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Near East/North Africa Report

(FOUO 22/82)



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NEAR EAST/NORTH AFRICA REPORT

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INTER-ARAB AFFAIRS

OLD RIVALRIES OVERRIDE RECENT AGREEMENT BETWEEN TWO YEMENS

Paris AL-WATAN AL-'ARABI in Arabic No 269, 9-15 Apr 82

[Article: "Boundaries of the Maneuvering Between Bullets and Kisses"]

[Text] Just as if the two parts of Yemen are reaffirming their belief in certain Arab political traditions, just 4 months ago President 'Ali Nasir Muhammad and 'Ali 'Abdullah Salih ended their meetings in San'a by exchanging fraternal kisses and announcing a new historic step "toward the union of the two parts of Yemen." During the last week of March armed conflicts broke out on the border between the north and the south and the situation teetered on the brink of war once again. A few short weeks between union and fighting were enough for the kisses to turn into continuous "unionist" showers of bullets.

To be fair we must say that Arab traditions are not alone responsible for that dramatic switch in the course of the dialogue between San'a and Aden. It was old disputes which exploded recently that themselves had been carefully erased among the pages of the historic announcements, the joint constitution and the projected union which had emerged from the previous "unionist" meetings.

The main question constituting the substance of the disagreement is the issue of the National Democratic Front [NDF] in North Yemen. San'a claims that it is South Yemen that is the primary source of support for the front that controls areas of North Yemeni territory adjacent to the border and that has been imposing an uneasy political climate on North Yemen since the spring of 1979. Adan maneuvers around between announcing its connection with the front and denying this connection although from time to time it plays up a statement that the situation in Ta'iz is a purely northern affair that is no business of the South.

Dropped Negligently

During the meeting last December between President 'Ali Nasir Muhammad and President 'Ali 'Abdullah Salih, the dialogue took a somewhat odd course. The basic issue on the agenda was the need to reach an understanding on broad-casting the agreement that had been signed between the two countries a whole year earlier, an agreement in which they pledged to abstain from supporting any military, political or informational activity arising from either country and directed toward the other.

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At the conclusion of the negotiations, the two sides agreed on announcing the earlier agreement and the PDRY radio played the tunes of the lost union between the two parts of Yemen throughout a whole month without a halt, while the North expressed cautious optimism, awaiting Radio Aden's confirmation that the South had actually signed an agreement in this regard.

However, this agreement that had been a fundamental issue in the negotiations between the two presidents was negligently dropped from the statements of Radio Aden, which again merely played up the statement that the NDF had been and would continue to be an internal northern affair.

However, why did that issue, which appeared to be merely a matter of form, assume such major proportions in the dialogue between the two countries recently?

In urging Aden to unveil the old agreement, the northerners were trying to notify the front indirectly that the government of South Yemen was acting behind its back out of its own interests "as a state," not to mention the fact that a pledge such as that one the two presidents agreed to announce tacitly acknowledged that the south was actually supplying the NDF with arms and supplies and providing it with strategic geographic depth for its military operations. However, 'Ali Nasir overcame the dilemma, for all practical purposes continuing the double game: make endless promises to San'a to stop supporting the front so as to keep some room for maneuver for the Aden government in its relations with the Gulf countries which were working to calm the situation in the area and, at the same time, continuing to support the front secretly in its operations against the San'a government, retaining some maneuvering room in bilateral relations between the two countries.

In other words, 'Ali Nasir Muhammad's promises were aimed at preserving Aden's relations with the Gulf countries while his support of the front was designed to continue to put pressure on San'a. Given the division between the two players of the game, he was actually able to achieve some progress which appeared encouraging at first glance.

Whence the Conspirators?

On 14 February, the San'a government and the NDF leadership reached agreement on a ceasefire which appeared to be a continuation of the "understanding" which had been reweven after the meetings of 'Ali Nasir Muhammad and 'Ali 'Abdullah Salih. However, after signing the agreement, the front proceeded to prepare a new plan for moving its operations into San'a this time and intensive negotiations began between Sultan 'Umar, secretary general of the front, and the 13 June Popular Forces Front (the Nasirists), an opposition organization which had broken away from the NDF at an earlier stage.

In mid-March, there was an announcement in San'a about the discovery of a conspiracy to engage in sabotage inside the country while diplomatic sources in Beirut stated that "the conspirators had been launched from South Yemen."

A week after this, NDF sources announced the termination of the 14 February agreement while it was reported that the Yemeni fighter-bombers had been shot down by SAM missiles while attacking concentrations of front members on the border between the two Yemens following the death of the commander of a North

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Yemeni tank position in Juban, near the town of Damat, during an attack launched by the NDF in the first week of March.

The vortex begins anew: operations by the front followed by an assemblage of tribes in Dhamar urging the government to form a people's army to oppose the activities of the front. Then there are appeals for self-control from President 'Ali 'Abdullah Salih, perhaps in anticipation of reaching a solution with Aden.

"Solutions," But No Solution

However, the proposed "solutions" will not emerge with a possible solution. The nature of the front's objectives and its Arab relations more than one boobytrap sufficient to blast any agreement along the lines of what happened to the 14 February agreement or the 31 January 1980 agreement.

This is because the front announced on 16 March 1979 its program which includes "working to form a coalition government in which the front would participate in ruling North Yemen." The issue then is direct participation in power. Because it is easy to predict that the forces which govern San'a today cannot coexist in a single coalition government with the united NDF, the slogan of sharing power will inevitably turn into the slogan of holding power unilaterally.

In the case of Yemen, the wisdom of "going back to the source" does not always appear to be relevant. In reality, there are two real sources of the front's activities: first is the direct southern support and second is the situation inside North Yemen itself. Because dealing with sources of this type always results in successive frustrations, one has to cope with the results without touching on the underlying premises and here, in a nutshell, lies the Yemeni political dilemma. Dealing with the South after the talks of last December resulted in a statement by the North Yemeni prime minister that union was certainly on its way and that the new unified entity which would be born would fall in the middle of the distance between the political thrusts of the two Yemens, that is, in the middle of the distance between the Marxist directions of the Aden government and the (at least) non-Marxist directions of the San'a government.

