the objective engagement command. The Gun King, which can operate as a single control unit for direction of several artillery pieces, is also available in a gyro-stabilized naval version.

Egypt has ordered a Gun King that is to be tested on a ZU-23M/2 towed gun made by the F-100 Abu Zaabal Engineering Industries Company plant at Heliopolis. This ZU-23M/2 will be linked to a low and very-low altitude towed search and acquisition radar made by Contraves (Shorar or LPD 20 type) and can control four artillery pieces not equipped with the Gun King.

## **Creusot Loire Industrie (France)**

•The **CB-127 circular shield** for the Browning M2HB 12.7mm machine gun with a standard 100-round box, is designed to equip any transport or combat vehicle. It is



mounted on an opening 705mm in diameter in the roof of the vehicle at the operator's shoulder level. With its doors open, it provides highly effective lateral and frontal protection. It features 360° rotation and an elevation range of -15° to +65°. Its total weight fully armed ready to fire is 173kg.

•The **T-20 one-man turret**, type A, can be fitted with most existing 20mm cannon (with 120 rounds) and 7.62mm machine guns. The T-20 can be used to equip all armoured transport or combat vehicles and performs three functions: support for ground unit, short-range self-defence against low-altitude aircraft and close-in defence. This 360° azimuth weapon has an elevation range of -8° to -55°. With the pieces and ammunition, it weighs 900kg. Observation is performed via five periscopes and a swivelling G-6 integrated viewer.

•The **AMX-13 armoured tracked vehicle** family is available with either petrol or diesel engines and includes a number of vehicles and pieces: 155mm self-propelled howitzer, recovery tank, engineering combat vehicle, bridge, layer, tank with 105mm gun and others for a total of 14 different models. Included in this range, is the **AMX-13VTT/VCI** (for Vehicule de combat d'Infanterie) personnel carrier and infantry combat vehicle (MICV). This model can carry a 12-man unit in an entirely enclosed and specially designed compartment. It has integrated armament (7.62mm, 12.7mm machine guns or 20mm cannon) mounted on a circular shield or a coupler, along with 10 gun ports and wide access doors (two rear doors and four fold-down side panels). It measures 5.156 × 2.510 × 2.400m. With a total combat weight of 15t, the AMX-13 has a top road speed of 60km/hour and a radius of action of 300/350km and an endurance of 9 hours.

### **Crouzet (France)**

•The **HSH2A daylight sight** has been developed for fire control aboard light helicopters equipped with a fixed cannon or with rockets or missiles. It displays cross hairs marked out to infinity and mobile in elevation (-10° to +7°) and azimuth (+6° to -6°) to the pilot. These values are compatible with both air-to-ground and air-to-air firing modes. The total field of the optical system is 130 millirads, which enables the pilot to perform very rapid target acquisition and easily retain the cross hair image projected. The elevation and azimuth line of sight servo-commands are performed either by an electronic control unit for air-to-ground firing or using a fire control computer for air-to-air combat. The ergonomic design of this sight features reduced size and weight (2kg) and

enables it to be fixed to the roof bow of the helicopter canopy. Its mirror may be removed when not in firing phase. This makes it easy to integrate the unit in the cockpit with minimal blocking of the pilot's outside vision. The sight includes contrast adjustment equal to or superior to 2.5 under operational conditions, along with lighting adjustment compatible to the use of 2nd and 3rd generation night vision viewers. This provides comfortable vision for all types of missions. The simplicity and low cost of this sight make it perfectly adapted for use with armament on light helicopters.

### **CSEE — Compagnie de Signaux et d'Entreprises Electriques (France)**

•The **LAMAT close-in self-defence land-based missile launcher** is comprised of an optical fire director or target search and designation and two lateral ramps that carry 4 to 6 very short-range ground-to-air-missiles. Entirely stand-alone, the LAMAT, which weighs only 800kg loaded and equipped with a day/night IR camera, can easily be installed on any all-terrain vehicle. The weapon system is available in the LAMA naval version as well and features extensive protection against electronic countermeasures.

•For personnel training and instruction for combat units under realistic conditions at reduced costs, the range of **Talissi fire simulators** provides simulation of weapons with maximum realism at all phases of instruction whether for individual firer instruction, group instruction or combat unit training, tactical training of a unit and checking of its operational aptitude, combined arms manoeuvres or refereeing. This family of laser simulators features inter-compatibility and is designed to enable dual firing between direct firing weapon systems (ballistic or guided) of either the same types or different types (tank guns or armoured vehicle guns of all calibres from 75mm upwards, firing stations for anti-tank missiles such as the Milan, Hot, Dragon, Tow, etc, automatic vehicle-mounted or airborne cannon, etc.) The transparent simulator device obliges the firer to use his weapon as if under actual firing conditions. The Talissi provides continuous measurement of aiming data and compares them to the values required to score a hit. It calculates the departure of the round and its impact if the objective is reached. In this case, the enemy simulator is neutralized.

### **Defence NBC (France)**

•This associations groups 16 manufacturers certified by the French Army

and promotes a range of **equipment** and **products** designed for protection against NBC effects (nuclear, biological and chemical). This provides a response to the threat posed by nuclear weaponry or by toxic biological or chemical weapons. Included in this range of equipment are clothing, masks, shelters, protection devices and various decontamination systems.

### **ECIA — Esperanza y CIA (Spain)**

•The **M-84 120mm mortar** weighs 294kg in travel configuration with its two-wheeled mount and 137kg in firing position. Its 1.77m long barrel enables it to fire HE rounds weighing 13,195kg at 600 to 6,725m in distance at a maximum rate of 12 rounds/min. in automatic mode or 8 rounds maximum in 2 minutes in single-shot. In addition to the HE round, ECIA also produces 120mm illuminating, smoke and practice rounds along with the sub-calibre 25mm round for low-cost training firing.

### **EDP — European Defence Products (Belgium)**

•The **Armbust short-range anti-tank/anti-personnel weapon system** is a calibre 67mm portable weapon with an expendable tube (weight: 613kg). It features a low signature (no smoke, no flash, no explosion) and high-effectiveness against tanks and armoured vehicles at ranges out to 300m maximum. With its pre-fragmented body round, it can reach effective ranges of up to 500m against troop formations and light vehicles. Its hollow-charge shell can pierce 300mm of armour. The weapon measures 850mm and has a muzzle velocity of 210m/s.

### **Electronique Serge Dassault — ESD (France)**

•The **TA-20/RA-20S short-range anti-aircraft defence system** consists of an armoured Hispano Suiza turret than can be mounted on any tracked or wheeled armoured vehicle. It is equipped with two 20mm cannon with a high rate of fire and the P-56T fire control unit with integrated optical and servo-control aiming units along with an RA-20S ESD surveillance, acquisition and tracking radar. This radar enables highly effective detection of aerial threats from low and very-low altitude planes or helicopters either moving or in stationary flight at a 12km radius around the carrier vehicle. The pinpointing function is extremely accurate and is capable of tracking two targets simultaneously. Aiming of the pieces on objectives is thus performed with great speed either automatically or using manual

aiming in the direction determined by the radar. An RA-20S radar may be used for several turrets or several gun mounts thanks to a simple data transmission link between the radar and the aircraft artillery pieces. The RA-20S was shown on the Abu Zabal Factory 100 stand mounted on an FMC M-113A2 armoured vehicle, comprising the Sinai 23 weapon system being evaluated by the Egyptian Armed Forces.

### **Embraer (Brazil)**

•Signed on September 26, 1983 for a total of US \$181 million, was a contract for 120 Tucano EMB-312 planes (Brazilian Air Force designation T-27) along with an option for 60 additional aircraft. The planes are to be delivered to Egypt and include 80 destined for service in Iraq, 10 of them in fly-away and 110 in kits to be assembled by the Kader AOI plant at Heliopolis. The first two aircraft were delivered by Brazil in November 1984 with the 85 serial number and an airframe that came off the production line on June 27, 1984. The **Tucano aircraft** has full acrobatic capability (-3g to +6g). This single turboprop tandem cockpit plane has ejectable seats. It is designed for **training and ground support** and enables pilot transition to jet aircraft. Its Pratt and Whitney PT6A-25C turboprop engine generates 750hp of maximum output giving it a cruise speed of 438km/h (rate of climb: 11.3m/s), a range of 3800km in clean configuration with two additional fuel tanks (Hi-10-Hi = 851km) and an endurance of seven hours in flight. They can carry up to 1000kg of diverse payload fitted to four underwing pylons. The Tucano recently completed a series of demonstration flights in Black Africa, including Nigeria and Gabon, accompanied by a Xingu transport aircraft. Egypt has selected the FN twin MAG pod with two 7.62mm machine guns to equip the Tucanos.

### **Emerson Electric Co (USA)**

•Designed for upgrading of 100 Egyptian MiG-21M aircraft to give them aerial combat capability with the Sidewinder AIM-9L air-to-air homing head missile, Emerson offers a modified version of the **AN/APQ-159(V)** radar which equips the Northrop F-5E aircraft. The radar is equipped with the antenna used on the all-new AN/APG-69(V) X band modular, multimode frequency agility radar to be used for upgrading the F-5A. The antenna gain is 29.5 dB. This radar will also enable the Egyptian MiGs to fire the Raytheon Sparrow AIM-7F long-range air-to-air missile.

•Shown mounted on an FMC M-113A2 APC was the **TAT-251 one-man turret** developed for the same equipment as the TUA (Tow Under Armour) system. The Tow 2 missile launcher has been replaced by a 20mm, 25mm or 30mm cannon with double feed and a 7.62mm coax machine gun. It weighs 1035kg with the M-242 25mm automatic cannon (100 rounds) aimed using the M-36 sight.

Emerson has also signalled negotiations with the Egyptian AOI for co-production of the Tow 2 anti-tank missile.

### **Enasa-Pegaso (Spain)**

•The **3055 all-terrain truck** is a 6 × 6 vehicle which can carry 30 infantry men or 10t of payload on the road (6t off the road). It can also tow a 14.5t load on the road or 7.5t cross-country thanks to its turbo-charged diesel 200hp 2000rpm engine. Its maximum road speed is 80km/h (range: 550km). Its total weight in clean configuration is 9t.

•The **BMR 3650 armoured vehicle** is designed for troop transport (13 men) and has a total combat weight of 13,750kg. In service in Egypt, it measures 6.15 × 2.5 × 2m. This 6 × 6 amphibious vehicle is equipped with a model 9157/8 306hp 2200rpm turbo-charged diesel engine, giving it a maximum road speed of 100km/h and a range of 700km. It is equipped with a CETME electric coupler controlled from the interior and armed with a 12.7mm Browning FN M2HB machine gun; 120 machine guns of this type have been ordered from the Belgium FN to equip Egyptian BMR vehicles.

### **Engesa (Brazil)**

•The **EE-T1 Osorio main battle tank** is a new armoured vehicle with excellent mobility and high protection. With a total combat weight of 39t it measures 9.995 × 3.620 × 2.371m with its gun forward (ground clearance: 46cm). Its MWM TBD 234-V12 diesel engine generates 1000hp at 2300rpm and drives a ZF LSG 3000 automatic transmission giving it a maximum speed of 70km/h and a range of 550km. It can accelerate from 0 to 32km/h in 5.2 seconds. It can climb vertical obstacles of 1.15m in height, trenches 3m in width and cross fords of 1.2m without preparation (gradient 60% and side-slope 40%). Its turret is armed with either a 105mm gun with 52 rounds or a 120mm gun with 40 rounds and 7.62mm coax machine gun, a 12.7mm machine gun on the roof and 8 smoke round launchers. The gun fire control unit has day/night capability.

### **Ericsson Radio Systems (Sweden)**

•In service in Egypt, the **Contact RL-420** is a mobile tactical **field radio relay unit** that operates in the UHF frequency range and features high ECM resistance. In TMD digital mode, any 256, 512, 1024 or 2048Kb/s transmission may be selected. In FDM analogue mode, it has a capacity of over 24 channels.

### **Euromissile (France)**

•With over 7,300 firing units and 180,000 missiles ordered by 35 different countries, the **Milan 2 light infantry anti-tank weapon system** has day/night destructive capability and a range of 2000m. With a hollow charge warhead, the wire-guided missile (diameter 115mm) has a fixed probe and carries 1.8kg of explosive octolite. This enables the Milan 2 to perforate targets protected by advanced composite armour or 1060mm of solid steel. Its deployment during recent conflicts (Falklands, Iraq-Iran) have demonstrated its anti-tank capabilities. The Milan can also fulfill additional functions such as portable artillery using igniting rounds for destruction of blockhouses or defence against low-altitude helicopters. A technology transfer programme is under study with the Egyptian AOI.

### **Expal — Explosivos Alaveses (Spain)**

•The **SB-81 anti-tank mine** is a non-magnetic mine that weighs 3.15kg, including a 2kg warhead. It measures 90 × 230mm. Contained in a thermo-plastic watertight casing, it explodes under a pressure of 180 to 200kg. It can be either manually laid or launched by an automatic SY-AT helicopter-borne distributor or the SY-TT land-based mine layer.

### **Faun (FRG)**

•The **HL30 25/52 heavy transport truck** is a 6 × 6 vehicle equipped with a F12L413F 384hp diesel engine linked to a mechanical transmission with 15 speeds forward. It measures 10.7 × 3 × 9.5m and has an unladen weight of 16t. It can carry a 15t payload at 62km/h on the road.

### **Federal Directorate of Supply and Procurement-SDPR (Yugoslavia)**

•The **M-61(J) sub-machine gun** is a calibre 7.65mm weapon that measures 517mm in length with its stock unfolded and 270mm with the stock folded (barrel length: 115mm). With its 20-round magazine full, it weighs

1530g. Its theoretical range of fire is 750 rounds/min and its muzzle velocity is 310m/s. A fire selector enables single-short or burst firing.

- The **M-70 Commando mortar** is a calibre 60mm weapon that measures 780mm in total length and weighs 7.6kg. It has a maximum range of 1630m and fires HE, illuminating, smoke or practice rounds.

- The **M-55A4B1 towed anti-aircraft cannon** is a calibre 20/3mm piece. This automatic weapon system is equipped with three 20mm cannon each having a rate of fire of 750 rounds/min with 60 rounds ready to fire (HEI, HE-T, API, API-T, AP-T, and TP-T). Its maximum horizontal range is 5500m and its vertical range 4000m. In transport position, it weighs 1350kg and in firing position 1100kg. Its elevation range is -5° to +83° and the round has a muzzle velocity of 870m/s. The J-171 fire control unit comprises an optical sight linked to a computer and hydraulic servo-control system.

- The **RBR-M-80 infantry anti-tank rocket launcher** is a 64mm weapon with an expendable launch tube. In combat position, it measures 1.2m (transport length: 860mm) and has a total weight of 3kg. At a distance of 200m, it can perforate 300mm of armour with a muzzle velocity of 190m/s. Its maximum range is 1280m.

- The **HF PRC-515 transceiver** is a portable unit that covers the entire 2 to 29.9999 MHz frequency range with 280,000 channels at 100Hz increments. Its output power is 20W. It measures 32.1 × 7.6 × 22.9cm and weighs 5.7kg.

- Having begun production in 1984 for the Yugoslav Army, the **BOV-3 armoured combat vehicle** is a 4 × 4 vehicle that weighs 9.4t. Its measures 5.931 × 2.525 × 3.210m. Its F6L413F diesel engine is rated at 110kW, giving it a road speed of 93.4km/h and a range of about 500km. It is armed with a triple 20mm canon, type M-55A4B1. This piece is mounted on the turret and is not protected. There is 22 magazines in service in the BOV-3 compartment, not accessible from the firing station.

- Resembling the BMP-1 Soviet model, the **BVP M-80A tracked armoured vehicle** for mechanized infantry deployment is an amphibious vehicle powered by a 235kW diesel engine (2500rpm). This gives it a road speed of 64km/h (7.8km/h on water) and a range of 500km (endurance on water: 21 hours). It has a combat weight of 14.5t and measures 6.420 by 2.995 × 2.60m. Its armament under the turret is comprised of an Oerlikon 20mm cannon with 1400 rounds, a 7.62mm coax machine gun with 2000 cartridges, two Sagger AT-3 anti-tank

missiles under the turret (with two in reserve inside the compartment) and 8 individual firing gun ports. Egypt has shown interest in acquiring the BVP M-80A, which can carry a complete 10-man unit.

- The **TAM-150T11BV all-terrain truck** manufactured by Tovarna Automobilov in Motorjev Maribor is a 6 × 6 vehicle with controllable tyre pressure from the cabin. It measures 6.550 × 2.275 × 2.890m and has a clean weight of 6400kg. It can carry a 5000kg payload on the road or 3000kg off the road, and can tow over 3600kg. Its 110kW diesel engine gives it maximum road speed of 85.3km/h.

- Installed on an FAP 2220BDS 6 × 6 truck chassis, the **128mm multiple artillery rocket launcher** has 32 tubes that can fire 32 65kg rockets at up to 20km in just 18 seconds. Each rocket has a 20kg warhead with 5000 steel pellets, giving it a lethal radius of 30m.

## Ferranti (UK)

- The computer-controlled **SMART** is a realistic **firing simulator** designed for inside instruction and competition training of infantry troops. Fixed, mobile or disappearing targets appear on a black and white TV screen with simulated distances of 50m, 100m, 200m and 300m. The firer uses a weapon that greatly resembles the weapon he is used to firing. This rifle is equipped with a light stylus that marks the score. A pneumatic system simulates recoil and the noise of the round is reproduced. In order to note the trainee's faults, the firing sequences are recorded and can be replayed.

## FN — Fabrique National Herstal (Belgium)

- The **60-20 MAG convertible machine gun** is a general use weapon that fires the NATO 7.62mm × 51 round using gas feed, at a theoretical rate of fire of 600 to 1000 rounds/min (muzzle velocity: 840m/s). It measures 1.26m in length, and 22cm in height and 28cm in height with its bipod. Loaded it weighs 11kg. The MAG may be used on a 360° tripod weighing 11.03kg with an elevation range of -10° to +77°. Negotiations are in progress for production of the MAG in Egypt at the no. 54 plant — Maadi Company for Engineering Industries.

## Ford Aerospace & Communications Corp. (USA)

- The **Chaparral anti-aircraft weapon system** is designed for ground-to-air combat against very-low altitude and short-range

aircraft. It is comprised of an M-54 firing platform mounted on an M-730 tracked armoured vehicle derived from the M-548. It is thus not unlike the M-48 system. Entirely stand-alone, the Chaparral performs visual detection and identification of objectives. It picks up IFF information and target pinpointing data from an early warning radar and deploys four MIM-72 supersonic IR homing head fire-and-forget Sidewinder ground-to-air missiles which are ready to fire, along with 8 additional missiles. With the addition of a FLIR unit, the Chaparral (which is also available in the M-54 fixed station or naval versions) has day/night capability. Egypt has placed an order for the Chaparral and is to take delivery this year. The system is in service in Tunisia and Morocco.

### **GEC Avionics (UK)**

•The **Skyranger radar** is designed for upgrading of the MiG-21 aircraft. It provides rapid and accurate range data required for air-to-air weapons and cannon. Also shown on of the GEC stand was the high-angle **HUD Head-Up Display** which is to equip 36 new Egyptian F-16C and D aircraft made by General Dynamics, scheduled for delivery before 1989 under the terms of the Peace Vector 3 programme (which covers four aircraft of this type to be assembled from parts).

### **General Dynamics (USA)**

•The multirole Fighting Falcon F-16 class Mach-2 has a total take-off weight of 16,057kg. Two IR AIM-9 missiles are fitted on the wing tips and it is equipped with a M-61A1 20mm gun in the port-side wing/body fairing. It also carries 5440kg of diverse armament on nine external stations. Two new versions — C and D — will be available in 1986, besides the A single-seat version and the B two-seat version. The C and D versions will feature improved avionics (Westinghouse APG-68 radar, GEC Avionics wide-angle HUD, Fairchild communications equipment). Egypt has ordered 80 F-16A and B (40 in 1980 and 40 in 1982) and 40 F-16C and D, including four to be assembled from parts. All will be powered by the Pratt and Whitney F-100-200.

### **General Electric (USA)**

•The **AN/TPS 59 air defence radar** is a tridimensional L band, long-range radar (4 to 300nm) with a peak power of 46kW. It operates in the 1215 to 1400 MHz frequency range with frequency agility.

### **General Organisation for Technical Industries (Iraq)**

•With six state-run plants, this organisation showed a range of equipment produced in Iraq. In the field of **radio communications**, on display were a number of products made under licence, including the Thomson-CSF HF/UHF TRC-300-3 and TRC-310-3 transceivers along with the VHF/FM TRC-552 and TRC-570/71 transceivers, the SAGEM CT-86 military PADX and teleprinter. **Munitions displayed were 7.62mm × 39, 7.62mm × 549mm Parabellum, 12.7mm, 14.5mm, 23mm, 30mm, 57mm, 60mm, 82mm, 100mm, 120mm, 122mm, and 130mm rounds.** The **weapons** made in Iraq include defensive and offensive hand grenades, anti-personnel and anti-tank mines (TM-59), 60mm and 82mm mortars, Beretta type 951 pistols (765mm) and type 70 pistols (9mm), infantry weapons made under Yugoslav licence (Tabock M-701B with fixed wooden stock and M-70B2 with folding stock, calibre 7.62mm × 30; the Alqudis M-721 light machine gun), the Qadesiyaa 7.62mm × 54 sharp-shooter rifle, derived from the Soviet Dragounov on which a Wild Heerbrug sight and a bayonet have been mounted, the 26mm illuminator pistol, and an Iraqi model RPG-7 rocket launcher. Also shown were 250 and 500kg aircraft **bombs** (HE and AF) along with a specially designed bomb for launching political tracts. Finally, publicity was given to a naval shipyard in Iraq that manufactures hulls for **ships**.

### **GiAT (France)**

•The most recent French armoured vehicle in which Egypt has shown interest, with discussions under way for proposed production in Egypt starting in 1986, is the **AMX-40 main battle tank**. This mid-range tank weighs 43t and is crewed by four men. It offers high tactical and strategic mobility along with optimized crew protection. Its V12X, 1100hp, 2500rpm diesel engine drives an automatic transmission and gives it a range of 600km on the road which may be boosted to 850km with additional jettisoned fuel tanks (endurance: 11 hours). Its 120mm smooth bore gun is mounted on the turret and fully stabilized. It can destroy enemy tanks up to 4000m thanks to the impressive perforating capacity of its APDS combustible shell round. The 120mm piece is backed by a 20mm coax cannon and a close-in defence machine gun mounted on the tank commander's cupola. The principal armament is linked to an automatic all-weather day/night COTAC fire control unit that provides a 90% first round strike probability against a fixed or mobile target at 2000m. The total firing sequence takes only 8 seconds.

## **GILEP (France)**

•GILEP (for **G**roupement **I**nterprofessionnel de **L**ogistique et d'**E**quipements **P**etroliers) is sponsored by the French armed forces fuel department (SEA); it groups a number of French Army supplier firms specialized in the production of oil-based products and equipment used in particular for military logistics. The group offers equipment for rear zones (infrastructure depots, transport equipment), equipment for operational or difficult access zones (advanced storage facilities, tactical transport equipment, etc), as well as aircraft refuelling equipment and other systems.

## **GQ Defence Equipment (UK)**

•For training of anti-aircraft artillery piece operators or SAM-7 missile launcher operators, the **ADT3 Air Defence Tactical Training Theatre** unit is comprised of a 17mm diameter dome that is 10m high with the internal surface consisting of a vast display screen on which 50 different scenarios, terrains and aerial objectives are projected in colour under computer control. The weapon systems installed on the circular track covered by the dome are equipped with a camera adjusted to the line of sight, and an image analyzer linked to a computer that not only records scores and firing sequences, but also generates appropriate sound effects. The ADT3 is in service in Egypt and Nigeria.

## **Hindustan Aeronautics Ltd. — HAL (India)**

•The **HTT-34 ab-initio instruction and trainer aircraft** has a side-by-side tandem cockpit and features full acrobatic capability. This is the turboprop version of the single engine HPT-32 piston engine aircraft. Its Allison 250-B17D 420hp turboprop gives it a maximum speed of 260km/h, an altitude of 3000m, a range of 450km and an endurance of 2h30' (rate of climb: 633m/s).

## **Honeywell (USA)**

•Designed for upgrading of the series T tanks, the **HITS Honeywell International Thermosight** is a **periscopic sight** that is fully modular and uses passive thermo-imaging. It is compatible with optional fire control units and enables night firing.

## **Hughes Aircraft Company (USA)**

•Deployable in fixed stations or mounted on a vehicle, the **HF AN/GRC-213 transceiver** operates in the 2 to 29.9999MHz frequency range with 280,000 available channels at 100Hz increments. It has voice, digital data, CW, LSB and USB modes, and has an output

power of 20W PEP. Frequency tuning is automatic. The unit weighs 19.5kg and measures 40.64 × 20.7 × 29.2cm.

## **Hughes Helicopters Inc. (USA)**

•Programmed for production of 675 units for the US Army, the **Apache AH-64A combat and anti-tank attack helicopter** is being designed in a naval version for the US Navy and US Marine Corps. The AH-64A, in which Egypt is also interested, is the most powerful tank killer made in the West today. An all-weather day/night helicopter, it has a tandem cockpit and is powered by two General Electric T-700GE-701 turbine engines, giving it a speed of over 300km/hour (rate of climb: 3,000ft/min) along with extensive manoeuvrability (between -0.5g and +3.5g at 7t). The AH-64A is armed on four external pylons with 16 Hellfire anti-tank missiles with laser guidance or with 76 air-to-ground 2"75 rockets, or a combination of the two, as well as with a chain gun M-230 30mm automatic gun equipped with 1200 rounds.

## **Indian Ordnance Factories (India)**

•The **E-1 120mm smooth bore mortar** has a barrel that measures 1750mm in length. With its accessories, it weighs a total of 421kg and has a range out to 8950m.

•The **1A 106mm recoilless rifle** is highly effective for anti-tank or anti-personnel combat up to a range of 1372m with HEAT munitions able to pierce 515m of steel at a 30° angle; it can be mounted on any light vehicle or on a tripod, and weighs 217.72kg.

•The **NM M-14 (M-1) anti-personnel mine** has a plastic body and measures 50 × 43mm. Its weighs 80g including 28g of explosives. The mine can be buried and is undetectable.

## **Instituto Nacional de Industria (Spain)**

•**CETME** — The **calibre 7.62mm × 51 NATO assault rifle** has a fixed stock. This automatic weapon can fire either single-shot or in burst thanks to its fire selector. It measures 1.015m in length (barrel length: 450mm) and weighs 4.475kg with its 20 round magazine empty. Its theoretical rate of fire is 500/650 rounds/min (practical rate of fire: 100 rounds/min). Its muzzle velocity is 780m/s. Its flash reducer can also be used as a grenade launcher sleeve mount. This rifle can also be equipped with a bayonet and a sight.

•**EESA - Equipos Electronicos.** — The **EE-40N proximity fuse** for 40/70mm rounds

is optimized for combat against sea-skimming anti-shiping missiles. It has three electronically programmed modes: retarded proximity with trajectory controlled fusing, round departure proximity fusing and instant percussion.

•**Empresa Nacional Santa Barbara de Industrias Militares.** — the **AMX-30E** main battle tank is built under French licence from GiAT. It measures 9.48 × 3.10 × 2.86m and has a combat weight of 36t. Its Hispano Suiza HS-110, 720hp, 2600rpm diesel engine gives it considerable mobility and a maximum road speed of 65km/h. Its turret is armed with a DEFA F-1 105mm semi-automatic gun (elevation -8° to +20°) equipped with 50 rounds (HE, HEAT and smoke), with a Browning 12.7mm coaxial machine gun with 2000 rounds and an MG-3 7.62mm machine gun on the tank commander's cupola.

### **Intora (Switzerland)**

•Produced by the Italian firm Sites de Turin, the **Spectre** sub-machine gun is a calibre 9mm × 19 Parabellum weapon with triple action. With its stock folded, it measures 350mm in length and 580mm with the stock deployed (thickness: 35mm). It weighs 2.8kg empty. There are two types of magazines available: 30-round and 50-round. Its theoretical rate of fire is 900 rounds/min and its muzzle velocity is 400m/s.

### **Iret (Italy)**

•The Industria Radio Elettrica Telecomunicazioni showed its **PRC-738 VHF/FM transceiver** which is a portable unit with frequency agility. It covers the 32 89.975MHz frequency range at 25kHz increments with 8 programmable channels. Its selectable output power is from 0.3 to 5W. The unit measures 206 × 84 × 250mm. This unit is being considered under the new acquisition co-production programme launched by Egypt for a VHF transceiver.

•The **PRC-447 HF-SSB transceiver** is a portable unit operating in the 1.6 to 30MHz frequency bandwidth. It has 283,999 channels available at 100Hz increments, 8 of which can be memorized. Its selectable output power is 4W or 20W and it features automatic antenna tuning. The unit measures 335 × 80 × 248mm and weighs 8kg with its batteries.

### **LCT — Laboratoires Central de Telecommunications (France)**

•The **Stentor** ground surveillance radar is a long-range unit. It is fully transportable and weighs only 300kg. Installed as a fixed

station, it can detect, pinpoint and recognize ground targets as well as naval targets (coastal surveillance). This X band unit (9.4 -9.6GHz) has a maximum range of 60km against a tank or truck, and 30km against a person walking. Its peak power is 60kW.

### **Lohr (France)**

•The **SMC 60DT** semi-trailer vehicle carrier weighs 18500kg and can carry a 60t payload. It has two axle assemblies, each fitted with four tyres.

•The **VPX-5000** tracked armoured vehicle features extensive off-the-road mobility and great discretion. It has a combat weight of 5800kg and measures 4.2 × 2 × 1.6m. Its BMW 180hp petrol engine gives a maximum road speed of 80km/h and a range of 350km. It can be armed with a turret or cupola fitted with the Hot anti-tank missile made by Euromissile or with a 20mm cannon or a 7.62mm coax machine gun or 12.7mm machine gun.

### **LTV Aerospace and Defense (USA)**

•**AM General Division.** — The **M-998 Hummer** multirole light vehicle has high all-terrain mobility and is air-transportable. This 4 × 4 vehicle measures 4.57 × 2.15 × 1.75m in its basic version. It can carry a 1134kg payload. Its diesel V8 6.2 liter engine gives it a maximum road speed of 105km/h and a range of 350nm. It can tow a 1542kg load. Available in 15 different versions, this range includes in particular the Tow downlink missile launcher platform that provides day and night firing for Tow-1, Tow-2 and improved Tow missiles.

### **Luchaire (France)**

•The **LU-250EG-TT** explosive bomb is a general application bomb with low-drag. Made of forged steel, it has a tapered streamlined shape and weighs 250kg including 90kg of tritonal or H-6 explosive. The bomb body includes either conical fins for high-altitude firing or retarding fins for low-altitude firing (minimum firing altitude: 15m). Although mainly designed as a smooth bomb for aircraft, it can be equipped with a mechanical or electrical fuse.

•Designed to boost the range of the Soviet 130mm round by approximately 20%, the **Base Bleed 130** is a gas generator adapted to the base of the round. Without notably changing the profile of the round, the gas generator is mounted in the existing cavity of the hollow charge shell. This does not alter the accuracy nor change the quantity of explosive material carried in the round. The gas escapes to the rear, balancing the base pressure and ambient pressure throughout the trajectory.

## Luigi Franchi (Italy)

• In service in Egypt, the **SPAS 12 special purpose automatic shotgun** is a calibre 12mm × 70 double action weapon specially designed for deployment by special forces and security forces. With its stock folded, it measures 710mm (length with stock unfolded: 930mm, barrel length: 460mm). With 6 or 7 munitions plus one in the chamber, it weighs 4.1kg. Its theoretical rate of fire is 250 rounds/min (practical rate of fire: 24/30 rounds/min). Its metal stock has a special notch that enables the SPAS 12 to be fired with a single hand.

• The **AP/AV 700 grenade launcher** fires anti-personnel or anti-vehicle grenades with an effective range of 150 to 700m and a lethality radius of 15m. The triple launcher with a land-mounted platform has an empty weight of 11kg and measures 520 × 300 × 120mm. Each 930g grenade is equipped with a 7.62mm × 51 or 5.56mm × 45 sub-munition.

## Mahindra & Mahindra (India)

• Manufactured under licence from American Motors since 1944, the **CG-4A 4 × 4 APC** has a petrol engine. Production has begun on the new **CJ-500 D** diesel engine version based on the Peugeot XDP 4.90 75hp vehicle (2112 cc). The engine drives a manual transmission with three or four forward speeds. The vehicle weighs 1100kg.

## Marconi (UK)

• **Radar Systems.** — The **S-1810CD coastal defence radar** in which Egypt has shown interest, is optimized for detection of surface targets and low-altitude aircraft in heavy ECM environments. This I band system (3cm - 9GHz) features frequency agility and generates accurate target data to missile launchers or coastal artillery. Its horizontal range is 30km against a ship or 60km against an aircraft, and 8.5km in altitude at a distance of 25km. It has a peak power of 50kW.

## MATRA (France)

• A weapon system specifically designed for carriage by the Mirage 2000 air defence aircraft, the **Super 530D air-to-air interception missile** is an all-weather, all-sector weapon designed to hit any objective up to speeds of Mach 3 from very-low altitude to 80,000 feet at any speed. It weighs 265kg and measures 3795 × 875mm and is equipped with a semi-active Doppler selection mode electromagnetic homing head. Its powerful warhead has a fragmenting munition detonated by an electromagnetic proximity fuse. It has an effective range greater than 40km.

## Manurhin (France)

• Designed for firing by the **GIAT DEFA 553 30mm aircraft cannon**, the new **Manurhin munitions** are adapted to different categories of targets. The air-to-air general-use round, designation **OMEI F-7570**, has a self-detonating and retarded fuse (designation **ML-68**) and an exploding incendiary round. It acts mainly by blast effect against aircraft and unarmoured ground objectives. As for the specific air-to-ground munitions, there are two types of projectiles: the **OPIT F-5970** perforating-incendiary tracer round used against light armoured vehicles and protected objectives, and the **OAPEI F-5270** anti-personnel HE-incendiary round with an **MRX 70** percussion fuse. The latter has a thick casing that acts by exploding shards against unprotected objectives. For training, Manurhin produces the **OXL F-2570** munitions (practice ballast shell) and the **OXT F-3170** munitions (tracer practice round).

## MEL (UK)

• The **Barbican passive electronic warfare unit** can be mounted on all 4t class all-terrain vehicles and covers radar frequencies transmitting in the 1 to 18GHz bandwidths. This **ESM receiver-analyzer** detects, identifies, pinpoints and classifies enemy radar transmission whether on the battlefield or for coastal defence.

## Metalurgica de Santa Ana (Spain)

• The **Santana 2000 Milita Land Rover small truck** is a 4 × 4 vehicle that measures 4.949 × 1.960 × 2.565m and has a maximum payload on the road of 2,000kg. It is available with a 104hp petrol engine or a 94hp diesel driving a 4-speed forward transmission and equipped with a 2-speed transfer case.

## Misar (Italy)

• The **MRP naval mine** is a general application mine that can be laid on sea bottoms at depths of 5 to 300m. It weighs 780kg and measures 209 × 433mm. It operates by three influence modes (magnetic, pressure or acoustic) that are automatically programmed by a logic microprocessor. It can be laid by submarine, surface ships or aircraft.

• The **SM-MV magnetic influence anti-tank mine** weighs 5kg including 2.6kg of explosive warhead and measures 236 × 101mm. It can pierce up to 100mm of steel. It is available in a non-recoverable version and a self-neutralizing version, the **SB MV/AR**.



## MTU — Motoren und Turbinen Union (FRG)

•The 12V331TC92 marine engine in service on the class M1 patrol boats under construction at Ismailia (Egypt) for the Egyptian Navy, and the Timsah Shipbuilding Company shipyard is rated at 1330hp (980kW) continuous output at 2200rpm, 1470hp (1080kW) at 2270rpm at continuous intermittent speed (2 hours every 12 hours) and 1600hp (1880kW) at 2340rpm at maximum output (one half hour every six hours). It weighs 3210kg and has a volume of  $2436 \times 1446 \times 1440$ mm.

## Nasr Automotive M.C. (Egypt)

•The 256-0-22-S Nasr Magirus truck is a 6  $\times$  4 vehicle that measures  $7.175 \times 2.500 \times 3900$ mm and weighs 8505 unladen. It can carry a 13,495kg payload and can tow up to 16t. It is equipped with a Deutz F8L413F diesel engine rated at 256hp at 2500rpm.

## National Organisation for Military Production (Egypt)

•Aboukir Engineering Industries Co. (Factory 10). — This factory specializes in the production of small calibre munitions of .303, 7.62mm  $\times$  39, 7.62mm  $\times$  51, 7.62mm  $\times$  54 and the M/65 reduction tube for the M-57 launcher.

— It also makes the ADK cleaning kit for brushing out of artillery pieces along with the KCO kit for scraping individual weapons and a spray can with 255g of mineral oil.

•Abu Zabal Company for Speciality Chemicals (Factories 18 and 90). — These plants produce explosives and propellant powders for use in munitions, missiles and rocket motors produced in Egypt along with industrial explosives, anaesthetics (ether), insecticides and aerosol sprays.

•Zabal Engineering Industries (Factory 100). — The ZU-23M towed mount is comprised of two 23mm anti-aircraft cannon which have a theoretical rate of fire of 800/1000 rounds/min per barrel (practical rate of fire: 200 rounds/min). It weighs 950kg and has an elevation range of  $-10^\circ$  to  $+70^\circ$ . It fires HEI and API munitions out to 2500m and has a horizontal range of 1500m in altitude. Each cannon has a total of 50 rounds ready to fire. A naval version is being adapted. The ZU-23M has been developed from Soviet design plans in cooperation with the Western firms GiAT, Manurhin and Vickers. The factory only produces the ZU-23 M on which it fits the 23mm gun produced by Factory 54.

— Designed for upgrading of Soviet T-55 tanks and produced in conjunction with the

British Royal Ordnance Factories at Leeds, the L-7 105mm cannon has a breech piece that opens to the right. It can fire APFSDS rounds at up to 3000m in direct firing and 8000m indirect firing (muzzle velocity: 1487m/s). It can also fire APDS, HEAT, HESH, practice and smoke rounds at a rate of 6 to 10 rounds/min, thus increasing the probability of a direct hit by 20 in comparison with the initial 100mm cannon. The rounds can pierce 32cm of armour as opposed to 19cm for the earlier version. Available in a modification kit, this cannon has an elevation from  $-4^\circ$  to  $+17^\circ$  and has an optional night vision system, laser rangefinder, smoke round launch and advanced high-performance fire control unit. The Egyptian general staff has not yet decided to opt for this upgrading, for which only a single prototype has been produced to date. The programme is the subject of competition with the US firm Teledyne Continental Motors which is offering its 105mm M-68 gun along with other advanced equipment (re-engining, new suspension, NBC protection, day/night laser fire control, muzzle velocity metering, etc.).

— With technical assistance from the British Royal Ordnance Factories, which is taking care of steel part supply, the D-30M towed 122mm howitzer of Soviet design began production in 1984 when some 50 barrels were produced. Its range is 15.3km and its theoretical rate of fire 6 to 8 rounds/min. In transport position, it weighs 3210kg. It can fire HE, HEAT, smoke and illuminating rounds. Its elevation range is from  $-17^\circ$  to  $+70^\circ$ .

— The M-59-1M 130mm towed gun is to be produced with steel parts from the People's Republic of China as soon as certain difficulties have been resolved. It can fire HE, HEAT, smoke and illuminating rounds out to a maximum distance of 27.15km and has a maximum rate of fire of 6 to 8 rounds/min. In transport position, it weighs 6,300kg.

— Competing in an Egyptian air defence programme consisting of integrating the ZU-23M 23mm anti-aircraft twin-barrel cannon on an FMC M-113A2 tracked armoured vehicle, Thomson-CSF (France) in collaboration with Factory 100 showed the Nile 23 automatic integrated mobile AA weapon system. Part of the Dagger family, this piece was covered by an agreement for production of a prototype signed on June 17, 1984. The Nile 23 consists of three separate units mounted on the M-113A2 and interconnected by digital transmission links.

— The acquisition unit (AU) comprises a radar which performs surveillance, threat evaluation and target designation. This radar

may be the Thomson-CSF  $\text{\textcircled{E}}$ il Vert-Plus pulse Doppler S-band unit. It performs 360° surveillance in search mode out to a range of 22km for an objective 2m<sup>2</sup> flying at altitudes between 0 and 3000m and at speeds from 30m/s to 300m/s. It also generates accurate rangefinding data for the target selected in firing mode out to 12km under the same conditions as for search and in simultaneous operations. For the Egyptian programme, this AU may be replaced or backed by bidimensional low-altitude radar stations such as the Nimer type (Tiger S TRS-2100) or by the AU systems used by the Crotae anti-aircraft weapon system in service in Egypt already.

— The fire control unit (CU) with all-weather day/night capability that receives the target designation data from the AU is equipped with a TV camera, a laser rangefinder, an IR camera, a tracking radar (Thomson-CSF Condor), a digital computer and a VDU display console. This CU features high CM resistance and performs automatic acquisition and tracking of the target selected. It supplies the artillery pieces and associated missiles with firing parameters, aims the weapons and engages firing.

— The firing unit (FU) is comprised of a twin-barrel 23mm cannon mounted on a turret with electrical servo-control (180° rotation in less than 3 seconds). This turret is mounted on an M-113A2 chassis and equipped with 2 × 50 rounds ready to fire (1200 additional rounds are available but stored inside the armoured vehicle platform). On either side of the turret which contains the operator station, an optical sight and a fire control computer, 2 × 2 missile SATCP ramps (type SAM-7) are installed.

— The tracked armoured carrier vehicle is amphibious and air-transportable. This M-113A2 vehicle weighs 11t ready for combat. Its Detroit diesel 6V53 engine generates 210hp, giving it a maximum speed of 67km/h and a range of 480km. The Nile 23 battery configuration comprises an AU unit, four CU units and four FU firing units.

— As part of the same Nile 23 programme with one prototype ordered, the **Sinai 23** is an **integrated anti-aircraft weapon system** mounted on an FMC M-113A2 chassis. It has been proposed to Egypt by Electronique Serge Dassault (ESD-France) and, if selected, will be co-produced by Factory 100. A more advanced system than the Nile 23, it includes a TA-23E anti-aircraft turret, crewed by one man. This turret is derived from the well known TA-22 turret but is fitted with two 23mm cannon made in Egypt which replace the standard 20mm cannon. It also contains an RA-20S radar made by ESD and six

SATCP missiles installed on either side of the turret. The turret has a hydraulic servo-control system and a  $\pm$  field viewer. It has 2 × 300 rounds ready to fire, directly accessible from inside the compartment, and 2 × 300 rounds for reloading. In addition, six ground-to-air missiles are stored within the compartment.

— ESD is proposing two systems to the Egyptian Armed Forces: the TA-23E/RA-20S which has a master system with entirely stand-alone capability thanks to an integrated radar, or the TA-23E satellite station without radar, using a radio link to connect it to an M-113A2 master vehicle on which the RA-20S radar is mounted, or to an M-113A2 TA-23E/RA-20S system. One Sinai 23 battery comprises a master station and three satellites to which radar data is generated over SEL type SEM-52S transceivers. All the turrets on the satellite vehicles can be fitted with the RA-20S. Validation firing for the twin Nile 23 and Sinai 23 upgraded systems is scheduled for next month.

— In 1982, the Egyptian Army launched a call for tenders for co-production in Egypt by Factory 100 of 200 to 300 **122mm self-propelled howitzers** using the D-30 gun which is identical to the D-30M towed howitzer cited above. A British firm, the Royal Ordnance Factories at Leeds and an American firm, the BMY Division of the Harsco Corporation replied to this call for tenders and presented the results of their work at the Cairo exhibition. Mobility and firing tests have been under way since July 1984.

— The D-30 semi-automatic gun is mounted in casemate configuration on these vehicles, providing a horizontal firing range of  $\pm 30^\circ$  and a vertical firing sector of  $-5^\circ$  to  $+7^\circ$ . It can engage targets with either direct or indirect view firing hollow charge munitions (muzzle velocity: 740m/s) or HE fragmented munitions (muzzle velocity: 690m/s). It can also fire smoke or illuminating rounds. The two self-propelled systems are air-transportable and each is crewed by five men.

— A British entry, the **D-30-SPM**, also designated SP-122, is a steel piece mounted on a chassis derived from the British-made CET Combat Engineer Tractor with five track rollers. It measures 7.7 × 2.81 × 2.7m and weighs 20t. Its turbo-charged Perkins TV8-540 diesel engine generates 300hp and drives a T-320 self-changing gears automatic transmission with six speeds forward. This gives it a road speed of 55km/h. It has 72 rounds in reserve, with an optional 80-round adaptor. The firing unit comprises a 360°

telescope and OD-4M-45 sight. The tank commander's cupola is equipped with a Browning 12.7mm machine gun.

— The American entry is the **ARE 122** (ARE = Arab Republic of Egypt) built on the FAASV M-992 aluminum chassis (for Field Artillery Ammo Support Vehicle) with 7 roller tracks (in service in Egypt). It weighs 23.182t and measures 6.957 × 3.150 × 2.821m. Its Detroit diesel turbo-charged 8V71T engine is rated at 405hp. It drives an Allison XTG-411-2A transmission, giving it a speed of 56.3km/h and a range of 349km. It has a reserve of 80 HE rounds, 5 HEAT rounds and 500 rounds for its Browning M2HB 12.7mm machine gun.

— Factory 100 is equipped with WMW East German machine tools for production of **rifled or smooth bore guns** of 105, 115 (for equipping of the T-62 tank), 122, 130 or up to 203mm calibre. These barrels may be made in lengths of up to 8m.

• **Armed Pharmaceutical Factory.** — Equipped with West German machine tools (Johann Weiss), this factory makes such pharmaceutical products as tincture of iodine and bandage.