While talking about "the middle of the distance" is always disreputable because of the consequences which are divided among both, in the case of Yemen, it is an ill omen. North Yemen lies between deep currents pulling it in different directions. It is a neighbor of both Saudi Arabia and Aden whose differences in political and ideological positions require no introduction.

Inside Yemen, the distance between the intellectuals of the cities and the labor and professional unions on the one hand and the tribes of the border areas on the other is also one that is difficult to divide up among the two. It is true that the issue here is not one of North Yemen alone but when talking about North Yemen, the violent political currents surrounding it spring to mind as well as the internal contradictions of Yemeni society as an issue which will have a decisive priority in determining the course of this small country.

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This element in particular is responsible for the fact that the tide of domestic political opposition in North Yemen subsides only to become active once again. Parties exist though they are legally banned. Political organizations are active and their members move under the eyes and ears of the authorities. Nevertheless, any decision for a confrontation is put off for reasons that would require a lengthy explanation.

Palestinian Mediation

In brief though the map of Yemen is small, it carries more than can be borne by a small area in "the strategic heartland" between the Red Sea and the Gulf of Adan. There is no easy, or even possible, solution, at least at the present moment, for the intractable Yemeni differences.

In its recent mediation efforts, the PLO may succeed in quieting the situation on the northern and southern borders but it will not succeed in solving the Yemeni issues which, in their intermeshing and complexity, resemble "the antics of Goha." This is precisely what is forcing President 'Ali 'Abdullah Salih to consider playing all possible cards of pressure on Aden, including the Gulf card. However, does President Salih really want this?

There is a view that holds that the Yemeni president is not persuaded as to the necessity of liquidating the leftist opposition because it helps him to cover up some of his policies that might not be pleasing to certain Arab parties. Then there is another view which holds that he cannot wipe out this opposition, it having strengthened its power to the point that it is untouchable militarily. Between these two views, there are those who expect another meeting between President 'Ali Nasir Muhammad and President 'Ali 'Abdullah Salih with the PLO possibly interceding to set it up.

With a meeting of the two 'Ali's be sufficient to resolve the Yemeni enigma or will it last as long as the Ma'rib Dam of old?

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INTER-ARAB AFFAIRS

BRIEFS

DETERRENT TO ISRAELI ATTACK--Informed Western circles have noted that the long range artillery which Palestinian and Lebanese nationalist forces have concentrated in fortified areas in South Lebanon have served as a deterrent to prevent Israel from undertaking a direct land invasion into southern Lebanon through Sa'd Haddad's enclave. Numerous Western circles have estimated that the number of long range 130mm and 155mm artillery pieces in the hands of the PLO has reached at least 48, of which 23 were there prior to the ceasefire period. The rockets, which include Katyusha and Grad among others, have the capability of covering more than 270 sites and Israeli settlements throughout the western Galilee. Firing can be carried out at close intervals with the aim of destabilizing the rear positions of the Israeli army and disrupting its supply lines. Estimates by Western observers stated that SAM 7's and SAM 9's, some of which were launched against Israeli planes during recent raids, may play an increasing role in diminishing the damaging effects of such raids. Israeli planes cannot avoid these advanced types of missiles as they tried to do by launching balloons filled with hot gas to divert the heat-seeking missiles from their targets. [Text] [Paris AL-WATAN AL-'ARABI in Arabic No 272, 30 Apr to 6 May 82 p 18]

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ALGERIA

ECONOMY, 1982 PLAN SEEN AS PROMISING DESPITE PROBLEMS

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1901, 16 Apr 82
pp 1018-1019

[Article: "The Algerian Economy in 1981-1982--Some Encouraging Outlooks despite a Disadvantageous International Economic Situation"]

[Text] In 1981, the 2nd year of the 5-year plan, the timid start made in 1980 was continued; but it cannot be said that cruising speed has now been reached.* To be sure, the essential theme of the plan is a redefinition of priorities, and these 5 years should make possible, in addition to greater fulfillment of social needs and satisfaction of private consumption demand, a greater mastery of the production apparatus that Algeria provided itself with during the 1970's; many decisions have been taken in this direction--decentralization, restructuring of the enterprises, campaign of reform to combat waste. Some new projects, with a total value of DA 80 billion, or more than 20 percent of the 5-year program, have been written into the annual plan. But in the sectors considered the priority ones--housing, hydraulics, education and occupational training, health--as well as in the industrial sector, few of them have been effectively launched, and the fulfillment rate has remained low, even though 79 percent of the equipment credits has been used. Thus the operations remaining to be carried out under the heading of the previous programs, estimated in December 1980 at DA 243 billion, come to DA 291 billion at the end of 1981 (not including the rebuilding of El-Asnam).

In macroeconomic terms, though, the overall results are considered satisfactory in view of the international situation, even though they are short of the targets set. Gross domestic product, at current prices, totals DA 158 billion, as against 138 billion in 1980 and 109 billion in 1979. This growth corresponds to an increase of 2.9 percent in volume (2 percent in 1980), and its low level as compared with the 8-percent average growth anticipated by the plan is explained by the drop in production of hydrocarbons. If it were not for the hy-

* We note that at the end of last year, on the occasion of President Mitterrand's visit to Algiers, we published a series of articles dealing with the Algerian economy and its development within the framework of the 1980-1984 5-year plan as well as with the principal aspects of Franco-Algerian cooperation: the issues of 27 November 1981, pp 3168-3170, and 4 December, pp 3213-3221.

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drocarbons, growth would be 7 percent, and therefore closer to the targets: the plan provides that GDP not including hydrocarbons should increase by 9.7 percent per year; in 1980, it had grown by 8.3 percent. Finally, to take just the production of the transformation industries, the result almost corresponds to the forecasts: 11.3 percent, as against 12.3 percent.

For the other sectors, the production increases announced are as follows: water, electric power, gas--9.2 percent; mines and quarries--9 percent; agriculture--3.5 percent; building construction and public works--5 percent. In this last-named sector in particular, the accomplishments were not up to the hopes: of the 90,000 housing units expected per year, only 20,000 were built. We recall, though, that priority was given to the program to put up 20,000 prefabricated houses to rehouse the victims of Al-Asnam. On the other hand, some framework agreements were made with various foreign countries--Great Britain, Romania, Hungary, Yugoslavia--for construction of about 80,000 housing units, and as a result of Michel Rocard's visit to Algiers in January, the possibility of construction of 50,000 housing units by France has been raised. But the few contracts signed so far, and relating mainly to construction of prefabricated buildings, are far from reaching these figures.

With regard to the other macroeconomic variables, it can be said that gross domestic formation of fixed capital as expressed in constant prices has stagnated. Nonetheless, it represents 42 percent of available resources. The rise in retail prices, estimated at 16 percent, eroded the apparent strong growth of private consumption expenditures: in terms of volume, the latter increased by 4 percent. In 1980, this rate was 8 percent. The average rate for the 5 years is supposed to be 8.5 percent. Thus the fight against the rise in prices remains a primary concern to the Algerian authorities; the finance act for 1982 raises from DA 2.3 billion to 2.9 billion the credits intended for price maintenance for basic consumer products.

The voluntary reduction of oil production, in accordance with Algeria's deliberate policy to preserve its deposits for a longer time and to decrease sales of crude so as to increase sales of refined products, was accentuated in the course of 1981 by the refusal to lower the price per barrel despite the international situation. In the opinion of the specialists, the 4-percent decrease in production in relation to 1980, announced in the daily press on the occasion of the debates on adoption of the 1982 finance act, is considerably underestimated. Production of crude is evaluated at 37.5 million tons, as against the 45 million tons expected, and production of condensates is evaluated at 8.9 million tons, in conformity with the forecasts. In 1980, the total was 51.5 million tons.

As for production of gas, which is up slightly, it is reported to have reached 45 billion cubic meters, but the exports of LNG [liquified natural gas] were considerably short of the forecasts: between 8 and 9 billion cubic meters instead of the 24 billion programmed.

Despite the drop in the quantities sold, export revenues, initially estimated at DA 55 billion, are reported to have actually come to DA 61 billion--a result lower than the forecasts but more than 20-percent higher than 1980's receipts,

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essentially because of the rise in the rate of the dollar. The surplus in the balance of goods and services is reported as DA 9 billion.

Although no figure is officially cited, Algeria is said to have reduced the total of its external debt--servicing of which currently represents about 25 percent of its export receipts--for the second consecutive year.

The 1982 Annual Plan Sets Some Ambitious Objectives

The uncertainties currently weighing on the hydrocarbons markets constitute an additional constraint against fulfillment of the 5-year objectives, and the forecasts of hydrocarbons export receipts used as an hypothesis in determination of the 1982 plan remain very circumspect: DA 57 billion. The agreement on the price of LNG, involving 9.5 billion cubic meters, has been made between Paris and Algiers since then, to be sure; but the negotiations with Italy, involving 12.5 billion cubic meters, are still at an impasse. And oil production, despite the quota increase obtained by Algeria at the last meeting of OPEC (750,000 barrels per day), in exchange for a price-per-barrel drop from \$37 to \$35.50, is reported to have fallen below 500,000 barrels per day (700,000 barrels per day in 1980).

The general program of imports for 1982 is set at DA 66 billion, which is up 18 percent over 1981. About DA 20 billion is reportedly to be devoted to purchase of equipment goods (including 7 billion for purchase of prefabricated buildings), 20 billion to intermediate goods, 15 billion to consumer goods, and the rest to services. If this program is carried out completely, and if the hypothesis of a decrease in receipts is confirmed, the trade balance will be negative.

The Algerian authorities, aware of the uncertainties weighing on their external budget and of the internal bottlenecks--the operators' failure to get projects under control, long delays in getting things moving, insufficiency of operational capacities--that have up to now slowed down the rate of fulfillment--nonetheless are setting some ambitious objectives for the 1982 annual plan, which is rightly considered decisive for satisfactory execution of the 5-year plan. Gross domestic product should increase by 12 percent in volume--which, in view of the current downward trend in production of hydrocarbons, appears difficult to achieve. Apart from hydrocarbons, production should increase by 10.5 percent. The rates forecast for the various sectors are as follows: transformation industries: + 14 percent; building construction and public works: + 12 percent; agriculture: + 5 percent.

As in 1981, 51 percent of available resources will be reserved to private consumption, but 45 percent, rather than 42 percent, will be devoted to capital formation.

The investment credits provided for the annual plan by the 1982 finance act are DA 97.8 billion, as against 89.5 billion in 1981. Industry, with DA 36.8 billion (37.6 percent), obviously takes the lion's share of this program. Next come the social infrastructures (DA 19.7 billion, 20.1 percent); regional development, including the program in aid of the disaster-struck wilayas (11 bil-

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The 1982 Annual Plan
(in millions of dinars)

	<u>1982</u>	<u>1981</u>
Industry	36,800	38,140
including:		
hydrocarbons	14,450	15,533
Agriculture-hydraulics	7,705	7,081
including:		
agriculture	4,000	3,611
hydraulics	2,800	2,700
forests	720	600
fishing	185	170
Economic infrastructures	10,064	7,120
including:		
communications	4,304	2,880
telecommunications	1,000	1,000
storage and distribution	4,300	2,780
industrial zones	460	460
Transport	2,447	2,350
Contracting firms	5,800	3,880
Social infrastructures	19,690	17,342
including:		
urban planning and development	1,200	180
urban housing	5,800	6,000
rural housing	2,900	2,900
education	5,900	4,800
training	1,800	1,700
tourism	500	500
health	1,000	650
other	590	612
Regional development	10,900	9,857
including:		
special programs, including the disaster-struck wilayas	4,960	5,377
urban-modernization plans and com- mune development plans	6,000	4,480
Administrative infrastructures	1,300	980
Miscellaneous	<u>3,100</u>	<u>2,700</u>
Totals	97,806	89,450

lion, 11.2 percent), the economic infrastructures (10.1 billion, 10.3 percent), and agriculture and hydraulics (7.7 billion, 7.9 percent).