• **Benha Company for Electronic Industries — Katron (Factory 144).** — This company is specialized in the production of various **electronic equipment** assembled under foreign licence: with IRET (Italy), the **VRC 538 VHF transceiver**; with Plessey (UK), the PVS-1410E transceivers (for tanks) and the portable PTR-349A transceiver; with Racal (UK), the **HF-SSB receiver** type RA-929 and the TRA-931A transceiver; with Watkins-Johnson (USA), the **HF WJ-8718A receivers**; with Ericsson-SRA (Sweden), the PL-70D and RL-420 **radio relay systems** as well as the Delta Mux transportable 15 or 30 telephone channel multiplex units; with GTE Sylvania (USA), the SB-3614(V)TT 30-line **electronic telephone switching system**; with Cubic (USA), the MMD-140 and PMD-156 **mine detectors**.

— Factory 144 also produces a **timed ignition system**, type 9925B and the type 9920B **detonator**. It has begun assembly of Thomson-CSF equipment to equip Egyptian assembled Mirage aircraft. On a short-term basis, the factory is to assemble 34 Westinghouse AN/TPS-63 aerial defence radar systems under the terms of an agreement signed on November 11, 1984, along with new VHF/FM transceivers operating on the 30 to 89.975MHz frequency range. The specific type of transceiver system to be used is to be selected in the near future by the Egyptian Army which is to choose between the PRC-738 made by Iret,

the Plessey PVS-1850, the Racal PRM-4700A, the SEL SEM 172 and the Thomson-CSF TRC-577.

• **El Maasara Company for Engineering Industries (Factory 45)** — This factory produces a number of **munitions** including: 20mm Hispano and Oerlikon HEI, 23mm NR-HEI-T and API-T, 30mm DEFA NR-30 HE-T, 37mm, 40mm Bofors HEI-T and HE-T. It also produces: **proximity fuses**, AUI-8, AU-20E and MRV-U (the latter for 122mm rockets), UTM-68PI and ILL-TPM-67 for 82mm mortar munitions, **hand grenades** for offensive use, HG (no. 2), defensive use and smoke rounds, electrical and fusing **detonators, exploders**, an **anti-personnel mine** as well as **primers** for diverse munitions.

• **Heliopolis Company for Chemical Industries (Factory 81)** — Factory 81 is comprised of two industrial units that produce **artillery munitions** in 57mm, 85mm, 100mm, 105mm, 115mm, 122mm, 130mm, as well as **mortar rounds** in 60mm, 82mm, 120mm, **anti-personnel, anti-tank and naval mines** (under Italian licence from Tecnovar), **aerial bombs, destructive and perforating charges**, warheads and bodies for rockets, **pyrotechnical devices, gas masks, tank tracks**.

• **Helwan Company for Metallic Appliances (Factory 360)** — Shown were metallic anti-tank **mines**, armour-piercing **charges**, naval destructive charges, metallic elements for trench reinforcement and individual firing station metallic components.

• **Helwan Company for Non-Ferrous Industries (Factory 63)** — This factory makes **bars, metallic parts** and components made of light alloys required for various applications such as munition casings (copper, brass, antimony, aluminum, etc.).

• **Helwan Diesel Engines Company — HDECO (Factory 909)** — This factory produces under licence: **engine pumps, electrical generator sets, and compressors** (air, fixed and mobile). HDECO has in particular manufactured 700 Plessey 1.5kW electrical generator sets delivered as of 1981, along with 500 generators under licence from the US firm Kohler. A project is under discussion for production of tow units.

• **Helwan Engineering Industrial Company (Factory 99)** — Factory 99 produces **shell casings, shells and projectiles** (including AP DS projectiles), **complete mortar rounds** (82 and 120mm) and artillery rounds in 57mm, 85mm, 100mm and 105mm (the latter under licence from the US firm Chamberlin and Friendship and General Defence Corporation, Flinchbough Division), 115mm, 122mm and 130mm. It also makes **artillery**

rocket bodies in 122mm calibre (components supplied by TI Reynolds). Also produced is the 190mm anti-runway bomb, the anti-tank metallic mine (or magnetic land and naval mines), a mine dispenser (under licence from Tecnovar) type DAT for helicopters, along with other equipment.

•**Helwan Iron Foundries (Factory 9)** — The eight production units of Factory 9 manufacture different types of breech pieces, pistons and engine cylinders as well as surgical instruments, vehicle undercarriages, steel bars, components for the D-30M 122mm howitzer mount, etc.

•**Helwan Machine Tools Company (Factory 999)** — This factory produces three mortars: the 60mm light mortar (Chinese type 31), the LM-82 82mm light mortar (Yugoslav technology transfer) with a range of between 85 and 3045m, and a 120mm mortar whose round has a range between 460 and 5520m. Factory 999 also makes the launcher for the type RL-21 (or BM-21) artillery rocket launcher with 30 122mm tubes. The rocket is fired a maximum distance of 20.4km.

•**Kaha Company for Chemical Industries (Factory 270)** — On exhibit were various pyrotechnical equipment (AP/AT grenades and mines, smoke and practice rounds, signalling rounds, illuminating and other projectiles), smoke generators, signalling fuses and cartridges, tracer tubes for munitions in 7.62mm × 39, 7.62mm × 54, 12.7mm, 14.5mm and 57mm, primers for 9, 7.62, 12.7 and 14.5mm rounds, Ni Cad dry batteries (under licence from SAFT and Alcad-Marfone) and 8C-10 battery chargers (under licence from Rediffusion).

•**Maadi Company for Engineering Industries (Factory 54)** — This production unit is specialized in the manufacture of small and medium-calibre weapons. It makes a 9mm Parabellum Helwan automatic pistol in four different models (under licence from Beretta, derived from the MK-951). The Abu Redis 26.5mm signal pistol, the Port Saïd 9mm sub-machine gun (under licence from the Swedish firm Carl Gustav SFI, model 45B), the Ramses air rifle, calibre 4.5mm, the El Nil 12 gauge shotgun (licensed by Czechoslovakia) and the El Mansoura, calibre 5.6mm (.22) training rifle under Soviet licence. It also makes the Misr assault rifle (calibre 7.62mm × 39) with a wooden fixed stock or folding metal stock (Soviet model AKM), the Suez light machine gun (7.62mm × 39 - Soviet model RPD) and the Aswan medium machine gun (7.62mm × 54) mounted on a carriage or on an armoured vehicle or on a tripod (Soviet model PK). The Austrian firm, Steyr Daimler Puch is marketing the semi-automatic model of the

Misr rifle in the United States.

Factory 54's other production includes a commando axe and knife, automobile radiators, the RPJ-2 and RPJ-7 training rounds, the ZU-23/2M 23mm cannon, a flame-thrower that can be fitted on the Misr assault rifle, surgical instruments and sewing machines. Discussions are under way for future production of the Belgium FN MAG convertible machine gun. Other negotiations with a number of manufacturers are under way for production in Egypt of a Western model 5.56mm or Soviet model 5.45mm assault rifle.

•**Shoubra Company for Engineering Industries (Factory 27)** — Founded in 1953, this factory is specialized in the production of munitions for individual or crew weapons. This production includes 9mm Short and 9mm Parabellum rounds, 7.62mm × 39, 12.7mm, 12.7mm × 99 (under FN licence), 14.5mm and M-65 RPG training rounds. In the future, Factory 27 is also to produce 5.56mm and/or 5.45mm rounds.

### **NAVFCO — Societe Navale Française de Formation et de Conseil (France)**

•The privately owned firm is linked to the French Defence Ministry by a special agreement. It provides technical assistance to foreign navies under assignment from the French Ministry. It must obtain official authorization for its other activities. NAVFCO's activities include specific studies (monitoring and surveillance of fishing waters, organisation of a naval airwing, etc), formation of crews and operational training of maritime units, setting up an installation of maintenance and logistics support units, naval engineering consulting for naval bases and naval airwing bases, etc.

### **Nicolas (France)**

•The well-know French firm now offers a tank carrier convoy. This system is comprised of a tow vehicle and a semi-trailer. The TA TT-66-OZ tow vehicle is a 6 × 6 powered by an OM 404A 520hp diesel engine. It has a total carriage and tow capacity of 150t (loaded speed: 60km/h). The CS-66-60A semi-trailer can carry a 60t tank and has two rear axles with four wheels each. The rear axles are equipped with hydraulic motors in the event that the trailer becomes stuck.

### **Noricum Maschinenbau (Austria)**

•The 120mm smooth bore heavy mortar has a 2.015m long barrel. In transport configuration, it weighs 655kg (weight in

firing configuration: 305kg). Its HE-78 round weighs 14.5kg and has a range of 400 to 8500m. The maximum rate of fire for the piece is 15 rounds/min.

### **Oerlikon Bührle (Switzerland)**

•The **GDF-003 towed anti-aircraft mount** is an advanced version of the well-known GDF-001 (former designation: 2 ZLA/353). The piece is comprised of two 35mm × 90 type KDC-RO2/LO2 automatic twin barrel cannon mounted on a four-wheeled chassis and equipped with 2 × 56 rounds ready to fire with 2 × 63 rounds in reserve (maximum tactical range: 4000m). Its rate of fire is 2 × 550 rounds/min (muzzle velocity: 1175m/s). The GDF-003 has an elevation travel of -5° to +92° and weighs 6800kg ready to fire. It fires the HEI-T, HEI, SAPHEI-T, TP and TP-T rounds. In manual control, aiming is performed using the Ferranti GSA Mk-3 sight. For automatic all-weather day or night target engagement, the GDF-003 provides an integral component of the Contraves weapon system with the Skyguard radar and TV fire control unit which has recently begun service in Egypt (type Skyguard M).

•An extremely mobile, stand-alone weapon system, the **GAI-DO1 anti-aircraft and combat artillery piece** has two 20mm cannon (former designation: HS-666A). It is mounted on a two-wheeled transport carriage. The system is comprised of two automatic KAD-B17 cannon each with 120 rounds fired at a theoretical rate of fire of 1050 rounds/min (muzzle velocity: 1050m/s). The sighting and aiming unit is equipped with a P-56 sight made by Officine Galileo and traverse and elevation are performed by a rotary drive piston engine. In transport position with ammunition, the GAI-DO1 weighs 1800kg (1330kg in firing position).

### **Oto Melara (Italy)**

•The **Oto C-13 tracked armoured vehicle** for mechanized infantry deployment has an aluminum body and weighs 12.5t. It can carry a combat unit of 11 men plus the driver. It measures 5.65 × 2.54 × 1.72m and is powered by a 320hp, 2800rpm diesel engine that drives an automatic transmission. It has a maximum speed of 70km/h and a range of 500km. In standard configuration, the vehicle is armed with a 12.7mm machine gun and has seven gun ports. A wide range of optional armament may be fitted to the vehicle: 20 or 25mm cannon or 90mm gun, for example.

•The **OF-40 Mk-2 battle tank** is crewed by four men and weighs 43t in combat configuration. With its gun forward, it measures 8.114 × 3.350 × 2.680m. Its supercharged 830hp, 2200rpm engine gives

it a maximum road speed of 60km/h and a range of 600km. The OF-40 can climb gradients of 60%, side slopes of 30%, vertical obstacles of 1.10m and cross trenches 3m wide or fords of 1.2m in depth without preparation.

Its stabilized turret is armed with a 105mm/52 calibre gun that has a practical rate of fire of 9 rounds/min with APDS projectiles (muzzle velocity: 1470m/s). It can also fire HEAT or HESH rounds. It is equipped with two 7.62mm machine guns, one coax and one on the tank commander's cupola, and with 8 smoke round launch tubes. The fire control system has a laser rangefinder, a stabilized sight and a low light-level camera. During firing tests, the system demonstrated its considerable effectiveness at the Cairo exhibition. The OF-40 Mk-2 also performed a number of mobility tests while in Egypt. In a new configuration under study by Oto Melara and Inveco, this tank will be equipped with a Fiat 1200hp engine and a French-made GiAT 120mm smooth bore gun (muzzle velocity with the APFSDS round: 1600m/s). This version is reported to interest the Egyptian Army which is looking for a future tank. The tank selected will be produced at Factory 200, on which construction work has begun to the north-east of Cairo, with engineering supplied by General Dynamics International Corporation.

•In response to an Egyptian call for tenders launched in 1983 for the acquisition of 18 coastal defence guns, the **Palmaria 155mm self-propelled howitzer** is mounted on a tracked armoured chassis powered by a 750hp supercharged diesel engine. With a combat weight of 46t and 30 rounds in the crew compartment, the system has a turret armed with a 155mm/41 calibre gun which has an elevation of -4° to +70°. The extended-range projectile has a range of over 30km.

### **Pakistan Ordnance Factories — POF (Pakistan)**

•Fourteen state-run factories produce ammunition for 60, 81 and 120mm mortars, 250 and 350kg aircraft bombs, anti-personnel and anti-tank mines, hand or rifle grenades, pyrotechnical devices, explosives, military clothing and accessories, assault rifles (G-3, G-3A3), light machine guns (MG-3 and MG-1A3P), the MP-5A2 sub-machine gun (all of these infantry weapons are produced under West German licence), along with infantry, field artillery, anti-aircraft, anti-tank and aircraft cannon munitions.

### **Peugeot (France)**

•In service in the French Army, the

**Peugeot P-4 VLTT armoured personnel carrier** is a 4 × 4 vehicle designed for all missions that can be performed by a light military vehicle. It weighs 1815 to 2270kg (payload: 1100kg) according to the different models — short or long chassis. The P-4 can climb steep gradients (73.5%) thanks to its 70.5hp diesel engine (or 79hp petrol engine). It has a road speed of 90km/h and a range of approximately 600km. The P-4 may be specially fitted for specific missions (11-seat APC for troop transport, Milan anti-tank vehicle, 106mm recoilless rifle, 12.7mm heavy machine gun, command post and transmissions vehicle, ambulance, security, armoured body, radar platform, etc.).

### **Plessey (UK)**

•Under consideration as part of a 1984 call for tenders launched by Egypt for the acquisition of 7000 **VHF/FM transceivers**, including 2000 for vehicle mounting and 5000 man-portable units, to be assembled by Factory 144 Benha Company for Electronic Industries, the **PVS-1850 Smalltalk** is a multirole combat radiocommunications system that operates in the 30 to 75.975MHz frequency range with 1840 or 920 available channels at 25kHz or 50kHz increments (8 programmable channels). It has an output power of 2W or 30W and either mobile or fixed station configuration with the addition of the PV-1868E amplifier. The PVS-1850 measures 120 × 75 × 240mm and weighs less than 2.5kg with its batteries and antenna.

### **PRB (Belgium)**

•Whether for cannon, howitzers or mortars, PRB is one of the world leaders specialized in the production of **munitions**, from 75mm to 203mm calibre. This firm also produces hand and rifle **grenades**, anti-personnel and anti-tank **mines**, **explosives**, **powders**, fireworks and detonation materials.

### **Racal (UK)**

•Replying to an upcoming Egyptian acquisition programme, the **PRM-4700A VHF/FM transceiver** is a compact unit that operates in the 30 to 88MHz frequency range with 2321 synthesized channels at 25kHz increments. Its output power in the portable version is 10MW or 3W.

•Also proposed to the Egyptian Armed Forces is the **Jaguar V VHF transceiver** which features frequency agility and extremely high resistance to electronic counter-measures (ECCM) along with the **PRM-4041A HF transceiver**. The latter has 284,000 available channels at 100Hz intervals in the 1.6 to 29.9999MHz frequency range. Egyptian Armed Forces have recently ended

operational testing of this unit. For nearly 15 years, the RA-929, TRA-931 and TA-4044 Racal units have been produced by the Egyptian Factory 144.

### **Raggruppamento Selenia-Elsag (Italy)**

•The **SL/ALQ-234 supersonic active ECM pod** is designed for carriage by combat aircraft to provide self-defence against fire control radar transmissions of homing heads equipping anti-aircraft missiles. It measures 3.825 × 4.14m and weighs 270kg. Against pulse Doppler transmissions in the I and J bands and H to J band sustained waves, its deceptive or noise jammer ensures a survival probability of 94% as opposed to 13% for an aircraft not equipped with the pod. The SL/ALQ-234 is used aboard the Mirage 5 and MiG-21 planes in service in the Egyptian Air Force.

•The **Pluto low-altitude air defence radar** is an S band radar featuring high resolution. It is capable of detecting and determining the range and azimuth of aerial objectives or surface objectives out to a horizontal distance of 60nm, travelling at speeds greater than Mach 3. Its peak power is 135kW.

### **Rheinmetall (FRG)**

•Designed to arm wheeled or tracked armoured vehicles weighing over 14t or for upgrading of the M-41, M-47 or M-48 tanks, Rheinmetall makes a **105mm gun** in three versions: 105 RR (Reduced Recoil), the LR (Low Recoil) and the SLR (Super Low Recoil). This gun can fire APDSFS, APDSFS-P, HEAT and HEAT-P projectiles.

•The firm's NWM De Kruihoorn subsidiary has developed and manufactured combat and practice **munitions** for **20 to 40mm automatic cannon** (20mm × 139, 20mm × 102, 25mm × 137, 27mm × 145, 30mm DEFA, 35mm × 228, 40mm L70 and L60).

•The Nico Pyrotechnik subsidiary showed a fire training system designed for use with the Soviet model RPG-7 anti-tank rocket launcher. The system comprises an inert rocket equipped with a reduction tube that is fitted with an 18mm tracer round. The ballistic performance of the round is practically identical to that of actual rockets.

### **Royal Ordnance (UK)**

•The **105mm light gun** was spotlighted. This piece combines high mobility thanks to its low weight (1858kg) with highly effective fire power. Its ruggedness makes it totally reliable under all operational conditions. With a maximum rate of fire of 6 rounds/min or 3 rounds/min in sustained operation, it

has a range of between 2.5 and 17km.

### **SAGEM — Societe d'Applications Generales d'Electricite et de Mecanique (France)**

•The Modular **NSM-20 navigator** can be installed on any land vehicle. It enables rapid and accurate designation of due north along with retention of initial heading and three-dimensional land navigation. This fully autonomous unit is unaffected by jamming.

### **SAMM (France)**

•The **TTB-125 turret** for armed reconnaissance, support and close-in, low-altitude anti-aircraft defence, weighs only 1800kg. It has a two-man compartment (side by side) and a hydraulic servo-system for aiming. The turret is armed with a 25mm cannon and a MAG FN 7.62mm coax machine gun. When fitted with the Hughes helicopters M-242 chain gun, the piece has a rate of fire of 475 rounds/min and an effective range of 2000m (140 rounds ready to fire and 60 reserve). Its elevation range is -8° to +50°.

### **SATC — Societe Anonyme de Telecommunications (France)**

•For high-quality communications links with great operational flexibility, the **FHM-9104** is a transportable **digital short-wave link** with integrated multiplexing. It operates in the 600 to 960MHz and can handle 10 telephone channels and 4 telex channels.

### **SEL — Standard Elektrik Lorenz (FRG)**

•The **VHF SEM-172 transceiver** is a portable tactical unit with frequency agility proposed in response to an Egyptian acquisition and production programme. It operates in the 30 to 79.975MHz frequency band with 2,000 channels at 25kHz increments, including 10 pre-selected channels. It has an output power of 0.4W and 4.W. It measures 291 × 259 × 86.5mm and weighs 4.6kg without its battery.

### **Societe des Materiels Speciaux — SMS — RVI-Creusot-Loire (France)**

•The **VBC-90 armoured combat vehicle** has a 90mm gun and uses the main mechanical parts of the VAB armoured fighting vehicle. This 6 × 6 vehicle is equipped with a 235hp diesel engine and has a maximum road speed of 100km/h and a range of over 1,000km. Its two-man GiAT TS-90 turret is armed with 20 rounds in the turret and 25 in reserve. Its powerful GiAT

F-4 gun fires armour-piercing anti-tank projectiles (muzzle velocity: 1270m/s). It is also equipped with a 7.62mm coax machine gun. The day/night fire control unit contains a laser rangefinder and SOPTAC computer.

### **SNIA-BPD (Italy)**

•This Italian specialist in **conventional and advanced munitions** in the 27mm to 203mm range for automatic cannon, recoilless rifles, field and naval artillery and mortars, also produces missile engines and warheads, surface-to-surface and air-to-surface saturation rockets, anti-tank rockets, naval ECM rounds, the **FIROS 6 (50mm) saturation rocket** for artillery use and the **Firos 25 (122mm)**. The firm proposes technology transfer for its various products.

### **SPEL — Sociedade Portuguesa de Explosivos (Portugal)**

•This firm produces **hand grenades, munitions** for mortars and artillery, rockets, **demolition materials**, and **pyrotechnical systems**. SPEL also makes the **M-411 anti-personnel blast mine** which can be used as an anti-tank mine if made with secondary explosive charges. Weighing 200g, it is equipped with a warhead containing 80g of Trialeme.

### **Steyr Daimler Puch (Austria)**

•The Steyr **AUG-A1 universal assault rifle** fires 5.56mm x 45 rounds and is series-equipped with a sight with magnification of x1.5 built into the carrying handle. This automatic weapon is available with four interchangeable barrels of different lengths and can be used in short configuration (barrel length: 350mm), assault carbine configuration (barrel length: 407mm), assault rifle configuration (barrel length: 508mm) and light machine gun configuration (barrel length 621mm). The gun uses a gas feed system and magazines containing 30 or 42 rounds. Its theoretical rate of fire is 680/780 rounds/min.

•The **GB automatic pistol** is a double-action pistol chambered for the 9mm x 19 Parabellum round. It measures 246mm in length, 143mm in height and 37mm in thickness (barrel length: 136mm). With its 18-round magazine full, it weighs 1185g. Its muzzle velocity is 370m/s.

•Following a visit to Egypt at the end of January by Austrian Defence Minister Friedhelm Frischenschlager, Egyptian and Austrian study groups have decided to carry on their work aimed at examining the possibility of establishment in Egypt of a plant for production of the **4K7FA range of traced armoured vehicles**. This range

comprises a mechanized infantry APC, a mid-range tank with a 105mm gun, an infantry fighting vehicle with a 90mm gun, a command post, an ambulance, a recovery vehicle and an engineering vehicle. The 4K7FA-KUPz 1/90 infantry fighting vehicle is air-transportable and measures 6.934 x 2.500 x 2.565m with its gun forward, and weighs 16.950t. Its Steyr model 7FA 320hp diesel engine gives it a maximum road speed of 65.5km/h and a range of 500km. It can climb gradients of 75% or side slopes of 40% and cross obstacles 800mm in height, trenches of 2.10m, fords with a depth of up to 1m. It is equipped with a turret armed with the GiAT CS-90 cannon which fires projectiles at an effective range of 925/1700m. This piece can fire armour-piercing projectiles. The turret is also equipped with a 7.62mm coax machine gun and a cupola-mounted 7.62mm machine gun. It also has a laser day/night fire control unit.

•Steyr is in the process of developing an entirely new **6 x 6 armoured vehicle range** (type RP-6L) and an 8 x 8 range (RP-85). The range comprises an APC, a reconnaissance vehicle, an ambulance, a CP, a security vehicle and a supply transport vehicle. The basic RP-6L vehicle weighs 17.5T in combat configuration and can carry infantry men (maximum payload: 2,200 kg). It measures 5.35 x 2.50 x 1.74m. Its Steyr WD 612-75 210hp turbo-charged diesel engine drives an automatic Allison MT-635 DR five-speed transmission, giving a road speed of 100km/h and a range of 600km. The RP-85 basic APC has a combat weight of 12.6t and carry 12 to 14 infantry men (maximum payload: 3400kg). It measures 5.98 x 2.50 1.74m. Its WD 612-75 engine is rated at 230hp.

### **TB Pearson & Sons (UK)**

•For demining of minefields, the **mine plough deminer** is fitted to the front of battle tanks. It consists of two plough blades, each equipped with 7 teeth which plough the ground to 230mm in depth, thus opening a path for friendly troops.

### **Tecovar (Italy)**

•The **AALM naval mine** is an anti-beaching moored mine produced under licence by Egyptian Factory 81, Heliopolis Company for Chemical Industries. With a plastic casing and total weight of 17kg, it has a 15kg TNT warhead that is detonated by three M-41 percussion antenna.

### **Thomson Brandt Armements (France)**

•Designed for installation aboard a wide range of military aircraft in clusters of 9 or 18 units, the **BAT-120 tactical support bomb** is designed for neutralization of combat

vehicle columns and for logistic support. Each bomb weighs 34kg, including 24kg of double warhead (14kg of fragmenting steel). The explosive centre of the charge is located 700mm above the ground. It is made in both AMV versions (anti-materiel and vehicle) and ABL (for anti-light armour).

•The general use **125kg retarded bomb** is derived from the type 81A fragmentation bomb. This thick-walled round is designed to generate a maximum number of fragments. Its ultra-rapid FP-78 impact fuse enables it to explode instantly at the optimal height thanks to a nose boom equipped with a piezo-electric fuse.

### **Thomson-CSF (France)**

•Shown in its actual configuration for the first time was the **GiAT AMX-10RAA anti-aircraft vehicle** comprised of a chassis derived from the **AMX-10RC** and equipped with a Thomson-CSF **Sabre 30mm twin cannon**. The armoured rotating casemate turret, manufactured by SAMM, is armed with two 30mm Hispano Suiza cannon with a rate of fire of 600 rounds/min (x2), each equipped with 300 rounds ready to fire with 300 in reserve (practical range: 3000m; muzzle velocity: 1080m/s). It is also equipped with a clear-weather fire control unit resistant to ECM which has a SAGEM Vassyla gyro-stabilized sight (target acquisition at 10km), a TV camera, a distance meter, a digital computer, three display and monitoring screens and a laser rangefinder. The turret is equipped with the Thomson-CSF **Œil Vert-Plus** pulse Doppler coherent pulse radar for simultaneous omnidirectional surveillance and rangefinding (search range: 22km; rangefinding: 12km). The Sabre has an automatic distance and bearing tracking function for the objective selected. Elevation tracking is performed using the TV camera. Reaction time is less than 5 seconds.

•As part of an Egyptian acquisition and co-production programme, Thomson-CSF proposes the **TRC-577 VHF/FM transceiver**, a modular unit designed to replace the AN/PRC-77 units in service in Egypt. This portable military transceiver operates in the 30 to 88MHz frequency bands with 2320 available channels at 25kHz increments and a selectable output power of 0.1W, 2W or 5W. For protection of transmissions, it may be equipped with a digital encoder (TRC-773B) with 16 access Kbits, or it can transmit messages in bursts with the portable TRC-743 tactical terminal. This basic component may be carried on board a vehicle under the designation TRC-779, with an output power of 30W thanks to the addition of the ALA-107 power amplifier. The TRC-577 is compact



(250 x 85 x 200mm), sturdy, simple and lightweight (2.5kg with batteries).

### **Thorn EMI Electronics (UK)**

•The **Cymberline light mobile radar** is an X band unit used for marking of mortar fire and adjustment of artillery fire. It also provides low-altitude anti-aircraft surveillance, rapid topographic analysis, coastal surveillance and tracking of probe balloons from 1 to 20km. It is in service in 17 countries.

### **TI Reynolds (UK)**

•Shown were different **hollow extruders** made of standard steel or carbon steel. Among them were three components for the 122mm rocket body assembled in Egypt at Factory 99.

### **Turbomeca (France)**

•Derived from the TM-319 turbine which will equip the Aerospatiale Ecureuil AS-355 twin-engine helicopter, the **TP-319 turboprop** is designed to equip single - or twin-engine aircraft. Its maximum power is 450hp.

### **UMM — Uniao Metalo Mecanica (Portugal)**

•Derived from the French-made Samo vehicle, the **UMM 4 x 4 light APC** is available in the 490 and 494 versions with two types of Peugeot XDP 4.90 (62hp) and XD2P 4.94 (67hp) diesel engines, giving it a maximum road speed of 120km/h. Its payload is 1050kg.

### **Uni Diesel (France)**

•For re-engining of the Egyptian Soviet - model BMP-1 tracked, armoured APCs, the **520-6L-C-S25 supercharged diesel engine** is rated at 425hp (313kW) at 2500rpm. Its specific fuel consumption at rated power is 162g/hp/h. The kit measures 1,810 x 1,250 x 1,030mm.

•For re-engining of T-54, T-55, T-59 and T-62 tanks, the **V8X-S25 diesel engine** is rated at 730hp (537kW) at 2500rpm. With a cylinder capacity of 16.47 liters, it has a specific fuel consumption of 158g/hp/h. Its dimensions are 1,279 x 1,111 x 995mm.

### **Valsella Meccanotecnica (Italy)**

•Designed for distribution by helicopters, the **VS-50 anti-personnel mine** has a plastic body and is equipped with a fuse that is detonated by ground pressure (10kg). Non-magnetic and watertight, it weighs a total of 185g, including 43g of explosives. It measures 45mm in thickness and 50mm in diameter.

### **Wah Bofors (Pakistan)**

•Designed in collaboration with AB Bofors (Sweden), this plant makes different types of **explosives, powders, slow fuses** and detonators.

### **Westinghouse (USA)**

•With 8 units ordered in 1981 already in service in Egypt, the last having been delivered at the end of 1984, the **AN/TPS-63 tactical radar** is linked to 12 command post shelters. This anti-aircraft defence, bidimensional, mobile radar operates in the L band (1.25 to 1.35GHz). Mounted in an air-transportable container, it automatically detects any small-sized aircraft (1m<sup>2</sup>) flying at low-altitude in a radius of 222km and at altitudes between 0 and 40,000 feet, even under severe environmental conditions (clutter, electronic interference, heavy rain). Its peak power is 100kW. The AN/TPS-63 is to be produced in Egypt by Factory 144.

### **Whitehead Motofides (Italy)**

•An anti-submarine weapon with anti-shiping capability, the **A-244S torpedo** is designed to equip surface vessels, patrol aircraft and maritime combat aircraft as well as naval helicopters. It measures 2.75m in length, 324mm in diameter, and weighs 220kg. It uses an active and passive acoustic homing head.

### **Wild Heerbrugg (Switzerland)**

•Designed for use by frogmen to enable them to see underwater, the **BIG 21 unit** is a special binocular passive night vision viewer that uses light intensification. Its field of vision is 31° (± 1°). It has a magnification of x0.98 and weighs 570g.

•The **BIG 3 portable binocular viewer** is a passive night vision unit that uses second-generation light intensification technology. Its magnification is x3 and its field of vision 13.7°. It measures 210 x 135 x 92mm and weighs 1.3kg.

## Live Ammunition Firing in the Desert [boxed item]

The Egyptian Vice Prime Minister and Minister of Defence and Military Production, Marshal Abdel Halim Abou Ghazala, presided over a live ammunition firing demonstration of Egyptian and foreign-made weapons last November 14, at the West Cairo firing range. Demonstration firings were also made by aircraft on show at the Cairo Defence Equipment Exhibition.

This two-part, two-hour long demonstration was designed to show the practical capabilities of the various weaponry on show. Present were the Vice Prime Minister in charge of Defence and Security of the Sultanate of Oman, Fahar Bin Taymur Al Bu Sa'id, the Chinese Minister of Defence, the North Korean Minister of Defence, O Chin-u, the Egyptian State Secretary for Military Production, General Gamal El Sayed Ibrahim along with a number of other Egyptian ministers, the commanders of the main branches of the Egyptian Armed Forces, military visitors from other Arab and African nations, along with the military attaches and foreign ambassadors stationed in Cairo.

The first part of the demonstration involved ground firings. The exercise was opened by an Oerlikon GDF-003 twin 35mm ground-to-air anti-aircraft cannon on a towed mount. This piece is part of the Skyguard M Sparrow weapon system (Egyptian designation Amoun) made by Contraves Italiana. Egypt ordered 18 batteries in 1982. The system engaged a Commando 2 radio-controlled target flying at a distance of 1.5km. The RPV, which represented a combat aircraft at a scale of 1/80<sup>th</sup>, was destroyed. Following was the Milan Euromissile light anti-tank missile which hit a tank located 800m away. Then, an Apilas Manurhin anti-tank rocket destroyed a concrete block at the same range. An Egyptian T-55 tank equipped in Great Britain by the Royal Ordnance Factories at Leeds with a 105mm L7 gun, boosting its armour piercing capacity from 19 to 32cm in comparison with the original Soviet-made 100mm piece, engaged two fixed targets at a

distance of 900m. Particularly noteworthy was the performance of the Italian OF-40 Mk II Oto Melara main battle tank, with NBC protection, which showed effective and extremely rapid firing against two fixed targets set at a range of 900m. In addition, a 122mm type D-30M towed howitzer made by Abu Zaabal Engineering Industries (Factory 100), featuring very rapid battery deployment and a range of 15.3km, engaged two fixed targets located at 800m. Another direct hit was scored by the 130mm type M-59-1M towed gun from Factory 100. This piece has a range of 27.15km. The SP-122 self-propelled howitzer (D-30-SPM), a 122mm piece made by Royal Ordnance Factories, and the ARE 122mm BMY gun also were fired right on target. The Arab Organization for Industrialization demonstrated its Sakr 30 artillery multi rocket launcher mounted on a Toyota truck. The system fired five rounds against targets 30km away, demonstrating its destructive capacity thanks to multirole warheads containing both anti-tank and anti-personnel submunitions. Closing these firing demonstrations against fixed and mobile objectives at a range of 13km were the D-30M and M-59-1M guns and the B-10M21 artillery multi rocket launcher which can fire 30 rockets in 50 seconds, all engaging in successful firings for three minutes.

The second part of the demonstration comprised aerial mobility and air-to-surface firing demonstrations. An Aerospatiale Super Puma helicopter, in which Egypt has shown interest, showed off a brisk drop of 24 paratroopers, and Gazelle anti-tank helicopters, made in Egypt by the AOI at Helwan and equipped with the SFIM APX M-397 sight, showed their agility and effectiveness by destroying objectives with the Hot Euromissile anti-tank missile. Finally, two Tucano Embraer turboprop aircraft, shown for the first time in Egypt, demonstrated their extensive flight capabilities, followed by a formation of Alpha Jets which launched bombs and rockets against ground targets.

CSO: 4500/116

SIWAR-AL-DHAHAB DENIES PRESENCE OF U.S. BASES IN COUNTRY

Cairo AL-AHALI in Arabic 24 Apr 85 pp 2,6

[Interview With General Siwar-al-Dhahab, Transitional Military Council Chairman, by Aminah al-Naqqash: "Siwar-al-Dhahab in Interview With AL-AHALI: "I Have no Political Color; Our Envoy to Saudi Arabia Went There at Saudi Request; I Will Try to Improve Relations With Libya and Ethiopia; Our Relationship With Moscow Has Been Lukewarm and We Wish to Revitalize It"; date and place not specified]

[Text] I have met General Siwar-al-Dhahab three times: The first time in the press conference which he held for the Arab journalists, the second within the delegation of the Arab Lawyers Federation which was headed by Faruq Abu 'Isa and the third in an exclusive interview with AL-AHALI.

Despite the exhaustion from which he seemed to be suffering, the questions on the mind of the Egyptian opposition are what motivated me to insist on the interview and to raise a number of questions whose publication the national press may not welcome, even though these questions preoccupy the minds of the national press editors.

General Siwar-al-Dhahab is a model of the good Sudanese. He is composed and possesses a degree of diplomatic intelligence in evading embarrassing questions. He is aware of his and Sudan's sensitive position viv-a-vis the curiosity of the press to know everything, even about matters for which it is perhaps too early to make any announcements and for which he may not have any answers.

[Question] Your Excellency General Siwar-al-Dhahab, what is your constitutional position now?

[Answer] After elimination of the previous regime in accordance with communique No 2 which relieved the president of the republic, his deputies, his advisers and his cabinet ministers, a constitutional vacuum developed. This is what urged us to form the TMC [Transitional Military Council] so that it may be the body representing the state's sovereignty and the legislative authority at the same time. I am the TMC chairman and, therefore, I am a part of the body representing the state's sovereignty and legislative authority.

[Question] Does the TMC include representatives of the south?

[Answer] Yes, and we have taken into consideration in this regard the objective of making this council a national council. Two of the TMC members are two prominent southern officers of the armed forces.

[Question] What is your evaluation of the experience of integration with Egypt in the recent period?

[Answer] I believe that the integration is tantamount to codification or the attempt to codify the everlasting relationship between Egypt and Sudan. I also believe that the projects presented to advance the form of this integration are good and constructive projects. We summoned the integration secretary general to give the TMC a complete idea about the integration projects and we have noticed from his review that there is a supply obstacle that blocks completion of the scheduled projects. In this regard, we will exert our utmost efforts to complete these projects.

[Question] When the Sudanese national front is formed, are you going to exert efforts to have the front consult with the Egyptian parties to lay down the foundations for a real strategic integration between the two people?

[Answer] The truth is that integration is founded on a popular basis. Insofar as the projects are concerned, they are being completed with popular efforts. Thus, the integration is popular before being official.

[Question] In both Egypt and Sudan, there is the criticism that the integration is some sort of a relationship imposed from above by the regimes and that the popular and mass organizations have nothing to do with it?

[Answer] If this has not been done, then I believe that this is up to the new government. I am confident that all people on both sides of the valley are eager to enhance the integration and to complete the popular aspect of this integration, if this aspect has not been represented yet.

[Question] Don't you think that the presence of four U.S. bases in Sudan is harmful to Sudan's national security?

[Answer] And where are these bases?

[Question] There are two bases in east Sudan, a third on the Red Sea and a fourth on the Ethiopian borders?

[Answer] I thank you very much and tomorrow morning I will ask the air force to supply us with a helicopter which can land us wherever you wish so that we may see these bases. I personally and in my capacity as the ex-minister of defense know nothing about these bases. I beg you to show them to me so that I may verify the matter.

[Question] Does this mean that you are denying the presence of these bases?

[Answer] This issue is incorrect and is groundless altogether.

[Question] From what I have seen, I have sensed the feelings of resentment and bitterness among the Sudanese people over Numayri's stay in Cairo. Are you going to ask the Egyptian officials to deport or extradite him?

[Answer] I will not. We know that Egypt is hospitable and that it is visited by many Arabs and non-Arabs. It is not in our character to embarrass our Egyptian brothers over the issue of the Sudanese refugees as long as these refugees do not engage in any political action against Sudan.

[Question] The Sudanese students in Cairo have been pursued by the Sudanese Embassy on the pretext of opposing the regime and this has led to preventing many of them from completing their studies. Will this situation change now?

[Answer] This is up to the Egyptian brothers.

[Question] I am asking about the Sudanese Embassy's position?

[Answer] We have raised the slogan of justice. Whoever has a complaint can present it and we are prepared to examine it. If we find that the plaintiff is right, then we will reinstate him in his position.

[Question] Are there political forces which will be excluded from the new cabinet and will the southerners take part in this cabinet?

[Answer] The exclusion of political factions will only affect those who were active in the previous administration. Therefore, I expect all politicians, be they party or trade union politicians, to participate in one way or another in forming the cabinet. It is certain that the southerners will have positions in the cabinet because it is the cabinet of all of Sudan.

[Question] Is it to be understood from this that the Muslim Brothers will be excluded by virtue of their being one of the factions which had an active role in the previous administration?

[Answer] There is a tendency to this effect. Whoever held a ministerial position under the May [revolution] era will not be permitted to take part in the cabinet during the interim period. After elections are held, the winning parties may have a different idea. If there happens to be among their representatives persons who did participate in the previous administration and if they decide to include such representatives in the new cabinet, then this will be left up to them because we have followed the course of free expression and only those whom the courts decide to isolate will be isolated politically.

[Question] What is the position of the trade union and party grouping which led the revolution during the transition period? Will its position be advisory or is there a tendency to codify this position?

[Answer] In this phase and now that the cabinet ministers have been selected by the National Grouping which includes the political parties and the unions that participated in and carried out the major part in bringing about this revolution, I believe that there has to be some sort of consultation with the grouping during the interim period.

[Question] Will the grouping continue to exist or will it be dissolved after formation of the cabinet?

[Answer] This is up to the grouping, even though I believe that the grouping should participate in the discussions to solve national problems, such as the problem of the south, within an expanded framework that includes all the parties concerned.

[Question] The observers have noticed that the TMC communiques have been void of any reference to the Addis Ababa agreement on the south. What are the bases in accordance with which this issue will be solved?

[Answer] They are national bases that seek to enhance the trust between the northerners and the southerners. For example, we have abolished the presidential decree in accordance with which the south was divided into three regions in violation of the Addis Ababa agreement which stipulates that the south be a single region ruled by a unified [local] government. This decision will restore trust between the two sides so that we may enter the [proposed] conference with a spirit that seeks to achieve a fundamental solution to this chronic problem.

[Question] Is there a plan to amend the Addis Ababa agreement or to add new provisions to it?

[Answer] The truth is that the mere reenactment of the Addis Ababa agreement will restore trust, as I have already said. It will be then possible to conduct a purposeful and constructive discussion to solve the problem of the south within the framework of the Addis Ababa agreement.

[Question] You have asked for aid from various countries of the world to overcome the economic crisis. Will this request be confined to the western countries only?

[Answer] Not at all. We appeal the entire world. The policy we have declared is a policy of friendship with all the countries that abide by the international charters. Therefore, we will welcome and thank whoever offers us such aid.

[Question] Why did your first envoy to the outside world go to Saudi Arabia?

[Answer] The truth is that Saudi Arabia was the side which hastened to ask us to send an envoy if we had any urgent requests and we responded to this invitation. There are in Sudan, as you are well aware, shortages in some essential materials, particularly in oil. In this regard, we thank King Fahd for his initiative and for responding to our request.

[Question] Are you going to try to meet with Libyan President Mu'ammal al-Qadhafi and Ethiopian President Mengistu Haile-Mariam?

[Answer] Yes. As we have already pointed out in our communique No 3 concerning the foreign relations, we seek to improve our relations with our neighbor, especially with Libya and Ethiopia. We will exert efforts to convene a summit of the [area's] leaders in the coming phase, if this is necessary.

[Question] What about your relations with the socialist camp countries and with the Soviet Union?

[Answer] We believe that the relationship with the Soviet Union has been lukewarm and we want to revitalize it on new bases of friendship.

[Question] What do you mean by freedom of expression and opinion? Will you permit new papers and new parties? Will you permit the entry of the Arab newspapers which were banned from entering Sudan?

[Answer] Yes. I believe that we have declared freedom of expression and opinion because this freedom is essential for a phase of fair elections. We must permit this within the framework of the laws and controls which regulate and allow the publication of any newspapers or magazines and the entry of any newspapers or magazines previously banned from entering Sudan.

[Question] Do I understand from this that you will permit the entry of AL-AHALI?

[Answer] Yes.

[Question] Numayri was the only Arab president to support the Camp David accords. Are you going to reconsider Sudan's official position toward this agreement?

[Answer] There are numerous policies that need to be reexamined. I believe that when the new cabinet is formed, then it will have to reconsider numerous issues raised.

[Question] Are you going to abolish the September 1983 laws concerning application of the Shari'ah?

[Answer] As you know, most of Sudan's population embraces the Islamic Shari'ah. If there is to be any review, it will perhaps cover some provisions which the legislators did not formulate in a manner compatible with the spirit of Islam. There may also be a reexamination of some provisions in some laws concerning penalties.

[Question] Who will do the review: The TMC, the National Grouping or both?

[Answer] I believe that this will be left to the constituent assembly which will come into existence at the end of the interim period.

[Question] The trade union and party grouping has demanded the reinstatement of the 1956 constitution, as amended in 1964. Moreover, the charter approved by the TMC stipulates this. However, I have read one of your statements in which you say that this constitution is no longer suitable. Why?

[Answer] Because this constitution deals with conditions which existed in 1956 and which no longer exist in 1985.

[Question] What are those conditions?

[Answer] This constitution speaks of provinces in the southern region and of a sovereignty council. These are things that exist no longer.

[Question] How true is the report that you contacted President Mubarak on the morning of 6 April?

[Answer] This did not happen at all.

[Question] What does it mean to you that you are a member of al-Khatmiyah sect?

[Answer] And who has said that I am a member of al-Khatmiyah sect?

[Question] The press and the news agencies.

[Answer] I descend from a family that belongs to al-Khatmiyah sect. As for me, I am a disciplined military man and I have no political color whatsoever.

[Question] Didn't you engage in political or partisan action before joining the army?

[Answer] Not at all. I have never had any partisan affiliation. I am a military man primarily. Militarism prevents whoever joins it from belonging to any political party.

[Question] Does this apply to the TMC members?

[Answer] Yes. They are all neutral and independent military men and they have never engaged in any political or organizational action.

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CSO: 4504/335



SUDAN

MILITARY COUNCIL OFFICIALS DISCUSS DEMOCRACY, COUNTRY'S FUTURE

Interview with General Siwar-al-Dhahab

London AL-TADAMUN in Arabic 4-10 May 85 pp 8-10

[Interview with Gen 'Abd-al-Rahman Siwar-al-Dhahab, TMC chairman, by 'Uthman Mirghani; in Khartoum, date not specified]

[Text] How do the military men who led the uprising on 6 April 1985 in response to the Sudanese street's movement, view Sudan's future? Breaking down the big question into smaller questions, one asks: How do they view issues and projections such as democracy, the concerns of the transitional period, the commitment to hand over power to the civilians at the end of the transitional period, Sudan's foreign relations in light of what has been in existence and of what they think will come into existence, the circumstances that have accompanied their task of negotiating with the popular leaderships to form the interim government, their role and their positions when the transitional period ends and they hand power over to an elected civilian government?

AL-TADAMUN put these questions and others before Gen 'Abd-al-Rahman Siwar-al-Dhahab, the leader of the army's uprising and the TMC [Transitional Military Council] chairman, and before Staff Brig 'Uthman 'Abdallah Muhammad, TMC member and minister of defense in the transitional government, who is referred to as the uprising's strong man. The two men's answers to the questions posed to them by AL-TADAMUN are extremely frank, clear and decisive, especially in connection with the issue of not clinging to power and of the commitment to hand power over to an elected civilian government at the end of the transitional period. Following is the text of the interviews conducted by 'Uthman Mirghani in Khartoum:

For nearly 6 months, Sudan has occupied a prominent place on the Arab and international information media, including radio, television and the print media, one time because of the increasing numbers of refugees fleeing to it from the inferno of starvation, another because of the smuggling of the Ethiopian Jews, known as the Falasha, a third time because of the former regime's domestic crises and its clashes with more than one faction and one current and a fourth time because of the sweeping popular rebellion following the former regime's decision to increase the prices of essential goods and the subsequent popular revolution which motivated the army to proceed and take power before matters could develop toward grave consequences. Each of these times, Sudan has attracted the light of the media and the attention of the political circles in both the East and the West and among friends and foes.