The carrying-out of this new investment program supposes a growth of more than 38 percent over the expenditures actually made in 1981, and the growth rates

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necessary in order to catch up on the lags in the priority sectors are even higher.

More than ever, the accent is therefore placed on the search for better effectiveness of the existing means for realization: multiplication of regional enterprises, development of training action, better coordination of supply programs, and restructuring of the national companies, to which the finance act devotes DA 8.5 billion.

Each of these companies of considerable size, which resulted from the industrialization policy of the 1970's, has been governing, from Algiers, a broad sector of activity. They will henceforth be split up into smaller units, easier to manage. The production and marketing functions will be separated; there will be a new entity for each type of production. Marketing offices will be established in each of the regions--central, east and west. The Council of Ministers, in a recent meeting, determined the site of the headquarters of these new companies, most of which, though, will continue to function in Algiers or in the nearby outlying areas, until the new infrastructures to accommodate them are installed.

A key year for fulfillment of the 5-year plan, 1982 comes during a difficult international economic situation. While Algeria has won an initial success by signing, on 3 February, the agreement that will enable it to deliver, at a price favorable to it, about 7 billion cubic meters of LNG to France, and later 9.5 billion m³, the uncertainty that weighs on its external revenues is not thereby eliminated. The negotiation between SONATRACH and the Italian ENI [National Hydrocarbons Agency], to which the political officials of the two countries have assigned the closing date of 15 April, remain of the highest importance. If a price corresponding to its desires is agreed upon, President Chadli's Algeria will have won its bet on the upgrading of the value of gas. It will be able to take a more serene view of a reduction in its sales of crude--corresponding, at any rate, to its medium-term options. The Italian contract, added to those already signed with Belgium and France, as well as some smaller supply contracts, will raise gas exports to more than 25 billion m³. These exports will to a large extent be able to take over from oil in the financing of development.

Meanwhile, in addition to the prudent hypothesis in the matter of external revenues that has prevailed in the working-out of the annual plan, the quest for greater effectiveness on the internal level and a certain austerity will make it possible to approach the objectives set.

Already, the first months that have passed in 1982, with, on the external level, the signing of the agreement on the price of the LNG sold to France, and on the internal level, the restructuring of the enterprises, together with the rather favorable balance-sheet for 1981--a trade-balance surplus, and a decrease in the external debt despite a disadvantageous international economic situation--augur well for the future.

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IRAN

SADDAM HUSAYN SEEN ENDANGERED BY KHOMEYNI

Paris L'EXPRESS in French 26 Mar-1 Apr 82 p 85

[Article by Jacques Buob: "The Two Fronts of the War"]

[Text] The Iranians celebrated Nowruz--the Persian New Year--in their own way: by launching one of their largest offensives since the beginning of the war against Iraq. In the sector between Dezful and Shush, the Islamic Republican Army went all out. Tehran, believing it sees a tottering enemy, wants to press its advantage. Iraqi President Saddam Husayn does have some worries.

In the past 18 months of the fighting, stalemated and deadly, successes have been rare. Last month, however, Baghdad's troops succeeded in penetrating the Iranian lines which had been cutting their communications in the border area of Bustam. A pyrrhic victory, because in exchange for the thousands of Iranians killed, the Iraqis lost at least as many. A butchery. Moreover, in the end Bustam stayed in the hands of the Khomeyni faithful.

The time appears to have come for Saddam to have done with a war in which he had wanted to be victorious, but which is little by little exhausting the country and eroding his power.

The economic situation has steadily worsened ever since the beginning of hostilities. The Iraqi deputy minister for oil admits that it will take at least 5 years to repair the war destruction. The petroleum industry, particularly the sea terminals, have been heavily damaged. Total damages are "impossible to estimate." Crude oil production has fallen from 3.4 million barrels a day to 900,000.

Saudi Arabia and the Gulf states, which for 18 months have spent more than \$20 billion to support Iraq's war effort and development projects, are now dragging their feet. Under the pressure, Iraq has already been forced to cancel 40 percent of its civilian development program.

Riyadh and the emirates would like to see Saddam Husayn commit himself to the path of negotiations. There is a fear in the region that an Iraqi defeat, or a dragging on of the conflict, could result in the fall of the Baathist regime and the emergence in Baghdad of an Islamic republic that would be close to Tehran.

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Such a situation would radically change the very fragile geopolitical equilibrium in the area. Riyadh does not want this; neither does Washington, which is pleased, by the way, with France's policy of selling arms to Iraq.

Another topic of concern for Saddam: the Damascus-Tehran axis, strongly reinforced after the visit to Iran by Syrian Minister of Foreign Affairs 'Abd al-Halim Khaddam. In addition to agreements on close cooperation, the two capitals reportedly signed a secret military agreement involving large deliveries of arms to the Iranian regime.

Such an alliance, which would inevitably have Moscow's support, would change the factors in the conflict considerably. The Iranians would then be able to depend both on Syria, for a regular supply of Soviet arms, and on Israel, which looks out for them in the markets for ammunition and American spare parts. Moreover, Damascus can at any time apply the threat to close the Iraqi oil pipeline which runs to the Syrian port of Baniyas. That would mean asphyxiation for Saddam.