AL-TADAMUN, which has kept pace with these developments and approached them objectively and responsibly, has gone to Gen 'Abd-al-Rahman Siwar-al-Dhahab, the TMC chairman, to ask him about the circumstances engulfing the army's movement and following it and about Sudan's future. Part of what General Siwar-al-Dhahab told AL-TADAMUN is that the TMC is committed to its pledge to hand power over to an elected government at the end of the interim phase. He also said that democracy does not bother the military who have not left their positions to return to them because they are staying in these positions. When AL-TADAMUN asked General Siwar-al-Dhahab about the truth of what is being said regarding his nomination at his birthplace to be the caliph of al-Khatmiyah sect, he smiled and denied such reports. He also expressed his rejection of any relationship between the military and the sect. Following is the text of the interview which was conducted before the formation of the government and less than 2 weeks after the 6 April movement.

[Question] May we start with a question regarding the story of the 6 April 1985 movement? When did you think of intervening to take over power and what are the reasons that motivated you to make the decision to intervene?

[Answer] The truth is that the thought of taking power occurred to us after it had become clear to us that the Sudanese street was unanimous on the need for change. This was evident in the mammoth demonstrations which poured in to the streets and then in the tumultuous marches which followed. Those who took part in the marches represented all of the popular sectors and classes. They staged daily marches. Moreover, the situation developed until it reached a state of complete paralysis of all the state activities, meaning that there developed the so-called "political strike." All of the state's utilities faltered. Consequently, it became evident to us that the people were unanimous on the need for change and the need to lift away the former regime's hand and topple it.

[Question] Is it true that you intervened to take power for fear that a movement would have been staged by radical junior officers?

[Answer] This is not true. To prove this, I say that when we met with the former first vice president ('Umar Muhammad al-Tayyib), who was in charge

of affairs during the absence of the former president (Ja'far Numayri), and he told us that he wanted to declare a state of emergency in the country and wanted the army to take charge of affairs during the state of emergency, we rejected his request and demanded that he refrain from announcing the state of emergency. We even dissuaded him from doing so and he responded to us.

We continued to reject this matter [request for a state of emergency] until it became evident to us that if we did not intervene to control the reins of government, matters would develop and lead to bloodbaths and massacres in which tens of thousands of our citizens would lose their lives. Not only this, there is the issue of the national unity which we have been fighting to preserve since independence, even before, considering that the first attempt threatening the national unity occurred in 1955 when a rebellion erupted among the southern forces and when Sudan nearly lost the southern provinces. Since then, we have been in a constant struggle to protect national unity. If we had let matters proceed recently as they had been proceeding before and let them move toward chaos, national unity would have been inevitably affected. Moreover, Sudan may have been exposed to fragmentation into provinces and smaller parts that would be difficult to unite in a single Sudan in the future.

This is what motivated us to make the decision at the right time to take power with the purpose of turning it over to the masses after a specific period during which the people and their representatives would be groomed to take over the responsibilities of governing the country.

[Question] Why was not the length of the interim period determined quickly and decisively?

[Answer] Agreement was reached in principle to continue the interim period for 1 year. I believe that a period of 1 year is convenient because what must be done during this year is to create the right climate to hold free and impartial elections and to form the parliament and then to form the government that will assume power. It is my opinion that a period of 1 year is enough if matters proceed as desired.

[Question] After the 6 April 1985 movement, some accusations were leveled against the TMC as being nothing more than an extension of the former regime. What is your response to these accusations?

[Answer] As you know, those who seized power are the officers of the General Command of the People's Armed Forces, the command staff, the general commander and the regional commanders. As you are well aware, we do not rush to issue decisions without studying each decision objectively. It is perhaps the delay in some decisions which motivated some people to think wrongly that this revolution is an extension of the May revolution (reference to the administration of ex-President Numayri).

How could this revolution be an extension of the May revolution when we have jailed a number of leaders of the former regime? We have even announced that those who misused their power will be tried.

[Question] As members of the TMC, what will your position be at the end of the interim period, and will you again fully devote yourselves to work in the army. Will you retire or will you take part in the government in a different form? In other words, what is your concept of your position and your role at the end of the interim period?

[Answer] As I have already noted, the interim period will last for 1 year. When this year ends, each of us will return to his position. The truth is that until this moment, all those taking part in the TMC are still performing their duties in their units and maintaining the same jobs in the army. They perform their regular duties and, at the same time, they are members of the TMC. When the TMC is dissolved at the end of the interim period, its members will find themselves in their previous positions because they have never left these positions and have never given up their army jobs.

[Question] There is an almost general anxiety regarding the interim period. Some people wonder if power will be handed over to the civilians in accordance with what has been agreed upon or whether developments will crop up and prevent the fulfillment of this promise?

[Answer] For our part, we promise that we will hand power over to those who are entitled to it at the end of the interim period. Our only condition is that the transfer of power take place in a direct democratic manner. We shall keep our pledge, God willing.

[Question] We hear that an agency called the National [al-watani] Security Organization has been set up. What is this agency's connection with the dissolved National [al-qawmi] Security Agency?

[Answer] The National Security Agency has been dissolved and exists no longer. We issued a decision to dissolve it and it has been completely liquidated. As for setting another security agency, the answer is yes. The National Security Organization's task is totally different from the task of the previous agency because the new agency is directed to serve the state's objectives. As you are well aware, the state has numerous agencies and the National Security Organization is an agency entrusted with working for the interest of the state.

[Question] Will there be political trials similar to the trials which took place in the wake of the October 1964 revolution?

[Answer] We have declared the independence of the judiciary and we have pledged not to pursue a person who has committed no crime. Therefore, if there are trials, they will be confined to those who have spread corruption and those who have used their powers illegally.

[Question] Has the domestic situation stabilized to the degree that permits tackling the economic crisis and the other urgent immediate problems which Sudan is experiencing? And do you believe that the situation is ready

enough to permit you to devote your efforts to prepare for a new phase in which democratic parliamentary elections take place?

[Answer] I imagine that we are now in a state of stability. After announcement of the interim government, I believe that stability will regain its normal form. Even though the conditions are now normally stable, this stability will grow stronger when the new government assumes its tasks. This government will see the light in the next few days, God willing. (The interview was conducted on the evening of Monday, 22 April 1985, prior to the announcement of the new cabinet).

[Question] What are your plans and programs to tackle the urgent problems in Sudan, particularly the economic crisis and the drought and starvation problem--especially since you are the head of the Higher Committee To Combat the Consequences of Catastrophes, Drought and Desertification--and the problem of the south?

[Answer] I thank you very much for this question in which you have touched on almost all the urgent and immediate problems with which we are concerned, led by the problem of drought and desertification. As you have noted in the context of your question, we have a higher committee that works to avert the consequences of desertification and drought. I personally head this committee to make sure that the popular, national and governmental efforts, in addition to the aid given by the friends, are organized and streamlined so that help may reach the affected areas on time. These efforts are proceeding regularly, or almost regularly, at present.

The second issue is the problem of the south which we consider one of the main problems in Sudan's history. We are now working to solve it and we have issued a decree suspending Presidential Decree No 1, which was issued in 1983 and in accordance with which South Sudan was divided into three regions in violation of the Addis Ababa agreement, concluded in 1972, which approaches the south as a single self-contained unit. On the basis of the good will we have displayed by suspending that decree and reviving the Addis Ababa agreement, we are now exerting efforts with the brothers in the south to embark on a dialogue in the form of a national conference in which all of Sudan's citizens in the south and the north, ulema, intellectuals and whoever is concerned with this issue participate in order that we may reach at the end of the conference a solution that satisfies all the Sudanese.

[Question] As long as we are discussing the problem of southern Sudan, I wish to ask you if the negotiations with John Garang, who leads the armed movement in the south, are taking place directly or through middlemen.

[Answer] We prefer the negotiations to take place directly. Col John Garang is part of these negotiations and he must come and participate with his opinion. I believe that he will come.

[Question] Colonel Garang recently addressed an ultimatum to the TMC, which you head, in which he set for you a period of 7 days in which to hand

over government to the civilians. He then reiterated the accusations describing you as an extension of the former May regime. Do you think that the reason for these accusations is the message of "support and understanding" which ex-President Numayri has sent you?

[Answer] For our part, we insist on objective and peaceful dialogue. Therefore, we will carry on with the negotiations with John Garang, despite the statement he made a few days after we took power. I would like to note here that Col John Garang has been too hasty in making such judgments against us, as all political observers agree. How could government be turned over to the civilians in 1 week? There are consultations that must take place. Moreover, agreement has had to be reached with the parties concerned to form the government.

Therefore, Garang has been wrong in his statements. But we will not deal with him with a similar mistake, meaning that we will continue our contacts with him until we reach an acceptable formula of solution.

[Question] Do you feel worried by the kind and form of the promised democracy and do you have any apprehensions regarding repetition of the mistakes of the 1960's which occurred in the period following the October 1964 revolution?

[Answer] I don't think so because the brothers enjoy now a high degree of political awareness. All those we have met with keep the October experience in mind. As long as the October experience is before our eyes, we will overcome the mistakes, God willing, and we will not repeat what happened in the wake of the October revolution.

[Question] Should we expect to witness an imminent relaxation in relations between Sudan and Libya and between Sudan and Ethiopia, and do you think that such improvement in these relations will have an impact on Sudanese-Egyptian relations or Sudanese-U.S. relations?

[Answer] Relaxation of relations started when we issued Communique No 3 in which we defined our foreign policy that is based on good-neighbor relations. We have, moreover, stressed that we will work to mend the rift with all countries, especially with the neighboring countries and particularly with Libya and Ethiopia.

As for the possibility that our relations with sisterly Egypt or with the United States will be affected in case relaxation develops in our relations with Libya and Ethiopia, I do not think so and I even find this unlikely because our relations with Egypt are based on neighborliness. The matter will have no external ramifications.

[Question] A final question. It is said that the people of al-Ubayyid, your birthplace, have chosen you as caliph [leader] of al-Khatmiyah sect in the area. Will you carry this title upon completion of the tasks and responsibilities of the interim period?

[Answer] (smiling) These statements are groundless. I am a disciplined military man, even though my family belongs to al-Khatmiyah sect. However, this does not at all mean that I am nominated for this caliphate. Presently, I work in the armed forces and we here are military men with no political coloration and of no sect. I would like to add that al-Khatmiyah sect has its caliph in al-Ubayyid and it is unreasonable to have two caliphs for the same area.

Interview with Defense Minister

London AL-TADAMUN in Arabic 4-10 May 85 pp 11-13

[Interview with Brig Gen 'Uthman 'Abdallah Muhammad, TMC member and defense minister, by 'Uthman Mirghani; in Khartoum, date not specified]

[Text] He has been described as the man for difficult tasks and called the "'Abd-al-Nasir of the uprising" in which the army seized power in Sudan on 6 April 1985. Regardless of these descriptions and names, it is certain that he is a man who abounds with energy and vitality. He is very friendly. He meets you as if he has known you for years and when he talks, you become aware of his lively intelligence, his profound knowledge of his work and his great awareness of the tasks of the coming phase in Sudan.

He is Staff Brig 'Uthman 'Abdallah Muhammad, TMC member and the minister of defense in the interim cabinet. He is the one who has undertaken the task of negotiating with the Union Grouping and the representatives of the parties on forming the interim civilian cabinet. He has left a good impression with the union leaders and partisan officials who took part in the negotiations.

AL-TADAMUN visited Staff Brig 'Uthman 'Abdallah at his office at the Command and he talked with an open heart. He is, as he has said, one of AL-TADAMUN's readers and admirers. In the interview, Brigadier 'Uthman asserted that the TMC is determined to hand over power to the civilians at the end of the interim period and is resolved to exert all efforts to solve the southern problem and to achieve stability in Sudan. He has also pointed out that Sudan seeks to entrench the principle of neighborly relations with all the neighboring countries. He finds it unlikely that the relaxation in relations with Libya will affect Sudan's relations with Egypt. He also denied that Sudan has given any military facilities or bases to any foreign power. Regarding democracy and the opposition, Brigadier 'Uthman said that opposition with the rifle is unjustifiable when opposition with ideas, opinions and dialogue is possible. Here is the text of the interview:

[Question] You have represented the TMC in the negotiations held with the Union Grouping and the representatives of the political parties on the formation of the interim civilian cabinet. What is your evaluation of these negotiations?

[Answer] My initial evaluation is that these negotiations have been successful. It is true that in the phase of selecting the cabinet makeup

we encountered some obstacles. Even though the preliminary agreement stipulated that ministers selected to hold portfolios in the interim cabinet must meet certain specifications, of which the most important are impartiality, a strong personality, capability, dynamism and non-participation in any political position under the defunct regime, the positions changed somewhat after initiation of the process of nominating candidates for the cabinet. A tendency surfaced calling for formation of the cabinet in accordance with the principle of proportionate representation of the parties which signed the charter. There also surfaced another tendency saying that the cabinet should be a national salvation cabinet, that there is no need to appoint new ministers and that the current under secretaries should be entrusted with managing their ministries' affairs until the end of the interim period.

We were able to overcome these obstacles and the grouping, with all its unions, organizations and parties, and agreed to the selection of the present cabinet which we hope meets all the desired specifications. In this cabinet, a number of ministries have been allotted for the south. I personally observed the process of selecting the south's representatives from among the various southern parties and organizations. God be thanked, we have succeeded in reaching an agreement and implementing what was agreed to by everybody. People may notice that the names of the south's representatives in particular are names tied to the previous regime. But this has been inevitable because the south was originally granted regional rule by the former regime. Consequently, all the southerners who engaged in political action in the preceding phase are the only political figures that are well known and acceptable as representatives of the majority of the southern citizens. All agreed on the cabinet makeup, as I have pointed out. I do not believe that any fundamental differences have surfaced. Moreover, the differences in viewpoints which emerged at times were not founded on a partisan base.

[Question] Regarding the southerners selected to hold portfolios in the cabinet, has their selection been supported by all the southern factions?

[Answer] Yes. Agreement was reached on the candidates named to the cabinet. But I cannot say that this agreement came about with the unanimous approval of all the factions. The faction calling itself the Southern Group in Khartoum--a group comprised mainly of university professors and university students--believes that the time has come to change the traditional southern political faces and to embrace new faces acting upon modern concepts compatible with developments in the situation of Southern Sudan. But when I tried to reconcile the two factions, I found that the faction representing the southern intellectuals could not influence the traditional faction. As a result, the intellectual faction approved this nomination. But I do not know whether this approval is voluntary or simply an acceptance of the fait accompli.

[Question] Sharp disagreements erupted at times during the negotiations on forming the interim cabinet and numerous amended cabinet lists were presented. Moreover, announcement of the cabinet was delayed several days. What is the story of these disagreements and what are their causes?



[Answer] It is true that disagreements did happen. But these disagreements materialized when the talk began about implementing the principle of the proportionate representation of the parties in the cabinet. This is a principle on which no agreement was reached at the outset of the meetings held to form the cabinet. Moreover, new parties which had not taken part in the early negotiations also surfaced. However, they joined the negotiations later, after signing the charter. These parties came up with new ideas.

I would like to note here that the differences were not confined to demanding changes in the presented cabinet lists but went beyond to the point of five or six lists of cabinet candidates being presented by various factions taking part in the negotiations.

[Question] In the light of these differences, did you feel at any time that matters may be hampered and that formation of the cabinet would take a long time?

[Answer] It never occurred to me that matters would reach a dead end. I have always believed that the differences are marginal and I constantly felt the patriotic spirit which characterized all those who took part in the various phases of the negotiations, including the members of the Union Grouping, the political parties or the unions and the federations which joined the negotiations at a later stage. It was a very high patriotic spirit. I also felt that most of the participants in the negotiations were disinterested in racing for the seats of power. The disagreements centered on the quality of some figures who were nominated to hold ministerial positions. There were no differences in principle over the cabinet as a whole.

[Question] The absence of the parties from the cabinet formation has aroused numerous interpretations and much speculation. How do you explain the parties' refraining from entering the interim cabinet?

[Answer] I believe that the political parties, especially the traditional political parties, feel that they are isolated from the masses because they have been separated from the masses for 16 years, or the lifespan of the former regime. These parties have found that they need some time to move and revive their bases, to organize their ranks, to establish their offices and to prepare the needed platforms and newspapers. This is why they have decided not to take part in the cabinet in order that they may be able to carry out their organizational operations. All have been in agreement that the current phase is a very delicate phase, which needs sacrifices and requires impartial figures to run government affairs during the interim period. The parties have voluntarily and willingly, not by coercion, agreed to stay away from the cabinet in the current phase.

[Question] What was your role as a political committee emanating from the TMC in the negotiations which were held with the representatives of the Union Grouping and of the political parties to form the interim civilian cabinet?

[Answer] Primarily, our task was one of coordination and reconciliation and was embodied in influencing the general direction of the discussions and negotiations. It is on this basis that we acted in the committee. We did not exert pressure on any faction but rather managed the dialogue with utter democracy and fairness. God be thanked, we were successful in pleasing all the factions, even though this was extremely difficult. However, I feel that whoever wanted an opportunity to express an opinion or make an argument was given such an opportunity. Thus, we were constantly able to reach solutions acceptable to the majority, if not to all.

[Question] You were faced with a protocol problem insofar as your holding the position of minister of defense is concerned. What was the problem and how did you manage to tackle it?

[Answer] The problem which faced us is summed up in the point that if a minister of defense were chosen from the TMC, he would be, by virtue of his protocol position in the TMC, in a higher position than that of the prime minister, and if an officer from outside the TMC is selected for the position of minister of defense, he would, by necessity, rise to a higher position than that of the armed forces general commander, who is the TMC chairman.

To avoid complications, we decided that the minister of defense would be a TMC member. In view of the sensitive nature of this phase, it was necessary to free ourselves from strict protocol. Therefore, it was agreed that the individual holding the position of minister of defense would, regardless of his military rank, work in the cabinet under the command and chairmanship of the TMC chairman without any sensitivities and would perform his duties as minister of defense in full coordination with the armed forces general commander, who is also the TMC chairman. All agreed to rise above the sensitivities of ordinary protocol and to lead Sudan toward the transformation phase in the short period set for this purpose.

[Question] What is your concept of the coming period and do you feel any concern regarding the possibility of a resumption of the old political conflicts?

[Answer] I do not approve of calling them political conflicts. It is true that there are in Sudan traditional parties that rely on a religious or sectarian base and there are parties founded on ideological bases. The latter are relatively new in Sudan and I do not think that they have been able so far to attract a large part of the Sudanese masses. What is important is that I do not believe that political conflict will develop. Rather, I expect political competition. There is a big difference between conflict and competition. Competition may intensify between the old and new parties. But in my opinion, this competition will ultimately be confined to the two old axes, namely the Democratic Unionist Party on the one hand and the grouping of al-Ansar and al-Ummah Party on the other. Until 16 years ago, these two parties relied on a broad popular base tied to them not just by political allegiance but also by sectarian allegiance.

[Question] What is your concept of the TMC members' role in the next phase, specifically after the interim period?

[Answer] The interim period has been set to last 1 year. We have taken a pledge and committed ourselves to this pledge before the people. For our part, we will uphold this pledge, especially since we have taken the oath before God to do so and to hand over power at the end of the interim period. Therefore, we will resort to programming all the activities, plans and projects so that they may end during this year. Should any changes materialize during the year, the issue will be subjected to a new equation. However, all the plans have been programmed on the basis of being completed during the year, including the formation of parties, the initiation of democratic action, preparation for the elections, the holding of elections and declaring the results and starting the Constituent Assembly's (parliament's) drafting of the constitution.

[Question] The general tendency is to have all members of the armed forces, police and civil service participating in the interim period delegated to their jobs during this period after which they will return to their regular jobs.

[Question] You have said that should any changes materialize during the 1-year period set for the interim period, the question of handing over power will be subjected to a new equation. What, in your opinion, are the changes that could materialize and delay the process of transferring power to the civilians?

[Answer] I do not expect anything happening in the political and security sphere to muddy the tranquillity of the interim period and lead to an extension of it. But should any natural developments, such as floods, occur, then this may cause an extension of 1 or 2 months to transport the ballot boxes to the remote areas of Sudan because Sudan is linked together by unpaved roads. Otherwise, we expect no delay in completing the requirements of the interim period during the year set for the purpose.

[Question] You have laid down four conditions for selecting the ministers of the interim civilian cabinet. How were these conditions determined and will they continue to be valid after the interim period?

[Answer] These conditions were laid down because the cabinet members during the interim period were not selected by an election founded on a broad base. Rather, the selection and nomination of the ministers were done by way of the Union Grouping and the representatives of the parties who took part in the negotiations. We agreed that they prepare the ministerial nomination lists. The four conditions set for the selection of ministers are: that the candidate be impartial and have no partisan coloration, that he be qualified to manage the ministry he is to be responsible for, that he be upright and honest and that he not be the holder of any political position in the former administration. This final condition will not apply to ministers coming after the interim period because the electoral district will be the side that will select and elect the member on the basis of his partisan coloration and his projected action

program. During the interim period, we have had to lay down certain specifications for the minister because we want honest and impartial elections and a capable and upright administration. As for the post-interim period, the criteria and conditions for selection of the ministers will be completely different, since they will be selected by the voters and the election process.

[Question] One of the problems preoccupying the minds of the Sudanese is the problem of the south. How are the negotiations proceeding with the southerners and with Col John Garang, who has been leading the armed operations in the south? Do you feel optimistic about putting an end to the war and establishing peace there before the end of the interim period?

[Answer] If we speak generally, I can say that we have eliminated all the causes leading to this disunity and division. We have abolished Presidential Decree No 1, which led to dividing the south into three regions without holding the referendum agreed upon previously. We have reactivated the general framework of the Addis Ababa agreement which determines the form of the administration under the canopy of regional rule. We have also formed a military command to administer the region during the interim period and have called for a national conference to solve the problem of the south in a fundamental manner. By this we mean a conference that will study all the factors that intensified throughout the years and led to this problem and then will draft solutions that prevent the recurrence of the problem in the future. This conference will include a number of southerners belonging to the various regions ((Equatoria, Bahr al-Ghazal and the Upper Nile), members of the southern Sudanese Popular Liberation Movement and a number of concerned intellectuals and veteran officers who have worked in the south. These people will meet in the form of a committee and within the framework of a conference that holds its meetings in Khartoum and that is assigned to study the roots of the problem so as to offer specific recommendations concerning the form of government which the southerners desire, whether within the framework of a single region or of a number of regions.

You may ask me why I agree that the decision concerning the form of government in the south should be left to the planned conference instead of leaving it to the base to determine this and I will tell you that the bases are experiencing a state of fragmentation at present because of the ongoing wars in Southern Sudan which have led to the emigration of large numbers of citizens from their southern provinces. These people have emigrated to Central Sudan or to the neighboring countries. Moreover, some have joined the Sudanese Popular Liberation Army. Returning these people to their provinces to take their opinion in a referendum is impossible at present. This is why we have decided to rely on this select group of southerners--a group selected on the basis of regional and tribal groupings.

[Question] Are the contacts and negotiations with Col John Garang taking place directly or through middlemen?

[Answer] No direct contacts have been held so far. However, there are a number of Sudanese brothers who have, thankfully, taken the initiative

on their own and have proceeded to Nairobi and Addis Ababa to meet and negotiate with brother John Garang on declaring a cease fire and returning to Khartoum for negotiations. All the causes which motivated John Garang to rebel and take up arms have been eliminated and we hope that he will come, especially since he now has the opportunity to come as a hero. But if he delays the return, then he will put himself at another level and in a different position.

[Question] It has been noticed recently that there has been a large increase in the number of parties applying to be registered, with this number exceeding 50. How do you view this partisan inflation and do you have any plan to deal with the matter?

[Answer] This has been expected since the door of registration was opened to the parties. There is no doubt that the parties registrar will act in accordance with certain laws and controls to accept the registration of parties. This will lead to reducing the number of parties. However, I would like to point out here that the interest in registering parties is due to a natural reaction upon receiving democracy after an absence of 16 years. When the people overcome the initial feelings of rejoicing, when the processes of the registration of parties begin and when the various districts prepare for the election phase, with all the financial capability and ability for movement required by this phase, I believe that the number of parties will diminish greatly and that only the parties capable of securing such ability will survive in the arena.

[Question] What is the National Security Organization you are said to be thinking of setting up? What will you do to reassure the majority of the Sudanese who feel extremely sensitive about such agencies because of their experience with the dissolved "State Security Agency"?

[Answer] The planned State Security Organization will operate within the framework of the Ministry of Interior, which will be reorganized to regain its past structure [presumably meaning before Numayri's administration]. Originally, the State Security Agency was called the General Security Directorate and it emanated from the Ministry of Interior. But it was then enlarged, its interests were changed and it was given broad powers and was used as a means to suppress thought and the democratic movement.

[Question] Since assuming power on 6 April 1985, you have said in your communiques and statements that you will work to mend relations with the neighboring countries, especially with Libya and Ethiopia. However, there are some circles which believe that your movement in the direction of Libya and Ethiopia will cause you some problems with Egypt, and perhaps even with the United States. What is your opinion of this view?

[Answer] I do not believe that mending our relations with Libya and Ethiopia will create any sensitivities in our relations with Egypt or the United States. We believe that the former regime played a major role in creating the dispute between Libya and us on the one hand and between Ethiopia and us on the other. Our relations with these two neighboring

countries have always been founded on neighborliness, mutual respect and non-intervention in the affairs of others. It is true that during the period in which the former Sudanese regime antagonized the neighboring regimes, and these two countries embraced the elements opposed to the Sudanese regime, supplied them with weapons and gave them facilities in their territories to work toward toppling the regime in Sudan. The regime has now fallen, not just because of the resistance movement from Libya and Ethiopia but also because the Sudanese people opposed that regime and toppled it from within before it was toppled from outside.

Now that the regime has fallen, we expect the Sudanese to return from abroad because there is no place for opposition with the rifle as long as opposition with ideas, opinions and dialogue is possible. We expect all to return from abroad. However, we will take the initiative and will send members of the TMC to visit Ethiopia and Libya (the visit to Libya took place on 21 April 1985) to rebuild the bridges of relations.

As for our relationship with Egypt, it is governed by a special characteristic based on the fact that the two peoples are tied by an everlasting relationship. Moreover, we constitute a strategic dimension for Egypt, just as Egypt constitutes a strategic dimension for us. Therefore, our relationship with Egypt will not at all be affected by our efforts to improve our relations with the other neighbors.

Our relationship with the United States is founded on mutual respect. Moreover, we view the United States as one of the countries friendly to Sudan. I do not believe that mending and rebuilding the bridges between us on the one hand and Libya and Ethiopia on the other will affect our relationship with the United States.

[Question] We have not yet found in any of the official documents seized in the State Security Agency or in the Presidential Palace anything indicating that there is an agreement of the sort. To us, the issue so far is no more than information that merits investigation. We have already opened an investigation on the issue but found nothing to indicate that such an agreement exists. Moreover, no containers have arrived from the United States or from elsewhere to be buried in the Sudanese Sahara. Until the moment, this issue is groundless.

[Question] Have you found anything to indicate that foreign countries have acquired military facilities in Sudan?

[Answer] No military facilities or bases have been given to any country on Sudanese territories. These allegations have been reiterated by Sudan's enemies, who say that military facilities have been granted to the United States in Sudan's waters, airports and ports. I would like to stress here that these statements are groundless and that there are no open or secret agreements to grant military bases or facilities to the United States or to anyone else.

TUNISIA

FOUR OPPOSITION MOVEMENTS DECLARE MUNICIPAL ELECTIONS BOYCOTT

Opposition's Boycott of Elections

Tunis AL-MAWQIF in Arabic 13 Apr 85 pp 8-10

[Article by Abdelhai Bounaras]

[Text] Four opposition parties held a press conference on Tuesday, 9 April, at the headquarters of the MDS [Movement of Socialist Democrats] to declare their position on the municipal elections. Participating in the press conference were the MDS, the MTI [Islamic Tendency Movement], the MUP [the Popular Unity Movement] and the Tunisian Communist Party.

Ahmed Mestiri opened the conference, saying: "These movements were expected to hold a meeting to commemorate the 9 April events and all the martyrs for independence and popular representation under the slogan of 'for popular representation.'" But the government refused to license the meeting, thus making it impossible to get a hall to convene it.

He also referred to the joint communique on the municipal elections which was the outcome of discussions and consultations among these four movements.

Regarding his party's position, Mestiri noted that the party had begun to make the preparations to take part in these elections more than a year ago and that it discussed the legal and technical aspects of the elections and mobilized the movement and its bases to participate on the basis that participation is one of the forms of struggle of an opposition movement that exerts efforts to change the social and political situation. Mestiri added: "After evaluating the country's political situation and after consulting with the other opposition factions, we have decided not to take part in the municipal elections."

Abdelfattah Mourou then took the floor and the most important parts of his address follow:

Our movement has reflected since its emergence in the country's political life its principled position toward liberty and democracy. Tunisian society's problems reaffirm that solving this situation does not lie in the hands of any single political faction.

This is why we act in accordance with the premise that the solution to the problems lies in involving all the sensibilities and that consultation is the only solution that spares the country external dangers.

After he had underlined his movement's commitment to legal action, including the free elections of the constitutional institutions, they discussed the municipal elections and decided not to take part in them for two reasons: one intrinsic and the other political.

They, as a movement, see no use in participation in a country where, even though democracy is declared modestly, actual practice confirms that the individualistic and singular viewpoint is not surpassed just because some movements are permitted to exist legally whereas other movements are denied such an existence, even though they have expressed their willingness to engage in legal political action.

We do not believe that the elections mean declaring a certain partisan list an unopposed winner. Moreover, how can we take part in elections whose results have been declared in advance? The TMI does not wish to tamper with the people's aspiration and to foil the elections for them. This is why we have adopted the principle of non-participation and why we have urged the citizens to boycott the elections.

Mohamed Belhadj Amor, the MUP secretary general, said that his movement's position is a position, first of positive boycott and, then, of rejecting the other independent lists or opposition lists that may participate.

He said that his movement formulated this position after discussing the issue from three aspects:

1. Public opinion.
2. The government's position toward the elections.
3. The opposition's stance.

Regarding the first aspect, the observer of the arena notices that public opinion is in favor of non-participation and that it is still suffering from the shock of the 1981 elections forgery--elections in which we participated in order to protect the modest gains made in the arena. But now we believe that the balance of forces is flawed and that the masses believe that it is futile to take part in the elections.

The second aspect concerns the government's oppressive stance. If the executive authority believed in multiplicity, it would have consulted with the opposition on numerous legal issues and the events that have taken place would not have taken place.

As for the opposition's stance, it cannot be disregarded and it is impossible not to coordinate with it on participation or non-participation so that there may not be conflicting and competing lists, as happened in 1981. We, as a party, contacted all the opposition factions and invited them to take part in the conference. Regrettably, there were those who rejected the invitation.



The Tunisian Communist Party reflected the same position, expressing its decision not to take part in the municipal elections and blessing the coordination step that has taken place. This party also expressed its readiness for all joint action, regardless of its dimensions, especially on the common issues of freedom and democracy.

The motive for non-participation is not to scare people with the results of the elections but to evaluate the consequences of these results. These consequences are, in this party's assessment, negative consequences not just because of the absence of the popular masses which have no role in the voting but also because of their absence from all phases of the election campaign. This position does not reflect a departure from the Communist Party's past positions, since this party did participate under conditions even more difficult than in the 1981 conditions. However, the present elections do not provide the minimum background to encourage participation. The ruling party is responsible for blowing up this second chance after the 1981 elections, thus turning its back on the lessons learned from past experiences.

After the addresses made by the secretaries of the movements and after reading the joint communique, the door was opened for the reporters' questions.

[Question] The Progressive Socialist Grouping took part in the liaison committee but then withdrew. What are the reasons for its withdrawal?

[Ahmed Mestiri] The Grouping has issued a statement and you may address your question to it.

[Belhadj Amor] Joint action is open to all the tendencies, with no exception. The contents of our communique disagree with the grouping on a fundamental point, namely that we reject the independent lists whereas the Grouping accepts them.

[Question] Have you coordinated with the UGTT [Tunisian General Federation of Labor] on your position toward the municipal elections?

[Ahmed Mestiri] We have not consulted or coordinated with this organization but it is a happy coincidence that we agree with it on the same position.

I want to add that there are rumors that we have refused to participate for fear of confrontation and clashes. This is groundless. If we decide to participate, confrontation will not dissuade us.

[Belhadj Amor] We have not made contacts with the UGTT but have agreed with it as a result of our bases in this organization. We laud the UGTT's decision which agrees with the opposition objectively.

[Question] Could you give us any information on the objectives and causes of the liaison committee?

[Belhadj Amor] The liaison committee has not been formed so far and the contacts to form it are still underway.

[Mourou] The country is in the direst need for serious action that goes beyond the circumstantial to planning. The liaison committee is an idea worthy of praise. In principle, we exclude no movement and the presence of these four movements is nothing but an expression of their eagerness.

#### Joint Communique

Tunis AL-MAWQIF in Arabic 13 Apr 85 p 9

The following parties:

The MDS,

The MTI,

The MUP,

And the Tunisian Communist Party,

After studying the country's general situation, especially the recent striking gains made by the democratic forces and the popular masses, the continued policy of oppression and intransigence and the deteriorating economic and social situation which harbors the warnings of danger,

In shouldering their historic responsibility, after exerting efforts to unite the position toward the elections issue, and in implementing the will of their strugglers and their bases:

1. The parties stress their principled and lasting adherence to the election process in its capacity as the process of referring to the people, the sovereign. This process will continue to be the ideal method for entrenching consultation and for practicing multiplicity when the proper conditions and the clear climate which permit the citizen to exercise his right in freedom from pressures, violence and forgery become available.

2. They believe that elections lose their efficacy and credibility when they are led to the opposite of what they are intended to achieve when they are held under abnormal political conditions and fail to produce bodies that truly represent the people, as in case of the conditions of the 1981 elections which still cling to the mind. These parties notice that the conditions are developing from bad to worse as a result of the domination of the single-party idea as a method and a course and as a result of the failure to submit to the will of the people--a failure embodied in the continued political trials, in the suspension of the newspapers, in storming and burning the parties' offices and in attacking and harassing the strugglers with all kinds of acts, in addition to the official speeches and statements which confirm that the state agencies are utilized to serve the ruling party.

3. They declare their non-participation in the municipal elections which will be held on 12 May 1985 because of the absence of the minimal conditions for such participation under the current circumstances which do not serve democracy and do not enable the people to impose their will for change. Rather, these circumstances undermine the credibility of the election process.

4. They declare their rejection of the idea of independent lists under such circumstances and consider this idea a maneuver to justify the regime's policy which is in violation of democracy.

5. These parties also urge the citizens to support this responsible position and to boycott the upcoming municipal elections.

Tunis, 9 April 1985

#### Popular Unity Movement's Statement

Tunis AL-MAWQIF in Arabic 13 Apr 85 pp 12-13

[Text] The PUP [Popular Unity Party] cadres met on Sunday, 7 April 1985, under the supervision of the party's Provisional Committee and discussed the general social, political, internal and external situation. The following statement analyzing the political and social conditions has been issued by the meeting:

#### 1. At The Political Level:

The popular masses, thanks to their struggle and sacrifices, have been able to achieve some political gains, such as imposing partisan multiplicity, despite its limited nature and its shortcoming, despite publishing a number of independent and opposition newspapers, despite being subjected constantly to all kinds of material and legal harassment, despite reviving a number of professional and humanitarian organizations, such as the Tunisian League for the Defense of Human Rights, and despite bringing about the independence of the UGTT [Tunisian General Federation of Labor] from the ruling party and prying the student organization away from the domination of the ruling party. Since the beginning of the 1980's, the current regime has misled public opinion into believing that it accepts political initiatives even though they are incompatible with its single-party mentality. The ruling party cannot coexist with a democratic course, even if it is a brittle course. The ruling party quickly retreated to its backward practices which are in conflict with the popular masses; aspirations to achieve justice, dignity and basic liberty. The mask fell altogether on 1 November 1981 when the ruling party trampled the people's dignity and rigged the legislative elections. It has since besieged the opposition movements and parties, using the state agencies to harass and silence these movements and parties.

The ruling party has not learned its lessons from the consequences of the intransigent policy and has not realized that its suppression of the

people's struggle has brought it nothing but isolation from the people and has done nothing but make the masses more steadfast. Rather, this policy has driven certain youth factions to confront violence and oppression by resorting to means that may lead the country to grave consequences.

The PUP cadres reaffirm their conviction regarding the need for political action to achieve a profound democratic transformation. Consequently, the election process forms one of the main links of this transformation. This is why our party supports the principle of participation in all the popular consultations [election], be they municipal or legislative. They permit all parties and movements to compete honorably and to consult on the responsibilities. Such elections also give the citizen the chance to exercise his right to choose and to be aware of his real importance in determining his future and shouldering his responsibilities.

Insofar as the municipal elections are concerned, the PUP cadres believe that the announcement of the results of these elections by the ruling party 2 months before the elections are held has drained them of their meaning and credibility. Therefore, our party refuses to take part in these elections so as to serve true democracy and to prevent the people's dignity from being trampled again.

## 2. At The Social Level:

The successive crises experienced by the country as a result of the economic and social options have intensified to the point whereby the regime has become incapable of finding the solutions for them, despite its maneuvers and its attempts to tame the labor organizations and its successive blows against the union movement. But the regime's acts of oppression have motivated the workers to cling even more strongly to their legitimate demands which are embodied in their obtaining their share of production. These acts have made the workers only more steadfast and more determined to continue the struggle to preserve their purchasing power, which has declined fearfully in recent years.

The PUP cadres support all the legitimate struggles of workers that seek to put pressure on the regime to make it respect its commitments and turn away from its latest maneuvers which are embodied in tying the wages to the criteria of production and productivity--criteria which are intended to subjugate the workers to the business owners so that the latter may continue to amass enormous wealth.

The cadres also laud the latest position taken by the National Council of the labor unions which is embodied in rejecting participation with the ruling party in a new front to enter the upcoming municipal elections. The cadres believe that this responsible and sound position responds to the principle of the labor organization's independence from the ruling party and will spare the toiling class involvement in political maneuvers that may lead to further fragmentation and to blows to the UGGT's credibility.

As for the students, the PUP cadres express their profound concern for the division and infighting being experienced by the student arena and which may sooner or later lead to undermining the students' struggle to build the edifice of democracy side by side with all the political, social, professional and humanitarian organizations. This division and infighting has been going on since the Korba conference which was held in the summer of 1971 and that was hatched and organized by the ruling party, which thus violated the simplest rule of democracy and flouted the dignity and determination of the majority of the conferees to elect a representative student leadership. The General Federation of Tunisian Students was thus paralyzed and the imposed leadership could not respond to the aspirations of the student masses. As a result, the February 1972 movement was staged, the struggle continued within the federation's temporary structures and the student movement has been dealt successive blows by the regime. But regrettably, this movement has failed to regain its unity and the attempts of some political currents to control the temporary structures have led to divisions and infighting which, consequently, have led to some marginalization and to the loss of credibility in the eyes of public opinion.

The PUP cadres bless the efforts being exerted by a number of student groups to organize the student action within a strong future organization. The cadres also believe that the best framework in which to unite the students with their varied sensitivities is the General Federation of Tunisian Students which has struggled since its emergence in 1952 for dignity and freedom, despite the ruling party's control of most of its leadership. The history of the General Federation of Tunisian Students abounds with an honorable struggle that makes us support all the endeavors to rebuild this federation's structures and to give it the place it deserves in the forefront of the popular struggle.

### 3. At The External Level:

The PUP cadres laud the struggle of the Lebanese nationalists in the south and their brave resistance to the Zionist occupation of their country. They also laud the steadfastness of the Palestinian nationalists in the West Bank and in the Gaza Strip and their courageous confrontation against all the enemy schemes seeking to change the character of the Arab land.

The cadres also believe that the serious events that have taken place and are taking place in Sudan must be put in their true perspective without any acts of oneupmanship and without any premature judgments so as to enable the Sudanese people to choose the system they desire without any custodianship or attempts at domination. Democracy will continue to be the means capable of solving the fundamental contradictions of a developing country such as Sudan.

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CSO: 4504/311

BAHRAIN

UNITED GULF BANK LOSS

Paris AN-NAHAR ARAB REPORT & MEMO in English 1 Apr 85 p 12

[Text]

The Bahrain-based United Gulf Bank (UGB) has applied to the Bahrain Monetary Agency for permission to separate its banking and investment divisions by setting up a holding company with two operating subsidiaries. The move follows UGB's poor results in 1984, with consolidated losses of \$5.4mn after profits of \$24.2mn in 1983. The figures reflect the poor performance by the bank's Treasury department and by write-downs at the United Gulf Investment Company, UGB's wholly-owned subsidiary. Total shareholders' equity was reduced from \$251.8mn to \$246.4mn and assets declined from \$1.29bn to \$1.13bn.

The bank, which is Kuwaiti-owned, reported a profit of \$8.1mn after bad-debt provisions of \$6.6mn; this compares with a \$27.9mn profit and bad-debt provision of \$1.5mn in 1983. However, the overall results were dragged down by the worsening losses in the investment company, where the deficit increased to \$13.4mn last year from \$3.7mn in 1983 and followed a five-fold rise in provisions. These included \$12.1mn on Kuwaiti securities and \$2mn on US investments. A UGIC official said the company was taking steps to improve its balance sheet and would be concentrating on investments in real estate and venture capital in the USA.

CSO: 4400/148

BAHRAIN

BANK MERGERS LIKELY FEATURE OF GULF BANKING

GF161138 Manama GULF DAILY NEWS in English 16 May 85 p 17

[Text] Bahrain: Bank mergers, already sweeping the UAE are likely to become a feature of banking in other parts of the Gulf, bankers in the region say.

Most bankers agree the region has too many banks for the current depressed business activity, and say mergers would be a good way to solve the problem.

In the UAE, officials say they expect mergers to halve the number of local banks by the end of the year and combinations of foreign and local banks are also being contemplated.

The practice could spread, particularly to Bahrain with its 76 offshore banking units, 59 representative offices and 20 commercial banks, and Kuwait.

"For those local banks which have not been able to get off the mark, which are having problems finding direction, there must be discussions of mergers," said John House, general manager of Kuwait Asia Bank, a Bahrain-based offshore bank.

The region's oil revenues, which brought the banks here in the first place, have dropped by half in 3 years and the Iran-Iraq war and Kuwait's stock market crash have hit business confidence.

The resultant economic contraction has slowed bank business and brought them problem loans, and the environment is not expected to change soon. Bankers see the current year as more difficult than the last.

Bahraini bank officials say they know of no current merger talks but many agree mergers would be desirable for some banks.

Henry 'Azzam, vice-president and economist at the Bahrain-based United Gulf Bank, believes mergers among Gulf banks would strengthen the institutions on both sides of the balance sheet.

"On the loans side and on the liabilities side, they need to get together and have larger capital and more customers," he said.

Bankers said mergers, within or across national boundaries, were more likely to take place from necessity than desire.

"In Bahrain, I don't see much happening this year," 'Azzam said. "But in the future, if things deteriorate further and if the banks are pushed into it as they have been by the Central Bank in the UAE, then we'll see mergers."

In the UAE, after years of trying to persuade banks to merge in an economy widely regarded as heavily overbanked, the financial authorities have finally got their way.

Mergers began in earnest after introduction of regulations which called for greater financial disclosure. The mergers have already cut the number of local banks to 19 from 24 at the start of this year and more are said to be on the way.

CSO: 4400/147



BAHRAIN

BRIEFS

OFFSHORE BANKING FIGURES--Assets of Bahrain's 76 offshore banks grew \$700 million in March to \$61.08 billion at the end of the month, the Bahrain Monetary Agency said. Offshore bank assets, which peaked in March last year at \$63.47 billion, have since ranged between \$59 billion and \$63 billion. Assets rose by \$354 million in February after a sharp January fall of \$2.67 billion. Assets held in dollars at the end of March rose to \$46.78 billion from \$46.6 billion a month earlier, while those in regional currencies rose to \$10.04 billion from \$9.84 billion, the agency said. Liabilities in dollars grew to \$42.72 billion from \$42.38 billion, while those in regional currencies rose to \$14.12 billion from \$13.88 billion. A geographical breakdown showed assets held in Arab states fell to \$27.36 billion from \$27.54 billion, while those held in Western Europe climbed to \$16.13 billion from \$15.78 billion. Liabilities to Arab countries rose slightly to \$39.51 billion from \$39.42 billion, while those to Western Europe also rose, to \$14.13 billion from \$13.91 billion. [Text] [Manama GULF MIRROR in English 16 May 85 p 3 GF]

CSO: 4400/147

IRAQ

## CHEMICAL, PLASTICS INDUSTRIES MAKE GREAT STRIDES

Baghdad AL-THAWRAH in Arabic 29 Jan 85 p 4

[Article: "The National Company for Chemical and Plastics Industries, Great Achievements and Progress in Production Capabilities"]

[Text] One of the mixed sector companies that is rising to substantial tasks and responsibilities, and contributing to the enhancement of the capabilities of the national economy through the raw materials that it is producing and presenting for the nourishment of much of our national industry--this even though it does not enjoy the reputation that it deserves--, is the National Company for Chemical and Plastics Industries. We visited it and observed the numerous aspects of its production activities in place, recognizing its advanced status which has become a source of honor and pride for all those who are working in it.

Actually, the reliance on the format of calm discussion and an atmosphere filled with the spirit of responsibility and the correct estimation of a certain stage--which took place with the company's authorized manager, Mr 'Adnan Yunis Khadr, and a number of its administrators and technicians--, has taken us off the track of traditional, or let us say irresponsible, discourse which heaps praise without measure, and without resorting to the language of numbers, which is stronger, and more expressive of reality.

### Debate of Numbers

Numbers and statistical tables that are dependable in their details and particularities were a subject for our discussion and debate with the company's management. For this reason, we avoided polite conversation and subordinated everything to the investigation of actually existing reality, concentrating on discussing the main axes that are related to the following basic subjects:

First: The level of growth rates in production capacities in war conditions, the prevailing administrative, technical and human trends in the practice and organization of the production operation, and the extent of improvement in the exploitation of the work force and the furnished resources.

Second: The importance and the necessity of the modern technological methods that are employed in the company.

Third: Democratic and human relations, and the social services that are being furnished to those working in the company.

Fourth: The reality of the existing production units in the company, and future ambitions for the expansion and diversification of production units and lines.

In as much as realities and numbers were the language of the debate with the company's management, we will attempt, with the aid of the following table, to shed some light on the development of production rates for the years 1983-1984, and implementation rates in the general production plan.

Type of Product	Quantity of Production for 1983	Quantity of Production for 1984
Foam Rubber/ standard cm	16.697 million standard cm	19.711 million standard cm
Pellets and Rods ton	7,235 tons	15,894 tons
Boards and Thin Sheets ton	6,738 tons	7,887 tons
Containers and covers number	314.992 tons	306.308 tons
Polyvinyl Chloride meter	1,594,451 m	1,758,283 m
Formica Boards Sheet	46,900 sheets	--
Covers and Bags ton	10,065 tons	13,337 tons
Plastic Parts by Injection [Injection moulding] ton	1,102 tons	1,577 tons
Plastics ton	5,485 tons	9,322 tons
Production Value	27,192,537 tons	37,634,999 tons
Rate of Production Development in Comparison with 1983	--	38 percent
Rate of Plan Implementation	--	105 percent

The sales and production figures have gone hand in hand, with the tables indicating the achievement of an increase in the company's total sales between 1983-1984 amounting to 9,555,922 dinars, for while company sales for 1983 were 30,148,433 dinars, they jumped in 1984 to 39,703,665 dinars.

Some of the aspects of the discussion with the company's management centered on the necessity of expanding and diversifying production, not only in the area of manufacturing the raw materials that feed many of our national industries, but also in the production of some consumer goods that are necessary for the citizen, especially the types of goods that respond to the reality of cultural development and the changes in life styles that are taking place in our society.

In addition to the expansion in the production of multi-purpose bags, the company has started producing disposable, good quality and moderately priced, light plastic plates and cups. The company is also conducting tests and the necessary studies to produce a number of new goods to serve as acceptable replacements, including the production of various types of furniture from foam rubber scraps and other incidental materials. This is what we shall shed some light on, when the factors of idea and practice, up until now still in their initial stages, will be integrated.

The National Company for Chemical and Plastics Industries is one of the bigger mixed sector companies that is diligent in the employment of advanced generation technology in its production activities, in proportion to the country's requirements and its ability to absorb it, and in accordance with the central guidelines and the basic directives, issued and delineated by the leadership of the revolution in order to insure the balanced construction of the country's industrial base.

In the course of our field trip to the company and our inspection of the new pellet unit which has been operating since February, 1984, we have realized the exceptional importance acquired by the matter of selecting the technology, especially in our present conditions. This unit which was projected to produce 20,000 tons of plastic pellets in 1985--this being the country's "estimated" requirement of this material for all sectors, socialist, mixed and private--, is being operated by a team comprising only 18 technical and working cadres.

Because this unit's designed capacity exceeds the country's present requirements of plastic pellets, it will be able to accommodate any possible increase in the requirements of our national industry, especially as all indicators confirm the speedy proliferation of this material and the great all-purpose industrial expansion of its use for the production of various goods, including some that are directly consumer goods that enter into the daily life of the citizen. This, in addition to the fact that generally, plastics products have become an absolute necessity, and one of the signs of cultural progress for any developing society. In practice, the automatic control of production operations also means the obtainment of standardized high quality products, capable of competing with their imported counterparts. This is what other technological means, which basically depend on the worker's manual dexterity or his touch, are incapable of doing.

## A Big Cooperating Family

When production conditions in any industrial establishment are good, this is clearly indicative of the stability of the correct human relationships among its employees, which are based on cooperation and integration in relation to productive work and responsibilities. We became aware of this picture in the light of what we saw and deduced from the summary of the discussion which took place during our meetings with the management of the company and a number of its employees.

The most prominent of the manifestations of the democratic relationship existing in this company that may be cited are:

1. The diligence in holding the meetings of the consultative committee, which includes all unit and section managers in the company, to discuss production conditions and to determine duties or responsibilities in the light of whatever decisions are required. The meeting then ends in a luncheon, to which all the workers, recognized for their productivity that month, are invited.
2. Holding educational seminars for the workers, dealing with the concept of productivity and related matters, as part of the efforts which aim to develop worker consciousness and the feeling of responsibility towards our national economy which is performing an ever increasing role in securing the conditions of victory for our struggling country. Criticism and self-criticism are practiced as a permanent topics on the agenda of these seminars.
3. Holding scientific demonstrations for every section or production unit to exchange information and expertise between workers, and to transmit their substance to the other sections and production units.
4. The management of the company is diligent in keeping up with the personal circumstances of its employees, be they happy or sad, and presents them with symbolic gifts.

The company also provides good and organized services for its employees. We cite, for example, the medical unit which is equipped with a dental unit, the pharmacy, the establishment of a nursery for the children of female employees and the availability of transportation to and from the company for the employees. Attention is being paid to the restaurant to insure cleanliness and frequent meals, and housing is being provided for a number of technicians whose availability in the vicinity of the company is essential.

In this company, we found a big family, cooperating in order to achieve the yearly production plan. We were also aware of the state of discipline and commitment which are expressed in the low rate of absenteeism and the mutual respect existing between employees.

## Production Units of the Company

1. The Foam Rubber Factory: Producing blocks and foam rubber of varying thickness to fulfill the requirements of the local market. It includes a line for cutting and packaging foam rubber mattresses with a production capacity that reaches half a million mattresses, and another for the production of compressed foam rubber, which was established in order to rid the factory of the leftovers from the manufacturing of mattresses.
2. The Boards and Thin Sheets Factory: This factory satisfies all the needs of the Light Industries Company for plastic boards. It also satisfies the country's needs of thin sheet material for packaging purposes.
3. The Synthetic Leathers and Formica Board Factory: It produces pressed leathers and satisfies an important part of the country's needs of this item. It also produces foam leathers to satisfy the needs of the General Establishment for Leather Industries.
4. The Covers and Plastic Bags Factory: Producing covers and plastic bags for use in agriculture and other areas.
5. The Factory for Plastic Parts by Injection [Injection Moulding]: This factory satisfies the needs of the Light Industries Company and the Electronic Industries Company by supplying them with plastic parts like refrigerators, television sets, radios, telephones and cassettes. There are also plans to produce some plastic spare parts supplies for automobiles.
6. The Pellet and Rod Factory: As previously mentioned, this factory fulfills the country's requirements of plastic pellet material.
7. The al-Dub Material Production Factory
8. The Company's Subsidiary in al-Mawsil: This factory produces pressed particle wood and mattresses. This factory was incorporated in 1 July 1984 and its products will soon be available in local markets.

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CSO: 4404/236

IRAQ

BRIEFS

STRATEGIC ROAD UNDER CONSTRUCTION--Baghdad, 3 May (INA)--The general establishment for the construction of express traffic roads is continuing work to complete construction of the express traffic road No 1 at a cost of 1.125 billion Iraqi dinars. This road, which will be the first strategic project of its kind in the Middle East, will link the Jordanian and Syrian borders in the west with the Kuwaiti borders in the south. It is 1,205 km long and passes through the cities of Al-Rutbah, Al-Ramadi, Baghdad, Al-Hillah, Al-Diwaniyah, Al-Samawah, Al-Nasiriyah, and Basra, thus providing an express route that will facilitate overland transportation in Iraq and among the four neighboring countries, and will secure the appropriate circumstances for prosperity in the fields of industry, agriculture, trade, and services. The project is expected to be completed in 1988. [Excerpts] [Baghdad INA in Arabic 1000 GMT 3 May 85 JN]

INA, XINHUA SIGN AGREEMENT--Baghdad, 11 May (INA)--INA and XINHUA signed an addendum to the agreement that was concluded between them in 1979 here today. INA Director General Taha Al-Basri signed for INA while PRC Ambassador in Baghdad Zhang Junhua signed for XINHUA. Under this addendum, the two news agencies will exchange news directly via satellite and will increase the exchange of pictorial news. [Excerpts] [Baghdad INA in Arabic 1630 GMT 11 May 85 JN]

CSO: 4400/153

ISRAEL

ANALYSIS OF ISRAELI PETROCHEMICAL INDUSTRY

Tel Aviv MA'ARIV in Hebrew 15, 22 May 85

[Article by Yubal Elitzur and 'Oded Shorer: "Four Hundred Millions and No Return"]

[15 May 85 p 18]

[Text] Twenty years have gone by and \$400 million have been invested since the Israeli petrochemical industry was first established. But even today it cannot stand on its own two feet without government help. This help is given mainly in the form of relatively low prices for the raw material produced in the refineries of Haifa and Ashdod.

Despite the growing losses and the economic problems of the petrochemical industry, the majority of those responsible for the future of the industry agree that it should not be scrapped and its 1,200 workers should not be put out of business. Those involved in this venture are of the opinion that by shutting down the industry the economy will only increase its losses, and it is necessary to invest an additional \$150 million as soon as possible. This would help to derive more advanced products and will increase the profitability of the existing plants.

Some economists who have worked in this area while employed by the budget department of the Treasury and the Energy Ministry argue in light of their experience that additional investments will only provide a brief grace period for the Israeli petrochemical industry. This is due to the fact that Europe is shifting to advanced products and Israel is bound to face still competition in the advanced products market after it has made a substantial investment.

All agree that despite the fact that most petrochemical plants are very well managed, one of the main afflictions of the industry are the disputes at the top level which are not always professional but rather deal with such questions as setting prices and terms for selling the raw materials. Some, including Energy Minister Moshe Shahal and Refinery General Manager Tzvi Zamir, argue that the solution will be found only when all the plants are put under the same management. Some believe that the merger is not worth effort and it is better to solve the central problems which are causing the differences of opinion.



Is the Israeli petrochemical industry necessary? Some argue that the moment one establishes a system for refining crude oil it becomes inevitable to add a petrochemical industry, since the raw materials for this industry are the byproducts of the refining. But this argument is not altogether accurate, since the material used for this industry could be used for increasing the volume of refining such fuel as diesel oil or importing other types of crude oil. Even today the refineries export gasoline.

Thus, despite the fact that the raw materials of the petrochemical industry are byproducts, they should be considered raw materials which have a real value for the economy. A survey by MA'ARIV raises several basic questions:

Is there place in Israel's economy for a petrochemical industry in light of the fact that Israel imports every drop of oil it consumes and in addition pays for expensive oil products to be used as raw material?

Why should Israel invest its limited resources in a heavy industry like this, which produces basic products sold in the world in huge quantities with very low added value, and which do not require high expertise and are vulnerable to market shocks?

Isn't it preferable to do away with all the support of the petrochemical industry and let it sink or swim? Is the only justification the 1,200 workers employed by this industry?

Is it desirable to go on investing in the petrochemical industry in order to develop more advanced products which make use of the relative advantage of the Jewish brain in order to sell them at a higher profit?

In order to answer these questions one should first become familiarized with the structure of the industry and its various products, as well as the raw materials it uses. The main material used is naphtha. It is the first material that separates in the refinement process of crude oil and it could be defined as very low octane gasoline. Here lies the main problem of the petrochemical industry--it uses expensive raw material. The price paid by Israeli industry for naphtha is often higher than the price paid abroad. Most infighting during the last 10 years in this industry centered around the price of naphtha.

The substance derived from naphtha and used in the petrochemical industry is called ethylene. It is obtained through a process that takes place in the refinery. The four companies which comprise the petrochemical industry are:

The Israel Petrochemical Company, privately owned. The representative of the largest group of investors in the company is Yo'el Ostrovitch, who acts as the chairman of the board. The company produces two basic materials for the plastics industry--polyethylene and polystyrene. Polyethylene is used mainly in making plastic sheets for covering hothouses, garbage bags, flexible electric tubes, containers for drugs, etc. Polystyrene is used for making cups and wrapping for dairy products, drinking cups and foam sheets for insulation and packaging.

The Protarom Company is controlled by U.S. investors, headed by John Ferber and Max Rutner. The company produces a basic material called PVC used for making harder plastic products such as watering and sewage hoses and parts for vehicles which are heat resistant.

The Gadot Company, owned by the Yohananof brothers, makes more sophisticated products. Its market is the food industry solvents. Its raw material is not ethylene but is derived through a different process from naphtha, and is basically a high octane benzine. This company has much higher profitability than the other companies because of the nature of its products.

The Dor Chemicals Company, owned by the Denkner family, has a line of products which includes methanol, recently made famous as a gasolene additive. There is a proposal to mix 96 octane gasolene with methanol to raise the octane to 97.5 in order to improve the combustion of fuel in Israeli vehicles. The company also makes adhesive material.

All these companies are located in Haifa near the refineries.

The price of raw material is the main problem in the petrochemical industry. On the one hand its spokespersons argue that they pay \$80-90 more per ton of raw material than their foreign competitors. On the other hand the refinery people argue that they lose \$140 for tons of ethylene they produce.

Even if we accept the argument of the Treasury that the figures are inflated, those figures do clearly indicate the cost problem. For producing 1 ton of ethylene, the refineries consume 2 tons of naphtha, cooking gas and crude oil which cost \$205-210 per ton. This means that it costs \$420 to make 1 ton of ethylene in fuel alone. To this one must add such cost as depreciation, salaries, electricity, chemicals, maintenance, etc. This adds up to another \$120. The total: \$540 per ton of ethylene. The distillation agreement in effect until the end of March 1985 sets the price which the refineries charge the petrochemical industry per ton of ethylene at \$400.

The loss, totalling millions of dollars per year, was covered by the government until April 1984 as per the agreement of 1975 between Industry Minister Ha'im Bar-lev and Finance Minister Yehoshu'a Rabinowitz, and the general manager of the refineries, Avigdor Bartel. Back then an agreement was reached on direct subsidy per ton of naphtha and an additional payment for the difference between the actual cost and the expected cost of ethylene if the refineries would have used their full distillation capability. According to this agreement, the refineries bought subsidized naphtha from the fuel companies and sold subsidized ethylene to the petrochemical industry, at the expense of the Israeli taxpayer, of course.

And yet the government had to interfere from time to time in the disputes which broke out between the refineries and petrochemical industry and extend financial help to those companies which could not make a go of it. Thus, the Protarom Company received a consolidation (loan) of \$10 million for its \$50 million worth of debts. It was given a 5-year direct support of \$3 million per year.

The Protarom Company is now struggling with a burden of debts. If it were not for the \$50 million in debts, some in the industry argue, the company could compete successfully in the world market. Now it keeps head above water thanks to government aid. In the past 2 years the sales of the company rose and the debts incurred by its yearly sales have been reduced. According to updated figures, Protarom sales reached \$48 million in 1982, \$60 million in 1983, and the estimate for 1984 is \$70 million. Some 25 percent of the sales are for export. The ethylene production of the refineries accumulated a loss of \$45 million during 11 years. Now it loses some \$10 million per year. The direct investment in establishing this production was estimated at \$120 million. The Israel Petrochemical Industries, according to Treasury data, cover their fixed and variable expenses and a fraction more. This is thanks to the arrangement which enables them to sell plastic manufacturers in Israel raw materials at a price \$200-300 higher per ton than the price abroad!

In 1981 an interministerial committee headed by Yigal Erlich, the head of the chemical unit in the Industry and Commerce Ministry completed a detailed report on the condition of the petrochemical industry. The heart of the report was a thorough study of hundreds of pages by consultant David Frankel. It examined each company as well as the industry as a whole, and pointed out both economic and technical weak points.

The reasons pointed out by Frankel for the weaknesses of the petrochemical industry and its inability to be self-supporting still hold. Personality clashes among ministers, company boards and refineries have prevented the companies from merging under one management, including the refineries, and establishing a new body on economic foundations by shifting to more sophisticated products which would take advantage of Israel's relative advantage--skillful manpower and technological innovations.

If we summarize the weak points enumerated by Frankel and add the criticism made by many experts in the fuel industry, the Treasury and the Industry and Commerce Ministry, the reasons for the petrochemical industry's inability to stand on its own two feet without government support are the following:

The companies are operating a partial capacity because of the limitations of the domestic market and the fierce competition in the world market. From the start, the companies were established on the basis of export, but the strong fluctuations in the world market have often reversed the rosy predictions. Partial production in effect raises the cost of the final product.

The ethylene operation, which was started in 1974, was based on assumptions dating back to 1973, before the Yom Kippur War and the sharp rise in world oil prices. No one bothered to update the assumptions in regard to the profitability of the operation in light of the 12-fold rise in the cost of energy and the operation became a total failure. The low production of the companies also harmed ethylene production, which was first planned for a 130,000 ton per year output. This volume was not profitable to begin with, and in addition, it never exceeded 100,000 per year.

Very low added value--the companies use raw material from imported crude oil which is relatively expensive, invest great quantity of energy in producing the raw materials for the plastics industry, and obtain a low profit. According to Treasury figures, the added value of the petrochemical products made in Israel does not exceed 13 percent. The "simple" products made in Israel find it difficult to compete in the world market, which is flooded with such products, and the penetration of Israel's natural market, Europe, is difficult because of the indexing of the expenses in Israel to the dollar and the erosion of European currencies in relation to the U.S. dollar. In addition, the Persian Gulf countries, headed by Saudi Arabia, are beginning to flood the world market with hundreds of thousands of tons of polyethylene and PVC at a very low price, since their raw material is quite simply natural gas which until now has been burned.

A heavy burden of financial commitments, especially by Protarom, whose owners have resorted to loans instead of using their own capital.

A sharp, unexpected decline in the prices of petrochemical products because of excess production around the world.

All of this, in addition to personal rivalries, has contributed to the inferior situation of the Israeli petrochemical industry. Even after the thorough research completed in 1981 which determined that there is no future for this industry without considerable investments and a merger similar to Israel Chemicals, and the shift to more sophisticated products, no effort has been made to implement the recommendations.

Personal Conflicts [boxed insert]

Many decisions concerning the petrochemical industry have been rejected more than once because of personality problems. The tension between the board of the refineries and the various companies in this industry more than once caused foot-dragging in the discussions of the price of raw material, which resulted in financial loss for both sides.

A good example is the fact that in late March the agreement for raw material supply according to a certain price list is ending, and there is no new agreement on the horizon as the two sides are losing according to the existing agreement.

The talks on merging ethylene production in the refineries with the Israel Petrochemical Industries were blocked in 1982 because of poor relations between the general manager of the refineries, Tzvi Zamir, and the representative of the large foreign investors group in Petrochemicals, Yo'el Ostrovitch, the company's board chairman.

This has been reported by representatives of the Treasury and the Energy Ministry who attended the discussions.

The relations between the refineries and Petrochemicals are fraught with law suits. Thus, for example, Israel Petrochemical Industries state in their semi-annual report to their shareholders that the balance at midyear

does not include a demand for compensation from the refineries totalling \$10 million.

In 1982 the refineries argued that the merger was not economically desirable. When everyone calmed down and the negotiations resumed, Ostrovitch estimated the value of Petrochemicals' stock at such a high price that there was no room for a logical change of stock.

Intensive Care [boxed insert]

The continuing deep slump in the world market in regard to petrochemical products has brought second thoughts concerning the desirability of investing in this industry in Israel.

The Industry and Commerce Ministry has defined the petrochemical industry as a patient who is always in the intensive care unit of the Treasury.

During a seminar of the petrochemical industry which took place in August 1982, the economic advisor of the energy minister at that time, Dr Eli'ezer Shefer, had some strong words: "We have no relative advantage in basic petrochemical production. We import the equipment, the capital is expensive, we import the energy and the oil for making raw material. I have doubts as to whether Israel has a relative advantage in comparison to others and whether Israel should invest in developing our export capability for such products, since the end result of such efforts may be a loss."

Yosef Zeichik, the then deputy general manager of the Energy Ministry for planning and economy, said on that occasion: "The petrochemical industry is organized in such a way that one company does not take into consideration the profit or the loss it may cause another company. Without ongoing support, without the massive budget of millions of dollars, quite a few million, the activity of this industry would not be normal."

[22 Mar 85 p 18]

[Text] The split in the petrochemical industry is responsible for the sorry state of affairs in this industry, according to some leaders of the industry, including Avigdor Bartel, nicknamed "Father of Israel's Petrochemical Industry." Others, including company directors, argue that economic problems rather than organizational split are the cause of the sorry state of Israel's petrochemical industry.

Most countries with a flourishing petrochemical industry have large companies which also operate the refineries. This means that the industry indeed needs combining, since there is no other economic way or organizational condition for determining prices. The strong critics of the petrochemical industry, such as Tzvi Zamir, general manager of the refineries, argue that unless the industry is reorganized under one roof, there is no point in investing an additional \$150 million for more sophisticated products.

Others in the Treasury and Energy Ministry, for example, argue that the drive for merging is only a fig leaf intended to hide the basic economic problems. According to articles in professional journals, and in the prestigious British ECONOMIST, the entry of the Persian Gulf countries, headed by Saudi Arabia, into the market of simple petrochemical products such as polyethylene and PVC accelerated the shift of the European petrochemical industry into more sophisticated products. If Israel also shifts to more sophisticated products which are more profitable, the European competition would once again push Israel out of the market. Considering the much lower price of feeding material, the raw material for European industry, compared to the Israeli industry, will again result in the loss of Israel's relative advantage and will require additional investment.

Refinery General Manager Zamir sharply attacks the structure of the industry and its mode of operation. If he spoke diplomatically, he would define it as a slow industry. "What is the petrochemical industry? Import and export in an accumulator. Export of polyethylene is crumbs. It does not require any sophistication and the industry asks the state to subsidize it. Under the present ownership and policy this industry won't stand on its own two feet. We have to have one price per barrel of crude oil we import and set a policy that would allow us to compete with exports. There is no point in competing at the level of a single company making a single product. This won't do us any good. It's a pity to waste the money."

He does not see how the industry can do anything but follow the Europeans, who have grasped the depth of the problem and have merged this industry from the top.

Avigdor Bartel, former refinery director and chairman of the board of governors of the company, is not excited about the proposal of merging the industry. He prefers to transfer the ethylene operation, the main supplier of raw material to the petrochemical industry, to one of the companies in partnership with the refineries, or merging the operation with the refineries. Since at present the operation is a separate unit inside the refineries at the demand of former Energy Minister Yitzhaq Moda'i, there is no chance of ever making the operation profitable, says Bartel.

Yehuda Gil, vice chairman of the board of directors of the Israel Petrochemical Industries, argues that his company is willing to undertake the running of the ethylene operation on a lease basis or buy it and its workers and expand its output from 130,000 tons to 200,000 tons per year. He says his company is prepared to invest \$20 million under conditions of investment for approved companies (government grant as part of the investment, subsidized interest loans, and production subsidies).

Bartel is against selling the ethylene operation to Petrochemicals. In his opinion the offer of Petrochemicals is based on the assumption that they would be able to sell the biproducts of the ethylene operation at

a higher price than the present one, and get ahead of all the others. The proposal of expanding the output of the ethylene operation seems to him to be unrealistic. "Only a shift to other products will help the industry. Subsidizing the raw material as they demand, simply in order to increase the production of the present products, is not justified. The problem is efficient management, efficiency, coordination. I am not convinced that the various companies are making enough of an effort to increase their efficiency and expand their market," says Bartel.

The people at the budget section of the Treasury are also wary of the intentions of Petrochemicals. Their economists think that the investment pie is small to begin with, and last year Israeli companies were hurt by the large investments in the refineries. There is no justification, in their opinion, to grant Petrochemicals help at the level of approved companies for this purpose. They see it as an opening move which later on would lead to Petrochemicals to ask for support for the price of naphtha.

Nonsense, says Gil. In his opinion the losses of the ethylene operation is the result of low output in an industry that can process a great deal more of raw material. "We can sell double the amount abroad of what we sold last year. Our exports in 1984 reached 41,000 tons and it is .1 percent of the consumption of the European market. We have no problem selling 0.2 percent of that market. We can attract 100,000 tons of ethylene, but we only get 70,000 tons a year and neither we nor the ethylene operation are attaining optimal output. In my opinion the production cost in Israel is too high and therefore government support is not subsidizing out importing raw material at the international price.

Anyone, in his opinion, who proposes to close down the petrochemical industry because of the accumulated losses, does not understand the unbreakable link between the refineries and the petrochemical industry. This industry consumes byproducts of the refineries, solves ecological problems, and reduces the cost of making refining materials in the refineries. Without the petrochemical industry the expenses of the refineries would be gigantic, says Gil. He argues that the petrochemical companies do about \$40 million worth of import per year and are the central clearing house of raw material for the plastics industry throughout the country.

The severity of the condition of the petrochemical industry can be seen in data published as part of the report of consultant David Frankel, presented to the interministerial committee which examined the condition of the industry in 1981. Frankel had not anticipated a sharp decline in the price of crude oil and therefore his assumptions about the price pattern were somewhat optimistic. He had determined that the balancing point between profit and loss in the petrochemical industry during 1981-1991 would be an average price of \$308 per ton of naphtha. Meanwhile prices dropped in the international market and the price of naphtha today in the European market is \$220-222 per ton. The price of naphtha in the refineries is \$249 per ton before tax. Today the government is not prepared to support the raw material of the petrochemical industry.

The annual support of the price of raw material which at certain times reached \$90 per ton was discontinued. Computation with the refineries today is done according to the price of naphtha in the free market of southern Italy where the freight cost is reduced by \$7.50 per ton. This price is paid by the refineries to the fuel companies, and it reflects the minimal price one can get for a ton of naphtha in the Italian market, less freight.

The discontinuing of the subsidies was not received with cheers in the petrochemical industry. "The business is not run properly. We pay a little more than \$400 per ton of ethylene when the world price is about \$315 per ton, and they still want us to compete in the world market," says Gil.

The refineries respond that the agreement regarding the present cost of distillation was forced on them by Minister Gid'on Pat, when he served as minister of industry and commerce. Pat, they say, forced the refineries to sell ethylene at a price that only covered variable but not fixed expenses, at a credit of 25 days. This arrangement might have made sense in the happy days of Finance Minister Aridor when the inflation rate was 5 percent per month, but later on it eroded the profits of the refineries and since then the inflationary process has accelerated. They are no longer willing to sell ethylene at a loss. The conflict over the price in 1983 resulted in huge losses to the companies. The direct damage to the refineries alone during the idling of the ethylene operation, which lasted for 70 days, was \$10 million per week.

What is the alternative. The Gadot company is a positive example of a private entrepreneur. "Our success may be based on the fact that the private investors came into industry from commerce," smiles Gadot general manager 'Oded Tabori. He says that the assertion that the state subsidizes the price of the raw material for the petrochemical industry is mistaken. It is based on a capricious assumption regarding the price of products derived from a barrel of crude oil. He thinks that there is an artificial separation between the consumption products and the products used by the petrochemical industry. The price of materials such as naphtha and ethylene should be set like the price of gasoline and diesel, taking into account the state's distillation expenses.

The slump in the world market since 1983 has affected Gadot. The volume of export is not small, but the return for export has dropped because of the drop in the world market. In 1982/83 the company did an annual sales volume of \$73 million, and in 1984/1985 it expects only \$60 million. Gadot drew its own conclusions and has changed the production pattern.

In Tabori's opinion the Israeli petrochemical industry has no future if it continues to work on basic products which abound in the world market. Such a narrow base, sensitive to world fluctuations in the construction industry, for example, or in the vehicle industry, is not health. He says that "one needs diversification, production flexibility. All the energy is now focused on the discussion of the price of the raw materials instead of fresh thinking about the possibilities of marketing petrochemical products."



Tabori's ideas have found fertile ground in the teachings of Energy Minister Moshe Shahal, who is against the subsidizing of any raw materials for the industry. He promised a hard life to anyone who will not fight "to survive." He says that the petrochemical industry is based on products in which the raw material component is 80 percent of the final product, and therefore cannot be profitable from the standpoint of the economy, and it does not make sense to support it. The Energy Ministry, he adds, will support only those companies that are prepared to invest in the transition to more sophisticated products.

In an interview with MA'ARIV, the energy minister said that he was going to propose to the refineries and to the private stock holders to bury their differences and create a combined system similar to Israel Chemicals, by issuing mutual stock. He proposes that the refineries, which own 26 percent of Gadot and 12.5 percent of Petrochemicals, buy additional shares in the new combination and also include the fuel companies at the expense of other bodies, such as the Israel Company. He proposes that the fuel companies acquire 25 percent of the stock of the refineries.

"One should understand two points: there is no alternative to investments in the petrochemical industry, and beyond the short range the government cannot continue to support this industry," Minister Shahal concludes.

The Nonsense File [boxed insert]

Why does ethylene operation lose money, and why is it a separate unit in the refineries?

The losses are, among other things, the result of the conflict between Ministers Mod'ai and Pat. Over the years each minister tried to pull the "financial blanket" to his side. A few years ago Energy Minister Mod'ai proposed to merge the refineries, the ethylene operation, and all the other petrochemical industries. The discussion between him and Industry Minister Pat slid into the sensitive area of who will be in charge.

Minister Pat was not excited about the trend to put the entire system under the control of the energy ministry, and announced publicly that he had filed away the Mod'ia proposal in the "nonsense file." As a reaction, the energy minister decided to boycott the ethylene operation and put it "outside the perimeter." Consequently, the petrochemical companies are paying a high price.

Four Thousand Dollars Is Too Much [boxed insert]

What is the economic justification for establishing a fancy system of petrochemical industry in Israel?

In 1973 the refineries ordered a thorough study of the prices of using plastic products in comparison to using ordinary materials. The name of the study was "The Influence of the Energy Crisis on the Block Plastic Industry." This alluded to raw materials such as polystyrene and PVC, which are basic products of the Israeli petrochemical industry.

The decision makers rightfully wanted to know, based on the study, which was ordered from National Consultants, whether the rising cost of crude oil, which became six times more expensive, would cancel out the relative advantage of plastic pipes compared to metal pipes, or plastic bags compared to paper bags, for example. They found out that the relative advantage was not limited even in comparing weight unit and production unit.

The refineries were jubilant. They were told by National Consultants that it did not mean that Israel was right in investing a fortune in petrochemical industry, which until then was a small body. "How much would it cost to have a study on the economic feasibility and the relative advantage of Israel--if any--which would justify a combining of the petrochemical system?" the refinery people asked.

About \$4,000, the National Consultant experts replied.

It is too much, the refinery people said, while the government was investing hundreds of millions of dollars in a losing industry.

9565

CSO: 4423/37

11 June 1985

ISRAEL

## BRIEFS

LIKUD VOTERS SUPPORT DAVID LEVI--David Levi is the Herut movement's best electoral asset after Menahem Begin. This emerged from a nationwide poll on the movement's leadership conducted last month among Likud voters, and the findings astounded many Herut members yesterday. The poll, which was conducted by "Modi'in Ezrahi," also evaluated the leadership ability of those Herut members currently heading the movement and who would be most suited to head it during elections. Out of those polled, 41.8 percent believe that David Levi is the person most capable of heading the Herut, while 22.7 percent claimed that Ari'el Sharon is best suited for the position; 9.1 percent of the people polled supported Minister Moshe Arens. The current Likud leader, Vice Prime Minister and Foreign Minister Yitzhaq Shamir, was only rated in fourth place--only 8.2 percent of the respondents thought that he was the most suitable political figure to lead the movement. [By Ilan Shehori] [Text] [Tel Aviv HA'ARETZ in Hebrew 19 Apr 85 p 1 TA]

NE'EMAN MEETS PRC SCIENCE MINISTER--Some time ago, Knesset Member Prof Yuval Ne'eman, the chairman of the Tehiya party, met with the PRC's minister in charge of State Scientific and Technological Commission. The minister made a special trip to the University of Texas, where Ne'eman was dealing with physics research. The PRC minister, who is a member of the inner cabinet in the Beijing government, expressed great interest in Israel's scientific and research institutes. The two men discussed possibilities of bilateral cooperation in scientific spheres. The meeting was held at the PRC minister's initiative. [By Yehoshu'a Bitzur] [Text] [Tel Aviv MA'ARIV in Hebrew 14 May 85 p 1 TA]

1984 TERRORISM STATISTICS PUBLISHED--The Israel Police annual report for 1984 indicates that 432 terrorist attacks were carried out throughout Israel during that year, compared to 340 in 1983--a 27 percent increase. On the other hand, a 50 percent increase was registered in the number of bombs that were safely detonated. There was an increase in the number of attacks in Judaea, Samaria, and Gaza, with the prime target being the security forces personnel and local inhabitants considered collaborators with the authorities. Two people died as a result of this activity in 1984, and 138 were injured, compared to 11 dead in 1983. The Israel Police bomb disposal unit has enlisted more personnel and equipped itself with sophisticated means over the last year. [By Limor Nahum--recorded] [Excerpt] [Tel Aviv IDF Radio in Hebrew 1405 GMT 14 May 85 TA]

DRUZE ARRESTED FOR SABOTAGE--Eight Druze residents of the Golan Heights have been arrested by the police and have admitted to a long series of sabotage attacks against UN camps and Jewish settlements in the Golan Heights. They broke into UN camps and stole weapons, fuel, and soldiers' clothing. They blew up the Meqorot Water Company's water plant in (Birkat Ram), blew up water pipes in Jewish settlements, stole from the settlements, and caused heavy damages. [By Menahem Horowitz] [Excerpt] [Tel Aviv HA'ARETZ in Hebrew 16 May 85 p 3 TA]

CSO: 4400/150

JORDAN

## RESTRICTIONS LIFTED ON SOME IMPORTS

Dubayy KHALEEJ TIMES in English 16 Apr 85 p 4

[Article by Pam Dougherty]

[Text]

THE apple, as indicator of Jordan's economic health and policy, could one day provide some keen student with a fascinating Ph.D. topic.

When the economy is healthy, Jordanians are free to import and consume a healthy seven million dinars worth a year. When times are hard the government feels economies are called for, imports are banned and the homegrown orange and banana must satisfy the consumer needs. When the citizens grumble, the Ministry of Supply modifies its policies somewhat and allows some carefully controlled imports of apples.

And this week, the government lifted all restrictions on the import of apples and handed over the apple trade from the Ministry of Supply to the private sector as new Prime Minister Zaid Al Rifai launched his new economic policy. Throughout the week the Prime Minister issued a number of directives aimed at liberalising the economy and boosting the role of the private sector.

He said the government is to have both a short-term and long-term policy designed to put new life into Jordan's economy. We have been finding out about the short-term policy already.

The first move was to lift all res-

trictions on the opening hours of business and banks, though it is too soon to know if these will actually take advantage of the new situation. Jordanians tend to like to be home in front of the television set by 8 o'clock every evening and it is hard to see them changing this habit. The only time they do break the routine is during Ramadan when shopping at lam somehow seems the normal thing to do.

The work of the Ministry of Industry and Trade was then trimmed back sharply when it lost responsibility for the import of all except the staple foods of wheat, meat, sugar and rice, everything else becoming, like the apples, the preserve of private sector traders. The government is also planning to lift price controls on all but the four basics. It is planning to intervene only when it considers that businessmen are making an excessive profit on any particular item.

The Prime Minister, and other ministers, then went on to arrange a meeting with representatives of the private transport sector. As I have written in recent weeks, Jordan's transport sector is actually enjoying something of a boom with very big contracts being written to move goods to and from Iraq and the trade between Egypt and Jordan is pick-

ing up sharply. Despite this the truckers have still not been happy. It is one thing to have work, another to make a reasonable profit, they say.

No precise details about their meeting with the Prime Minister have been revealed but they were smiling after the meeting. Most likely area for change is the axle-load allowed. Jordanian allowances are generally lower than those of other Arab countries, and some reduction in general costs for the truckers may serve as an incentive for Jordanians whose trucks are registered in other Arab countries, to bring them back home.

No doubt the government directives on the economy will continue to come thick and fast in the next few weeks. The government will be hoping that the business community responds by starting to spend some of the money it has been sitting on over the past year or so. The Amman financial market has already shown something of an upward trend, so the signs are promising.

For the government's long-term strategy we have to await the details of the new five-year plan which will come into operation in 1986, but Prime Minister Rifai is already promising that it will contain measures to strengthen, deepen and widen the role of the private sector.

CSO: 4400/148

JORDAN

## IMPROVEMENT IN ECONOMY SEEN

Dubayy KHALEEJ TIMES in English 23 Apr 85 p 4

[Article by Pam Dougherty]

[Text]

THE changes in Jordan's economic policy continue to come thick and fast. The most important decision this week has been the one to cancel what has been known as the policy of Jordanisation of the banks.

The policy of Jordanisation was introduced in January, 1984 and it called for all foreign banks operating in the country to increase local equity to 51 per cent. The regulation is actually one that applies to all businesses in Jordan but it had never before been applied to the banking sector.

The banks were not particularly enthusiastic about the idea but began to take steps to conform to the new regulations, although by last week none of them had actually carried out the full procedures necessary.

The cancellation of the Jordanisation policy has been well received. Most bankers, local and foreign, were rather afraid that the measure would draw too much money into the banking sector at the expense of other sectors of the economy. The Amman financial market has been

very slow over the past two years and there were fears that industrial stocks would lose out to banking shares, thus depressing prices even further.

However, the problem has now been removed and the financial market, in response both to that particular move and to the new government in general, has enjoyed its brightest couple of weeks in years.

The price index of all shares rose by 7.8 per cent in the first 17 days of April, with bank shares up by 11.8 per cent, insurance shares by 6.1 per cent, industrials by 8 per cent and services up by 5.3 per cent. The value of stocks traded in this time reached JD 2.9 million which is almost equal to the totals for the first three months of the year.

The general manager of the financial market put the improvement down to the confidence imbued by the policies of the new government though some unexpectedly high dividends at the beginning of the month also helped to convince traders that the economic picture was not so gloomy after all.

The opening up of the economy is even beginning to be reflected in the search for oil. Exploration has

been under way in the Azraq region for some time and for the past couple of months an Iraqi team has been surveying the Dead Sea region and other parts of southern Jordan. Now the government has announced that it will invite foreign companies to take part in an expanded oil exploration effort which will include the sinking of 10 new wells in the Hamzeh field at Azraq where Jordan's most promising finds to date have been made.

Greater efforts are also to go into the exploitation of oil shale and other mineral resources. Jordan actually has substantial oil shale reserves in the south and various studies have been carried out in recent years to ascertain just what there is. The real barrier to making use of the oil shale is that the technology required is both very sophisticated and very expensive and oil shale is not really expected to be a viable prospect until such time as conventional supplies are running short and the price begins to rise. At this point the Hamzeh fields look more promising and could certainly be a big help to the government's hopes of an economic boom.

CSO: 4400/148

JORDAN

COLUMNIST ON JORDAN'S GOLD, CURRENCY ASSETS

JN081300 Amman AL-RA'Y in Arabic 8 May 85 p 6

[Fahd al-Fanik article: "The Kingdom's Gold and Foreign Currency Reserves"]

[Text] According to statistics published by the Central Bank, the kingdom's assets in gold and foreign currencies at the end of February reached 597 million dinars, of which 256 million dinars are with the Central Bank and 341 million dinars with commercial banks. Calculating the kingdom's reserve calls for the introduction of several amendments to these statistics before they can be used by the decision makers. The commercial banks' balance sheets show that non-residents deposits in foreign currencies were 284 million dinars and that foreign banks' deposits and loans amounted to 46 million dinars. Therefore, the commercial banks' total liabilities in foreign currencies for nonresidents amounted to 330 million dinars, all of which are blocked as short-term deposits that do not exceed 1 year.

This means that not all of the 341 million dinars in foreign currencies with the commercial banks constitute the kingdom's assets. In fact, the biggest part of this amount is just nonresident investment deposits, and in most cases the investment is for the same short period of time. This means that the Jordanian commercial bank's role is merely that of an intermediary. This is because these foreign currencies can be withdrawn or used by the nonresident depositor--whether he is a foreigner, an Arab, or a Jordanian--at any time and without any restrictions. Therefore, these deposits cannot be considered for reserve purposes. They are considered as "off-shore" deposits that must be discounted when calculating the reserve.

Therefore, the country's real reserve with the commercial banks is no more than 11 million dinars. As far as the Central Bank is concerned, its liabilities in foreign currencies are limited to 3.3 million dinars only. However, its gold and Special Drawing Rights [SDR] are more than their book value by approximately 60 million dinars.

On the other hand, the Central Bank's statistics do not reflect the foreign currency assets and liabilities of Jordanian finance companies. It is as if they are not a part of the banking system for the purposes of calculating the reserve. It is said that these companies' foreign currency assets amount to 17 million dinars while their nonresident deposits amount to 12 million dinars.

If we take all these amendments [as published] into consideration, the country's real net reserve in gold, SDR's, and foreign currencies at the end of February amounts to 330 million dinars, an amount which is sufficient to cover the visible imports for a period of slightly more than 3 months.

It is understood that a part of these deposits, which Central Bank statistics call nonresident deposits, do, in fact, belong to residents but they are in foreign currencies. Such deposits are truly considered a part of the kingdom's reserve, but we cannot assess them in the absence of a correct classification of statistics and statements.

In any case, the kingdom's reserve in foreign currencies deserves more attention by pursuing monetary, financial, and commercial policies that will protect it and prevent it from dropping or approaching the red line.

CSO: 4400/146



JORDAN

BRIEFS

ISLAMIC LOAN--Jeddah, 5 May (SPA)--An agreement was signed at the Islamic Development Bank [IDB] whereby the IDB will finance a foreign trade transaction worth \$30 million in favor of the Jordanian refinery company. The agreement was signed by bank President Ahmad Muhammad 'Ali. Jordanian ambassador to the kingdom, Muhamma Rasul al-Kaylani, signed for this country. [Excerpt] [Riyadh SPA in Arabic 1405 GMT 5 May 85 GF]

VISITING PRC PRESS DELEGATION--Amman, 6 May (PETRA)--Jawad Maraqah, director general of the JORDANIAN NEWS AGENCY, PETRA, today discussed with the chairman and members of the all-China Federation of Journalists Jordanian-Chinese press relations and ways to bolster and promote them. The director general of the JORDANIAN NEWS AGENCY explained PETRA's technical and press capabilities and its role in covering the news of the official and popular levels. He also explained PETRA's relations with friendly news agencies, particularly within the Arab News Agency Federation and the pool of nonaligned agencies. He explained the agency's future trends, particularly those pertaining to expanding cooperation with the friendly agencies and improving the working conditions of the press. The Chinese press delegation visited the agency's divisions and became acquainted with their work. [Excerpt] [Amman PETRA-JNA in Arabic 1428 GMT 6 May 85 JN]

POTASH COMPANY CAPITAL INCREASED--It has been decided to increase the Arab Potash Company's capital by 9.45 million Jordanian dinars to become 72.450 million Jordanian dinars. The decision was announced after an extraordinary meeting of the company's general assembly in Amman yesterday. A company report explained that the company's production last year reached 486,000 metric tons, an increase of 206,000 metric tons on the 1983 production. It also indicated that production for the next 3 years will be 1.2 million metric tons. The report indicated that the company's sales last year reached 15 million Jordanian dinars as opposed to 5.6 million Jordanian dinars in 1983. [Summary] [Amman AL-RA'Y in Arabic 25 Apr 85 pp 1, 24 JN]

CSO: 4400/146

KUWAIT

## PHENOMENON OF POLITICO-RELIGIOUS EXTREMISM DISCUSSED

Kuwait AL-TALI'AH in Arabic 3 Apr 85 p 9

[Editorial]

[Text] Before we begin to discuss this subject, some clarifications are necessary so there will be no grounds for reading into it more than is warranted.

First: In bringing up sectarianism and religious extremism, we are not talking about religious people, but rather about narrow-minded fanatics whatever their sect; that is, about groups and the leaders of religious party groups, but not everyone. That means that there is a large proportion of good people who are sincere in their piety and their understanding of religion and its role in life and development.

Secondly: In discussing this phenomenon, we are not supporting one group or the members of one sect over another, for sectarianism and religious extremism is today a universal phenomenon in our society, and some members of both the Sunni and Shi'ah sects have a part in it.

We wanted to establish that at the beginning, so that no-one would imagine that we were trying to support him or to support someone else against him.

Extremism in its broad, general meaning is distance from moderation, or the departure from what is normal in human life, and there are various types of extremism: political, religious, racial, etc. Since we live in an age of religious extremism, this phenomenon must be studied and attention drawn to its dangers. Religious extremism is the departure from what is normal in people's beliefs, their feelings and their behavior, and when it takes on a form of collective behavior, it constitutes a threat to the authority of the state and the security of the society. Religious extremism is most dangerous when it takes on a politico-religious character, and this is in fact what our local and Arab arena is experiencing. This extremism came about as the result of many factors, including the overall defeat of its civilization that the Arab nation is experiencing, the activity of Sunni and Shi'ah religious parties, the Iranian revolution, in addition to many other internal and external factors.

The seriousness of the politico-religious extremism that our society is witnessing lies in the fact that it has gone beyond individual limits, and has become collective and organized, and an obvious phenomenon that people feel in their

lives, beginning with the attack on the council for coeducation at Kuwait University at the beginning of the seventies, and which some have called "the battle of coeducation," and going on to the explosions which took place in Kuwait threatening the lives, safety and peace of mind of the people, and on to the burning of one of the mosques in the Bayan region of Kuwait, the attacks on mosques, the defamation of people and those who oppose the views of the leaders of the religious parties, to the end of this series which could become grave if left without social and political controls.

Generally speaking, this extremism might be an expression of the political, economic and social circumstances that Arab society is suffering from generally, but the political parties have succeeded in using these circumstances to their benefit and exploiting them by concentrating in their theses on moral, emotional, and ritualistic issues without a deep understanding of religion and its role in social and economic reform and the advancement of civilization. Therefore, their effect was widespread, especially among those of the middle class who are uneasy about our modern society because of the nature of social, economic, political, and psychological pressures.

The wave of religious extremism began after the defeat of 1967, and it was doubtless the child of the age of defeat and decline in our Arab circumstances. The Iranian revolution had a role in stirring up sectarianism and extending the wave of religious extremism among members of the Sunni and Shi'ah sects due to the activity of the religious parties, not a small proportion of whose rank and file we believe are sincere in their piety.