First Step Toward Negotiations?

It is in this rather unfavorable context that we approach the fateful date of 6 September, when the seventh summit of nonaligned countries is due to open in Baghdad. Saddam Husayn is due to become president of the movement for a 3-year term, replacing Fidel Castro--an opportunity which the Iraqi head of state cannot pass up.

But can such a meeting be held in a country at war, and, moreover, a war against another member of the organization? Iran and Syria are already demanding that the conference be transferred to Djakarta, in Indonesia. Or simply canceled. A snub would strike at Saddam's most treasured asset: his prestige. And, through that, his political future.

Therefore, a first step toward negotiations? Iraq has agreed to the formation of a commission assigned to decide which of the two opponents took the initiative to start the war. However, this concession obviously will not satisfy the imam of Tehran, who sticks to his demands: unconditional retreat of the Iraqi troops and payment of extensive war reparations.

It seems that Iraq officially made proposals to this effect to Sekou Toure of Guinea, who is chairman of the Islamic good offices commission. However, would this be enough to persuade Khomeyni? Since he now sees his troops gradually regaining the ground lost in the first days of the war, he intends to pursue to the end his political-mystical objective: to bring down Saddam. So that the war martyrs of Shiism will not have died in vain.

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IRAN

FRENCH JOURNALIST'S BOOK ON IRAN REVIEWED

Paris AL-WATAN AL-'ARABI in Arabic No 267, 26 Mar-1 Apr 82 pp 44-46

[Review by Bahi Muhammad of book, "Irano Nox" [The Gloomy Night of Iran] by Marc Kravetz; Grasset; other publication data not available]

[Text] Babies suckle the bullets of Pasdaran.
Opium becomes the new religion of intellectuals.
Khalkhali is the foundation of power.

How far has Iran gone after 3 years of being ruled by Khomeyni and his supporters?

Marc Kravetz, a French journalist, who like many people in the West was very enthusiastic about the overthrow of the Shah's regime, provides what is almost a complete picture of Iran on the inside. After six trips to Tehran during which he met with Iranian leaders and citizens, Kravetz provides that picture in a book entitled "Irano Nox" [The Gloomy Night of Iran]. Bahi Muhammad presents a review of this book that underscores its highlights.

The death of myths and superstitions is the only death that is never announced officially and ceremonially. Therefore, it is not curious at all that the myth of the Khomeyni Revolution is still prevalent in some circles and that clowns and cheering audiences do not know that they are crowding together around a cadaver.

This was my impression after reading a book by French journalist Marc Kravetz. The book which was recently published in Paris is entitled "Irano Nox" [The Gloomy Night of Iran].

A brief statement must be made about the author before we go into his equally awesome and terrifying book. He belongs to the generation of French citizens, who are now in their forties, who gained political awareness during the Algerian war of liberation. This observation means a great deal in any attempt that is made to classify and understand his position.

Marc Kravetz was a member of the National Alliance of Students of France. To be specific, he was a member of that faction which sided with the Algerian National Liberation Front in its demand for full independence. At that time this was considered high treason. After that he became one of the leaders of the students' and workers' uprising in May 1968.

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The author then was at the center of these changes. In the aftermath of revolutionary dreams being articulated as projects, Kravetz found himself with a group of his colleagues establishing the daily newspaper, LIBERATION. It was on behalf of this newspaper that he went to Tehran on 16 January 1979, that is, 1 month before Khomeyni went there. His last trip to Tehran was in the summer of 1981 according to an agreement with the monthly magazine, ACTUEL which is supervised by a group of young journalists who belong to the liberal French generation.

What is important is that the writer does his best to be objective and impartial. Therefore we sometimes find him admitting that he cannot understand one phenomenon or that he is ignorant of another.

The author takes us from the image of crowded processions and the millions who had come to greet Khomeyni on the day he returned to Iran to candlelight processions--the candlelights of the revolution. These were being extinguished one after the other, destroying thereby the obsessive dreams and turning the revolution once again into an illusion.

Through this book we pause in front of a number of figures and ordinary daily stories to shed light on some facts about this gloomy night of Iran.

The author talks about an Iranian fighter called Parviz whom he had met during the uprising that ended with the overthrow of the Shah. At that time Parviz had not joined the organization of any of the numerous political and ideological trends that were then widespread in Iranian youth circles. It was Parviz who led the French journalist, who had come to Tehran during the days of the popular uprising, to several places in the capital. Parviz became fond of Kravetz, telling him more than once that he was not aligned [with any organization] but that his hatred for the Shah was profound and that he joined others in demonstrating and crying out against the Shah. Kravetz talks about Parviz because he found no trace of him on his recent trip to Tehran, and he takes this opportunity to tell us the story of this man whose fate became a model for what happened to many people like him in Iran.

The author drew us a picture of the personality of Parviz in two situations.

The first was when this young chemical engineer was spending most of his time outside work in processions and at rallies. He was taking part in the endless debates that ended only to begin again depicting a picture of Iran's future and new regime. The life of Parviz during that golden period was a continuous celebration in the street, at home and with friends. This radiant picture of the life he was living was identical to that of another: the collective picture of the life which millions of Iranians were living after the Shah's departure was no less radiant. Everyone imagined that he will be living in paradise, and everyone believed that the age of sanctions and proscriptions had gone forever.