If politico-religious extremism is a sharp response to the existence of a crisis in the civilization which has expressed itself in this way, then its continuation will lead to the arousal of sectarian chauvinism, and this in its turn will lead to religious terrorism which will expose the safety of the society to the dangers of being torn apart and splintered, and of a long struggle.

12547

CSO: 4404/285

KUWAIT

## PROBLEMS FACING INDUSTRIAL SECTOR DISCUSSED

Kuwait AL-QABAS in Arabic 3 Apr 85 p 15

[Text] The chairman of the board of the Industrial Bank of Kuwait, Anwar al-Nuri, stated that it was necessary to apply a strategy for industrialization based on a number of key points, which he summarized as follows:

- 1- That the choice of technology be directed towards those (industries) that are characterized by being capital intensive in order to reduce the demand for labour per a specific amount of investment. The necessary policies should be made to raise the productivity of the foreign labour force in order to reduce its employment in relation to a unit of the final product.
- 2- Taking steps that would ensure that the labour force would be induced to move towards work in the industrial sector, especially those relating to the prevailing wage structure, as well as the flow of the work force out of the industrial sector into services, especially government services.
- 3- Motivating industrial production units and creating an incentive for them to use Kuwaiti workers by linking government support to the proportion of Kuwaiti workers employed out of the total employed in the production unit, or to the proportion of Kuwaiti workers in specific occupations.
- 4- Laying down a national training plan that would include everything necessary for training at the level of existing industrial production units.
- 5- Laying down a national plan for human resources that would be an inseparable part and an important component of the national plans based on cooperation and coordination between the Ministries of Planning and of Education. The former would set forth what is required of the work force in terms of various types of occupations during the upcoming plan based on the program of industrial investments put forth in the plan, on condition that the latter take the necessary steps to set up the educational system in response to this demand by participating as well in studying the possibility of setting up various training centers, helping to create the opportunities necessary for this required work force to prevent the creation of bottlenecks in the labour market that could impede the process of industrial growth.

This came during a lecture by Mr Anwar al-Nuri during the cultural festival for the 1984-84 academic year held by the Kuwait Institute of Technology. It was entitled, "The problems of the industrial sector in Kuwait and the requirements of the workers." In it he pointed to the need for industrialization in Kuwait, since the nation economy is characterized by having a single resource, and depends essentially on the extraction and export of a depletable natural resource, oil; and on spending the income from that oil to obtain goods and services and local and foreign production factors necessary to meet final consumer needs and the requirements of social and economic development. As for surpluses of national reserves, they should be sent abroad to be invested in international markets, in spite of the serious political and commercial dangers that these investments would be exposed to.

The oil sector's part in creating the overall local production, and its share in the revenues of the government's general budget and the revenue from exports, reflects this sector's domination over economic activity.

As a result of this big and serious dependence on the production and export of one commodity, local economic activity suffers, directly and indirectly, from the fluctuations that befall the interaction of the forces of supply and demand on the international oil market, and thus the income from the exports fluctuates widely from one year to the next according to the fluctuations in the price of oil on the one hand, and the amounts exported on the other.

Linked to the phenomenon of having a single resource are a number of important traits that impede the activity of the national economy. Perhaps the most important of these characteristics are the imbalance in the production structure, the narrowness of the production base, and the increased dependence on imports. And since oil revenues are government revenues, the increase in public spending is a distinguishing characteristic of our economy, since it represents the prime mover of economic activity and the cycle of income and production.

Industrialization is considered to be the corner stone in the process of economic development, and the essential means of overcoming the traits linked to having a single resource, for industrialization in the instrument for correcting the structural imbalances.

After he had enumerated the advantages of industrialization, al-Nuri went on to the question of developing the industrial sector in Kuwait. He explained the founding framework for the growth in industry through the first five-year social and economic development plan from 1967-68 to 1971-72 issued by the council for planning, and he enumerated its goals; and the second five-year plan of 1971-72 to 1975-76 and its goals; and the development and strategic plan for the industrial sector issued by the Ministry of Trade and Industry for the period from 1976 to 1980.

Then the lecturer talked about the general framework for supporting industry in Kuwait, enumerating the agencies that controlled industry, indications of the development of the industrial structure in Kuwait, and the role that the Industrial Bank had played in promoting the activity of industrialization and paving the way before it.

The chairman of the board of the Industrial Bank pointed to the problems of industry in Kuwait, mentioning that they were embodied in:

- 1- Absence of a clear, comprehensive strategy regarding the role of the industrial sector in the economic future of Kuwait.
- 2- A restricted local market.
- 3- Lack of primary resources.
- 4- Lack of skilled local workers necessary for industrial growth.
- 5- A drop in the levels of protection and support.
- 6- An abundance of government agencies that control industry.
- 7- A drop in administrative competence.

The lecturer discussed industry's requirements from the work force and the problems associated with that, indicating that these problems point to the chains placed around the process of industrial development and on the diversification and expansion of the production base in Kuwait. That is because the previous method of employment means that diversification of the production base through industrial expansion would necessarily mean an increase in the demand for a foreign labour force, and that would mean an increase in the imbalance in the population base, and a threat to the guarantees of national security.

12547

CSO: 4404/285

KUWAIT

## CURRENCY EXCHANGE COMPANIES DEMAND NEW REGULATIONS

Kuwait AL-QABAS in Arabic 3 Apr 85 p 15

[Article by 'Abd-al-Fattah Darwish]

[Text] The chairman of the board of the Kuwaiti union of exchange company owners, 'Abd-al-Mutlib al-Kazami, told AL-QABAS yesterday that the union had presented several demands and proposals to the Central Bank of Kuwait. He summarized them as five demands, as follows:

- 1- To open a direct line between the exchange companies and the Central Bank for buying hard currencies, instead of what is done now, in which purchasing is done through commercial Kuwaiti banks.
- 2- To put an end to the operations of exchange companies which foreign banks use as a cover in order to operate in the Kuwaiti financial market through administrative participation.
- 3- The need to start cooperating and to intensify efforts to combat the currencies black market in Kuwait, since some individuals trade in currencies illegally.
- 4- Not to issue or renew the license of any exchange company that has not obtained membership in the Kuwaiti union of exchange company owners.
- 5- To create a headquarters for the exchange market in such a way as to enable the market to be connected with world exchange centers.

Al-Kazami added that officials in the Central Bank seemed to understand the union's demands and proposals during a meeting that was held between union representatives and Central Bank officials, and which was attended by the governor of the bank, 'Abd-al-Wahhab al-Tamir.

Al-Kazami indicated that the purpose of this meeting had been to discuss how the relationship between the Central Bank and the exchange companies would be regulated following their being put under Central Bank control at the beginning of 1984, when previously the exchange companies had been subject to supervision by the Ministry of Trade and Industry.

Al-Kazami confirmed that Central Bank officials were working on drawing up the concepts of a comprehensive law relating to the Central Bank's dealings with the exchange companies and the regulation of their activities according to what would be mutually agreeable and in the interest of the Kuwaiti economy.

Al-Kazami added that union representatives made it clear to Central Bank officials that not all exchange companies deal in shares and real estate as is believed, but that many of them deal only in currencies and precious metals.

Al-Kazami pointed out that the local exchange companies had proven that they were competent in their work as well as reliable, and that they were qualified to deal directly in the buying and selling of international currencies, instead of through commercial banks that make a profit for themselves when they sell currencies to the exchange companies.

Al-Kazami talked about the existence of exchange companies operating in Kuwait that are in fact nothing more than an "umbrella" behind which foreign banks sneak in to work in Kuwait through participating in their administration.

Also, the profits of these companies subsequently flow out of Kuwait and foreign parties benefit from them; also, it is difficult to compete with these companies in view of the support that they receive from the banks which set them up. In addition, these companies do not help train local cadres in exchange operations.

Al-Kazami also pointed to the existence of individuals who work in exchange without having obtained a license to do so, which makes the activity of these people illegal.

Al-Kazami ended by stressing the need for having a permanent headquarters for the exchange companies and the union.

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KUWAIT

BRIEFS

OIL REVENUES, STATISTICS--The March 1985 bulletin of the Central Statistics Department of the Ministry of Public Health and Planning, which was issued on 10 May, says that Kuwait's oil revenues from October-December 1984 totaled 605 million Kuwaiti dinars, about \$1.8 billion, and are approximately equivalent to the revenues for the period from July-September 1984. Total revenues increased from 656.1 million dinars for the period from July-September 1984 to 736.7 million dinars for the period from October-December 1984. The bulletin also says that expenditure rose from 575 million dinars to 593 million dinars, while government expenditure on construction project rose from 56 million dinars to 99 million dinars. The production of refined petroleum products fell from 40.2 million barrels to 38.4 million barrels, while the production of liquified gas gas risen from 6.1 million barrels to 6.4 million barrels [sentence as published]. [Summary2 [Kuwait AL-RAY'Y AL-'AMM in Arabic 10 May 85 p 9 GF]

CSO: 4400/154

LEBANON

AL-HUSS CONNECTS ECONOMIC, SECURITY SITUATIONS

Paris AL-MUSTAQBAL in Arabic 6 Apr 85 p 47

[Interview with Minister of Education Dr Salim al-Huss, by 'Imad Jawdiyah: "Salim al-Huss Tells AL-MUSTAQBAL: 'When Our Security Situation Relaxes, So Will Our Economy'"; in Beirut, date not specified]

[Text] In Lebanon, the economic and financial panic remains the most glaring factor governing the people's affairs and worries. For the citizens, security concerns pale before anxieties over bread, and direct, random shelling does not frighten them as much as does this inflation, which eats up the incomes of poor and middle class homes and makes the head of the family unable to guarantee a bite of bread for his children.

Just recently the state, aware of the severity of the crisis, issued a decree amending wages 20 to 22 percent above 1984 levels.

Minister of Education and Labor Dr Salim al-Huss, who played a major role in the passage of this increase, discussed this topic in detail with AL-MUSTAQBAL.

[Question] The General Labor Federation considers the recently passed wage increase insufficient to counter the daily worsening inflationary crisis, which is becoming unbearable for the average citizen and virtually threatens him with starvation. What exactly is your stand on this issue?

[Answer] Naturally, adjusting wages is not sufficient to solve the socio-economic problem besetting the Lebanese citizen today. The wage reform passed recently by the cabinet pertains only to that inflation which took place in 1984. As for the inflation which has taken place since the beginning of 1985, and which is continuing in all its severity, the cabinet won't look into that matter until later on.

1984's inflation rate was much lower than that of the first quarter of 1985. We hope that there is a possibility of confronting and eradicating this phenomenon.

[Question] The General Labor Federation has demanded that the state adopt other measures, such as implementing the law establishing the "National

Bureau for Medicines" and passing a law establishing a "cooperative marketing center," in order to lighten the burden of daily life for the citizens. What do you think?

[Answer] The wage adjustment was not the first step taken to confront the burdens connected with inflation. There was an earlier decree, now being implemented, to establish a bureau to import medicine. Until such time as this bureau is established in the manner decreed, the National Social Insurance Fund has been authorized to import medicines to its own account and distribute them to those facilities from which the insured, the majority of the Lebanese people, benefit. However, once the medicine bureau is established, the National Social Insurance Fund will presumably stop importing medicines, and the importation of medicines on the official level will be limited to the forthcoming bureau. However, the bureau will not have a monopoly; i.e. it will not be the sole importer of medicines but will be only one such importer. Lebanon will never renounce the system it has always followed--free importation, which, as we see it, is beneficial, because competition always drives down prices. Once the officially-backed medicine bureau enters into competition with the importers, we hope that the problem of inflated medicine prices, from which the citizens have sorely suffered, will be settled.

Besides the medicine bureau, another measure is the establishment of a "cooperative center" to import other commodities. As you mentioned in your question, this was and still is demanded by the General Labor Federation. The cabinet has already adopted a decision to carry out this project, but other measures must be taken to put this project into practice, such as drawing up ordinances and regulations, appointing a board, and providing credit. All of this is being carried out, so that the cooperative council as well can enter into competition with other importers to bring down and keep down prices of food and other items.

[Question] Ultimately, official economic measures are more important than all of this. So far, the state has been unable to carry out such measures effectively, which threatens to aggravate the fiscal and economic crisis, especially since the Lebanese pound is still dropping with respect to the dollar and Arab and foreign currencies.

[Answer] Such economic measures cannot be sound and effective unless security measures are successful in achieving some degree of economic stability, followed by political security. The root of the problem is connected with the political situation, and then with the economic and financial situation. That is to say, if there were some kind of political relaxation, which could be used to achieve a security relaxation, then effective economic measures could be adopted to stimulate productivity in industry, agriculture, tourism and so forth. At that time, much of the unemployed labor force could be absorbed.

In this way, we could fight unemployment, as well as improve the balance of payments and thus strengthen the nation's currency. Stimulating productivity will inevitably lead to a new abundance of goods on the market, so

that we could stop importing their counterparts from abroad. In this way there would be a partial improvement in the balance of payments, and some of our products could be exported abroad, which would also improve the balance of payments.

If the general economic situation were to improve, foreign capital would be more willing to invest in Lebanon, which would lead to additional improvement in the balance of payments and would strengthen the Lebanese currency. If there were a firm improvement in the political and security situation, the state could strengthen its hold on the ports, the roads and the levying of duties and taxes. This would also strengthen the state's financial position and therefore its ability to carry out building and development projects, and consequently the currency situation and the balance of payments as well.

The matter of political and security relaxation, stimulation of economic facilities, improving the state's financial position, and improving the currency situation has many ramifications and contributing factors. All of these things are interrelated and could be carried out over a period of time. But it is a delusion to think that true economic relaxation can be achieved in isolation from the security and political situations.

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CSO: 4404/347

LEBANON

BRIEFS

LEBANESE EXPORT FIGURES--Compared to January's export figures, during February Lebanese industrial exports registered a noticeable increase amounting to 61,769,000 Lebanese pounds, an increase of 46.08 percent. President of the Lebanese Industrialists' Society Dr Fu'ad Abi-Salih remarked that the increase in the value of February's exports is a "theoretical" one, inasmuch as it represents an increase in Lebanese pounds as a result of the falling exchange rate of the nation's currency, and not an increase in the quantity of industrial products exported. [Text] [London Al-TADAMUN in Arabic 6 Apr 85 p 3] 8559

IMPORTS FROM FRANCE--Foreign trade statistics collected by the National Council show that after Italy, France occupies second or third place among countries exporting goods to Lebanon. Figures for the 7-year period 1977-83 show that in 1977 France occupied second place, exporting US\$169,198,000 worth of goods to Lebanon, accounting for 12.25 percent of Lebanon's imports. In 1978, France again held second place, exporting \$186,565,000 worth of goods to Lebanon, or 11.39 percent of Lebanon's imports. In 1979, it held third place with \$228,658,000 or 10.28 percent; in 1980, third place with the sum of \$348,129,000 or 10.85 percent; in 1981, third place with \$334,536,000 or 11.26 percent; in 1982, third place with \$333,768,000 or 12.06 percent; and in 1983, third place with \$362,356,000 or 15.37 percent. [Text] [Paris AL-MUSTAQBAL in Arabic 6 Apr 85 p 45] 8559

BEIRUT PORT ACTIVITIES--During 1984 a total of 1,212 steamers and 36 sailing vessels arrived at Beirut Port. The steamers unloaded 1,110,288 tons of assorted cargo and 1,025,984 tons of liquid fuels. The sailing vessels unloaded 1,476 tons and took on 1,550 tons of cargo. Total cargo activity amounted to 2,294,616 tons, as opposed to 2,651,902 tons in 1983, a decline of 13.47 percent. The nationalities of the steamers arriving in Beirut Port were distributed as follows: 389 Lebanese, 78 Cypriot, 69 Panamanian, 65 Honduran, 62 Turkish, 54 Russian, 41 Italian, 27 East German, 26 Greek, 21 Romanian, 20 Maltese, 18 Yugoslav, 17 Egyptian, 15 French, 9 Liberian, 9 Polish, 8 Syrian, 7 Chinese, 7 Spanish, and 7 Czech ships. [Text] [Paris AL-MUSTAQBAL in Arabic 6 Apr 85 p 44] 8559

CSO: 4404/347

OMAN

BRIEFS

NEW PRC, GUINEAN ENVOYS--Yusuf ibn 'Alawi ibn 'Abdallah, minister of state for foreign affairs, today received the credentials of (Wan Xiong) as PRC extraordinary, plenipotentiary, and resident ambassador to the Sultanate of Oman. He also received the credentials of Aboubacar Barry as Guinean extraordinary, plenipotentiary, and nonresident ambassador to the Sultanate of Oman. [Summary] [Muscat Domestic Service in Arabic 1300 GMT 20 Apr 85 GF]

CSO: 4400/151

PALESTINIAN AFFAIRS

PLO'S MUHAMMAD MILHIM INTERVIEWED

JN261947 Baghdad Voice of PLO in Arabic 1530 GMT 26 Apr 85

[Interview with Muhammad Milhim, PLO Executive Committee member and director of the PLO's education department and occupied homeland affairs department, by an unidentified radio correspondent in Baghdad; date not given--recorded]

[Excerpts] [Correspondent] Brother Muhammad Milhim. What are the duties of the PLO's education department and the occupied homeland affairs department? Can you expand on our Palestinian people's educational and cultural situation in the occupied homeland under the [word indistinct] policy and in light of attempts by the Zionist occupation authorities to destroy the Palestinian national culture?

[Muhammad Milhim] In fact, these two departments of which I am in charge are interrelated because they have a direct connection to our kinfolk in the occupied land and because the problems that our kinfolk are facing are not only educational, social, economic, or health problems, but encompass all kinds of problems within these two interrelated departments. Regarding education, the occupation authorities are trying to plunder our heritage and our culture and to prevent our youths and our educational institutes from continuing their work.

[Correspondent] Brother Muhammad Milhim. Undoubtedly, our Palestinian people, who are known for their big sacrifices, who spare no efforts to defend their land and adhere to it, and who resist the occupation and confront it without any weapons while the occupation has every kind of weapons of destruction, will depend on themselves, will continue to build their various national institutions, and that history will record this. Brother Muhammad Milhim, our next question is about the Zionist settlements. What is the plan of the occupied homeland department regarding the Zionist settlement onslaught in the occupied West Bank and Gaza?

[Milhim] The occupied homeland affairs department and the PLO stress the importance of the citizens' adherence to their lands inside the homeland. The occupied homeland affairs department, the joint committee, and some of our brothers try to help contribute to some extent to efforts that will enable the citizen to preserve his land. As I said before, the citizens who own this land and who inherited it from their grandfathers should defend it.

[Correspondent] Brother Muhammad Milhim, the Zionist occupation is trying to impose a fait accompli on us by continuing to establish settlements. It is also trying to terrorize us with this fait accompli in order to get us to surrender. We say that the settlements will be demolished just as they were established. What do you say?

[Milhim] I would like to say something that all people should know. They [Israeli settlers] continue to settle in houses that are already built and they send immigrants to these houses. But they should know that this land cannot be changed or altered. It is said that they occupied the land and they took the land. Where did they take it? It is still there [words indistinct]. Israel is pursuing all means that may lead to emptying the land.

Let us take the Camp David accords. We opposed these accords and we will continue to oppose it or any other Camp David. You remember that Begin explained the Camp David accords and the autonomy as having no authority over the land. Why? Because he knows that if anybody loses control of his land, he will no longer exist.

CSO: 4400/152



PALESTINIAN AFFAIRS

PALESTINIAN LEADERS REAFFIRM SUPPORT FOR PLO

PM140955 London AL-SHARQ AL-AWSAT in Arabic 13 May 85 pp 1, 2

[AL-SHARQ AL-AWSAT telephone interview with Bethlehem Mayor Ilyas Frayj and former Gaza Mayor Rashad al-Shawwa: "West Bank and Gaza Leaders: We Support the PLO and Jordanian-Palestinian Accord"]

[Excerpt] Palestinian leaders and personalities in the West Bank and Gaza have once again reiterated their adherence to the PLO's representation of the Palestinian people. In exclusive statements to AL-SHARQ AL-AWSAT they said that the Palestinian-Jordanian accord enjoys the support of the great majority of the Palestinian people because it has unified the Jordanian-Palestinian efforts.

Bethlehem Mayor Ilyas Frayj said in a telephone conversation with AL-SHARQ AL-AWSAT that the leadership in the West Bank and Gaza has frankly defined its stand during the meeting with U.S. envoy Richard Murphy. Briefly, this stand is that the PLO is the sole legitimate representative of the Palestinian people and is authorized to choose whomever it wants among the Palestinians to represent the Palestinian people and that the United States must recognize the Palestinian people's rights.

Frayj, who has just returned from a visit to Amman during which he met with the Jordanian prime minister, said that he heard that a list of the members of the Palestinian delegation in the joint delegation has been prepared but that he does not know these names. He declined to say whether his name is included in the list or not. He said that when he met with the Jordanian prime minister he did not inform him of the existence of such a list.

Frayj stressed that he will not participate in any delegation or negotiations except with the PLO authorization. He said he cannot imagine that anybody would accept any mission without the PLO's authorization.

Speaking about the Jordanian-Palestinian accord, he said that the great majority of the West Bank population support it. As for the minority that opposes it, it consists of those people who still believe in slogans; such slogans will not demolish one single settlement.

Frayj expressed the belief that Jordan is serious in its peace moves and is striving to narrow the gap between the various sides in order to salvage what

can be salvaged following Israel's seizure of 60 percent of the occupied territory and its establishment of settlements there. He said that if the present peace opportunity is missed, the Likud bloc will return to power and will intensify the settlement of the rest of the land. He said that peace is possible "if the Arabs know how to help the United States so that it can help us. But if the Arabs persist in their fixed stands then they will obtain nothing."

As for Rashad al-Shawwa, the former Gaza mayor who was among the Palestinian personalities who met with U.S. envoy Richard Murphy, he told AL-SHARQ AL-AWSAT that the leadership in the occupied territories adheres to its demand for the right to self-determination and to choose its own representatives. The United States must respect this right. He said that the Palestinian personalities who met with Murphy emphasized to the U.S. envoy adherence to the PLO representation. They asserted to him that none of them will participate in any delegation for negotiations without the PLO's authorization. Murphy's answer, he said, was that the United States sticks to its stand of not negotiating with the PLO until it frankly and explicitly recognizes Israel and all the UN resolutions, including Resolution 242 which implicitly recognizes Israel.

Al-Shawwa said that Murphy had promised to resume contacts 10 May with the Palestinian personalities he had met earlier, but he did not resume contact with them once again during his visit to occupied Jerusalem with the delegation accompanying U.S. Secretary of State George Shultz.

He expressed the belief that there is one advantage to the Palestinian-Jordanian accord, which is that of rallying the Arab forces and especially unifying the efforts of the Jordanian and the Palestinian sides, which have become one single front.

Al-Shawwa stressed that he will not participate in any delegation or negotiations without the PLO's approval and that if the PLO empowers him then he will participate in the delegation, but if not then he will not.

CSO: 4400/152

SAUDI ARABIA

SAUDI DAILY VIEWS U.S. MIDEAST POLICY

PM081918 Riyadh AL-JAZIRAH in Arabic 2 May 85 p 2

[Jasir ibn 'Abd al-'Aziz al-Jasir article: "Encouraging the Americans To Pursue a Balanced Policy in the Middle East"]

[Text] Observers interested in Middle Eastern events are watching the escalating international political activity aimed at producing a solution for the Middle East's chronic problems. It is being said in private and public circles, including circles of Western diplomats working in the Arab world and circles of Arab diplomats abroad, that the Middle East issues, particularly the central issue of Palestine, now top the list of international priorities. They maintain that the fact that the United States is showing such interest, as reflected in Assistant Secretary of State Murphy's tour, which ended yesterday, and the visit of the secretary of state himself, due to begin in a week's time, is an indication that the U.S. Administration is beginning to tackle events in a logical manner. What is required is that its approach should be impartial not, as always, partial at the expense of the Arab side. There seems to be a U.S. tendency to move in that direction now. This has been discerned by analysts of U.S. media and official statements. For example, the "Palestinian people's rights" is now a phrase commonly used by the U.S. media and the American man in the street. The U.S. press and other media now carry reports and inquiries speaking of the need for the fulfillment of Palestinian rights.

Only the day before yesterday the State Department's deputy official spokesman said at the State Department in reply to a question that "the United States believes that the Palestinian people's legitimate rights should be taken into consideration in any agreement on the final status of the West Bank and Gaza." He added that "the full way in which these rights should be exercised will be determined in the negotiation process. Our view is that there should be Palestinian participation in every stage of the negotiation process." He also said: "Furthermore, any agreement on the final status of the West Bank and Gaza should have the prior approval of the inhabitants of these two areas."

Asked about the way such prior approval could be demonstrated, DeJerejian said details could be determined in the negotiations.

That is considered to be a U.S. official position and is regarded as an advanced position, but other steps are needed if that position is to become a

balanced or a quasi-balanced position. The United States must sympathize with the Palestinian people's wishes and aspirations, particularly their call for an independent Palestinian state. The U.S. administration is still opposed to this particular point.

So, in the U.S. view, there is still some considerable distance between fulfillment of the Palestinian people's rights and the setting up of an independent Palestinian state because, according to President Reagan's 1982 initiative, which we quote here verbatim, "The United States will never support the setting up of an independent Palestinian stage in the West Bank and Gaza and it will never support annexation or permanent control by Israel."

That means no to an independent Palestinian state and no to continued Israeli occupation of the Arab territories, but we cannot stop at that point. The U.S. position could be developed and could become more balanced. The opportunity is now available for achieving some balance while there is still U.S. interest.

The Arab states should capitalize on that opportunity within the next 6 months. That cannot be done without a united Arab stand, which comes before everything else. Why the next 6 months? That will be our topic next Saturday, God willing.

CSO: 4400/154

SAUDI ARABIA

PROMINENT BUSINESS LEADER DISCUSSES CHAMBER OF COMMERCE ACTIVITIES

Riyadh AL-YAMAMAH in Arabic 3 Apr 85 pp 78-83

[Interview with Sulayman al-'Ulayyan, Chairman of the Chambers of Commerce and Industry, by Salman al-'Umri: "Orientation of the Private Sector to New Investment Areas"]

[Text] This conversation with Shaykh Sulayman al-'Ulayyan, chairman of the Council of Saudi Chambers of Commerce and a famous businessman, is of great importance, because it occurred several days after his venerable majesty the king's sponsorship of the second conference of Saudi businessmen and on the eve of the country's entry into the fourth development plan and the great emphasis on the role of the private sector which that has involved.

The Chambers' New Plan!

AL-YAMAMAH: What is the new action plan of the Council of Saudi Chambers of Commerce, now that you have assumed the responsibility of chairing it?

[Answer] The fact is that when my colleagues gave me the honor of electing me chairman of the Council of Saudi Chambers, I thereby completed a mission started by my colleague Shaykh Isma'il Abu Dawud, who bore the burden of establishing the council. Consequently, as I began to bear my new responsibilities, my first preoccupation was not to set out new plans; the council is in fact functioning on the basis of a plan of action which was approved at its previous meetings, and the secretariat general is now carrying it out.

Rather, my attention in this stage could perhaps be devoted to learning from close at hand about the council's accomplishments in the recent period and confirming that the plan that has now been set forth for its activity is being carried out successfully. This will certainly be followed in the near future by the setting out of new work plans and programs which will enable the council to play a more effective role in stimulating the domestic economy, advancing the economic development process and developing the resources and activities of the chambers of commerce and industry in order to increase their role of service to the private sector.

## Information Systems!

AL-YAMAMAH: What about the centralization of the operations of information systems in the various chambers?

[Answer] The important projects which the secretariat general has planned for and whose means of execution it is now studying include the project to establish an automated information center -- data bank -- in the council. We are now in an era where the power of authorities and organizations is evaluated by the degree to which information in their area of activity is available to them.

The task of the council's data bank will be to accumulate all data, statistics, statutes and legislation related to the commercial and industrial activity pursued in our country and other countries and to make contact with international and local information centers to facilitate the task of the secretariat general and all the chambers of obtaining the information they need in order to engage in all their activities and respond to the requests for information they receive and the questions confronting them in the local and international contexts.

The fact is that the establishment of this center has the effect of sparing the chambers the costs of establishing their own information centers, especially since many experiments have proved that it is best that this sort of high-cost service be centralized and the emerging chambers be thereby given the opportunity to obtain this sort of advanced service at an extremely low, reasonable cost.

## Programs To Develop the Administrative Capabilities of Private Sector Employees

AL-YAMAMAH: What about your plans regarding programs to train private sector employees, considering the lack of receptivity to them?

[Answer] During this stage, the council is assigning special importance to programs to develop the administrative capabilities of private sector employees. The intense competition which our markets have started to witness make it mandatory that the installations devote attention to the pursuit of modern administrative methods which will guarantee success and continuity for their activities.

Therefore, the council has established a special training department in the secretariat general which is in charge of planning, executing and evaluating the council's training activity. It has also concerned itself with enlightening officials in companies and organizations in various towns on the importance of training and administrative development by means of publications and seminars. Features and basic characteristics of the council's programs have been set forth which distinguish them from the training programs other bodies set up. The council's programs were organized especially to respond to the requirements of people working in the private sector, and care has been given in their preparation to combine high academic levels with advanced training methods and involvement with the actual state of affairs and

problems of the local environment in the kingdom. Programs are also being set out for an ongoing evaluation process which the training centers in chambers and trainers and trainees themselves have participated in as well as the training department in the council. In addition, these programs are being prepared in cooperation with specialized experts in the training field from a large number of international and local scholarly bodies.

It is worth pointing out that what distinguishes the council's programs is that they are carried out in the kingdom in an atmosphere of total commitment for low fees which have been assessed just to guarantee that the training process is serious.

During the current training season, the council's training activity has expanded to cover nine main towns, Riyadh, Jiddah, al-Dammam, al-Qasim, al-Ta'if, Abha, Mecca, Medinah and Tabuk.

The council's programs during the 1984-85 training season were distinguished by the intensified use of the most up to date training means and methods, such as computers, through which they have started to offer scientific applications in most administrative programs and competitions, and other advanced methods.

The training activity expanded to include the training of women in cooperation with women's philanthropic societies, and the secretariat general is currently working to set out formal administrative and financial systems to which small organizations can turn for help in administering their activities.

Table on the Development of Training Activity in the Council from 1982 to 1985

Season	Number of Programs	Number of Courses	Number of Towns	Number of Trainees
1982	8	16	3	674
1983	20	42	6	1,080
1984	28	46	7	1,111
1985	26	50	9	*

\* Twenty-two training courses have been carried out so far in which about 500 trainees have taken part during the current year.

#### The Role of the Private Sector in Industrial and Agricultural Development

AL-YAMAMAH: The Saudi chambers' responsibility increased after a greater role in the economic and social development plans was given to the private sector in industrial and agricultural development. What are the different aspects of the aid the chambers can offer this sector, considering that the Council of Chambers carries out coordinating and planning activity for the chambers's activities?

[Answer] In the strategy of the fourth development plan, it was stated that the government is adopting the policy of paving the way for the private sector to engage in many economic tasks in the country, since the government will not perform any economic activity which can be carried out by the private sector. In addition, the plan has stated the numerous ways in which this strategy can be carried out. The fact is that this lays great responsibilities on the chambers in this regard. As an example, but not exclusively, the chambers can play a greater role in directing the private sector into feasible new investment areas, encouraging the establishment of national financial investment companies in the country, carrying out accurate follow-up of the situation and problems of all classes and sectors of the commercial and industrial community and attempting to arrive at the best solutions to reduce these. They can also exercise a greater role in recommending methods, policies and systems to the government which will enable the private sector to work with greater freedom and flexibility.

#### The Phenomenon of Commercial Concealment

AL-YAMAMAH: What are the role and orientations of the Council of Chambers in the light of the phenomena of commercial concealment that is taking place and the existence of phantom organizations?

[Answer] The fact is that concealment is a negative phenomenon and the government and the chambers are standing up to it most resolutely. Committees have been formed to combat concealment, made up of a number of bodies, such as the Ministry of the Interior, the Ministry of Commerce and the labor offices. In addition, intensified penalties have been set out for people engaging in concealment, and these committees have managed to bring some cases out into the open. In spite of the indoctrination campaigns the chambers are carrying out, the issue can primarily be attributed to the consciences of the citizens, who must be aware of the negative aspects of this situation and realize that their participation in its dissemination, in exchange for minor gain, will bring harm to the domestic economy.

However, I believe that this phenomenon is destined to diminish, especially with the increase in expertise among our merchants and the emergence of many competent young people into the business sector who have the ability to make contact with the outer world and manage their activities by themselves. In addition, the change in the circumstances of the market and the intensification of competition will also play a role in limiting this phenomenon.

#### Unscientific Management

AL-YAMAMAH: What is the role of the Council of Chambers, and what are its approaches, in the light of the unscientific management which is widespread in many private sector installations as a phenomenon for which there no longer is room during the current period?

[Answer] In replying to a previous question bearing on the council's training activities, I stated that the issue of the administrative development of private sector installations had become a pressing one, and, in a context of intense competition, survival always belongs to the fittest, that is, to the



installations which will manage their affairs in a scientific way, realize how to raise their productivity and the productivity of the people working in them and realize how to reduce their expenditures. Proceeding from this premise, all the training programs the council is organizing and the other activities complementing those are directed ultimately toward the attainment of this goal. The council's programs have been prepared to respond to the requirements of all the installations' activities and all the administrative levels within them. There are programs for higher management, personnel management, the management of storehouses, purchases, marketing, promotion and publicity, and financial management and financial planning. There are special programs concerned with the management of industrial projects and the management of agricultural projects, courses in public relations, and so forth.

In addition, there is a series of legal courses aimed at making people in charge of these installations understand the rules of importing and opening credits and ways to avoid falling prey to activities of fraud, deceit and the like. The council also offers a diverse group of courses in the area of computers and computer applications in various areas of business management which in effect provide the installations with the most up to date methods of business administration.

In addition to the training courses, the council is concerned with setting out formal administrative and financial systems which small organizations will be able to turn to in administering their activities. The council also issues a series of brochures under the title "The Businessmen's Library" which deal with the most important subjects related to the area of business administration, with the goal of developing the managerial knowledge of businessmen and officials in companies and organizations. Care has been taken to make these brochures simple and abbreviated.

Prince Salman -- and the New Building!

AL-YAMAMAH: At the celebration of the inauguration of the new Chamber of Commerce building in Riyadh, His Highness Prince Salman said that the building is to be considered an address of progress and development in this country. How do you suppose the chambers can take part in the cultural resurgence in the kingdom and in service of the environment? What projects is planning being done for in this regard?

[Answer] His Royal Highness Prince Salman ibn 'Abd-al-'Aziz, in his statement inaugurating the Riyadh chamber's new building, said, "This country is happy when it sees a manifestation of civilization such as this. All the milestones of civilization in this city and all others are but addresses of the progress and development of this country and its people." This means that every installation which is working to serve the citizens and the environment surrounding itself is contributing to the cultural upsurge in the kingdom, from the aesthetic and cultural standpoints and in the form of direct services which it offers them as a contribution on the part of the chamber to the resurgence of civilization in the kingdom. One project which plans are being made to establish in the coming period is the project to make use of the site of the chamber's old building in order to erect a

public square and a center to train people working in private sector installations containing lecture halls, an English language laboratory and a computer laboratory. The site will be able to accommodate about 140 cars in addition to a recreation center consisting of rooms for billiards and table tennis, a cafeteria and a rest area. The new project will help enrich the aesthetic aspects of the region, and it will contain open areas of green plants, fountains and abstract art elements. This project is to be considered complementary to the chamber's new building and an annex to it.

#### A Businessman Is a Citizen Like Other People!

AL-YAMAMAH: In his statement referred to above, His Highness Prince Salman stated that there is a very small group which claims that it consists of businessmen, but that the real businessman is a person who works in this country, offers services to his compatriots and his country and also derives benefits. From your view, what services can the businessmen offer their fellow citizens?

[Answer] The businessman, first and above all else, is a citizen like others. He must preserve his religion and the legacy and traditions of his country domestically and abroad. The businessman also has his role in the society, like other citizens. Every citizen serves his society in his own place. The businessman must also play his part in serving his country in his place, whether from his shop, his factory or his farm.

I do not greatly advocate what some people keep saying, that it is necessary to remind businessmen of their role vis-a-vis society proceeding from the opinion that they are people who have special good fortune.

It is true that the government has offered them much support and encouragement so that they will play their part in development, but they undoubtedly also have their responsibilities, problems and great burdens, and if we want to urge the businessmen on to something during this stage, we must urge on them the necessity of absorbing the importance of their role in the stage to come and also the necessity of developing their work methods and the work methods of their installations and engaging in modern work methods, so that they will be more able to assume their responsibilities. We urge the businessmen to cooperate with their peers in pilot projects in the area of business or social and cultural services and the like.

Let me once again reiterate that the businessman is a citizen like other citizens. He has the same commitments and duties that others have. Since our religion imposes the tithe on Moslems and advocates good works, all Moslems, businessmen and others, are requested to do that to the extent of their capacities and resources.

#### The Chambers and the Problems of Businessmen

AL-YAMAMAH: What is the role of the chambers of commerce in solving businessmen's problems?

[Answer] The chambers of commerce help solve businessmen's problems, whether these problems are inside or outside the country. The formation of specialized committees in the chambers has provided a possibility for discussing the problems of various sectors of businessmen in a specialized, thoroughly studied manner, by means of capable people representing various areas of specialization in the sector who have an accurate awareness of its problems, whether that is in the industrial, agricultural or contracting committees or the engineering advisory committee.

These committees discuss the problems of every sector. Scientific studies are carried out in their regard and the committees' recommendations are presented to officials to adopt decisions regarding them or for consideration when preparing the drafts of statutes to regulate the affairs of these sectors. The committees' work has produced positive results in many instances and officials have shown great responsiveness. The various ministries also seek to become familiar with the chambers' view when preparing the drafts of statutes which affect the businessmen's sectors so that they will be formulated in a way which conforms to reality and to the practical purposes in codifying these statutes. This of course occurs after the various viewpoints have been presented by the specialized departments in the chambers. The situation may perhaps require the organization of enlarged meetings of businessmen with their highnesses the ministers and senior officials so that the former may present their views and recommendations to them directly. The chambers previously organized meetings with their highnesses the ministers of planning, agriculture, commerce and industry, and they have organized symposia to discuss problems of maintenance, dairy products and so forth.

It is apparent from this that the chamber has not been remiss as far as presenting business problems to officials inside the country is concerned.

#### The Council's Role in Solving the Private Sector's Problems in the Areas of Industry, Agriculture and Contracting

AL-YAMAMAH: What are your views on the Council of Chambers' role regarding the solution of the private sector's problems in the areas of industry, agriculture and contracting?

[Answer] The concern and role of the council and the chambers has always and permanently been to lessen difficulties facing the development of the private sector. The chambers on their own have each made tangible efforts in this regard. However, what may perhaps be new in this regard is the role the Council of Saudi Chambers has assumed to unify these efforts and make them more effective by forming a group of specialized national committees in charge of monitoring and developing specific economic activities. A national industrial committee, another committee on agriculture and another one for contractors have been established which function within the framework of the council and are headed by the chairman of the council.

The fact is that the establishment of committees of this sort in effect creates efficient means at the council's disposal to enable it to ascertain on a permanent, ongoing basis the conditions of the business sector, with all its groups, and sense from close at hand the problems and obstacles it

is facing and the hopes and aspirations it entertains, thus realizing greater interconnection and interaction between the council and the chambers and the various groups in the commercial and industrial community. In addition, the presence of these sorts of committees and their diversity have the effect of guaranteeing that the council and the chambers will devote balanced attention to the issues and subjects of the various sectors.

In fact there also are committees in the framework of each chamber, although it has been necessary to unify and combine the efforts of all the committees which look after the interests of a single sector by establishing the national committees so that the ultimate goal in the establishment of these committees would be realized. That was to create the suitable, appropriate circumstances for the growth and development of the sector which they look after, something which can be realized only through treatment in the domestic framework of the subjects these committees embrace so that the recommendations and solutions will be produced in a manner characterized by depth, objectivity and comprehensiveness.

In addition, a special department has been created within the council's secretariat general for these committees' affairs. The council's Department of Economic Studies and Research also takes charge of studying and researching all issues or subjects submitted to it by these committees. Matters related to the development of statutes and bills governing any of the sectors are submitted to the council's Legal Department.

#### The Role of the Chambers of Commerce in Preparing Commercial and Industrial Statutes and Laws Affecting the Interests of Businessmen

AL-YAMAMAH: What is the role of the chambers of commerce in preparing commercial and industrial statutes and laws, since these affect the interests of businessmen?

[Answer] As a matter of fact, one of the main activities of the Secretariat General of the Saudi Chambers of Commerce is legal. The council's legal advisor, in cooperation and coordination with the legal departments in the chambers of commerce and industry, is in charge of studying statutes and legislation of an economic character which have the effect of influencing economic and commercial activity. The council's observations and recommendations in regard to these are presented to the bodies concerned. In addition, legal studies are prepared on recommendations for remedying and developing statutes and laws in a manner which will realize greater productivity in private sector installations, in order to realize increasing growth in the domestic economy.

In addition, international laws and statutes with a bearing on trade, transportation, insurance and other activities which affect economic activity and commercial relations among Saudi installations and foreign parties are studied, and the conclusions of these studies are published so that general benefit may be derived from them.

## Celebration of the Silver Anniversary

AL-YAMAMAH: We have heard that the Chamber of Commerce and Industry in Riyadh is preparing at present to celebrate the silver anniversary of its establishment. What has been done in this regard?

[Answer] It is a fortunate coincidence that the occasion of the passage of 25 years since the establishment of the chamber came at the same time as the occasion of the celebration of the opening of the chamber's new building. Therefore, we consider that the greatest manifestation of celebration on this good occasion was represented by the choice of the occasion itself as an opportunity for dedicating a new building of this majesty, integrated engineering structure and genuine civilized appearance to all the businessmen who have worked to uplift and develop the kingdom's economy. It increased our sense of the splendid nature of the celebration of this dual occasion that His Royal Highness Prince Salman ibn 'Abd-al-'Aziz was so gracious as to attend the inauguration of the new building. This imparted great value to the occasion and left a feeling of high regard, appreciation and gratitude in the spirits of businessmen.

The chamber considers that the best thing it can do to perpetuate the manifestations of this celebration is to seize this good opportunity to concentrate its efforts to introduce producers, merchants and consumers alike to the great development which has taken place in its activities and services in a manner which will result in expanding the scope of benefit and people benefiting from its renewed services. In this context, the chamber intends to issue a small book on the occasion of the silver anniversary of the founding of the chamber in which it will refer to the development the chamber's services and activities have attained and in which it will also offer a truthful picture of the people who have contributed their efforts, expertise and ideas in the course of 25 years of continuous activities, which have helped build on one another to bring the chamber to the high level it enjoys now, which all businessmen can be proud of, as a center for distinguished economic, commercial and cultural radiance.

## The Joint Saudi Committees' Participation with Foreign Countries in Supporting Foreign Trade in the Kingdom and Resolving Businessmen's Problems

AL-YAMAMAH: How are the joint Saudi committees participating with foreign countries in supporting the kingdom's foreign trade and solving the problems to which all businessmen are subjected, in your capacity as a member of most of these committees?

[Answer] The Government is concerned to get the representatives of the Saudi chambers to participate in the joint Saudi-foreign committees' activities, and the council devotes special attention to these committees' activities, since they are an occasion by which it is possible for commercial and economic relations between the kingdom and foreign countries to be consolidated and stimulated. They are also an occasion for presenting the problems businessmen are exposed to in their dealings with this country and for finding appropriate solutions.

## The Saudi Chambers and the Council of Cooperation of Arab Gulf Countries

AL-YAMAMAH: What is the extent of cooperation between the Saudi chambers and their counterparts in the Gulf Cooperation Council countries?

[Answer] There is solid cooperation between the Saudi chambers and their counterparts in the Gulf Cooperation Council countries. Part of this cooperation takes place in the framework of the General Federation of Gulf Chambers, since the kingdom is a basic, effective member of this federation. Cooperation also takes place with the Gulf chambers in the context of bilateral relations in the form of an exchange of expertise and an exchange of data and information, since there is great similarity and correspondence in the circumstances of the private sector in these various countries.

### 65,000 People Belonging to the Chambers

AL-YAMAMAH: What is the number of people paying dues to the Saudi chambers?

[Answer] The number of Saudi chambers of commerce and industry now actually comes to 18. The total number of people belonging to them is estimated at 65,000.

### Problems Impeding the Chambers in Execution of Their Role

AL-YAMAMAH: What are the problems impeding the chambers in the performance of their role in the desired form?

[Answer] We cannot say that there are real problems impeding the chambers from performing their role, but perhaps what we do aspire to now is to set out a clearer notion of the role of the chambers, especially during this stage which requires that the private sector play a more effective role in development.

In addition, the chambers in past years have realized noticeable progress in the quality of their activity and the level of their services. However, businessmen on the one hand and officials on the other hope that the chambers will have a more effective role in the future. In fact there is an important fact which deserves to be mentioned, which is that the chambers cannot engage in their functions in the best manner and realize the goals desired of their activity in the absence of firm bonds with the government and the commercial and industrial community they represent, which they were essentially established to serve.

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CSO: 4404/304

SAUDI ARABIA

SAUDI DEFENSE MINISTER ON MILITARY INDUSTRIALIZATION

GF141848 Riyadh Domestic Service in Arabic 1800 GMT 14 May 85

[Text] Prince Sultan ibn 'Abd al-'Aziz, second deputy prime minister, minister of defense and aviation, and inspector general, made a speech after the annual graduation ceremony at the Air Force Defense Institute. In his speech he said: The Kingdom's slogan since it was established by His Majesty the late King 'Abd al-'Aziz has been to serve Islam everywhere and at all times. From this basis, we have to serve Islam and be guided by the Koran and prepare the strength, which will, after Almighty God, protect the holy places and protect the citizen to enable him to grow up in his homeland and enjoy God's graces.

On benefitting from the university graduates and academicians in the armed forces, His Highness Prince Sultan said: There are many university graduates and academicians who are senior officers in all the sectors of the armed forces. He added: The GCC summits always aim at serving security and stability in the region and love and amity among all neighbors.

On military industrialization, His Highness said: A committee for military industrialization has been formed in Saudi Arabia and it has a secretary general. There is a ministerial committee for military industrialization in implementation of the resolution of the GCC summits which recommend this. There are also continued efforts in all Gulf states for military industrialization.

CSO: 4400/154

SAUDI ARABIA

SAUDI INTERIOR MINISTER ON DRUG CAMPAIGN

GF121930 Riyadh Domestic Service in Arabic 1800 GMT 12 May 85

[Excerpt] Interior Minister His Royal Highness Prince Nayif ibn 'Abd al-'Aziz emphasized the importance of the Saudi-Finnish scientific seminar on civil defense and similar seminars. He noted that such seminars will have good results on the tasks of the concerned organs in this field. This came in his speech after opening the Saudi-Finnish scientific seminar today.

This seminar in which Saudi and Finnish researchers are participating deals with a basic issue--the safety of man and the environment and civil defense, he said. This seminar in which also brothers from the GCC countries are taking part is an opportunity to benefit from the experience of other friendly countries.

The interior minister touched upon the efforts the Interior Ministry is making in fighting and eliminating drugs trafficking. He affirmed that the ministry makes big efforts to fight drugs and that these efforts have achieved good results. His Highness said: This matter is rejected by the whole humanity as well as by our Islamic creed; therefore, every citizen has to sense the importance of it. He should help the concerned organs of the Interior Ministry to fight it because drugs destroy man, particularly young men, who are the pillars of the future after God. He added: Through the citizens' awareness of the significance of this matter, we can avert many of the dangers of this disease which is more destructive than any other disease.

On the Civil Defense Council which was formed recently, Prince Nayif said: After the government of His Majesty the King formed this council at such a level, it will certainly give good results for civil defense because a number of concerned ministers, officials, and specialized parties are participating in it.

CSO: 4400/154



SAUDI ARABIA

BRIEFS

SECURITY SEMINAR--A seminar on security measures in airports organized by the Arab Center for Security Studies and Training in cooperation with the GCC General Secretariat opened today in Riyadh. The 3-day seminar is aimed at clarifying the security measures taken in civil aviation and the security precautions observed by the airline companies and at upgrading the efficiency of airport guards. The seminar is also aimed at clarifying the effective measures taken by airport passport administrations and the effective security precautions which prevent the infiltration of weapons and explosives. Ibrahim al-Subhi, GCC assistant secretary general for political affairs, delivered a speech at the seminar stressing the importance of the seminar. The chairman of the Arab Center for Security Studies and Training also addressed the seminar. [Summary] [Jeddah Domestic in Arabic 1000 GMT 13 May GF]

CSO: 4400/154

SYRIA

TISHRIN ON 'DISSENSION,' SOUTH LEBANON EVENTS

JN010900 Damascus Domestic Service in Arabic 0345 GMT 1 May 85

[From the press review]

[Text] Under the headline "The Conspiracy of Forced Emigration," TISHRIN says: It is now obvious that the game of dissension is aimed at undermining the national unity march and reviving the plan of factional cantons. The escalation of the fighting, which was carried out by the renegade clique when it indiscriminately shelled Sidon and the refugee camps despite the magnificent picture of the firm national unity presented by Sidon following the enemy's withdrawal, was only aimed at continuing the scheme of partition and fragmentation. The dissension itself and the rebellion against the Lebanese legitimacy are part of the same scheme. Syria, which confronted the schemes of partition in the previous years, has clearly and frankly announced its rejection of the rebels and their schemes and its readiness, if need be, to place all its resources in the service of the legitimate authority to decide the issue.

TISHRIN adds: The Lebanese state and the national unity government are called upon to instantly reinforce the army units in the south in order to prevent the implementation of this criminal scheme. The national resistance and the southern functionaries are also called upon to ease tension and to provide an atmosphere of confidence and security in order to prevent the implementation of the conspiracy of the Zionist enemy and its agents and enable the displaced persons to return to their villages and homes honored and proud because they are an internal part of the Lebanese homeland. Providing security and stability for them consolidates security and stability in all of Lebanon and foils the evil conspiracy. As we have frequently mentioned, Lebanon must be freed from all fear and oppression so that it will be the Lebanon of all its sons who will participate in building a society of equality and justice.

Concluding, TISHRIN says: Syria, which is closely following the events, affirmed and is still affirming its concern and care for all the Lebanese and its adherence to the formula of a unified, free, and independent Lebanon and to the course of national accord and reconciliation. Syria will continue exerting efforts and will contact all sides to avert the involvement in reactions that will serve only Israel.

At the threshold of the enemy's second phase of withdrawal, all rifles must be directed toward foiling the conspiracy of people's displacement in the border strip and restoring the entire Lebanese territory.

SYRIA

AL-THAWRAH SAYS MURPHY'S MISSION HAS FAILED

PMO21143 Damascus AL-THAWRAH in Arabic 27 Apr 85 p 2

[Article by Muhammad Zuruf: "U.S. Diplomacy at the Boundaries of Murphy's Tour"]

[Text] It is natural that U.S. Assistant Secretary of State Richard Murphy should admit that he has not "achieved any progress during his tour of the area" regarding the so-called peace negotiations, that he has found no new attitudes displayed by the parties he has met with, and that Syria is not concerned with the settlement he is seeking. This is because Murphy has come to the Middle East with the wrong manner approach, while the U.S. administration imagined that the 'Arafat-Husayn agreement or Mubarak's "initiative" had caused a great change in the situation in the area. It appears that Murphy has found the situation to be quite the opposite, for he has clearly observed that Syria's stand is fundamental and that when Damascus objects to a settlement, then this settlement will certainly fail. The statements he heard in Damascus were clear and specific: The time for individual deals and partial solutions in the Middle East has gone for good.

Any peaceful move that does not respond to the feelings of the Arab masses and their national interests will quickly reach an impasse. Which means that it was Syria's rejection of the U.S. settlement that prompted the U.S. envoy to admit the failure of his mission after he found that the role that Syria is playing in the area is vitally central and absolutely cannot be ignored. It is quite possible that the U.S. envoy will discuss this matter with his secretary of state when he returns to Washington. George Shultz intends to visit the Middle East next month in the light of the outcome of Murphy's trip. Since the fate of this trip has already been determined, the U.S. secretary of state is likely to reconsider the visit, because the United States cannot afford to face yet another political defeat in the area. Such a possibility cannot be ignored, because the U.S. diplomacy that is sponsoring the current capitulationist move in the Middle East is bound from now on to retreat in view of the fact that its ability to influence has become very limited. This, however, does not mean that the United States is about to withdraw from the Middle East and abandon its settlement plans. The United States will try to resort to new methods to promote its capitulationist plans. This might prompt it to once again to focus on the "Israeli

option," thinking that recourse to war and military adventures could weaken the position of the Arab forces and the opposition to the solutions it is proposing.

Even this method will not yield guaranteed results, because Israel will think deeply before undertaking any aggressive action, particularly since its gradual withdrawal from Lebanon has caused it to lose many trump cards in any military confrontation. Will, therefore, Reagan's administration in its present move stop at the boundaries of the failure of Murphy's mission, or will it send Shultz to the area on a long marathon with the aim of seeking revenge?

Whatever the answer is, the United States will be unable to change the present situation in the Middle East because the predicament from which it is suffering is primarily strategic.

CSO: 4400/153

UNITED ARAB EMIRATES

CONSULTATIONS REPORTEDLY BEGIN FOR NEW GOVERNMENT

GF061607 Kuwait AL-WATAN in Arabic 5 May 85 pp 1, 19

["Exclusive" to Pan-Arab press and AL-WATAN from Washington]

[Text] Sources in Washington and New York and informed sources in the UAE have disclosed that UAE President Shaykh Zayid ibn Sultan Al Nuhayyan has begun consultations with the rulers of UAE emirates "to form a strong government capable of tackling the economic difficulties facing the country which require immediate solutions." The sources said: "Although talk about a cabinet change and formation of a strong government is not new, a series of events which took place in the country recently prepared the appropriate atmosphere for forming such a government." The sources said among these important events in this regard were the meetings which took place in London recently between Shaykh Sultan ibn Muhammad, ruler of Al-Shariqah, and Shaykh Maktum ibn Rashid, Dubai heir apparent and deputy prime minister. The meetings resulted in settling the border problems between the two emirates, including the land and sea border. The meetings also settled the dispute on the Dubayy-Al-Shariqah road and an agreement was reached to light it.

The sources considered Abu Dhabi's approval to grant a concession to the Al-Shariqah emirate to explore for oil in the island of Siri and in the neighboring sea areas another step toward clearing the atmosphere to form a strong government. The sources said that Al-Shariqah ruler Shaykh Sultan [ibn Muhammad] visited the island a few days ago before he traveled to London. The sources added that UAE President Shaykh Zayid visited northern emirates about 10 days ago in the framework of his sponsorship of a major school celebration. During his visit, the main issue which he discussed during his contacts with the rulers was the need to form a strong government--and as informed sources in the UAE put it--a "confrontation government capable of not only proposing settlements but also implementing them."

The sources said that ministerial "formations" are being discussed by circles close to the UAE president. Among the names proposed in the new government are: Hamad Khalifah al-Suwaydi as foreign minister; Nuhayyan ibn Mubarak, the current president of the university, as interior minister, and Sa'id ibn Tahnun will succeed him as the university president. Other names included

are: 'Abd al-Rahman al-Jarwan as minister of state for foreign affairs, and Hamdan ibn Zayid as Foreign Ministry under secretary.

Concluding, the sources said that "expected developments" will make the formation of the "confrontation government" a de facto situation during the next period.

CSO: 4400/151

UNITED ARAB EMIRATES

UAE PAPERS COMMENT ON SHULTZ' MIDEAST TOUR

AL-KHALIJ Comments

GF121108 Abu Dhabi WAM in Arabic 0650 GMT 12 May 85

[From the press review]

[Excerpt] Al-Shariqah AL-KHALIJ newspaper said that Shultz has not come from Washington empty handed. It said that his tour comes during the same month in which the Lebanese-Israeli agreement was signed on 17 May, and which has been buried by the national rifles and the firm stands against the U.S. settlement.

The newspaper added that the continuous Zionist announcements on rejecting negotiations with a joint delegation, including PLO representatives, before and after Shultz' meeting with Zionist officials indicates that the U.S. secretary is trying to pass some kind of deal; one component is the joint delegation.

The paper said there is no objection to the principle of joint Arab action, whether bilateral, trilateral, or a collective one, affirming that the joint action is an insistent public demand directed toward the liberation of the Arab territories on the basis of the legitimate Arab rights. Washington and its agent Israel stand against achieving the minimum of these rights.

The paper added that Washington and Israel are trying to destroy the Arab cultural, economic, and geographical heritage. They wanted to enslave the Arabs, turning them into passive humans who cannot decide things for themselves, their homelands, and their future.

In conclusion, AL-KHALIJ affirmed that the double enemy cannot be a mediator in a just settlement and a partner in the peace process, and that the only language which it understands is confronting all its plans and tools and forcing it to recognize Arab rights in Palestine.

AL-BAYAN Criticism

GF130703 Abu Dhabi WAM in Arabic 0610 GMT 13 May 85

[From the press review]

[Text] Dubayy, 13 May (WAM)--In its editorial today AL-BAYAN newspaper affirms that the current tour in the region by George Shultz, U.S. secretary of state, is aimed at consolidating the Zionist existence in the heart of the region and consolidating this existence with all absurd or direct means, without giving consideration to the Arab point of view or the Palestinian Arab rights.

The newspaper provides evidence of this by referring to the series of tours made by U.S. officials to the region since the end of World War II. It says that these tours did not achieve any real results and only supported the obstinate Israeli position and paved the way for the enemy's tanks to kill more innocent civilians.

The newspaper describes the talk of U.S. diplomats about peace and the international conference as empty echoing statements aimed at wasting more time and at paving the way for the Israeli enemy to declare further hegemony and obstinacy.

AL-BAYAN expresses the belief that if the United States was serious in its endeavor to achieve a comprehensive and just settlement in the Middle East, it would not have insisted on the need to hold direct negotiations without exerting pressure on Israel to force it in return to recognize the right of the Palestinian people for the return to their homeland and to self-determination.

The newspaper also thinks that Shultz' insistence on participating in naming the Palestinian members in the joint Jordanian-Palestinian delegation to the peace negotiations affirms anew the U.S. wish to confiscate Palestinian independence.

Concluding its editorial, AL-BAYAN called for forming a unified Arab position to face the United States and to force it to change its positions which are always biased in favor of the Israeli enemy.

CSO: 4400/151



UNITED ARAB EMIRATES

BRIEFS

BOOKS, FILMS BOYCOTTED--Abu Dhabi, 4 May (QNA)--The UAE Ministry of Information and Culture has banned the entry and circulation of all works by English writer Christopher (Nichol). It has also banned the screening or exporting of three foreign films. They are: "Without a Trace," "The Protective Coat," and "Lassiter." These decisions were made in accordance with the Arab boycott of Israel and because the films and books contain shameful scenes and are libelous to the Arab civilization. [Summary] [Doha QNA in Arabic 0740 GMT 4 May 85 GF]

FREE TRADE ZONE--Dubayy, 4 May (WAKH)--Trade in the free zone in the Jabal 'Ali and Rashid Ports in Dubai increased remarkably in 1984. Exported and imported goods during 1984 totaled 169,000 tons, worth 240 million dirhams. Recent statistics indicate that the free zone at Rashid Port reached its highest level. The value of goods was 689 million dirhams, 56 percent of all trade in Dubai's free zone. The free zone imports were worth 783 million dirhams, while exports were worth 403 million dirhams. [Excerpt] [Manama WAKH in Arabic 0720 GMT 4 May 85 GF]

BALANCE OF PAYMENTS SURPLUS--Abu Dhabi, 5 May (WAKH)--The governor of the UAE Central Bank voiced hope that the recent merger of three Abu Dhabi commercial banks would be followed by others to consolidate the banking system in the country. In an interview with UAE newspaper AL-ITTIHAD published today 'Abd al-Malik al-Hamar described the merger of Emirates Commercial Bank, Khalij Commercial Bank and Federal Commercial Bank as one way of "strengthening the banking sector." He described as "natural" the investment of surplus resources abroad, in the absence of ample investment opportunities within the country. He pointed out that there was a dirham 6.3 billion surplus in the country's balance of payments last year compared to dirham 5.5 billion in the previous year. Al-Hamar said the policy of linking the dirham to the dollar since November 1980, has increased its purchasing power in the past two years reducing and preventing increase in the prices of domestic goods and services. [Excerpts] [Manama WAKH in English 1525 GMT 5 May 85 GF]

DUBAI REEXPORT TRADE--In a major move to boost the reexport trade, the Dubai government has increased the period for which transit cargo can be kept here. An announcement made by the department of ports and customs says that cargo meant for reexport can now be kept for six months instead

of 30 days as of now. The concession, coming close on the heels of the Jabal 'Ali free zone, will enable local traders to plan their reexport strategy with greater flexibility, in view of the fluctuating market conditions. Dubai imported Dh [dirhams] 17.2 billion worth of goods in 1984--accounting for 64 per cent of the country's total imports--and nearly 70 per cent of these were reexported. The imports came in from 150 countries and the reexports went to 87 countries. With the new time concession on transit cargo, the reexports, trading circles feel, may touch a new high in the 1985-86 year. [Excerpt] [Dubayy KHALEEJ TIMES in English 15 May 85 p 23 GF]

DIPLOMATIC RELATIONS WITH SINGAPORE--Abu Dhabi, 15 May (WAM)--The UAE and the Republic of Singapore, have decided to establish diplomatic relations between them at the ambassadorial level as of today. The Foreign Ministry has issued this statement: Out of the desire of the UAE and the Republic of Singapore governments to consolidate and develop the friendship relations between them, they have agreed to establish diplomatic relations between their two countries at the ambassadorial level as of today, 15 May 1985. [Text] [Abu Dhabi WAM in Arabic 0635 GMT 15 May 85 GF]

IMMIGRATION VIOLATORS ARRESTED--The administration of the labor inspection at the Ministry of Labor and Social Affairs in cooperation with Dubayy Municipality 2 days ago arrested 24 violators of labor and immigration laws. Two of them had been smuggled into the country. [Excerpt] [Al-Shariqah AL-KHALIJ in Arabic 14 May 85 p 2 GF]

INVITATION TO EL AL DENIED--Dubai, May 5 (WAKH)--An official source at the Dubai International Trade Centre today said the centre's administration had no knowledge on inviting the Israeli airline company to take part in the Arab aviation exhibition due to be held at the centre on February 16 next year. In a statement carried by WAM, the source denied a report published by an Israeli newspaper and reprinted in an Arab paper on the alleged invitation and said that no one, neither the centre's administration nor any other party in Dubai, was responsible for extending invitations to companies to take part in the exhibition. He pointed out that extending invitation was the responsibility of the organizing company. He affirmed that the centre's administration has the right to reject any request for participation in any exhibition especially if that company was boycotted by the Arab states or if its name was on the black list. He pointed out that there was full coordination on this matter between the centre's administration and the Israel Boycott Office in Dubai. [Text] [Manama WAKH in English 1610 GMT 15 May 85 GF]

CSO: 4400/151

JPRS-NEA-85-079  
11 June 1985

YEMEN ARAB REPUBLIC

BRIEFS

STAFF COLLEGE LAW RATIFIED--Brother Colonel 'Ali 'Abdallah Salih, president of the republic, commander in chief of the armed forces, and secretary general of the General People's Congress, has ratified law No 14 for 1985, establishing a command and staff college. [Excerpt] [Sanaa Domestic Service in Arabic 1700 GMT 12 May 85 GF]

CSO: 4400/147

11 June 1985

AFGHANISTAN

CONGRATULATORY MESSAGES SAID RECEIVED BY LOYA JIRGAH

Kabul KABUL NEW TIMES in English 22 Apr 85 p 2

[Text] Kabul, (BIA)--Congratulatory messages have been received from associations of the frontier tribes on the occasion of conveying Loya Jirgah (grand assembly) in Afghanistan.

The congratulatory message of Jamiat-ul-Ulama Association of Scholars) of Bajawar Agency addressed to the Loya Jirgah and Afghanistan: "Since the Democratic Republic of Afghanistan is always striving to solve its problems through Jirgahs and consult various Afghan nationalities and tribes in this respect, it is an Islamic and humane action.

We, the members of Jamiat-ul-Ulama and all people of Bajawar, welcome this good and peaceful work and congratulate all the participants of the Jirgah led by Babrak Karmal, the leader of the Afghan people. We extend our support to the Afghan people and wish them success from the God Almighty in this peaceful work.

With blessings of God

Malwail Akhundzads, President of Jamiat-ul-Ulama, Bajawar Agency.

Similarly, it is read in the message of Jamiat-ul-Ulama of Khybar Agency that: "We, all members of the Jamiat-ul-Ulama of Khybar Agency, voice our support to convening of the Loya Jirgah in Afghanistan aimed at ensuring peace and security in the country. We are confident that this historic grand Jirgah that is represented by delegates from various Afghan tribes and nationalities would play a constructive role in putting an end to fratricide and maintaining security.

We, members of Jamiat-ul-Ulama and all people of Khybar, wish success for the participants of the Jirgah under the leadership of Babrak Karmal, in this good and humane work, and wholeheartedly congratulate all the Afghan people.

With blessings of God

Mawlana Gul Akbar Afredi, President of Jamiat-ul-Ulama, Khybar Agency branch.

Message of Jamiat-ul-Ulama of Momand Agency of the Loya Jirgah of the DRA:

On April 6, 1985, when we heard the message of Babrak Karmal on convening of the Loya Jirgah through Radio Afghanistan, the Jamiat-ul-Ulama and all people of Momand Agency become very happy, because Loya Jirgahs are in conformity with the fundamentals of the sacred religion of Islam as well as customs and traditions of Pashtuns.

The God Almighty has ordered in the holy Quran that you should consult in all affairs.

Thus, Jamiat-ul-Ulama of Momand Agency supports and appreciates the convening of the Loya Jirgah in Afghanistan which is to be held on the basis of the orders of the sacred religion of Islam. During the reign of Ghazi Amanullah Khan, the Loya Jirgah attended by chiefs of various tribes and nationalities was held in Afghanistan.

The said Loya Jirgah took decisions on the Afghan-Soviet friendship and cooperation. We are confident that the current Loya Jirgah in Afghanistan which is to be held under the chairmanship of esteemed Babrak Karmal is a good and valuable measure for the prosperity, peace and security in the country.

We, the members of the Jamiat-ul-Ulama to Momand Agency, congratulate the esteemed leader Babrak Karmal on the occasion of convening this Loya Jirgah, and wish success for the participants of the Jirgah and all the Afghan people.

Mawlawi Habibiullah, President of Jamiat-ul-Ulama of Momand Agency.

CSO: 4600/451

11 June 1985

## AFGHANISTAN

## FURTHER REPORTAGE ON MESSAGES OF CONGRATULATION

Kabul KABUL NEW TIMES in English 23 Apr 85 p 4

[Text] Kabul, (BIA)--The following congratulatory messages have been received from the tribal elders and chiefs of Bajawar, Khybar and Kurma Agencies as well as various Momand tribes on the occasion of convening the Loya Jirgah in Afghanistan.

It is read in the message from Bajawar Agency that, "We, all tribes of Bajawar Agency, including Momand, Salarzai, Charming, Otmankheil, Safi, Shinwari and Kandahari, welcome the goodwill and decision of Babrak Karmal, the beloved leader of the fraternal Afghan people for convening the Loya Jirgah where in historic decisions will be adopted for restoration of peace in Afghanistan. We greet esteemed Babrak Karmal, participants of the Jirgah and all the Muslim and fraternal Afghan people on this occasion".

The message adds, "We want peaceful life from the God Almighty for the Afghan people under the leadership of Babrak Karmal and express our resolute support for this favourable intention of the Afghan people."

The message from Khybar Agency says, "We, elders, chiefs and youth of Afridi and Shinwar tribes of Khyber Agency, hail the convening of the Loya Jirgah in Afghanistan at this critical and historic stage which is aimed at ensuring peace and putting an end to fratricide in the revolutionary Afghanistan.

The convening of this Jirgah is in conformity with the tenets of the sacred religion of Islam. We declare our decisive support to the Loya Jirgah in Afghanistan and the fraternal Muslim Afghan people and wish them the God's help in this Islamic and democratic action under the leadership of their respected leader Babrak Karmal".

Similarly, it is read in the message from the Kurma Agency: "We, all elders, chiefs and youth of Tori tribe of Kurma Agency, upon hearing the message of Babrak Karmal, the leader of Afghanistan, over the radio on April 6, 1985, concerning the convocation of the Loya Jirgah became very much pleased. We consider this action of the state of the DRA in conformity with the sacred religion of Islam as well as custom and traditions of Pashtuns. The Jirgah, with blessing of God will strengthen peace and security in Afghanistan and stop the fratricide.

At the end, we once again whole-heartedly congratulate esteemed Babrak Karmal on the convocation of the Loya Jirgah and wish the God Almighty's help to all its participants who are for durable peace in Afghanistan. We explicitly demand from all the enemies of the Democratic Republic of Afghanistan to stop killing the Afghan Muslim people.

It is stated in the message of Momand tribes addressed to the Loya Jirgah that all Momand tribes, including Khuwaizi, Halinzai, Babazai, Khuga Kheil, Esa Kheil, Musa Kheil, Tek Zai and Mama Kheil, welcome the convening of the Loya Jirgah in Afghanistan which will adopt decisions on stopping fratricide and creation of a new and peaceful life. We greet the participants of the Loya Jirgah and all Muslim and valorous Afghan people, on this goodwill of esteemed Babrak Karmal and wish them a prosperous life from the God, under the leadership of Babrak Karmal.

The Momand tribes have expressed their full support for the Afghan Muslim people in this noble measure.

CSO: 4600/451

11 June 1985

BANGLADESH

## INDUSTRIAL GROWTH FOR 1984-85 SHORT OF TARGET

Dhaka THE BANGLADESH OBSERVER in English 11 Apr 85 p 1

[Text]

The industrial output in two major sectors, jute textiles and cotton textiles has registered a significant drop this year (1984-85) from the level of the last year (1983-84). Sugar production has also declined. The overall industrial growth rate in 1984-85 will be less than four per cent as against the target of eight per cent for the year and the actual growth rate of 5.7 per cent in 1983-84, according to a leading chamber source.

In the jute textiles sector production of jute goods totalled 2.99 lakh metric tons during the first seven months of the current financial year (1984-85). The jute mills both in private and public sectors produced around 2.23 lakh tons during the corresponding period last year. The steep rise in the prices of raw jute by about 250 per cent high rate of wastage due to poor raw jute quality, power failures etc. were identified as the major reasons for shortfalls in production of jute textiles. The prices of jute goods in the international market increased by 150 per cent during the current year over those of the last year. The rise in the price of jute goods in the international market was still inadequate for the domestic mills to cover up the high costs of operations this year.

Two private sector jute mills announced recently the suspension of their production operations following liquidity and other constraints in the face of very high cost structure for the mills this year.

The shortfall in production of jute textiles is likely to have a more adverse impact on the overall industrial output growth this year in view of the high weightage which the jute industry has in the industrial production index.

In the cotton textiles sector which is another major industrial area having the second-highest weightage in the overall industrial production index, the performance so far this year was short of the last year's level. Available statistics showed that the production of cotton yarn stood at about 61.9 million lbs during the first seven months of the current financial year as against 62.55 million lbs during the corresponding period last year. A total of 39.29 million yards of cotton cloth were produced during July-January period of the current financial year as against 40.40 million yards during the corresponding period last year.

Demand contraction factors, smuggling of both yarn and cloth, power failures etc were responsible for slackening production performance in the cotton textiles sector.

In the specialised textiles sector the production performance this year had been encouraging. A sizable amount of new private investments was made in this sector over the recent years. But the capacity utilisation according to the knowledgeable circles, will not be more than 30 per cent of the total installed capacity.

Sugar industry had also suffered a major jolt this year. Total production of sugar is around 90 thousand tons in 1984-85 as against 1.51 lakh tons last year.

In other industrial sectors, the enterprises under Bangladesh Steel and Engineering Corporation (BSEC) had recorded some increase in their production performance this year over that of the last year. Yet then, the utilisation of the installed capacity in major capital-intensive



projects of BSEC like Bangladesh Diesel Plant Bangladesh Machine Tools Factory General Electric manufacturing plant etc is still at a very low level.

Meanwhile the total number of all categories industrial enterprises and units both in public and private sectors is about 4,25,000 in the country. These units cover 145 public sector enterprises and 2800 large and medium-scale private industries and the rest belong to the categories of small and cottage industries. Though the small and cottage industries far outnumber the large and medium-scale industries, they contribute only one-third of the total contribution of the industrial sector to the country's gross domestic product (GDP). The share of the overall industries sector to the GDP is around 8.5 per cent now.

CSO: 4600/1563

BANGLADESH

PAPERS REPORT DEVELOPMENTS IN ECONOMY, AID USE

Subsidies Cut, Tax Structure

Dhaka THE NEW NATION in English 13 Apr 85 pp 1, 8

[Article by Syed Sadiuzzaman]

[Text] In a bid to raise the domestic resource in the next financial year (1985-86), the Government has decided to cut subsidy and rationalise the tax structure.

The measures are being taken against the backdrop of an experience in the current year when the Annual Development Programme (ADP) suffered a domestic resource shortfall of more than Taka 200 crore.

With a view to achieving target of the domestic resource in 1985-86, the Government will go for higher collection of taxes, improved tax administration, reduction of subsidy and higher surplus from the public sector.

It may be pointed out that the size of the current year's ADP had to be drastically cut because of the shortfall of the domestic resource which is now estimated at Taka 519 crore as against the original estimate of Taka 766 crore.

The Government has already made an estimate that the total revenue receipts in the next financial year would rise by 17.2 percent to Taka 38.94 billion from Taka 33.23 billion in 1984-85.

Under the estimate, tax revenue will rise by 16.6 percent to Taka 32.74 billion in 1985-86 from Taka 28.07 billion in the current year mainly from higher dutiable imports, excise duty and income tax.

The ratio between the tax and the gross domestic product (GDP) has been estimated unchanged at 8:1 in the next year while the non-tax revenue would grow by 20 percent to Taka 6.2 billion from Taka 5.16 billion mainly from surplus from the public financial and non-financial enterprises, interest income and certain rates and fees.

Meanwhile, the next year's current expenditure has been estimated at Taka 34.00 billion registering an increase of about 24.2 percent over the level of Taka 27.38 billion in 1984-85. The projected increase in current expenditure has been estimated on account of salary adjustment of public employees, debt servicing, repair and maintenance of assets and transfer of completed development projects to revenue budget.

The deficit in the capital account is estimated to rise because of higher repayment of foreign loans, capital restructuring of the public sector enterprises and partial repayment of a two-year special treasury bond maturing during the year.

#### Dependence on Aid

Dhaka THE NEW NATION in English 25 Apr 85 p 1

[Article by Syed Badiuzzaman]

[Text] The total external resources for the next financial year will increase by 22.2 percent compared to the level of the current year, according to an estimate of the government.

The estimate recently made by the officials under the Ministry of Finance showed that the external resources would rise to Taka 32.42 billion in 1985-86 from Taka 26.54 billion in 1984-85.

Out of the total external resource, the project assistance under the public sector programme next year has been estimated at 700 million U.S. dollars which is equivalent to Taka 19.25 billion.

In fact, the government is going to depend almost totally on external resources for the next year's Annual Development Programme, 95 percent resource for which has been estimated to come from foreign aid.

The Taka 34,100 million ADP tentatively prepared by the government planners for 1985-86 includes external resources of Taka 32,420 million and domestic resources of only Taka 1,680 million.

The dependence on foreign aid was relatively less in the current year when for the revised ADP the external resources were estimated at 26,540 million taka representing about 80 percent of it's total resource.

Next year, higher disbursement of project aid has been envisaged as implementation capability of the executing agencies is expected to improve while the donors are being urged to speed up the process of negotiations and provide adequate re-imbursable project aid, it is learnt from the official source.

Meanwhile, the counterpart fund generation from the commodity aid in 1985-86 has been estimated to rise to Taka 12.27 billion from Taka 10.00 billion in the current financial year.

## Annual Development Plan Revised

Dhaka THE NEW NATION in English 3 May 85 pp 1, 8

[Text]

A Taka 3498.42 crore revised Annual Development Programme for the year 1984-85 was approved by the National Economic Council at a meeting in Dhaka yesterday with the President and CMLA, Lt. General H. M. Ershad in the chair, reports BSS.

According to an official handout, of the revised expenditure amount, taka component stood at Tk 1933.55 crore while the project aid amount was fixed at Tk 1564.87 crore.

The ADP for 1984-85 was originally approved for the expenditure of Tk 3895.99 crore at the beginning of the current financial year. But it was reduced by Tk 397.57 crore in the revised ADP.

The handout said that the reduction of the ADP was made due to the unprecedented floods during the last part of 1984 causing damage to crops in vast areas including homesteads, houses and roads.

Large scale relief and rehabilitation programme was undertaken by the government to meet the situation successfully. On the other hand, collection of land revenue and taxes met deficit due to the floods, the handout added.

Although there has been a reduction in the investment expenses in the revised ADP, but the number of projects have been increased. There are now 938 projects in the revised ADP in place of 896 projects in the original one. Of the total projects, 334 are on priority or 'core' projects. Taka 2150.65 crore has been sanctioned including a project aid of Taka 1,142.12 crore for these priority projects.

A total of 352 foreign-aided projects have been included in the revised ADP for 1984-85 and Taka 2,426.11 crore including a project aid of Taka 1,464.50 crore has been sanctioned, for the purpose.

By June 1985, some 288 projects of the development plan are likely to be completed. The rate of national economic growth has been estimated at 3.8 per cent in the revised development programme of which agriculture accounts for 3.1 per cent, industry 2.8 per cent, power and gas 25.3 per cent and communication sector 5.6 per cent.

BANGLADESH

## POWERS, QUALIFICATIONS OF NEW UPAZILLA CHAIRMEN

### 'Wide Powers' Described

Dhaka THE BANGLADESH OBSERVER in English 11 Apr 85

[Text]

The chairmen to be elected in 460 upazilas (UZ) of the country on the basis of adult franchise on May 16 and May 20 will hold office for a period of five years and have a wide-ranging power to run the UZ administration. A chairman of Upazila Parishad will get an honorarium of Taka 1250 per month and residential accommodation at the upazila headquarters or in lieu a house rent allowance at the rate of Taka 750 monthly. He will also be entitled to T.A and D.A. and telephons at residence and office.

A UZ chairman will enjoy the status of a Deputy Secretary of the government or that of the officers of the rank of Major and equivalent in the navy and air force elected chairman of class 1 pourashavas within their charges and Superintendent of Police within their respective charges. The position would be included in Article 26 of the warrant of precedence.

The concept of upazila system conceived by the present government two years ago aims at instituting elected chairmen to head the local administration and execute local level development programmes.

Upazila Parishad constituted under an ordinance was originally known as Thana Parishad. The upazilas are upgraded thanas which exclude areas within the jurisdiction of pourashavas. The chairmen of UZ will coordinate all the development activities of the UZ. He will have the power to appoint, transfer punish or remove any servant of the UZ Parishad, not a government servant. His power also includes collection recovery of all taxes rates tolls fees and other dues levied by Upazila Parishad. A chairman will also

initiate formulation of policies in development matters identify projects and schemes and ensure timely implementation, monitoring and evaluation of the schemes. He will be responsible for relief work in time of natural calamities famine and epidemic and will promote and organise employment generating activities including agriculture and food production. His functions also cover administration and function of primary education. Family planning programmes also come under his jurisdictions. He will also be entrusted with the task of implementing government policies and programmes within a UZ. He will extend necessary help and assistance for the maintenance of law and order in his area. His power will also include initiation of annual confidential report of Upazila Nirbahi Officer the government appointed highest executive officer to work under him.

### Power of UNO

A UNO is the chief executive officer of the UZ to the rank of senior scale section officer who will be responsible to the chairman and assist him in the implementation of policies and decisions of the UZ parishad UNO will also exercise powers under Section 144 Cr. P.C. He will sit in the court in the absence of upazila magistrate and perform functions such as taking cognizance of cases hearing bail matters and granting adjournments. He will also initiate act of all UZ level officers except munsiff/magistrate. The chairman of UZ parishad will be the countersigning officer in this respect.

The other functions of a UNO also cover supervision and con-

trol of revenue and budget administration of UZ parishad. He will ensure that the government directives on UZ administration are followed. He will grant casual leave and countersign all T.A bills of all functionary heads except munisiff. He will act as drawing and disbursing officer in respect of officers and staff working directly under him. He will also perform such other functions as may be entrusted to him by the government or the UZ parishad chairman or as may be conferred on him by the government under any law.

## Removal of UZ

### Chairman

A UZ chairman shall render himself liable to removal from his office if he becomes physically or mentally incapacitated from performing his functions or is guilty of grave misconduct or is responsible for any loss or misapplication of money or property of UZ parishad. His removal will be effective only when four-fifths of the elected members pass resolution in a special meeting. The resolution for removal of a chairman will not be effective unless the resolution is approved by the government. Another provision concerning the removal of a chairman also includes that the chairman is given a reasonable opportunity of showing cause against the resolution proposed to be passed with respect to him. A chairman thus removed, will be barred to contest in the election for the following term.

## Composition of UZ

### parishad

Composition of UZ Parishad: A UZ parishad is composed of elected chairmen of Union Parishads (UP). The number of chairmen of UPs vary depending on the number of UPs under a UZ parishad, three women members, official members, chairmen of the UZ cen-

tral cooperative societies and one nominated member. The women members will be nominated by the government from the respective areas having no voting right. This will be applicable in case of other nominated official members. A candidate for chairmanship must be of the age of 25 years and a voter in the respective area. A candidate who holds any full time office of profit in the government or of the UZ parishad or any other local authority will not be eligible to contest. A government appointed dealer handling essential commodities or anybody having pecuniary benefits with the UZ parishad will also be unfit for contesting the election.

## UZ chairman's assets

Declaration of assets : A chairman before takes office must submit to the government a declaration in writing stating his property both movable and immovable in and outside the country which he or any member of his family owns or which he has in his possession or under his control or in which he or any member of his family has any beneficial interest. A chairman may resign from his office by a notice in writing under his hand and addressed to the government.

It may be recalled that UZ election scheduled to be held in March last year was postponed.

## Tk 330 cr released

### for UZs so far

Meanwhile the government has already released a total amount of approximately Tk. 330 crore.

Of the total amount Tk. 170 crore was released in 1983-84 while the rest Tk. 160 crore was released in 1984-85. The ADP allocation for 1984-85 is Tk. 300 crore.

The rest of the fund is being released on receipt of bills of expenditures from the Upazilas it is learnt.

## Ordinance on Qualifications

Dhaka THE BANGLADESH OBSERVER in English 12, 13 Apr 85

[12 Apr 85 pp 1, 10]

[Text]

According to the detailed programme, already announced by the Election Commission, elections to the posts of Chairmen of the Upazila Parishads will be held on Thursday, May 16 and on Monday May 20, 1985. These elections will be held according to the provisions of 'The Local Government (Upazila Parishad and Upazila Administration Reorganisation) Ordinance, 1982' and 'The Upazila Parishad (Election of Chairman) Rules, 1983, says an Election Commission Press release.

As per provision contained in Article 4(2) of the above mentioned Ordinance, the Chairmen of the Upazila Parishads shall be elected by direct election on the basis of adult franchise.

### QUALIFICATIONS

Article 6(1) of 'The Local Government (Upazila Parishad and Upazila Administration Reorganisation) Ordinance, 1982' provides that, a person shall be qualified to be elected as Chairman of a Upazila Parishad if--

- a. he is a citizen of Bangladesh;
- b. he has attained the age of twenty-five years; and
- c. his name appears on the electoral roll for the Upazila.

### DISQUALIFICATIONS

Article 6(2) of the abovementioned Ordinance provides that, a person shall be disqualified for election as or for being a Chairman of a Upazila Parishad if--

- a. he is declared by a competent court to be of unsound mind;
- b. he is an undischarged insolvent;
- c. he has ceased to be a citizen of Bangladesh or has acquired the citizenship of, or affirmed or acknowledged allegiance to a foreign state;
- d. he has been, on conviction for any criminal offence, sentenced to imprisonment for a term of not less than one year, unless a period of five years has elapsed since his release;
- e. he holds any full-time office of profit in the service of the Republic or of the Parishad concerned or of any other local authority; or
- f. he is a party to a contract for work to be done for, or goods to be supplied to, the Parishad concerned, or has otherwise any pecuniary interest in its affairs, or is a dealer in essential commodities appointed by the Government.

(Incomplete)

[13 Apr 85 p 3]

[Text]

Following is the remaining part of the programme of Upazila parishad chairman election announced by the Election Commission of Thursday.

### 3. NOMINATION:

a. Nominations for election of Chairman to the Upazila Parishads are to be submitted in prescribed forms which will be available with the Returning Officers in due course.

b. Any voter of a Upazila may for the purpose of election of a Chairman for that Upazila Parishad propose or second the name of any person who is duly qualified to be elected as a Chairman.

c. No voter shall subscribe nomination papers, either as a proposer or as a seconder in excess of only one nomination paper for election of a Chairman to be elected from a

Upazila and, if any voter does so all such nomination papers in excess of the requisite number in order of their receipt shall be rejected.

d. Every nomination paper shall be delivered on the nomination day within the specified time by the candidate or his proposer or seconder to the Returning Officer who shall acknowledge in writing the receipt of the nomination paper specifying the date and time of receipt.

### 4. DEPOSIT:

The nomination paper for each candidate shall be accompanied by a treasury challan or a Bank receipt or a receipt from the Returning Officer showing deposit of a sum of five thousand Taka. No nomination paper shall be accepted by the Returning Officer unless the

above mentioned deposit has been made. The Head of Account for the purpose of deposit is "88]Departmental and Judicial Deposits--(1) --Civil Deposits-- Deposits in connection with election'.

**5. SCRUTINY OF NOMINATION PAPERS:**

Scrutiny of the nomination papers, filed with the Returning Officers will be held on Wednesday, the 24th of April 1985 at time to be fixed by the Returning Officer. The candidates their election agents proposers and seconders and one other person authorised in this behalf by each candidate may attend the scrutiny of nomination papers.

**6. APPEAL AGAINST REJECTION OF NOMINATION:**

a. Any candidate whose nomination has been rejected by the Returning Officer after scrutiny may prefer an appeal to the Appellate Authority against the rejection within three days of the date of scrutiny.

b. The Deputy Commissioners are being appointed as the Appellate Authorities by the Election Commission.

c. An appeal against rejection of nomination shall be disposed of within three days from the date of filing of the appeal either summarily or after such inquiry as may be considered necessary and the decision taken by the Appellate authorities on any such appeal shall be final.

7. The Election Commission in a Gazette notification issued on the 9th April 1985 has appointed Additional Deputy Commissioners (General) to act as Returning Officers for the Upazilas within their respective districts for conduct of the ensuing elections to the office of Chairman Upazila Parishad.

CSO: 4600/1563



BANGLADESH

PAPER REPORTS FOREIGN ADVISER'S RETURN FROM INDIA

Change in Indian Attitude

Dhaka THE NEW NATION in English 25 Apr 85 pp 1, 8

[Text]

Foreign Adviser Humayun Rasheed Chowdhury yesterday expressed his "cautious optimism" about a permanent solution to the Ganges problem, reports BSS.

Mr Chowdhury was talking to newsmen at the Zia International Airport on his return from New Delhi where he led the Bangladesh delegation at the Non-Aligned Foreign Ministers' conference on Namibia.

The Foreign Adviser said he took the opportunity to meet Indian Prime Minister Rajiv Gandhi and other Indian leaders and held extensive discussion on bilateral matters.

Replying to a question he described the Bangladesh-India relations as 'cordial and correct' and said at the present moment the relations were at a stage where 'we can expect some development which can be helpful towards solution of outstanding problems to improve relations'.

He said that he had found the Indian Prime Minister "forthright and constructive in his approach towards the solution of various problems".

The Foreign Adviser said that he had found in the Indian Prime Minister 'a keen desire' to improve and strengthen bilateral relations with Bangladesh and also with the other countries in the region.

**SOUTH TALPATTY**

The Foreign Adviser said that he had discussed with the Indian leaders all the outstanding bilateral problems.

Answering a question Mr Chowdhury described the South Talpatty ownership question as

"a major issue."

He said that two countries claiming ownership of the island were committed to settling the issue through a joint survey.

Mr. Chowdhury said that in Delhi he discussed the issue and added that the problem would be sorted out through a joint survey.

He told a questioner that no unilateral solution would be acceptable to Bangladesh.

**BOUNDARY ACCORD**

The Foreign Adviser said that during his talks the Indian leaders this time showed a genuine interest to implement the 1974 Land Boundary Agreement including the Tin Bigha corridor, part of it.

**TIN BIGHA**

About the Tin Bigha corridor he expressed the hope that it would not take another 11 years as it had already taken since the signing of the 1974 Land Boundary Agreement.

Replying to a question he said that he had discussed and exchanged views with the Indian leaders on Indian project to put up barbed wire fences around Bangladesh.

'We will continue to talks about it' he said.

Pressed further he said that India neither said that it was going to abandon the barbed wire fence project nor that it would implement it. But, he added, he found a change in India's attitude.

He said that he had discussed all these problems and particularly the Ganges problem with the Indian Prime Minister.

The Foreign Adviser said the Indian Irrigation Minister

Mr Shankar Anand is arriving here next month to discuss the Ganges issue.

Both the sides, he said, have to find a solution.

Mr Chowdhury said 'No unilateral solution to the Ganges problem is possible.'

He said that the augmentation solution must be mutually acceptable.

#### LINK CANAL

Replying to a question the Foreign Adviser dismissed the link canal idea as a rejected proposal.

Asked whether as in the past India could again use the augmentation idea to stall a permanent sharing agreement for the Ganges waters, Mr Chowdhury said that the question of augmentation was in no way tied up with a permanent sharing solution.

Any possible augmentation, he said, must be mutually acceptable and must take into consideration the peculiarities of the two countries and should be found from among the alterna-

tives that scientific and technological advances could provide.

Mr Chowdhury said that during his meeting with the Indian Prime Minister, he had particularly underscored the importance of having a formal agreement on sharing the Ganges waters and also the need for immediate implementation of the Tin Bigha accord.

He said he had found a 'favourable response' to solve the problems.

#### IRRITANTS

The Foreign Adviser said that during his meeting with the Indian Prime Minister, 'he was—so it appeared to me—acutely aware of the need for removal of the irritants that at times seem to cast unwelcome shadows on the state of our relations, cloud the environment and tend to vitiate the atmosphere.'

'Removal of these irritants,' he said, 'would undoubtedly promote and foster the necessary climate conducive to the strengthening of our relations.'

### Support for Palestinians

Dhaka THE NEW NATION in English 25 Apr 85 p 8

[Text]

Foreign Adviser Humayun Rasheed Chowdhury yesterday reiterated Bangladesh's commitment to the cause of the Palestinian people and their inalienable right to have a homeland of their own, reports BSS.

Talking to newsmen at the Zia International Airport on return from New Delhi the Foreign Adviser said his delegation had attended the Non-Aligned Movement's (NAM) Committee of Eight of which Bangladesh is a member.

PLO Chairman Yasser Arafat also attended the meeting.

Mr Chowdhury said in his statement at the meeting he reiterated Bangladesh's total support to the Palestinian cause.

He said that during his stay in the Indian capital he had discussions with a number of NAM Foreign Ministers on matters of mutual interests.

Mr Chowdhury said Bangladesh also reiterated its total support to the cause of the oppressed people of Namibia.

The Foreign Adviser said that Bangladesh rejected the recently announced decision of the South African government to impose a puppet regime in Na-

mbia as part of its (South Africa's) so-called internal settlement plan in Namibia.

He said that the Non-Aligned Foreign Ministers' meeting expressed its regrets at the apparent lack of success of the Western Contact Group comprising five leading Western countries to persuade South Africa in implementing the U.N. plan of action.

Mr. Chowdhury said that as a member of the 31-nation Council for Namibia Bangladesh has always been playing 'a' constructive and moderating role in the council.'