The other side of this young Iranian was an expression of the stage of despair that followed that of enthusiasm which was mixed and charged with hope. The author sketches for us the following features:

"Parviz invited me once to attend his 30th birthday. He was extremely sad. His fiancée Sherine had gone to London, and he had not yet decided to join her. I saw

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this man who had been eager and enthusiastic: worry had turned him into a mere desperate person. For his birthday Parviz had brought together a group of friends in the home of one of his friends. There was an artist among them who had been forbidden during the Shah's administration from holding any art showing, and he is still forbidden today from doing so. In addition, there were 10 other persons. Then it was time for [taking] opium. Although the cultivation of opium is officially forbidden, it still constitutes one of the primary sources of Iranian wealth after oil. In the context of the general chaos that prevailed in the country opium growers were able to produce in the summer of 1981 enough opium to equal five times the usual annual production. Therefore, pure good heroin is available in large quantities in Tehran's popular neighborhoods for 30 francs per gram. However, the middle class prefers the opium that is sold in installments for 1,800 riyals (120 francs)."

At this point the author pauses in the picture he is sketching of this character, and he lets us imagine that character and imagine others like him surrounded by clouds of opium smoke, locked into moments of sorrow and disillusionment. Marc Krevitz then tells us that his Iranian friend had said that, "Opium is the new religion of intellectuals." We find out on this occasion and from a quick reference made in the course of describing the new daily routine in Tehran that one kind of kitchen utensil, especially pressure cookers are no longer available in the Iranian capital. People have been grabbing everything that can be used to distill and make alcohol ever since the regime decided to ban the consumption of alcohol. We also find out on this occasion that the Khomeyni committees, which are supervised by a number of clergymen, are selling the alcoholic beverages they confiscate on the black market and are reaping tremendous amounts of money from that.

Yasmin: Dashed Hopes

The second character that appears in the pages of the book whose physical, psychological and emotional features are sketched for us by the author is a woman in the prime of her life called Yasmin. This young, beautiful, ambitious architect was like Parviz; she was enthusiastic about this revolution that had overthrown the Shah and his regime.

Here are the passages in which the author describes this Iranian woman:

"Yasmin was simultaneously experiencing enthusiasm and despair throughout the days of the revolution. Her rejection of the Shah's regime was paralleled only by her fear of the religious parties, especially that of Khomeyni. However, she used to entertain the hope that the new regime will not prevent her from working and will not force her to take the veil because it will need all its citizens and its intellectuals. However, her hopes were dashed.

"Yasmin was trembling; she was resentful and depressed. Now she wants to disappear altogether from the picture. She wants to retire: she does not want to see or hear anything. Today, she fears for herself and for the future of her country. She fears for her dreams and her friends. She fears for Iranian women and liberal intellectuals. She was saying, 'They will not let me keep my job.'

"Yasmin used to refuse distinction bestowed upon her among women in the harem.

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Nevertheless, she used to say that it was the harem that allowed women to form a community where they learned how to live with each other and to create bonds [of friendship] that would not occur to anyone.

"However, after a lengthy waiting period, Yasmin did not find a single glimmer of hope, so she chose to leave her country despite the fact that she could have lived in Tehran on her family's fortune. However, after a number of her friends were arrested, after others were executed and after those who escaped managed to escape, Yasmin decided to leave because those who were left alive in Iran were dragging their sorrows and their miseries as though they were a strange class of the human species on its way to extinction.

The Story of a Child

The third image is that of a woman, a poet and a child.

The woman, whose name the author did not declare, was a dancer during the days of the Shah. Today, in Khomeyni's administration she supervises the torture of prisoners and detainees in Evan prison in north Tehran.

The poet is Sa'id Sultan Pur who was always in prison in the Shah's administration. He and his wife were arrested on their wedding night by the Revolutionary Guard, and he was executed 2 months later with a group of young people who were not over 20 years old.

But the story of the child is as follows:

"The old woman who was our hostess said that the Revolutionary Guard, the Pasdaran went into a neighboring house to search it. A child had been born in that house. One of the guards placed the barrel of his gun in front of the new born infant who began to suckle it instinctively. Then the guard pulled the trigger."

Khalkhali Is the Foundation of Power

Among the other incidents related by the author is the story of Sadiq Khalkhali going to the city of Mahabad, the capital of the Kurdish district in the summer of 1979. At that time Khalkhali was the chairman of the so-called Islamic Revolutionary Courts. Before his visit the city had been the scene of bloody battles between Kurdish rebels and government forces. When he arrived surrounded by a whole crew of executioners, the city was completely occupied by the Pasdaran and by the army. Khalkhali's well-known reputation for bloodshed had preceded him to Mahabad because he had passed by other Kurdish cities such as (Bawah) and (Sakzumbarban) where he had taken the lives of scores of citizens for different reasons. However, this man's pursuit of his hobby for bloodshed was no easy matter in the city of Mahabad. The simple reason for that was that before departing from the capital of their region and leaving it to the forces of Tehran, the Kurdish rebels had taken along 400 Pasdaran and army prisoners. They announced that they would respond in kind to any death sentence issued by Khalkhali and carried out against any resident of the city. Khalkhali understood this talk, and he did not linger in the city. Instead, he decided he would go back to Tehran immediately.

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At the last moment, however, Khalkhali thought he would look into some ordinary files. Among these files was one that had to do with a [case of] simple theft from one of the stores. The plaintiff was accompanied by a merchant who was his neighbor and who had gone along as a witness. It seems that at the outset Khalkhali was bored with his examination of the file until he discovered as he interrogated the witness that he was a Baha'i. He then told him immediately, "You must adopt Islam right away. Otherwise, you will have to pay a head tax of 1,500 (tuman)."

The witness who had suddenly become a defendant refused to adopt Islam and said that he did not have that sum of money to pay the head tax. Faced with the merchant's refusal to abandon his religion and adopt Islam, Khalkhali ordered his execution, and the sentence was carried out immediately.

The author relates that in front of the Islamic Court in Tehran he saw scores of women standing together near the wall of the court. A little later he reveals that these women were the wives and sisters of those who had been detained, kidnapped or missing, people of whom there had been no trace for months. [The author reveals that] the wall of the court had turned into a scene for protesting arbitrary kidnapping and executions. [In this respect] it was like May 1 Square in Argentina where the wives of people who are missing under the military regime there gather.