It was for its constructive role, he said, that Bangladesh was selected a member of the United Nations Transition Assistance Group (UNTAG) for Namibia.

The Non-Aligned Foreign Ministers' meeting, he said, was held in the face of increasing intransigence of South African government in implementing the UN Security Council Resolution 435 of 1978.

Bangladesh is among 20 countries whose Foreign Ministers have been invited to attend the special session of the U.N.

Security Council to be held in New York in June for making an appeal to the international community to force South Africa to implement the UN Resolution 435, he said.

The first extraordinary meeting of the Non-Aligned Foreign Ministers' meeting was held in Algiers in 1981.

Foreign Secretary Faruq A Chowdhury and Indian High Commissioner to Bangladesh I. P. Khosla, among others, received the Foreign Adviser at the airport.

ENA adds: the President of the 39th session of the United Nations General Assembly Dr. Paul Lusaka arrives here on April 28 on a three-day goodwill visit to Bangladesh. Foreign Affairs Adviser Humayun Rashid Chowdhury said here yesterday.

During his stay in Dhaka Dr Lusaka will exchange views on present international situation and other issues of interest to Bangladesh with President Ershad and other government leaders.

CSO: 4600/1576

BANGLADESH

REPORTAGE ON VISIT OF UNGA PRESIDENT LUSAKA

Arrival, 28 Apr Activities

Dhaka THE BANGLADESH OBSERVER in English 29 Apr 85 pp 1, 8

[Text] The President of the current UN General Assembly Mr Paul Lusaka who arrived in Dhaka on a three-day visit on Sunday highly appreciated the "active role" Bangladesh had been playing in the UN for international peace disarmament and global economic development.

Mr. Paul Lusaka who is the first UNGA President to visit Bangladesh told newsmen at Zia International Airport that since its independence Bangladesh had been very active in UN functions and she was an active member of different UN committees. He considered Bangladesh's invitation to him as the manifestation of Dhaka's respect to the UN and the post of the President of the UN General Assembly (UNGA).

The UNGA President stressed the importance South-South cooperation which he believed would lead to a meaningful North-South dialogue and ensure global economic development. He said that mere words about economic development would not be sufficient. "There should be some beginning in this regard" he emphasised.

About international peace the UNGA President regretted that the developing countries were engaged in regional conflicts. He said Iraq-Iran war Middle East situation and the Namibian independence movement were among the major issues threatening the global peace. He termed the regional conflicts as "sad events".

Replying to a question on the use of chemical weapons in the Gulf war the UNGA President said that the two warring countries should honour the UN efforts to end the war. He however felt that the Iraq-Iran war that entered its fifth year would not end tomorrow. He mentioned about the recent move by the UN Secretary-General to end the war within the framework of the United Nations

Pressure on S. Africa by Superpowers Urged

The African diplomat Mr. Paul Lusaka who is now presiding over the 39th session of the UN Assembly called upon the superpowers and the western countries

to exert pressure on South Africa to ensure the independence of Namibia which is a colony for more than a century. He said that South Africa had been blocking the Namibian independence and the "West which had got best relations with South Africa had not been using their leverage to break the intransigence of South Africa" As the UNGA President he refused to name the countries in the west who have good relations with South Africa. "But I believe the journalists know those countries" he told newsmen.

Mr. Paul Lusaka said that international peace economic development and human rights were the main objectives he wanted to accomplish during his tenure as the UNGA President. He warned all that the next war would be a nuclear one and the tension could be diffused by disarmament. To ensure global peace he suggested, "my message to all powers--head on to dialogue to resolve problems".

The UNGA President was received at the airport by his host Mr. Humayun Rashid Chowdhury Adviser for Foreign Affairs, Syed Ahmed Hossain, Secretary-General of Bangladesh-UN Association and officials of the UN office in Dhaka were present at the airport to welcome the UNGA President.

BSS adds: Ambassador Lusaka later laid wreaths at the Jatiya Smriti Soudha National Memorial of Martyr [words illegible]

He signed the Visitors' Book at the Smriti Soudha and wrote "All those who perished for freedom and independence did not die in vain. May their souls rest in peace".

Senior officials of the Ministry of Works received him at the Smriti Soudha.

Paul J F. Lusaka will give a talk on "The United Nations and the Third World" today (Monday) at Hotel Purbani, beginning at 4.30 p.m. says a UNIC Press release.

To be held under the joint auspices of the Bangladesh Institute of International and Strategic Studies (BIISS) and the United Nations Association of Bangladesh (UNAB) in association with the United Nations Information Centre in Dhaka (UNIC) the function will also be addressed by the, Adviser for Foreign Affairs Mr. Humayun Rasheed Chowdhury, who will be present as a special guest.

Professor Mohammad Shamsul Huq Chairman, Board of Governors, BIISS, will preside over the function.

### 30 Apr Activities

Dhaka THE BANGLADESH OBSERVER in English 30 Apr 85 pp 1, 10

[Text] UN General Assembly President Paul Lusaka and Foreign Adviser Humayun Rasheed Chowdhury discussed in Dhaka on Monday various issues of international concern and peace in different regions reports BSS.

After the 90 minute talks held at the Foreign Office Mr Chowdhury told BSS that there was total agreement between him and Ambassador Lusaka during their discussions covering the entire gamut of international concerns.

We apprised him of all the concerns of Bangladesh" he said

Further intensification of co-operation between the UN and Bangladesh was also discussed, he said.

While discussing the deteriorating international economic situation he said the two sides stressed the need for launching the global round of negotiations.

The UNGA President Mr Chowdhury said was acquainted with Bangladesh's position and views on the zones of peace South-South cooperative the common heritage of Antarctica and concerns about exploration of space and disarmament.

The situation in the Middle East Afghanistan Namibia Kampuchea the famine hit Sahel region and the Iran-Iraq War came up for discussion he said

The UNGA President was extremely happy with the foreign policy position of Bangladesh and described Bangladesh's image at the comity of nations as very clean he said.

The UNGA President the Foreign Adviser said was acquainted with the foreign policy objectives and concerns of Bangladesh the on-going development decentralisation and democratisation efforts of the government which he appreciated.

The Draft Declaration to mark the year long 40th anniversary celebrations of the United Nations was discussed which he added. We shall continue to discuss during the next months.

Ambassador Lusaka arrived in Dhaka on Sunday on a three-day visit.

The Foreign Adviser gave him a brief resume of the forward looking development policies undertaken by the Government of President H. M Ershad.

Ambassador Paul Lusaka praised Bangladesh for its constructive role in the United Nations

The UNGA President was particularly appreciative of Bangladesh's role in the Council for Namibia the Law of the Sea Conference and in the Group of 77

He lauded the policy of good will and good neighbourliness pursued by Bangladesh through South Asia Regional Cooperation

The Foreign Adviser informed him about the importance Bangladesh attached to the Non-aligned Movement the Commonwealth and the OIC.

Foreign Secretary Faruq A Chowdhury and Director General Waliur Rahman assisted the Foreign Adviser while the UNGA President was aided by Sylvester Rowe.

## Talks on Third World

UN General Assembly President Paul Lusaka on Monday dismissed the fear of tyranny against the majority of UN members saying such fear could be expressed against the minority who had the veto powers.

Ambassador Lusaka President of the 29th (current) session of the UN General Assembly (UNGA) was giving a talk on the theme. "The United Nations and the Third World" jointly sponsored by the UN Informatino Centre Association of Bangladesh (UNAB) and Bangladesh Institute of International and Strategic Studies (BIISS).

The fear against the majority members who belong to the Third World he said was creating a new situation particularly in the General Assembly and the UN organs except the Security Council

It was out of this fear Paul Lusaka said that formal voting was being replaced by the principle of consensus in all UN organs except the Security Council.

The UNGA President dismissed the fear psychology of the minority having the veto power saying 'if as some say that there is tyranny of the majority in the General Assembly then equally so there is tyranny of the minority in the Security Council through the veto'.

Foreign Adviser Humayun Rasheed Chowdhury also addressed the session chaired by Prof. M. Shamsul Huq Chairman BIISS Brig. M Abdul Hafiz Director General BIISS introduced the guest while UNAB Secretary General Syed Ahmed Hussain proposed the vote of thanks.

Bangladesh the Foreign Adviser said would continue to champion the cause of the UN to make the world a better place to live in a play its role in promoting universality over power politics and fostering peace development and international understanding and conflicts and narrow down regional interests

Prof. Shamsul Huq said that the United Nations and the Third World have played a mutually supportive role in maintaining and sustaining world peace and order however fragile it might be ....

Prof Huq termed the transformation of the roles of the great powers and the Third World countries as the "most striking phenomenon in the post-war international politics.

The rationale of the Third World countries vis-a-vis the United Nations he said stems from their realistic perception that their goals of political and economic security can be best attained through international peace and cooperation for development.

He hoped that the UN would succeed in halting the catastrophic arms race and put the world community back to the path of international cooperation for peace freedm justice and development as embodied in the principles of the UN Charter.

## Visits Museum

The visiting President of the 39th regular session of the United Nations General Assembly Dr. Paul Lusaka visited the National Museum in Dhaka on Monday morning.

He was received at the museum by Dr. Enamul Haque Director General of Bangladesh National Museum who took him round the different galleries of the museum.

Dr. Lusaka watched the arts crafts painting photographs and remains in the museum with keen interest and highly appreciated the consciousness of Bangladesh Government in preserving the cultural heritage of the nation.

## 1 May Press Conference

Dhaka THE BANGLADESH OBSERVER in English 1 May 85 pp 1, 12

[Text] President of the United Nations General Assembly (UNGA) Mr. Paul Lusaka, who concluded his three-day visit to Bangladesh on Tuesday advised the member countries of the United Nations to adhere to the UN Charter in promoting human rights. He said that the United Nations would continue to pursue the states who were violating the principle enshrined in the UN Charter to improve the human rights condition in their countries.

Addressing a Press conference at the State Guest House, the UNGA President informed that a UN committee conducts a regular survey of the human rights condition in different countries and submits its report to the General Assembly mentioning the name of the countries which have no democracy. He said that the UN Assembly would play a very active role to ensure human rights position in the member states.

Terming his visit to Dhaka as "important and successful" the UNGA President said that he had "seen and learnt about Bangladesh on the spot". He said that Bangladesh was one of the "staunchest and most active" members of the United Nations in terms of support for and contribution to the world body. He mentioned about Bangladesh's role in volunteering to contribute a peace-making contingent to the proposed United Nations Transitional Assistance Group (UNTAG), which is expected to monitor a ceasefire in Namibia as part of the UN plan for the independence of the colony.

The UNGA President appreciated that Bangladesh was facing the challenge of under development with determination. He opined that "with the foundation it has built in recent years Bangladesh is capable of removing itself from the category of LDCs within the near future" He appealed to the international community, including countries of the South to maintain the current level of assistance to Bangladesh and help her in averting economic crisis.

Giving his experience about the efforts Bangladesh had been making to improve her economic and social conditions The UNGA President said that the visit had further convinced him that a review of international economic cooperation for development through global negotiations was "absolutely necessary" He said



that the success stories should be communicated to those who have doubts about the positive efforts on international food aid and those who are sceptical about the absorptive capacity of Bangladesh and other LDCs for development assistance.

#### Iran-Iraq War

In reply to a question, the UNGA President said that the Iran-Iraq war was one of the sad events of the contemporary history. He assured that the United Nations would not spare any effort to bring an end to the Gulf war. But, he added the two warring countries should respond to the UN efforts.

The UNGA President strongly defended the UN stand on with drawal of all foreign troops from Afghanistan, Kampuchea Angola Namibia Middle East, Central America and other areas of regional conflicts. He stressed on political settlement in these countries and advocated for allowing the nations concerned to decide their own future.

He informed that the United Nations was now busy in preparing the 40th anniversary celebrations of the world body. He hoped that a great number of heads of the state governments and special envoys would be in New York on the UN Day on October 24 next in connection with the celebrations and prepare a declaration for a new UN chapter towards international peace and security.

Asked to comment on the celebrations when most of the global issues remained unresolved and the areas of tension were fast expanding the President of the current session of the UN Assembly said that despite regional conflicts famine violation of human rights and deepening global economic crisis the United Nations reached its 40th year and "we are proud for it" He said that it was the time for all to work for economic cooperation promote human rights help the disarmament talks and improve the international climate for peace and security.

In reply to a question whether the prospect of global peace is better now than what it was 40 years ago when the UN was formed the UNGA President said "there are some rays of hopes of a new UN chapter" he said that form 51 member countries the strength of the UN had reached to 159 within 40 years time.

Replying to a question on increasing the number of permanent members in the Security Council and abolishing the veto (See Page 12 B cmfwyp rights of the five permanent members, Mr. Paul Lusaka said that a 21-member committee of the UN had been working to update the UN chapter.

Asked to comment on the exit of the United States from the UNESCO, the UNGA President said it is sad some members are pulling out from the very important UN agency" He felt that the members who had left and were [word illegible] to quit the UNESCO should be persuaded to stay in the "very important UN forum for internationally promoting the causes of education, culture science and technology".

In reply to a question on the South Asian Regional Cooperation (SARC), the UNGA President said that the United Nations would encourage any type of regional cooperation that would help peace, security and economic cooperation.

BANGLADESH

## OFFICIALS POSTED ABROAD TEND TO OVERSTAY LIMITS

Dhaka THE BANGLADESH OBSERVER in English 1 May 85 p 1

[Text] About thirty Bangladeshi officials all belonging to former CSP cadre who had gone abroad either on posting or on deputatin to international agencies or on higher studies have not returned to the country. Only a handful of them have not completed their tenure.

Although the number of Bangladeshi officials working with international agencies will be negligible in comparison to the number of such officials from India, Pakistan and even Sri Lanka what is intriguing is that the officials tend to overstay beyond the time limit imposed by the Government on one plea or another

This is not a problem peculiar to the former CSP officials alone. The number of Government servants who have gone abroad on deputation from Education Medical and Engineering Services and not returned to the country on expiry of their tenure would far outnumber the figure of the officials belonging to former CSP cadre. Most of these officials have either resigned sought voluntary retirement from government service or have ignored the Government notice recalling them. There are some whose services have been terminated by the Government There are also some officials who were posted in our missions who ahve resigned and settled abroad or have been employed by some international agencies on their own initiative

Wages and perks offered by international agencies are so attractive that it becomes difficult on the part of the deputationists to turn down the inducement.

The following is a list of former CSP/PFS officials who are working with international agencies:

Mr. Mofizur Rahman (IDB) Mr. S A.M.S. Kibria (ESCAP) Mr Sultanuzzaman Khan (ESCAP Kazi Fazlur Rahman (Asian Development Bank) Mr Kibria (World Bank) Mr. Salahuddin Ahmed (FAO) Dr. Abdus Sattar (UNFP) Mr Mokammel Huq (Commonwealth Secretariat) Mr Enam Ahmed Choudhury (ESCAP) Mr A N M Yusuf (Commonwealth Secretariat in Sri Lanka) Quazi Habibul Huq (FAO) Mr. Shahed Latif (ESCAP) Mr. Jalaluddin Ahmed (ILO New Delhi). Besides Mr Monwarul Islam Mr A B M. Nurul Islam Dr. Fakhruddin Ahmed Mr. Lutfullahil Majid Mr. Mohammad Ali Mr. Ershadul

Huq are also working with international agencies. The status of Mr. Motiul Islam who was with UNIDO and Mr. Nurul Islam who was Economic Minister in Washington are not known. Mr. Motiul Islam is being replaced by Mr. Sadique the present Defence Secretary

The following officials who had gone abroad on higher studies have either resigned or their services have been terminated by the government The officials are Messrs Khasruzzaman Saiful Huq Saidi Sattar Iqbal Sobhan Wasim Alimuzzaman Ifthikar Hussain and Faisal M. Rahman.

The number of officials on deputation from Medical Education Engineering and other services are not known but a large number of them are over staying even on expiry of the period of deputation.

CSO: 4600/1574

BANGLADESH

PAPER GIVES BACKGROUND ON NEW AMBASSADOR TO PRC

Dhaka HOLIDAY in English 3 May 85 p 3

[Text]

The government has decided to appoint Mr. A.Z.M. Enayetullah Khan Editor weekly Holiday as Bangladesh Ambassador to China the Foreign Office announced in Dhaka.

Mr. Khan succeeds Ambassador K.M. Kaiser who died in Beijing recently.

Born on October 1, 1939 Mr Khan obtained his M.A. in Philosophy in 1960 and started his career as a journalist with the then Pakistan Observer in 1958. He was the President of the National Press Club during 1974-77 and Editor of The Bangladesh Times during 1975-77.

Mr Khan was member of the Council of Advisers in charge of the Ministry of Land Administration and Land Reform and Minister for Petroleum during 1977-78.

He is a founder-member of Bangladesh-China Friendship Society and a former President of the Committee for National Movement and World Peoples' Solidarity.

He was a member of the Press Commission and Press Consultative Committee set up by the government. He is a sponsor-member of the Civil Liberties and Legal Aid Committee, Anti-Fascist Movement and a member of the International Secretariat of Kampuchea Conference.

Widely travelled Mr Khan visited China in 1976 and 1982 leading journalists delegations at the invitation of the Chinese Government. He attended a number of international seminars and conferences.

Mr Khan's hobbies include reading, writing and music. He is married and has three children.

CSO: 4600/1580

BANGLADESH

ARTICLE NOTES UNDERUTILIZATION OF ADB ASSISTANCE

Dhaka THE BANGLADESH OBSERVER in English 30 Mar 85 p 1

[Text] The disbursements of development assistance by Asian Development Bank (ADB) have badly been affected by procedural bottlenecks in project implementation and management. Bangladesh could avail itself of only 45 per cent of the total amount of 36 million US dollar which the ADB earmarked for the country as its disbursement target in 1984.

The ADB source in Manila told this correspondent recently that project implementation and management performance in Bangladesh had suffered due to lack of alertness as well as indifference of concerned planning and project officials. A number of development projects approved as late as in early seventies for Bangladesh have not been completed till now the source noted. Such poor implementation performance the same source observed has been responsible for poor aid disbursements to the country.

What makes the prospect for future ADB assistance out of its concessional loan window Asian Development Funds (ADF) particularly bleak now is the latest decision of the bank management to release its funds in bigger amount for those countries which are capable of timely utilisation of its development assistance. The ADB is already having a serious problem of its fund replenishment with the donors adopting dilly-dally tactics in making their required amount of replenishments to the ADF. ADB is now considering seriously to reduce aid-flows to countries failing to utilise the same within the specific time-frame. ADB's aid crunch will be felt more by countries with serious operational lapses in project management and implementation because the ADF size, unless replenished by required size, will be reduced in real terms.

The ADB source in Manila told this correspondent that China would soon become a member of the bank and this would be another reason for other ADB members to make efforts for improvement in project implementation and management because the failure to do so would mean a lesser share of ADB aid programme for them.

Meanwhile ADB has recently made an urgent appeal to donor countries for timely replenishments of its concessional funds, ADF. The total commitment of donor countries for its on-going replenishment. ADF for covering the period 1984-85 is about 3.2 billion US dollars of which Japan is expected to contribute 37 per cent and the United States 18 per cent.

The ADB source told this correspondent that even if the commitments by the donors to the ADF-IV were fulfilled, the real size of the concessional funds would stand reduced by 20 per cent of its original estimated level because of the fluctuations in exchange rates of other currencies against the US dollar.

CSO: 4600/1578

BANGLADESH

## INDIA EXPLORES FOR OIL IN AREAS NEAR BANGLADESH COAST

Dhaka THE NEW NATION in English 10 Apr 85 pp 1, 8

[Text]

India has started exploration of oil along the coastal areas bordering Bangladesh.

The Indian authorities under a programme of oil exploration in the eastern region have selected the coastal areas near the Sundarbans as their first choice. Referring to the discovery of massive reserves of gas and the possibility of oil deposits in Bangladesh the Indian authorities have issued directives for gearing up the exploration of oil along the territorial waters of Bangladesh.

According to the Voice of America Monday night, oil wells are scheduled to be dug at a distance of only 40 nautical miles from Haldia coast near the Sundarban areas of West Bengal. With the setting up of a rig in October next two Indian ships will start digging oil wells near the economic zone of the Bangladesh territorial waters.

Despite the ratification of the laws on international maritime boundary India has been repeatedly carrying on activities detrimental to the economic interests of Bangladesh. Oil exploration officials of India said that they would dig five oil

wells in the coastal waters near Sundarbans.

India earlier entrusted Western Geophysical Company, a foreign enterprise, with the responsibility of oil exploration surveys in this region. And the current exploration is based on the report of that company. Earlier foreign experts mentioned the strong possibility of massive oil reserves in this area of the territorial waters of Bangladesh.

The pace of oil exploration in Bangladesh slowed down following large-scale seismic survey till the mid-70s. With priority given to extraction of gas and exploration of new gas deposits under a two-year hardcore plan the limited activities of the geophysical Survey of Bangladesh further squeezed. Taking advantage of the virtual stoppage of oil exploration in Bangladesh for long five years, India has launched a new its oil exploration efforts in the eastern region with all its might reducing the efforts in the western region. Meanwhile, India has sanctioned four crore and sixty lakh dollars for the purpose.

CSO: 4600/1579

BANGLADESH

BRIEFS

AMBASSADOR TO SWEDEN--Major General Muzammel Hussain, Bangladesh Ambassador in Sweden, presented his credentials to the King Carl XVI Gustaf at the Royal Palace in Stockholm recently, according to a message received in Dhaka Tuesday, reports BSS. At the presentation ceremony which was an exclusive audience with the King, the Ambassador conveyed to the King the warm greetings and best wishes of the President and CMLA, Lt. Gen. H M Ershad and the people of Bangladesh. The Ambassador expressed deep gratitude to the King for the continued support and economic assistance provided to Bangladesh by the Swedish Government and hoped that the traditional ties of friendship binding the two countries would be further strengthened in future. Maj. Gen. Hussain apprised the King of the revolutionary reforms introduced by President Ershad's government in economic, administrative, social and industrial fields for the amelioration of the condition of the people of Bangladesh. The King appreciated the steps for the restoration of democracy in Bangladesh and wished progress and prosperity of the people of Bangladesh and success of the efforts of the government for building the country. [Text] [Dhaka THE BANGLADESH OBSERVER in English 18 Apr 85 p 3]

LOAN FROM NETHERLANDS--Bangladesh will receive a loan of 25 million Dutch florinth (Taka 18 crore) under an agreement signed with the Government of The Netherlands, reports BSS. The Dutch aid will be used for parallel co-financing of the country's second natural gas development project being supported by the Asian Development Bank. A Press release said that the Dutch loan will be utilised to meet the foreign currency costs for one gas treatment plant for the Feni gas field, one gas treatment plant for Bakhrabad gas field and two other plants for the Titas gas field. The financial specifically will cover the costs of the four plants, their installation, commissioning and consultation services. The loan will carry an interest rate of one per cent and will have to be repaid in 30 years including a grace period of eight years. Mr M A Syed, Additional Secretary of the External Resources Division of the Ministry of Finance and Mr H J Du Marchie Sarvas, the Dutch ambassador in Dhaka signed the agreement on behalf of their respective Governments. [Text] [Dhaka THE BANGLADESH OBSERVER in English 3 Apr 85 p 1]

SINGAPORE HIGH COMMISSIONER--The High Commissioner designate of Singapore to Bangladesh Mr Chan Keng Howe presented his credentials to the President and Chief Martial Law Administrator Lt Gen H M Ershad at Bangabhaban here yesterday morning, says BSS. While presenting his letter of credence the new envoy



expressed the hope that during the tenure of his office the existing friendly ties and cooperation between the two Commonwealth countries would be further strengthened to the mutual benefit of the two peoples. Reciprocating the sentiments, the President assured Mr Howe all help and assistance for smooth discharge of his duties. Earlier on arrival the new High Commissioner was given a guard of honour by the President's Guard Regiment. He took salute and inspected the guard. [Text] [Dhaka THE NEW NATION in English 17 Apr 85 p 3]

**JOINT VENTURE INVESTMENTS**--The Foreign Investment Cell in a meeting held here yesterday under the chairmanship of the President and CMLA Lt. Gen. H. M. Ershad approved four investment proposals involving a total investment of Taka 15.53 crore including a foreign exchange component of Taka 7.07 crore, reports BSS. The joint venture proposals include industrial units for bulb shell and fluorescent tube shell, PVC sheet and plastic sheet, ink of all sorts and finished leather. The foreign participants in these projects are from China, Netherlands, India and Singapore. After full implementation of these projects foreign exchange to the tune of Taka 3.90 crore are expected to be earned and an amount of Taka 5.68 crore to be saved per annum through export and substitution of import. The projects are expected to generate employment for 521 persons. While reviewing the overall performance of the cell, President Ershad called for making it more effective for setting up industries with foreign investment. He stressed on establishing full scale manufacturing industries for import substitution and to discourage setting up of mere assembly plants. DCMLA and Minister for Industries, Commerce, Jute and Textile, Air-vic Marshal Sultan Mahmud, and PSO to CMLA Maj. Gen. M. Atiqur Rahman were present among others. [Text] [Dhaka THE NEW NATION in English 8 Apr 85 p 1]

**DANISH AMBASSADOR'S CREDENTIALS**--The Ambassador designate of Denmark, Mr Erno Carl Marinus Olsen, presented his credentials to the President and Chief Martial Law Administrator, Lt. Gen. H. M. Ershad, at Bangabhaban yesterday morning, reports BSS. Presenting his letter of credence, Mr Olsen expressed the confidence that the existing friendly relations between Bangladesh and Denmark would be further developed to the mutual benefit of the two peoples in the coming days. Reciprocating similar sentiments, President Ershad assured the new envoy of all help and cooperation of his Government is discharging his duties during his tenure of office in Bangladesh. Earlier, on arrival at Bangabhaban, the new Ambassador was given a guard of honour by the President's guard regiment. He took salute and inspected the guard. [Text] [Dhaka THE NEW NATION in English 9 Apr 85 p 3]

**ENGINEERS TO USSR**--About 20 engineers and technicians of Bangladesh Power Development Board (PDB) will receive a 4-month training in the USSR on operation and maintenance of power plants beginning in next June, says a press release. For this an agreement was signed in Dhaka on Monday between PDB and Messrs Technopromexport of the USSR. The trained personnel will be engaged in the 10 M.W. Ghorasal Thermal Power Plant now under implementation on Soviet financing. The plant is expected to come into operation by December next. The training will involve 62,300 US dollars to be re-imbursed by PDB. [Text] [Dhaka THE BANGLADESH TIMES in English 10 Apr 85 p 3]

ENVOY TO BELGIUM--The Government have decided to appoint Mr Mohammed Mohsin, at present Ambassador of Bangladesh to the Kingdom of Saudi Arabia, as Bangladesh Ambassador to the Kingdom of Belgium, Foreign Office announced in Dhaka on Tuesday reports BSS. [Text] [Dhaka THE BANGLADESH TIMES in English 10 Apr 85 p 3]

PAKISTAN COMMODITY EXCHANGE--The Trading Corporation of Bangladesh and the Trading Corporation of Pakistan concluded a commodity exchange programme recently in Dhaka envisaging the export of jute goods worth eight million US dollars with 50 000 metric tons of Urea of equivalent amount. The two commodities will be shipped simultaneously from both the countries, says a Press release. It is the first ever commodity exchange programme between the two countries and is indicative of the vast potential of such deals in future to the mutual benefit of both the countries. [Text] [Dhaka THE BANGLADESH OBSERVER in English 29 Apr 85 p 1]

PURCHASE FROM BULGARIA--KHULNA, Apr. 28--The Port of Chalna Authority has signed two agreements with M/S Balkancar Impex, Foreign Trade Enterprise, Sofia Bulgaria for supply of 15 forklift trucks and their spare parts involving 3,99096.09 US dollar for use at Chalna Port jetties, reports BSS The agreements were signed in the office of the Chairman, Port of Chalna Authority Khulna recently. The number of containers handed at Chalna Port jetties has increased manifold. The Port of Chalna Authority has already procured two heavy fork lift trucks from Sweden and 10 trailers and two prime movers through UNDP for facilities of handling containers at the jetties. At present container ships of different foreign companies including the Shipping Corporation of India, United States liner and U.K. are coming to Chalna Port with containers and the Port of Chalna Authority are handling them at the jetties in greater number. [Text] [Dhaka THE BANGLADESH OBSERVER in English 29 Apr 85 p 1]

BANGLADESH CITIZENSHIP RULES--The Government has recently made some amendments in the Bangladesh Citizenship (Temporary Provisions) Rules 1978 an official handout said on Tuesday reports BSS. The recent amendments made in Sub Rule (1) of Rule 4 provide that an application for grant of fresh citizenship will now be considered after an applicant who is a foreign woman and married to a Bangladeshi has resided in Bangladesh ordinarily for a period of two years or a foreign national who does not fall within the above category has resided in Bangladesh ordinarily for a period of five years. [Text] [Dhaka THE BANGLADESH OBSERVER in English 1 May 85 p 1]

SINGAPORE HIGH COMMISSIONER--The High Commissioner designate of Singapore to Bangladesh Mr Chan Keng Howe presented his credentials to the President and Chief Martial Law Administrator Lt. Gen. H. M. Ershad at Bangabhaban in Dhaka on Tuesday morning reports BSS While presenting his letter of credence the new envoy expressed the hope that during his tenure of his office the existing friendly ties and cooperation between the two Commonwealth countries will be further strengthened to the mutual benefit of the two peoples. Reciprocating the sentiments, the President assured Mr. Howe of all help and assistance for smooth discharge of his duties. Earlier on arrival the new High Commissioner was given a guard of honour by the President's guard regiment. He took salute and inspected the guard. [Text] [Dhaka THE BANGLADESH TIMES in English 17 Apr 85 pp 1, 8]

AMBASSADOR TO MEXICO--The Government have decided to concurrently accredit Mr A Z M Obaidullah Khan Bangladesh Ambassador to the United States as Ambassador o Mexico the foreign office announced in Dhaka on Thursday, reports BSS. [Text] [Dhaka THE BANGLADESH OBSERVER in English 19 Apr 85 p 12]

NEW ZEALAND AMBASSADOR--Sir Edmund Percival Hillary has been appointed New Zealand High Commissioner to Bangladesh the foreign office announced in Dhaka on Tuesday says BSS. Born on July 20 1919 at Auckland Sir Edmund became famous for his Himalayan expedition. He took part in the British expedition of the Mount Everest in 1953 and with Sherpa Ten sing reached its summit on May 29. Sir Edmund led several other mountain expeditions and has been awarded several medals. He is the author of many books. Sir Edmund who is also his country's Envoy to India will have his residence in New Delhi [Text] [Dhaka THE BANGLADESH OBSERVER in English 3 May 85 p 3]

ENVOY FROM FRG--Mr Klaus Max Franko has been appointed Ambassador of of the Federal Republic of Germany to Bangladesh, reports BSS. Born on August 4, 1983 in Hamburg, Mr Franke studied law and joined the F.R.G. Foreign Ministry in 1964. He is a career diplomat and held various important positions at home and abroad. He was F.R. G ambassador in Sanaa from 1976-79. Prior to his present assignment he was head of the Department of Bilateral Relations with Third World countries in the Chancellor of the Federal Republic of Germany. [Text] [Dhaka THE NEW NATION in English 30 Apr 85 p 3]

MARTIAL LAW INSTRUCTIONS--The Chief Martial Law Administrator has issued Martial Law Instructions No 1 of 1985 under which, despite existing ban on political activities, printing distribution, fixation or display of leaflets, posters placards; use of mikes and convening of meetings and taking out of processions for the purpose of projecting the candidature of any person in the elections to the office of Chairman of Upazilla Parishads to be held on 16 and 20 May 1985 have been allowed within the areas of the Upazilas in which the elections are held, says an official announcement. But wall-writing for the purpose of projecting such candidature, propaganda in any manner against holding of the upazila elections, projection or propaganda of the cause of object of any political party or use of the name or flag of any political party, or projection in any manner of any candidate as a nominee of any political party shall not be allowed. The Instructions shall take effect on the first day of May and shall remain in force till the 21st day of May 1985. [Text] [Dhaka THE BANGLADESH TIMES in English 29 Apr 85 p 1]

SINO-BANGLADESH PETROLEUM BARTER--Bangladesh will import petroleum products worth Taka 35 crore from China under a barter protocol signed in yesterday in Dhaka on Saturday, reports BSS. Under the agreement China will supply 40,000 tons of high speed diesel and 9,000 tons of lubricating base oil during 1985. The agreement was signed between Bangladesh Petroleum Corporation and China National Chemicals Import and export Corporation. Bangladesh bought the same quantity of petroleum products from China under barter last year. [Text] [Dhaka THE BANGLADESH TIMES in English 29 Apr 85 p 8]

ENVOY TO SAUDI ARABIA--The government have decided to appoint Mr Hedayet Ahmed, at present Ambassador of Bangladesh to the Arab Republic of Egypt as Bangladesh Ambassador to the Kingdom of Saudia Arabia, says an official hand-out. [Text] [Dhaka THE NEW NATION in English 12 Apr 85 p 8]

JAPANESE GRANT--Bangladesh will receive a grant of Taka 1.91 crore equivalent to 191 million yen from Japan for preparation of the detailed design of the facilities necessary for the execution of the Meghna bridge construction project under an exchange of note signed between the two countries in Dhaka on Tuesday reports BSS. With the completion of the Meghna Bridge the mobility of transport between the capital city and the port city of Chittagong will be easier and smooth and it will also shorten the journey time by about two hours between Dhaka and Chittagong. The bridge when completed will also bring a radical development in the transportation of commercial sectors and thus contribute to generating vitality in the markets of Dhaka and Chittagong and the surrounding towns as well. The bridge when completed will also bring a radical development in the transportation of commercial sectors and thus contribute to generating vitality in the markets of Dhaka and Chittagong and the surrounding towns as well. The bridge will have a very high economic and commercial importance in the country. Joint Secretary of the External Resources Division, Mr Akh tar Ali and the Japanese Charge d'Affaires, Mr Yasuhide Hayashi, signed the notes on behalf of their respective countries. [Text] [Dhaka THE BANGLADESH TIMES in English 17 Apr 85 p 1]

AMBASSADOR TO ICELAND--The government has decided to concurrently accredit Bangladesh envoy to Sweden Major General Muzammel Hussain as its Ambassador to Iceland, the Foreign Office announced in Dhaka on Saturday. [Text] [Dhaka THE BANGLADESH OBSERVER in English 21 Apr 85 p 3]

DHAKA ENVIRONMENTAL CHAIRMAN--Bangladesh was unanimously elected Chairman of the nine-nation South Asian Cooperative Environmental Programme (SACEP) in its two-day Governing Council meeting in Dhaka on Wednesday reports BSS. India proposed the name of the Local Government Rural Development Cooperatives and Works Minister Major General Mahmudul Hasan for the chairmanship of the SACEP and it was seconded by Bhutan. General Hasan, who took over the charge from the outgoing Chairman of the SACEP the Afghan Agriculture and Democratic Land and Water Reform Minister Mr. Abdul Gaffer Lakanwal presided over the first two business sessions of the meeting. Gen. Hasan hosted a dinner for the delegates and observers to the SACEP Governing council meeting in the evening. Law and Justice Minister Mr. Justice A.K.M Nurul Islam and Social Welfare and Women Affairs Minister Mrs Rabeva Bhuiyan ESCAP Executive Secretary Mr. S.A.M.S Kibria attended the dinner. The dinner was followed by a cultural function. [Text] [Dhaka THE BANGLADESH OBSERVER in English 18 Apr 85 p 8]

OBAIDUR RAHMAN ARRESTED--Mr. K. M. Obaidur Rahman, a former minister, was taken into custody by a law-enforcing agency yesterday. [Text] [Dhaka THE NEW NATION in English 13 Apr 85 p 8]

CSO: 4600/1577

INDIA

NAJMA HEPTULLAH INTERVIEWED ON GULF WAR

London AL-DUSTUR in Arabic 29 Apr 85 pp 10-11

[Interview with Najma Heptullah, deputy chairperson of Rajya Sabha, by 'Abd-al-Wahhab al-Qaysi; date and place not specified]

[Text] "We desire Iraq's call for peace and we sincerely wish this war, which has lasted 5 years, would end. We also desire that its sparks not reach other countries in the Gulf. This is what worries India as a peace-seeking country and as a prominent member and current leader of the nonaligned bloc."

With these words Mrs Najma Heptullah, deputy chairperson of the Upper House of Parliament who recently visited Iraq, began her interview with AL-DUSTUR.

Mrs Najma Heptullah is from an Arab family. Her grandfather and grandmother migrated from the Hejaz in Saudi Arabia. She is the daughter of Mawlana Azad who is regarded as one of the outstanding Muslim scholars in India and one of the first leaders of the Indian liberation movement. She was also a personal friend of the late Prime Minister Indira Gandhi.

[Question] How do you assess the political situation in India after the death of Indira Gandhi?

[Answer] The late Mrs Gandhi left a great vacuum because she was a symbol for women and woman's power and an example not only in the Third World but through out the whole world. I am sure that her successor Rajiv Gandhi will follow in his mother's footsteps in leading the Indian people after his election as head of the ruling National Party. Mr Gandhi is interested in the friendship of the Arabs and the nonaligned nations. He is concerned in particular with arranging some form of peace between Iraq and Iran.

[Question] What are the most outstanding problems facing India after Indira's death?

[Answer] The fact is there are many problems in a country like India, which is regarded as a subcontinent. It has a variety of religions and nationalities so it is natural for there to be problems. One of them is the

Sikhs, but I want to distinguish between the religion of the Sikhs and the Sikhs as a political movement. There is a problem and especially the problem of the radical Sikhs. The Sikhs as a religious movement is not a problem, but the Sikhs as a radical political movement is and the two can be distinguished. I can give you an example of that relating to the radical Sikhs and the problem of "Khanistan." It is like the difference between Judaism and Zionism. Judaism as a religion is no problem, but Zionism as a radical political operation is a real problem in its extremism and practices. There is also a difference between the Sikh religion, which is a recognized religion, and the matter of extremism, for Khanistan is a radical political movement known as "Akali."

[Question] Rajiv Gandhi declared that after his victory in the elections he would work to stop the Gulf war. What have his efforts yielded so far?

[Answer] Mr Gandhi is concerned with this war and stopping the Gulf war. You know the contacts he recently made in this matter, and perhaps he will be successful. In the Iraqi-Iranian war, the two sides have been trying openly and secretly to start a fire. Indira Gandhi was aware of that. Just as Israel is trying to stir things up in Lebanon and occupying its land, it is undertaking at the same time to destabilize Sri Lanka and come in as a party to the dispute.

However, the Delhi declaration that emerged from the 6-nation meeting can be a step toward the making of a just peace in the Gulf. Mr Rajiv Gandhi is continuing his efforts to achieve peace between Iran and Iraq.

[Question] I am not happy with this war's continuation. The fact is all Indians are unhappy with the continuation of this destructive war. In the name of my government and the Indian people, I implore Iran and Iraq to halt the war because the two combatants are members of the nonaligned bloc and our neighbors, and both are Muslim. It is a war that is destroying innocent people. It is a hopeless and unjustified war. It is a war at the expense of development and progress in both warring countries. The Indians as head of the nonaligned nations have tried, and still are trying, to stop it. The United Nations, too, has tried through its secretary general, de Cuellar. We know that Iraq has favored the peace efforts from the beginning. The whole world knows this. However, there are two warring parties and both must agree to end the war. In our world today the time of occupation has passed. It is impossible for anyone or any party to occupy the land of any people--except Israel, which occupies Arab territories. The law and world opinion are very critical of the occupation of the lands of another. Moreover, it is impossible for any country to occupy the lands of another in a time of progress and technology. Iran cannot try to occupy Iraq by force. Occupation is unacceptable. It is also not permitted to intervene in the internal affairs of another country as long as that country is concerned with self-determination without resorting to force and occupation. Whoever resorts to force and occupation will be like Israel in occupying and annexing another's land without any justification in logic, law, or humanity.

[Question] How does India view the Palestine issue and the recent Jordanian-Palestinian agreement?

[Answer] The Indians have voiced their unconditional support for the Palestinian issue. India's policy is to support the Arab states at all international meetings.

In my capacity as an Indian official and member of the ruling Indian Congress, [I can say that] we are hoping this long-standing problem will be solved. We will be very happy if it is solved. We will also be happy when the Gulf war is over.

[Question] How did you find President Saddam Husayn when you met him?

[Answer] The president spoke about many things. He was relaxed and very confident of himself and his people. I admired the way he deals with problems and issues. He is a man with a strong personality who works calmly. I greeted him in Arabic and wished him and Iraq success and peace.

[Question] How did you find Baghdad after 5 years of war?

[Answer] Amazing. I saw Baghdad early in 1980 and again early in 1985. I felt it had made a qualitative leap forward. Indeed, the appearance of Baghdad had changed completely. I also found that Iraqi women had made brilliant progress. They are members of Parliament and share in making decisions for the people and passing laws in keeping with the changing times.

5214

CSO: 4604/31

IRAN

TABRIZ RADIO ATTACKS SHULTZ MIDDLE EAST VISIT

GF141520 Tabriz International Service in Azeri 1800 GMT 13 May 85

[Unattributed commentary]

[Excerpts] Dear listeners, Secretary of State George Shultz departed occupied Palestine for Cairo on Sunday, 12 May. During his stay in occupied Palestine, Secretary of State Shultz held talks with Prime Minister Shim'on Peres and Vice Prime Minister and Minister for Foreign Affairs Yitzhaq Shamir--ministers of the regime now occupying Jerusalem. They discussed a number of issues related to the question of dealing with the strengthening of Islamic movements in the region and the Middle East crisis.

Shamir made a covert explanation during his radio interview on his talks with George Shultz on 11 May. He stressed, however, that the White House should refrain from supporting any plan against the regime which occupies Jerusalem.

Nevertheless, Shultz' visit to occupied Palestine, Egypt, and Jordan has brought to light the fact that the task the United States has assigned to the Egyptian regime has been established in accordance with the effort made in the West to counter the strengthening of Islamic movements in the Near East.

The United States, which has been moving with the intention of realizing its foreign policy concerning the Near East, has always pursued two objectives in its political and economic strategies. With a view to achieving its political interests concerning its imperialist nature, the United States has always used the question of economic aid as a means of pressure. On the other hand, the effort the United States made after the signing of the Camp David Accords to move the Egyptian regime back into the Arab world can be considered as a political initiative aimed at achieving the U.S. interests we have pointed to. And, with regard to the effort made to realize this policy, the question of strengthening the dependent economy in Egypt has facilitated the upkeep of U.S. economic and political objectives.

An analysis of the U.S. aid supplied to Egypt during the al-Sadat era and during the current Mubarak regime's rule brings the fact to light that the imperialist aid given to foreign countries is concerned more with political objectives rather than the question of strong economy. In that regard, although the Egyptian regime is faced with various political and social problems, Western imperialism--moving in the direction of realizing its exploitationist



objectives in Egypt--has increased its aid to that country's regime with a view to preventing its fall.

According to political and economic analysts, the actual objectives behind Shultz' visit to the Near East have not been disclosed by the U.S. officials. Nevertheless, during his visit Shultz' requested the realization of certain political and military decrees concerning the forthcoming joint military exercises between the Egyptian regime and Jordan. The Lebanese Islamic Ulema have issued a statement strongly criticizing Shultz' visit. The statement also pointed to the special policy required for strengthening relations between the regimes in Cairo, Amman and Baghdad. According to the statement, the U.S. representatives sent to the Near East region wish to create suitable to the one signed between the Zionist regime and Lebanon on 17 May 1984.

Apparently, the U.S. plan for establishing peace in the Near East is not a political move concerned with the Egyptian regime's political, economic and social problems. As such, it could be concluded that the continuation of this policy could create unfavorable results for the U.S. underlings in the region. Thus, it can be said that in the event the rights of the Muslims of Palestine and Lebanon, as well as those of the people in the region, are crushed through decisions like the treacherous Camp David Accords, the revolutionary moves of the world Muslims against the great powers will continue with increased intensity.

CSO: 1831/418

IRAN

COMMENTARY REVIEWS SHULTZ TOUR OF MIDDLE EAST

GF140808 Tehran Domestic Service in Persian 0430 GMT 14 May 85

[Unattributed commentary]

[Text] In the name of God, the merciful, the compassionate. U.S. Secretary of State George Shultz began a tour of several countries in the Middle East last Friday with his arrival in occupied Palestine. The aim of his trip is to further American goals in the Middle East in the guise of peace between Arabs and Israel. It is taking place 3 weeks after the trip made by Richard Murphy, who had tried to prepare the ground for Shultz' trip by visiting a number of Arab countries and occupied Palestine. However, after Murphy's discussions ended, the American officials, more than anyone else, stressed that Murphy's efforts could not be called successful. This is at a time when, in the opinion of many political sources in the Middle East, Murphy's goal was not to reach any agreement. His sole reason for going to Egypt, Jordan, Iraq, Saudi Arabia, Syria and occupied Palestine was to become familiar with the latest views of these governments about new proposals on the Middle East. Had there been any talk about the success of the trip at the start then it would create the need for a successful trip by Shultz when he is a truly defeated individual in the Middle East.

The 17 May 1983 agreement between Lebanon and Israel, signed under U.S. supervision, was a success for Shultz who had become the secretary of state after Haig. The long and unsuccessful negotiations of [name indistinct] between the Lebanese and the Zionists culminated in the 17 May agreement only because Shultz pawned all his political honor and not because of the repeated trips by Philip Habib. However, within less than 1-year's time, the Lebanese Government was forced to cancel the agreement due to the operations of the Muslim revolutionaries and the Islamic resistance of the population. So the Camp David II accord was destroyed and Shultz' political honor was lost.

Thus, it is no longer of benefit to U.S. diplomatic interests to send Shultz to the Middle East and carry propaganda about his victory beforehand. Furthermore, the important point with respect to Shultz' trip to the Middle East is that the King Husayn-'Arafat agreement has become the focus of attention. The king of Jordan and 'Arafat came to an agreement early this year that accepts all UN and UN Security Council resolutions on the issue of

Palestine and notes that the only way to reach what they term peace is to form an international conference with the participation of all interested parties together with the permanent members of the UN Security Council. Another important point of this agreement, which has become the new focus of discussions, is the joint effort of Jordan and 'Arafat's faction under the name of a Jordanian-Palestinian joint delegation. Prior to the announcement of such an agreement, the king of Saudi Arabia went to the United States and after the trip was announced, Husni Mubarak met Reagan in Washington and talked about his recommendations to use the King Husayn-'Arafat agreement. The Egyptian president in his proposal stressed the matter of U.S. negotiations with the Palestinian-Jordanian delegation in Washington prior to the convening of a conference with the participation of this delegation, the United States, Egypt, and Israel.

However, Washington and Tel Aviv opposed the plan because the PLO does not officially recognize Israel, and the 'Arafat-Jordan faction apparently also does not accept it because it does not mention an international conference, which the United States opposes. In any case, the course of events show that Egypt's proposal is effectively being carried out.

As we said, the United States and the Zionist regime have made any negotiations with the PLO subject to their recognition of Israel. This has resulted in the proposal that members of the Jordanian-Palestinian delegation should not include any PLO members. Murphy's trip and meeting with a number of collusive Palestinian elements in the East Bank shows U.S. interest in this respect. Yet, some believe that it is possible that the Palestinian members of the delegation are not PLO members but selected by them. An example would be PLO sympathizers from the Palestine National Council. Thus, diplomatic sources in the Middle East believe that Shultz' trip to the region is based on a clear objective, that is, the appointment of the Jordanian-Palestinian delegation.

Prior to Shultz' trip, 'Arafat discussed matters with the king of Jordan and then left for the PRC at the head of the joint delegation. A high-ranking Palestinian delegation of the 'Arafat faction also secretly held discussions with Egyptian officials in Cairo. Jordan and Egypt are among the countries whose leaders met and conferred with Shultz early this week. Therefore, the U.S. secretary of state has held close but indirect discussions with 'Arafat's Palestinian faction. This is a turning point in the trend of collusion in the Middle East. In other words, the United States and 'Arafat have come closer together than in the past. Shultz' discussions, whatever their results, are a danger for the Muslims, people of the Middle East, and especially the Muslim Palestinian nation because their aim is to create a defensive wall made up of reactionary Arab countries and Israel to oppose the Islamic awakening of the region. The reactionary Arab governments have repeatedly aired a point: If the United States does not move and bring the Jordanian-Palestinian agreement into fruition quickly, the passage of time will not be in the interest of anyone since the fundamentalists will take over the initiative. Their reference to fundamentalists is a reference to the Muslim, revolutionary people of the Middle East who have awakened after the victory of the Islamic revolution in Iran. [Words

indistinct] the issue of the Middle East and before the destiny of King Husayn and others become the same as that of the defunct shah of Iran and before the victory of the Iranian warriors over the Iraqi regime in order to bring all its supporting forces into a united front.

However, the wave of the Islamic revolution which started with powerful urges will destroy any defensive dam in its way and will break down any front. This is the way for the future in the Middle East.

CSO: 4640/569

IRAN

MINISTER DISCUSSES DETAILS OF NEW LABOR BILL

Tehran KEYHAN in Persian 30 Apr, 1 May 85

[30 Apr 85 p 3]

[Interview with Minister of Labor and Social Affairs Abolqasem by KEYHAN; date and place not specified]

[Text] KEYHAN political service. Abolqasem, minister of labor and social affairs, in an exclusive interview which lasted more than 110 minutes, expressed his views on various issues, including the new labor bill offered to the Majlis, differences between the new bill and the previous drafts, the details of this bill, the sale of factory shares, the difference in income levels throughout the society, workers and young people's sports and recreation, and, finally, the place of sports in the society.

Due to the length of this interview, it will be published on two consecutive days. Today, you will read the first part of the minister's views concerning the new labor law bill and its differences with the previous one, from his perspective. In tomorrow's KEYHAN, other issues which were discussed with the labor minister will be published.

At the beginning of the interview, our correspondent asked: It was announced yesterday that the Cabinet has approved the new labor bill. Please explain how the new bill differs from the draft presented last year.

Sarhadizadeh, in response to the question, said: When we prepared the original draft of the labor law, there were discussions about it, opinions were gathered, and religious jurists were consulted. We also spoke to the honorable members of the Council of Guardians and gave them a copy so that if there were religious jurisprudential problems, they would point them out to us. With all of these opinions, we prepared the final draft. The brothers in the Cabinet discussed it, opinions were

asked and it was approved. It was decided to present this bill to the Majlis on labor day.

#### Differences Between the New Bill and the Previous Drafts

The most important difference between this bill and the previous drafts is the issue of dismissal. In other words, what was of concern to our workers and what they objected to most seriously was Article 33 of the labor law, concerning the issue of dismissal. Now, perhaps the main part of it is this issue, that in this area, too, by getting inspiration from religious jurisprudential discussions, we created a situation in which unconditional dismissals without any justification would not exist; dismissals must be decided in the proper courts. If the court rules for dismissal, that worker will be dismissed.

This issue is the most essential issue in the new labor law. Of course, in my opinion, there are many differences besides the discussions that were in the previous drafts. When we look at religious jurisprudential discussions, in the section on labor and relations between the worker and employers, we see that many of the details are discussed. For example, if we look at the section on leasing, a book can be written on every issue. In other words, I think our religious jurisprudence is much richer and more precise than to leave it to the two sides to agree. We have no such thing in religious jurisprudence. This must be studied and discussed. We must know whether, according to Islamic jurisprudence, we must leave this issue alone and let the worker and employer do whatever they want. There is no such thing at all. The details are taken into consideration and are discussed as jurisprudential issues. When we devised the labor law, we observed these points. In other words, the details of the relations between workers and employers are included and taken into consideration. It is with these considerations that the new law has been devised.

#### Dismissal of Workers

It was asked: What specific articles are included in the new bill to prevent the dismissal of workers?

In response, the minister of labor said: In the new bill, the proper court has been anticipated and in this court, the representatives of the worker, employee and government will be present. The court is given the authority to return the worker to his job and will dictate to the employer that he does not have the right to dismiss the worker. In the past, such a thing did not exist. In other words, the employer could dismiss the worker. We left this decision to the court. If the court decides that this dismissal must take place, the worker will be dismissed, otherwise, he will remain at his job.

He was asked: Will the court investigate the conflict initially or after the employer has dismissed the worker?

The minister of labor responded: No, the court will investigate the matter. The details have been explained there.

### Primary and Secondary Injunctions

Our correspondent asked: How has the new labor bill dealt with the issues concerning primary and secondary injunctions?

The minister of labor said in response to this question: The new labor law that we wrote is based on primary injunctions and only a few secondary injunctions have been used. Should secondary injunctions be utilized further in new cases, we have conferred such decisions to the Majlis. In other words, we have presented the bill to the Majlis. Considering the richness of religious jurisprudence in the Majlis, if necessary, these injunctions can be used in new cases.

In all the contacts that we had with the brothers involved, we discussed these issues with some of the religious jurists and members of the Council of Guardians, and they expressed their opinion on such topics as, for example, to what extent the Islamic government has the right to be involved when the issue of government involvement is raised.

This in itself can be a religious jurisprudential debate. When we consider this as a primary injunction, it can be involved in all cases. But some neither consider it nor accept it as a primary injunction. In any case, the decision is not our responsibility. The honorable religious jurists in the Council of Guardians and in the Majlis can make any interpretation they like. They have the right to give and seek opinions on their views in regards to this law.

In any case, we consider this law to have been devised with the primary injunctions. Now, if they do not accept this interpretation, I think the Majlis and the honorable Council of Guardians will accept it as a secondary injunction.

It was asked: How will the wages be set in this law?

The minister of labor responded: The level of wages in this law must be set so that they would cover the living expenses of a family of four. This will be decided in the supreme council of labor, when it will be studied along with the statistics that are presented by the concerned organization and the level of wages will be determined year by year.

A question was asked about the health insurance and vacations of workers in this law, to which the minister of labor responded:

[Answer] The law has anticipated 18 days of vacation for our workers. Of course, there was much discussion about it. Some thought the vacation period for workers must be the same as that for employees.

But with all the opinions that were taken into consideration, we reached the conclusion that the 12 fixed days should be changed to 18 days. The reason is that there are many holidays for workers, in fact, the total number of holidays for workers is more than that for employees.

However, the official period of holidays and vacations for employees is one month and 18 days for workers. We thought that workers should have these 18 days of vacation per year.

Now, if the Majlis has a different opinion, it will change it; otherwise, it will be 18 days. We think that this is a correct decision.

#### Insurance is Compulsory

In regards to insurance, I must say that it is compulsory and has a law of its own. The draft was presented once and was also published in the press. The brothers who specialize in insurance have certain views about it and are working on it. Here, also, there are a series of new issues, including workers who have no employers, which we regard as "self-employed." There are a large number of persons who work for themselves and have no employers whom we can ask to pay their insurance premium.

We believe that this group must be insured. Of course, in the new law, we consider an employer to be anyone who in any way has relations with workers and is responsible for an individual worker. Still, this does not include everyone. Suppose there is a peddler who works for himself and must be insured. Who should insure him? In the plan that we have devised and in the draft of the social insurance law, we have discussed this group as self-employed and have asked that they be insured.

Our correspondent asked: According to this bill, which will go to the Majlis, is the workers' insurance and that of the wage earners compulsory?

The minister of labor responded: Some in this group are subject to the labor law and must be included in the labor law and some are not to be covered. The Constitution is explicit and emphatic on this point. Insurance is a compulsory issue for all strata of people.

The question was asked: What changes have been made concerning workers' retirement?



The minister of labor said: Not many changes have been made in regards to retirement; but its various forms have been taken into consideration. For instance, 30 years of work is one of the requirements for retirement; however, inability and such difficulties which occur for workers during their service are taken into consideration in their various forms.

#### Details of New Labor Law

Concerning the details of the new labor bill, the minister of labor said:

In the new law, the law of agricultural labor and industrial labor have been made equal, whereas previously there were two laws. We eliminated the discriminations and equated industry and agriculture.

In this law, there is a brief trial period of one month for unskilled workers and three months for skilled and specialized workers during which the worker and employer can reach an agreement.

Also, the various forms of suspension of the labor contract have been anticipated, such as military service.

When a worker becomes eligible for military service, he must go and do his service. The law has anticipated what will happen to him. Or, in regards to educational and training leaves or even the arrest of a worker when an accident occurs which results in his arrest, the law has anticipated what will happen after the worker is released.

Also, in the event of the temporary closure of a workshop for any reason, the fate of workers in such cases has been taken into consideration. Contrary to the previous labor law, these contracts will be carried out for a specific period of time and a specific job. In other words, nothing must remain undetermined. An employer with a contract for a specific job and period cannot assign his workers to another duty.

In connection with dissolving contracts between employers and workers, the labor minister said: According to the new law, neither has the right to dissolve the contract; before the period of the contract expires, it cannot be dissolved. If they want to do so, they are responsible and must pay the damages.

Should either side want to dissolve the contract, whether the worker or the employer, their case will go to the court and damages will be paid.

Also, various cases, including minimum wages, fixed wages, hourly wages and wages for a particular job, which have created problems in implementation, have been anticipated. The new law has specified and determined all of these.

Concerning working hours, I must say that it has been decided to keep with the eight hours, whereas in the draft of the law, the time spent for eating and prayers is also counted as a part of the working hours.

Again, such considerations, which take up about 40 minutes, are counted as part of the 8-hour work day.

For a variety of dangerous jobs, six hours have also been anticipated to reduce the danger.

Also, the distinction between day work, night work, work done in turns and shift work has been clarified and each in turn has been defined.

Continuing his explanations concerning the new labor law, the minister of labor added: The increase in vacation time for workers who are engaged in dangerous jobs reaches 30 days per year. These have also been determined. In other words, from 18 days to 30 days. Minimum age is 15 years. In other words, those between the ages of 15 and 18 are considered youths.

Hourly leaves have also been determined for workers. The increase in pregnancy treatment leaves for women has been set at 10 weeks to 90 days leave without pay, similar to educational and athletic leaves and trips for which workers can take a leave.

Worker leaves in connection with education, seminars, sports matches, and so on; treatment leaves for workers; and leaves for marriage or the death of a parent, spouse or child are each set at three days.

Comfort resources for workers, including insurance, housing, health services, treatment, dining halls, prayer rooms, and so on, in various areas have been anticipated.

Also, the means for going to and from work, child care centers, nurseries, cooperative companies, athletic centers and literacy classes have been anticipated.

Various forms of worker organizations have also been anticipated, such as Islamic societies, Islamic councils, and so forth, for which the regulations have also been determined.

The law for the establishment of guilds which have been referred to in the Constitution has been anticipated and must be presented to the Majlis.

In the present labor law, organizations usually take the form of syndicates, unions and confederations. But in the new law, the organizations take the form of Islamic societies, councils and guilds.

Also, collective bargaining has been anticipated between the representatives of workers and employers who know both the problems of their group and the new makeup of the supreme council of work safety and health, which is also a new council in which the deputies of ministries must be present, and the bylaws must be taken into consideration.

With the expansion of the authority of labor inspectors, their duties have been determined and the investigation of violations

and the follow up through various means has been anticipated in the labor law. In addition, there is a chapter on training and employment, which is for workers training in various cases. Also, basic technical and professional training for workers has been anticipated.

Tomorrow you will read the remainder of the KEYHAN interview with the minister of labor concerning the sale of shares of factories to the oppressed strata of society and the procedure for its implementation, the division of income throughout the society, and cultural and athletic issues in the workers' society and in the whole society.

The details of the labor bill are printed on Pages 17, 18, 19 and 20 of today's issue of KEYHAN.

[1 May 85 p 3]

[Second part of interview with Minister of Labor and Social Affairs Abolqasem Sarhadizadeh concerning new labor law by KEYHAN; date and place not specified]

[Text] KEYHAN political service: The first part of KEYHAN's interview with Abolqasem Sarhadizadeh, minister of labor and social affairs, concerning the details of the bill for the new labor law was published yesterday. Today, you will read the following part of this interview, concerning the sale of factory shares to workers, the difference in the income levels in the society, the participation of people in economic affairs, the activities of the private sector, the living conditions of the workers, the employment of youths, management and councils.

It should be pointed out that the views of the minister of labor in connection with the place of sports and recreation in the society and workers' athletics are published on the sports page of KEYHAN today.

The minister of labor was asked: The most important issue for workers concerns the sale of the shares of factories to workers. Could you tell us how the sale of these shares will take place?

In response, the minister of labor said: In this connection, the economic council will decide. Recently, they asked us to announce our views. We had some views that we offered and the opinions of various authorities were also sought.

The principle of the issue has been accepted.

The details of the issue really need to be discussed.

For example, many of our units suffer losses. What will happen to workers who work in such units? We have many small units. If we want to offer the profitable units to the workers, this is a part of the profitable units [as published].

But what will happen to the part which is not profitable? For example, regarding our mining, which is not in a good situation, they must be completely deprived of becoming shareholders. These are the details of the issue, to which, I think, we must pay a great deal of attention.

If the shares of factories are going to be transferred, the largest strata of our workers must also be included and must benefit from becoming shareholders.

We must not transfer the shares of profitable units alone. These are the problems on this course and work is being done on them to enable us to implement the law in a desirable manner.

Now the procedure to transfer shares in the profitable units also requires work. This is a delicate matter to which attention must be paid.

Continuing his explanations, the minister of labor added:

In carrying out the sale of shares to workers, everyone must help, including the government, banks and funds which are established for this purpose. Social insurance must also have a share in this assistance.

We anticipate that if the shares are transferred, with this policy, the banks must think about their problems and participate in this matter in order for the workers to receive these shares.

He was asked: The major problem regarding transfers is the workers who have no money available. The banks do not have a policy of giving loans. This is a big question in transferring the shares. Could you tell us how this will be accomplished?

The minister of labor responded:

If we want to have a slogan concerning the transfer of shares to workers, this is very attractive at first. But we believe that it must be presented in a reasonable and basic form. As you said, workers do not have the financial ability to immediately do so. Who must help? It is the government which is capable of helping and creating conditions that will not impose pressure on workers. The banks and the social security organization can also help and are capable of accomplishing this task.

In any case, this is a delicate issue and it is truly desirable and revolutionary. In order to carry out this task properly, there is need for work and activity. We must think and work to bring it to a form that can be carried out.

Still some of the shares are controlled by the government, which must transfer them. We are imposing pressure and pursuing the matter of having these shares transferred. In any case, these are the problems that must be resolved. Furthermore, which workers should be recipients of the shares of profitable factories, the workers who work in that unit, who are well off and whose living conditions would become even better, or a person who lives under bad conditions?

For example, must we transfer the shares of a profitable unit to the workers of the mines who have very harsh and bad working conditions or to the workers of that unit?

Now, the conditions of the workers in the profitable units are good and this is natural. Compare this with the conditions of the mine workers; they work under harsh conditions. The details of the issue must be worked out if we are to be able to carry it out.

#### Differences in Income Levels

The minister of labor was asked: According to published statistics, incomes during the period 21 March 1983-20 March 1984 were higher than the previous year and 20 percent of high income families in the society had about half of the total income of the society. In your opinion, what is the reason for the increase in such a gap and discrimination, while with the victory of the Islamic revolution and the establishment of the regime of the Islamic Republic such gaps are expected to be reduced?

The minister of labor responded: In this connection, the statistics before the revolution must be taken into consideration to see among what percentage of the families the total income of the country was distributed before the revolution. Before the revolution, 90 percent of the total income of the country was at the disposal of 10 percent or less of the people and 10 percent of the income was at the disposal of 90 percent of the families. Of course, we have progressed in comparison with the past and in order to prevent the wealthy from becoming wealthier and the poor from becoming poorer, we need a series of proper revolutionary laws in the Majlis. They should study who the 20 percent are and whether they have really paid their government dues. I believe that if they pay their government dues, this situation will not occur. If taxes are collected properly, this situation will not occur. We remove the tax burden from the shoulders of this 80 percent or reduce it a bit and place it on the shoulders of the

20 percent. Those who oppose the tax laws today must consider these statistics. If we collect our taxes properly and if we correctly devise our laws, this problem can be prevented. But if we do not collect them properly, we cannot prevent it. I am certain that the reason for this situation is that the dues have not been paid, which must be prevented by law or through strengthening the executive organizations. If we are hesitant in regards to laws or their implementation, we will not find ourselves in a good situation.

In any case, on the whole, this should not be surprising, considering the past. Our situation is not too bad. At one time, statistics showed that before the revolution, 6 percent of the population consumed 94 percent of the revenues; but since the revolution, you see that this situation is different, and you still protest it. Your objection is proper and we also object. Now, how can we change this situation? The way to do it is through the proper passage of the tax law, its careful implementation, and severe treatment of those who violate the rights of the government. Our ideals are quite far from what is announced today. In order to achieve these ideals, we require serious, constant revolutionary work. We must be careful about the decisions that we make. The government Cabinet and the Majlis must note that to eliminate the gaps and make improvements, there is need for a law which can respond to the needs of the revolution and its implementation as well as the severe treatment of those who do not adhere to it.

#### Participation of People in Economic Affairs

The minister of labor was then asked: What solutions do you propose for the increased participation of the people in economic affairs?

He said: The first thing that I propose is training. Production must be accompanied by training. In this area, we really have deficiencies. If our forces become familiar with production and gain economic understanding, they have much potential. Also, our industrial workers limit their vision and do not engage in greater tasks. They must be bolder and willing to face hardships in order to advance. Although they have the talent, they limit their work.

Another issue is to be bold enough to be present on the production scene. The issue of innovation and thinking on the scene of work and production and providing the grounds for the active and increased presence of the people can solve problems.

At present, the issue of innovation has been forgotten. Our private productive sector is not innovative, although we are so now, in the military industries. Restrictions force us to think

and act and its results are becoming apparent for the society. This was a very great accomplishment.

We can do the same in industries. The producers, managers and operators must begin to think about how they can produce to take care of their needs.

#### Activity of the Private Sector

Sarhadizadeh was asked: What should the activity of the private sector be with regard to industries?

He said: Most of the activities of this sector must be coupled with innovation, thought and studies. On this course, the government and universities must be at the service of this sector, that is to guide it.

More importantly, this sector must become active in the agricultural sector. The agricultural sector has much potential for activity and is quite ready for it. With all our readiness, why do we need imports of, for instance, wheat? China, with a population of 1 billion, exports wheat. With our population and so much land can we not do so? Of course, time is also an issue as well as the point that the imam made on the first day of the revolution, that this country needs 20 years of work. And it is truly so, with all the problems that have been created for us. The war, the economic embargo, conspiracies, and disturbances that are made against us slow down our work. I am sure that our people will have an increasing presence in the future and I am sure that these problems will be resolved. This sector is very important and we call on them to come and be more active.

The question was asked: At present, the minimum wage does not match subsistence living conditions. Considering the existing inflation, what course must be taken for workers to have a respectable life?

The minister of labor responded: According to statistics, two-thirds of our workers receive wages above a subsistence level. For the other third who receive lower than the minimum wage, the supreme council has decided that in addition to increasing their wages from 635 to 720 rials, we will make the employers responsible for granting additional payments, for such considerations as dependents, travel to and from work, housing, and so on, to bring the level of workers' income close to a subsistence level.

Problems exist in regards to living conditions for all the people. The situation of our employees is much worse than that of the workers. The average payment in our units to workers can provide the respectable living that you referred to.

In order for the workers to reach a comfortable life, a series of shortages that have been created in our economy must be eliminated. Until they are removed, we must all accept the shortages.

We are at war; we face many problems; we carry a series of slogans for which we must tolerate hardship. Now, we have risen to defend the oppressed people of the world and the region. This is labor day.

On this day, our workers must remember that they have more general responsibilities. The problem is not only here. The worker, who is the subject of such a calamity in , Bhopal, India, or falls into such a situation in Ethiopia or faces other problems in other places, our Muslim and revolutionary worker must remember them. He must remember that the Islamic government, the government of the Islamic revolution today, is responsible for attending to these problems, as it does. We are confronted with global oppression in the region and these confrontations require some hardship and suffering, which we all must tolerate. If some are living comfortably because of our workers, they must gradually be prevented from doing so, controlled, and we must make them understand the problems of the revolution.

Compared to many Third World countries, we have good living conditions. If there are shortages, our revolutionary mission requires us to tolerate them in order to reach a point that we are able to be free of hardship and problems.

#### Employment of Youths

The minister of labor was asked about the employment of youths in private workshops: As you know, some of the young people, due to their poor economic and financial situation, are employed in private workshops under improper circumstances. How will the Ministry of Labor deal with this problem?

Sarhadizadeh responded: In the new law, we have prohibited this problem, so that the employment of persons under 12 years of age is prohibited and is considered an offense and those from 12 to 15 years of age who are not considered workers can be in training. Also, under these conditions, if our labor inspectors see such a situation, they will intervene.

Then the minister of labor was asked: In connection with problems that exist now among the workers, management and councils and have occasionally caused reactions, in your opinion, what are the roots of these problems, and if they continue, will our future society not face various problems?



[Answer] Firstly, we do not have any problems in this sense, in other words, the problems in this connection are usually discussed. In many units, the Hezbollah management, the Hezbollah society and the Hezbollah council work together in the best possible manner. It is generally so. A minority creates problems, due to the lack of laws. Once the law has determined their duties and the relations between the worker and the employer have been clarified, we will no longer have any problems and there will be no worry about the future. The presence of Islamic societies and councils has prevented many problems in the units and we see that in places where the Islamic councils have been weakened, minigroups have grown. The best way to prevent the influence of the minigroups is to strengthen and value the Islamic councils and societies. Another issue on the whole is that we have not completely been saturated with Islamic culture as yet. There is no cultural unity. A manager who is neither a counterrevolutionary nor of the Hezbollah and a worker who is of the Hezbollah will have conflicts. No unity exists, which is to our disadvantage. Efforts must be made to create Islamic culture among the workers and management in order to create congruity in the units. This problem does not exist in the European and Western industrial units, because they are united in their particular tyrannical culture and do not have such differences. But here we occasionally see that they exist. In other words, the management has one culture and the worker another. Efforts must be made to ensure that our worker and manager have one culture.

In conclusion, the minister of labor was asked: Some time from now will be the fifth anniversary of the economic embargo against Iran by the United States and the Common Market. Can you please tell us what effect this embargo has had on economic, industrial and other programs?

[Answer] They thought that they would impose an embargo on us. What we say is that the Western world can be bought. No matter how much noise they make about an embargo, we can purchase whatever we want from them. We can even buy their most complex technology. They have no ideals to believe in. Their ideal is the dollar.

The economic embargo was a ridiculous idea; they initially did not understand themselves what they were saying. And at present, they are stretching their begging hands to sell their goods to us. Despite the fact that they are hostile to us, they wish us to have relations with them and begin to pay a little attention to them. They only pretend to be ignorant and are not aware that their entire being is for sale.

On the other hand, this issue ended to our advantage. Our forces became active, innovations began and we have no worries in this regard. I remember that the imam said this was a blessing for us. We benefitted greatly from it and whatever the oppressive systems do of this kind will ultimately be to our advantage.

IRAN

LOADING, UNLOADING VOLUME ANNOUNCED BY CUSTOMS

Tehran KEYHAN in Persian 1 May 85 p 3

[Text] The activities and steps taken by Iranian customs in regards to loading, unloading, carrying out customs affairs related to imports and exports, smuggling, discoveries and the entry and exit of passengers during the period 20 February-20 March 1985 were announced by Iranian customs.

According to a report by the KEYHAN economic correspondent, during the period 21 February-20 March 1985, 1,109,021 tons of goods entered the major customs of the country, 1,066,763 tons were loaded and 1,415,719 tons at a value of 84,702,622 rials were released from customs.

Based on this report, compared to a similar month last year, the weight of imported goods decreased by 38.6 percent and goods released decreased 18.4 percent in terms of weight and 43 percent in terms of value. According to data available, the inventory of goods by 20 March was 688,185 tons.

Exports

The exports of the country during the month reported were 43,479 tons at a value of 4,758,625 rials, which, compared to a similar period last year, shows a decrease of 48.4 percent in weight and 6.2 percent in value.

Entering and Exiting Passengers

According to this report, in this month, the 114,907 passengers entered the country through air, land and sea customs and 130,852 passengers left the country.

### Entering and Exiting Cars

During the period 20 February-20 March 1985, 1,084 private cars with international permits and temporary transit permits entered the country and 1,853 with the same specifications left the country.

According to this report, during this period, discoveries were made by the employees of Mehrabad, Shiraz and Orumiyyeh customs. The revenues of these customs from the collection of fines was 7,121,628 rials.

10,000  
CSO: 4640/564

IRAN

## COMMENTARY ON DIPLOMATIC IMMUNITY FOR MILITARY ADVISERS

GF131720 Bandar 'Abbas Domestic Service in Persian 1330 GMT 13 May 85

[Commentary prepared by the Information and News Unit of the Bandar 'Abbas Broadcasting Center]

[Text] On 13 May 1979, less than 1 year after the success of the Islamic revolution in Iran, the Foreign Ministry of the Islamic Republic of Iran issued an announcement. This announcement dealt with the cancellation by the Islamic Revolutionary Council of the law passed in September 1964 dealing with diplomatic immunity for American military advisers in Iran. This law gave the advisers immunity in accordance with the Vienna Convention.

The law in its legal form gives the right to foreign residents in a country to avoid facing trial in their host country either in legal or criminal cases. It gives the foreign residents the right to go on trial in a manner that involves their own government, to be tried according to the laws of their own country.

This law is interpreted in another way. This deals with agreements which damage a country's independence. This law which was imposed in Iran has a long history. In 1909, and in accordance with an agreement called the Torkaman-Chay Accords in the time of Fath-'Ali Shah of the Qajar Dynasty, the law of diplomatic immunity for foreign residents was imposed on the Muslim people of Iran by Czarist Russia.

In line with this colonialist law, the Russian consul generals in Iran were permitted to meddle into legal and criminal matters between Russians and Iranians residing in Iran. They were allowed to put Iranians on trial in accordance with Russian laws. This situation so infringed upon the rights and dignity of the Iranians that even then, important persons and officials preferred to seek diplomatic immunity by entering foreign embassies so that their rights and their property would be protected and not infringed upon by foreigners.

The passing of time and the change of power in Iran from one foreign hand to another caused the puppet government in 1964 and upon direct orders by the executed shah to pass a law through the puppet Majlis that brought into being this law of immunity for foreign residents once more.

In accordance with this law, Americans and specially American military advisers in Iran enjoyed political and legal immunity and Iranian officials were not permitted to prosecute guilty Americans. The passing of this law in 1964 despite the rigid control of the past cruel regime, enraged the ranks of the Muslim people of Iran and this opposition was led by Imam Khomeyni. Imam Khomeyni, after this law was passed, sent a message to the people of Iran. In one segment of this message he said: They have sold us. They have sold our independence. They have taken a law to the Majlis which says that American military advisers will be immune from prosecution no matter what crimes they commit in Iran. If an American person kills your source of emulation in the middle of the bazaar, the Iranian police have no right to stop him. The Iranian courts have no right to put him on trial and to question him. He must go to the United States and there he will be dealt with by Americans.

The government backed this shameful agreement without remorse and it made the Iranian people lower than American dogs.

Hassan-'Ali Mansur, the mercenary premier of the time, finally lost his life because of this accord and was executed by the martyr Bokhara'i of the united Islamic groups. After Mansur, the executed Hoveyda, and upon orders of the deposed shah and his American masters not only imposed the law of immunity but also approved and carried out other more shameful laws. Finally on 13 May 1979, less than a year after the success of the Islamic revolution in Iran, the Islamic Revolutionary Council passed a bill cancelling the law of immunity and put an end to one of the most shameful laws ever imposed on the Muslim people of Iran.

Without a doubt Third World nations which are ruled by mercenary regimes dependent on foreign powers impose shameful laws such as the laws of immunity and others worse than this on their deprived and oppressed peoples. The oppressed and deprived people must learn from history and must rise against the control of foreigners and must free themselves from the slavery of foreigners and their local mercenaries.

CSO: 4640/568

IRAN

COMMENTARY POINTS OUT POSITIVE DEVELOPMENTS IN IMPOSED WAR

Tehran KAYHAN INTERNATIONAL in English 30 Apr 85 p 2

[Editorial]

[Text]

The Ba'athist regime of Iraq has been heard criticizing the recent position of the U.N. Security Council in connection to the deployment of poison gas against the Islamic Republic forces, calling it as a "dangerous trend".

Some 55 months have passed since the Iraqi regime admitted its invasion of the borders of the Islamic Iran and it now seems that international organizations including the United Nations are gradually adopting stands which should have been taken from the very beginning.

Although the position of the United Nations' Security Council towards the aggressor (Saddam Hussein) is still vague and open to question, nevertheless this political turning after the lapse of some 55 months since the outbreak of the imposed Iraqi war is completely new and must be referred to as a positive development.

"It is the first time that we see the reality of the war being paid attention to in the United Nations and this fact constitutes a positive move," said Hojjatoleslam Akbar Hashemi Rafsanjani, the speaker of the Majlis (parliament) and the spokesman of the Supreme Defense Council (SDC).

Speaking in a meeting with the head of Japanese Foreign Ministry's Department of Middle East and African Affairs, Rafsanjani added that the U.N. secretary general had brought himself closer to the realities of the war that the Iraqi regime had imposed on the Islamic Republic. He said Mr. Javier Perez de Cuellar's approach was in "the right direction" and

that his visit to the Islamic Republic had helped him realize the hard facts of the war. The SDC spokesman went on to add that those seeking a solution to end the war should acknowledge Iraq's violation of international laws and then "we will sit down and decide what to do with the violator."

Nonetheless, there are still hands at work at the Security Council to prevent the continuation of this new positive trend which could result in a true understanding of the war situation. The reality is that the council due to its biased and improper position towards the imposed war, had formerly damaged its reputation and honor. In order to compensate for this loss of prestige, the council must take more serious and practical measures, along the ones it is already taking, if at all desirous of favourite results.

The council has taken first steps to ward this end but it is insufficient and needs further actions. In a statement issued by the council the war crimes perpetrated by the Baghdad's regime were enumerated, but contrary to expectations, no resolution was issued in direct condemnation of the aggressor for its repeated violations of the international conventions and humanitarian norms.

The statement has confirmed beyond doubt the employment of chemical weapons against Iranian forces but has been reluctant to mention Iraq as the country responsible for this violation of the international law. It is evident that there are hands at work at the council still trying to change the trend of events in favor of the regime in Baghdad. This manipulation of the council always acts in the direction of undermining the prestige of the world organization.

The interesting point in this connection is that the Baghdad regime, in a hasty evaluation, described the council's statement as a dangerous trend and expressed its concern over the continuation of this policy.

The Iraqi government wants the council to maintain its previous partial stance on the war which only helped jeopardize the prestige of the council for the sake of a war criminal.

However, evidence show that the members of the council have by now understood that to maintain a biased position vis-a-vis the war was by no means in the interest of the organization and that it was not becoming of an international body to extend an

unconditional support for an aggressor and an opportunist particularly under the present circumstances that everything is exposed before the world and its judgement.

Yet it must be stressed that Veto-holders at the council are still busy, through using their political and military pressure, to save the Baghdad regime from its inevitable collapse.

CSO: 4600/443



IRAN

RADIO COMMENTARY ON FUTURE OF GULF WAR

GF141844 Bandar 'Abbas Domestic Service in Persian 1330 GMT 14 May 85

[Commentary by the News and Information Unit of Bandar 'Abbas Broadcasting Center]

[Excerpts] Foreign radios during the past week, much like the few weeks before that, commented on what they called the Islamic Republic of Iran's "indifference" toward global efforts to reach peace in the Persian Gulf. In this way they have tried to present a peace-loving picture of the ruling regime of Iraq.

Efforts and propaganda have been launched to force a compromise solution on the Islamic Republic of Iran with regard to the war imposed by the Iraqi regime against the Islamic revolution. This is a show that is continuing. Its beginning and formation could be found in the repeated defeats of Saddam's forces on the battlefields.

The foreign radios attached to foreign governments, like other mass media organizations, which are under the control of the world oppressors headed by the United States, have never uttered a word about peace when it came to the issue of aggression toward Islamic Iran's territory by the ruling regime of Iraq. Instead they have made efforts to execute U.S. policies in crushing the Islamic revolution, or in any case the dismemberment of Iran. They have always asked for an immediate cease-fire and the deployment of neutral forces in the cease-fire lines.

During the last 4 years when parts of the Islamic homeland have been occupied, none of the puppet mass media organizations has ever mentioned what today is termed "efforts to reach peace and a return to the international borders." Peace, or what in the past few months has been termed by the ruling regime of Iraq and their backers as a comprehensive peace settlement, was a phrase totally forgotten before the defeat of the forces of the ruling regime of Iraq on the war fronts. This phrase was put in the storage warehouses of the ruling regime of Iraq's political-military organization.

The ruling regime of Iraq, which is now speaking of a comprehensive peace settlement, said clearly in a cabinet meeting of Saddam's in 1980 in Baghdad that all the territory occupied by the Iraqi forces in Khuzestan Province

and in western Iran would remain under Iraqi control and would be added to Iraqi maps and would be incorporated into the old maps. This regime which is now faced with repeated defeats in the war fronts, and is unable to evaluate its own military power in its continued aggression toward Islamic Iran in November 1980, less than 2 months after the start of its war against the Islamic revolution, clearly showed its aggressive nature. Saddam, in the midst of other officials in Baghdad said: Specified sources are discussing the dismemberment of Iran and if Iran does not pay attention to our demands, we will tear the country apart.

This is a reality that officials of the Islamic Republic of Iran have stressed upon time and time again. Perhaps no nation or government in today's world wants peace, security and tranquility more than the Muslim people and the Islamic regime of Iran. But it is also a reality that while the regime of Saddam and the Ba'thist Party rules over Iraq, the region will not see real and lasting peace.

According to Mr Hashemi-Rafsanjani, the Majlis speaker and the imam's representative to the Defense Council, the Islamic Republic of Iran, when it did not have the power it has today, did not compromise and so it is natural that now that the system of the Islamic Republic of Iran is more powerful and stable, it will not accept any compromises. No government or body in the world can give practical guarantees that the regime of Baghdad would not repeat its aggressions. The only sure guarantee against a further aggression is the fall of Saddam and the Ba'th Party.

CSO: 4640/570

PAKISTAN

PARTY CRITICIZES DEPENDENCE ON U.S.

GF191226 Karachi DAWN in English 16 May 85 p 4

[Text] Islamabad, 15 May--The NWFP branch of the outlawed Pakistan National Party [PNP], at its provincial executive meeting in Mardan recently, expressed deep concern over the national and economic developments in Pakistan during the last few years and expressed the view that no improvement in these could be expected so long as Pakistan remained under martial law and followed a policy of serving the American global and regional interests.

The provincial PNP executive, which met under the chairmanship of the acting president of the NWFP branch of the party, Col. (ret'd) Ali Gohar Khan, reviewed the political and economic issues confronting the nation.

A press release of the party issued here on Wednesday alleged that Pakistan faced an unprecedented economic crisis and serious threat to its security as a result of the policies of the government which heavily depended on the United States Government.

The press release accused the U.S. administration of pushing Pakistan into a frontline state against Afghanistan which according to the PNP was engaged in bringing about a national revolution in the interests of the Afghan people. Pakistan's willing support to the American interests, it further alleged had resulted in economic crisis with foreign debts mounting to \$13 billion, the country passing through its worst energy crisis and the social needs of the people being completely ignored at the expense of rising cost of military expenditure.

The PNP's provincial executive in its resolution maintained that what the people of Pakistan needed was a complete break from the imperialist powers, shackles and radical changes in the national economic, political and foreign policies. The main requirement was restoration of people's right to govern their affairs and do away with the curbs on people's rights, press freedom and trade union activities, the resolution further stated.

CSO: 4600/447

PAKISTAN

MOSCOW HARDENS ANTI-PAKISTAN STAND OVER AFGHANISTAN

Lahore NAWA-I-WAQT in Urdu 20 Apr 85 pp 1,2

[Article by M.I. Lashkar: "The Big News From Moscow"]

[Text] Last week, in the federal capital, the echo of parliamentary activities failed to overshadow an expression of concern from all sides over the possibilities of new dangers from the Soviet Union. It seems that every person has the same question about what the Soviet Union's next step might be. What form will the ultimatum given to Pakistan's President Ziaul Haq in Moscow by the new Soviet head of state, Mikhail Gorbachev, take?

Immediately after President Zia's return from Moscow, the Western media gave considerable publicity to the harsh tone of Mikhail Gorbachev. However, the real truth of this matter was only revealed when, on the evening of 23 March, while addressing a joint session of the Senate and the National Assembly, President Zia said that the Soviet leader had told him that if Pakistan does not stop continuously supporting the Afghan Majahidin, diplomatic relations between the Soviet Union and Pakistan could deteriorate.

After this open confession by Zia, various suppositions and presumptions have started spreading in the capital. For example, the strength of the Soviet Army in Afghanistan is now doubled. The Soviet Army, while chasing the Mujahidin, can now enter Pakistan. Soviet planes, under the pretext of targeting Mujahidin strongholds, can bomb inside Pakistan, and this bombing can extend to the city of Peshawar. The Soviet Union may end its economic and technical aid to Pakistan; and so forth.

During President Zia's speech to Parliament, journalists sitting in the diplomatic gallery noticed conspicuous frowns on the forehead of the Soviet ambassador, Vitaly S. Smirnov. After that, in several civic and ambassadorial receptions at which the Soviet ambassador was present, it was seen that contrary to the normal practice, he evaded commenting on Pakistan Soviet relations. On the other hand, the U.S. ambassador, Dean Hinton, has a fact that is normally difficult to read; this did not change during President Zia's speech, and he was generally out of sight during the reception held afterwards. His embassy staff is busy in connection with the expected tour of Pakistan of Gen Alexander Haig. However, among the European embassies' staff, those who cared to comment on this matter believed that all this was American propaganda, the purpose of which is to

gain necessary concessions by threatening Pakistan, that is, to acquire space in Pakistan for a U.S. military base. At one point, a Soviet embassy official was heard talking to a local editor, and he went so far as to say that this is a new drama designed to obtain more U.S. aid, for no Soviet leader can say such a thing to the president of a neighboring country. Nevertheless, embassy officials of countries friendly to Pakistan have expressed their concern over this matter. At one function, an embassy official of a Muslim country was heard to say that the Soviet Union has always been a real threat when it comes to gobbling up Muslim countries.

There exists a deep concern over this new situation among Pakistan sectors, as well. In particular, members of the National Assembly and the Senate, in their respective ways, are expressing their concern. One member of the National Assembly, who comes from the Northwest Frontier Province and who was Pakistan's ambassador in Afghanistan, during a meeting here told a representative of NAWA-I-WAQT that this situation is not only worrisome because Soviet expansionism poses a threat to Pakistan but rather because the objective for which Pakistan lends moral support to the Afghan forces is almost lost. The communist system has been expanded so much in Afghanistan that even if someone desired a substitute government, it would be impossible to get rid of this system by ordinary means. This individual said that the majority of the country's populations is benefiting from its social and economic services in such a way that others are apparently made envious. These services are also being provided to Pakistanis through the back door. Giving an example, the honorable member of the Assembly said that the students who fail to gain admission to Pakistani universities turn to Kabul, and many are now receiving an education in Kabul and Jalal Abad Universities. Some of these students have been granted scholarships to receive, along with the education, theoretical training in the Soviet Union. From this revelation, it appears that there is some truth to the rumor that 4,000 students from the Northwest Frontier Province alone are receiving an education at Lumumba University in the Soviet Union.

It is a fact that people from all sectors sense danger in this. However, their ideas about how to resolve this issue differ. While delivering his speech to Parliament, President Zia clarified his administration's stand regarding the Afghanistan issue. He also reiterated his determination to remain firm in this stand. It is possible that most members of the nonpolitical parliament hold a similar viewpoint. A member of the National Assembly, Yasin Khan Weto, expressed this opinion when, during an interview, he said that Pakistan will be left alone if it accepts the Babrak Karmal government, because all of the Muslim countries had decided not to accept the Karmal administration.

Most of the political parties believe that the independence and integrity of the country are most important and cannot be jeopardized. The impression derived from a recent conversation of a representative of NAWA-I-WAQT with several leaders of the MRD, including Air Marshall Asghar Khan, is that a solution to this problem can be found through direct talks with the Karmal government. Rejecting all evidence supporting the current administration's Afghan policy, they say that no one can protect Pakistan in the event of an actual attack by the Soviet Union. Although

granting aid to Pakistan holds a vital place in U.S. international policy, nevertheless, in case of an attack on Pakistan by the Soviet Union, the United States cannot start World War III by engaging in direct military intervention. Even if the United States were to take such a step, however, Pakistan would have been destroyed by that time. According to these political leaders, political issues cannot be resolved by a military regime. According to them, the 1965 war took place during the Ayub era, and the 1971 war commenced during the reign of Yahyah Khan. The misguided policies of Pakistan's military rulers, therefore, were responsible for those wars. Air Marshal Asghar Khan also disclosed that he had noted the threat of the bad news which President Zia recently brought from Moscow several years ago, and he fears that Soviet leader Gorbachev's threat is not merely verbal. A member of the National Assembly and former governor of the Frontier Province, Aslam Khatak, who has spent 8 1/2 years in Afghanistan, in an interview with a local daily newspaper said something like this: The Soviet Union has 200 years experience in swallowing Muslim countries; Pakistan; therefore, should be aware of its intentions.

Meanwhile, according to diplomatic sources, the hypothesis of the Foreign Office in Islamabad that the Soviet Union can harass Pakistan in various ways though its army cannot cross the frontier to enter Pakistan, appears devoid of reality. The time factor is given special importance in the Soviet strategy. According to Australian author, Beverly Mill, the Soviet Union sent its forces into Afghanistan at the "appropriate time." In the above-mentioned interview, Aslam Khatak, too, hinted at the time factor with regard to the implementation of Soviet intentions. He said that Pakistan should not fall victim to optimism concerning this matter. It is clear that under the present circumstances, when the Soviet Union wishes to strengthen communism in Afghanistan and considers Pakistan an impediment to this end, it will not hesitate to take any step against Pakistan. It is also possible that in exchange for this, it can grant some concession to the West in the arms reduction talks. The U.S. interest is so extensive that in order to acquire the required concession, it can limit its support for Pakistan to verbal sympathy only.

Clearly, all this talk is mere supposition. However, in any country's foreign policy, every hypothesis is brought under discussion, and no supposition can be instantly overlooked. During this period, proof of the harshness that has appeared in the Soviet attitude has been seen recently. According to the Soviet news agency TASS, the Soviet forces stationed in Afghanistan are now closing all paths along the Pakistani border to the Mujahidin. It is clear that under this pretext, it can take some measures in Pakistani territory as well. It has been learned here that in the next session of the Geneva talks regarding Afghanistan, the Soviet Union will adopt a very stern attitude. In the last session of the Geneva talks, it was decided that the withdrawal of Soviet forces from Afghanistan will be conducted under an international guarantee of non-intervention by Pakistan. Now, at the suggestion of the Soviet Union, there could be a change in Afghanistan's stand in the Geneva talks to be held next month--that the guarantee of non-intervention by Pakistan be separated from the withdrawal of the Soviet forces. In other words,

whether the Soviet forces withdraw or not, Pakistan will have to guarantee that it will not intervene in Afghanistan's affairs.

Furthermore, Soviet agents, in an effort to scatter the ranks of the Mujahidin, have recently achieved a new success. It was announced in Peshawar last week that the seven-party unity of the Mujahidin had been severed. This is the second such incident in the alliance of the Afghan political parties. Prior to this, there were three parties that got separated from the alliance. Besides, the Soviet agents were also responsible for the restlessness that was spread recently in the tribal region. It is said that tribal chief Sardar Malik Wali Khan Koki Khail was given a huge sum of money as a bribe for this purpose. This clearly indicates that the Soviet Union is bent on destroying Pakistan's interest in every way possible. In view of this situation, it is essential for the Pakistani Government to win the confidence of the entire nation concerning this matter. A member of the Senate, Maulana Kausar Niazi, has proposed an open discussion of this matter in the National Assembly. In the opinion of certain politicians, if the administration is serious about resolving this issue, it should win the confidence of the politicians, too. This will not be unusual, because in democratic countries, the confidence of the opposition party is gained in resolving vital national issues.

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