Quoting a witness the author adds, "Anyone can go into any house and arrest the owner of that house on behalf of an imaginary or a real committee. He may [even] execute that person. People who were arrested often refuse to reveal their true identities to the Revolutionary Courts because they fear that the Revolutionary Guard will take their revenge on their families and their children."

It may be that the only innovation which Khomeyni's regime contributed to the classical practices of dictatorships is the fact that it exposed its crimes to the general public.

It would be difficult to find a dictatorship in this age--despite the fact that this age abounds in horrors--that goes as far as the Islamic Republic has gone. In its total exposure of the machinery of repression this Islamic Republic is Islamic and a republic only in name. This experience allows us to observe in an experimental fashion how tyranny is born and how it is fostered and nurtured until it spreads its influence over all society. Discussions with the opposition are non-existent in Khomeyni's movement. The only fate for those who oppose is murder, mutilation and dropping out of existence.

Spy on Your Children

The tyranny of Khomeyni's regime has surpassed that of the worst dictatorships and Fascist regimes. Not only are execution sentences carried out, they are also shown on television. People do not disappear from the political scene for "health reasons," because "they have been charged with other missions," or because they resigned or conspired as is the case in other well-known dictatorships. People drop out of sight because they invoked the wrath of "the new god" who cast them into hell. There is no room here to go into this shift that was introduced by the Khomeyni movement into the theatrical nature of the crimes of dictatorships. This was an idea inspired by the story of a young woman called Zahrah who confessed on the small screen. This young woman admitted that she had been arrested three

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times. She was arrested the first time after a traffic accident. She had learned how to drive a motorcycle in connection with her work in the organization of freedom fighters. The second time she was surprised by guards who kidnapped her from an ordinary gathering or demonstration. The third time she was arrested by an organization called the Anti-Corruption Office, and she was questioned at length about her unseemly behavior. She said in her confession that she now understood everything and that she wanted to expose a devilish organization called Mojahedin-e Khalq because its members wanted to create division between fathers and sons and between men and their wives. They wanted to prevent people from praying, and the condition they set for accepting anyone's commitment [to their organization] was that he kill his brother or one of his relatives who was a member of Khomeyni's guard. She also accused her colleague of leading her into sin. This television program went off the air when sentence was pronounced. Nothing that Zahrah said interceded for her; she was sent to the gallows.

The author casts doubts about the veracity of such confessions and states, "Information indicates that it is rare for a defendant to be that cooperative with his executioner." Then he states that weeks after that while the main news bulletin was being broadcast, another interview was broadcast. This was an interview with a young man who had been condemned to death. That event culminated the propaganda campaign that had taken place under the slogan, "Parents, spy on your children!" That scene which the author of "Irano Nox" talks about toured the world and was broadcast by all television stations in Europe under the title "Dialogue between an Islamic Mother and Her Son." It is one of the rare images of horror in the history of the media. By distributing that interview Iranian media agencies wanted to provide evidence for the popularity of the existing regime. However, many people still do not believe what is happening in Iran because refusing to face the truth allows one in most cases to maintain a sense of safety and confidence.

The problem actually goes beyond the field of foreign and domestic propaganda; it constitutes one of the salient landmarks of Khomeyni's policy. Informing on others, which is clearly and unequivocally forbidden by the Koran, becomes a religious duty in the opinion of Iran's ayatollahs. And Mr Hadi Ghafari, who is described as the primary official for the group, Allah's party relates with pride and vainglory to the author that he can give him scores of examples of parents informing on their children.

Ever since Khomeyni turned informing on others into a religious duty and his propaganda agencies have been publishing daily news about spying operations that take place in a family context. During his term as Ali Khomeyni's successor in the position of imam of Tehran mosque, Hashemi-Rafsanjani, speaker of the parliament delivered a speech that was broadcast live. In that speech he praised the virtues of mothers who do not hesitate to spy on their sons.

The author will indicate that a few days after his arrival in Tehran the Tehran press talked in detail about a bazaar merchant who was executed for harboring a number of freedom fighters and helping them financially. This man was eliminated because his father and his brother had informed on him.

Since we are talking about informing on people, let us recall the author's description of Iranian reactions to it. He says briefly, "Iranians realized that each citizen was under direct observation and that putting a whole city under emergency measures was not necessary to terrorize it."

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However, the ayatollahs were not satisfied with this; they also used taxicabs. News spread with lightning speed in Tehran; the news was spread in the form of a rumor stating that the Khomeyni committees had purchased or confiscated all taxicabs and given them to members of the Allah party. The authorities had previously announced more than once that they were dissatisfied and displeased with the conduct of drivers. They executed scores of them, and people who used this public means of transportation knew that the driver sitting behind the steering wheel could be a spy for the regime.

Taxicabs thus ceased to be a means for communicating and exchanging opinions, and they became only a tool for transportation and espionage.

The author relates the point of view of persons of all classes, ages, groups and nationalities. They all agree about one thing: they are critical of the regime.

Montazeri: a Talk about Sex

The author relates this [enlightening] picture about Hoseyn Montazeri, the more fortunate successor of Imam Khomeyni. Kravetz says, "I saw him for the first time when he was speaking at the University of Tehran after Khomeyni appointed him imam of the Friday prayer in the capital. This was after the death of Ayatollah Taleqani. I was taken first of all by his stature. I had never seen a clergyman lead a prayer service while carrying a weapon in his hand. It was later explained to me that this practice dates back to the early days of Islam. Montazeri spoke as he held in his left hand a rifle with a long bayonet.

His motions were somewhat acrobatic, and his words were loud and shrill. Suddenly the groups of worshipers broke up in laughter that lasted for quite some time.

I tried to understand the reason why the worshipers had laughed. Former president and chief of staff of Iran's forces Abol Hasan Bani-Sadr was among the worshipers. However, many of those who were present refused to translate for me what Imam Montazeri had said. They were bashful; but then one of them dared to translate the imam's statements, and he told me that he had been talking about sex for half an hour. He said that he was giving examples from his own personal life to show that the Wise Almighty God had created needs [in His creatures] and ways for satisfying those needs. The imam said that sex was natural for creatures. [He said] just as we lead a ewe to a ram, we must get girls to marry as soon as they reach puberty.

Who Is (Fardist)?

Perhaps one of the most curious stories mentioned by the author was that about Khomeyni's intelligence agencies and their bloody struggles for power. In the author's opinion these intelligence agencies have four or five divisions: SAVAMA is the Islamic version of SAVAK; the intelligence branch of Pasdaran; the intelligence [division] of the Islamic Republican party; and the intelligence [division] of the committees. All these intelligence agencies are struggling over a minefield in which other organizations with mysterious powers are also operating. Examples of these organizations are the Mojahedin of the Islamic Revolution or the Feda'iyen Islam under the leadership of Khalkhali. No one in this or the other organization knows who his enemy or his friend is; none of them knows the boundaries that separate anti-terrorist action from the struggle of competing

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parties for power. Every agency, every department and every system is taking precautions against others, and no one knows on whose behalf and in what capacity an agency operates. Looking at the Iranian authority from its ugly police side we see the image of a multi-headed monster with these heads always snapping at each other. Not all the heads are known, but there is one head in their midst in front of which we should pause a little. This is that of Hoseyn (Fardist) because he is truly a bewildering figure.

This man is one of the Shah's oldest servants. He was a palace inspector, and he was responsible for the emperor's security. The emperor treated him as a member of the family, and (Fardist) was privy to all the secrets of SAVAK (the Iranian intelligence agency in the days of the Shah). Until the last day of the former regime he took part in the meeting of the chief of staff which was attended by U.S. Gen Huyser, President Jimmy Carter's envoy who had come to Tehran to find out about the ability of Iranian generals to withstand the attacks of the Khomeyni Revolution. On the day of the final defeat it was rumored that (Fardist) had defected with his weapons and his belongings to the enemy's [camp]. It was said that he had been relaying information to Khomeyni for some time.

Today, however, it is the most curious of stories that is being circulated about Hoseyn (Fardist). It is being said that he was the one responsible for SAVAMA, Khomeyni's intelligence agency, and that he was the one who supervised assassination operations against the opposition abroad. One cannot know at this point what is true and what is false. We can at least say that at the point when Islam was being universalized, when the punitive law was being applied and when the morals of the Maktabis (a term used to refer to Khomeyni's followers) were being commended, it was at this time in particular that we noticed that the old Persia had not been forgotten at all and that the delirium of the Middle Ages sometimes knew how to deal with the most distressing facts of this century.

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JORDAN

STOCK EXCHANGE DEVELOPING RAPIDLY

Paris AL-WATAN AL-'ARABI in Arabic No 270, 16-22 Apr 82 pp 59-60

[Article: "Jordan's Stock Exchange: After a Difficult Birth, Fast Growth; and a New Nucleus For a Common Arab Exchange"]

[Text] Amman AL-WATAN AL-'ARABI--Since the establishment of industries and corporations in Jordan about 40 years ago trading in stocks was limited to the companies themselves, inasmuch as an employee in each company would register the names of those who wanted to buy stocks and were looking for a seller or vice versa:

The procedures were carried out in accordance with the particular policies of the company and the responsible employee.

The procedure developed into a system of small offices specializing in stock trading. But these offices treated the citizens arbitrarily, and set whatever prices they considered appropriate at any particular time.

When the government first considered establishing a stock exchange in 1965 studies indicated that the volume of trade would be extremely limited, and there would be no point in establishing it.

Despite studies carried out in the 1970's some officials in the field of banking and economics were not the least bit optimistic about the success of this market.

But after a difficult delivery the market was born, although no one was betting that it would survive for very long. In early January 1978 the exchange opened for business to stockholders and investors. The special offices were closed, and stock trading was forbidden outside of the exchange.

The infant's growth surprised even the foreign experts who had participated in the studies. The volume of trading jumped from about 5.5 million Jordanian dinars in 1978 to approximately 75.5 million dinars in 1981. Observers expect these figures to jump this year to about 140 million dinars, inasmuch as the floor of the exchange sometimes sees stock trading activities of 1 million dinars per day. That makes one week's trading equivalent to a full year's worth when the market first opened.

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What Has the Market Accomplished?

But what has this entity accomplished in four years?

The answer comes from exchange officials who confirm that the market has participated in the implementation of economic development programs and has had a series of accomplishments.

1. It provides adequate liquidity for both savers and investors, and enables new and already established companies to raise capital by making data continually available, and by publishing the prices of the registered stocks which will be traded on the exchange.

<u>Value of Shares Traded</u> <u>(In Jordanian Dinars)</u>	<u>Volume of Shares Traded</u>	<u>Year</u>
5,615,891	2,429,152	1978
15,843,159	6,534,900	1979
41,431,076	17,898,885	1980
75,416,527	29,231,085	1981

Volume and Value of Shares Traded on the Stock Exchange in Jordan During the Last 4 Years

2. The daily publication of trading prices can help investors and savers avoid losses. The exchange provides the time and place for authorized brokers to announce their customers' buying and selling orders with complete clarity to all the other traders, without the right to any kind of monopoly. In that way citizens will be treated on an equal footing and they can base their decisions on the same data available to everyone at the same time.

To accomplish these two important goals the Amman Stock Exchange operates within two basic spheres:

[1.] Operating as a traditional stock exchange by providing a suitable trading floor and continuous publication of information and prices related to trading in the stocks listed with it.

[2.] Serving as a regulatory organization with regard to the issuing of stocks in the kingdom. This requires the exchange to oversee the information published by the public stock companies in general, and specifically during the initial stage, when these companies make a public stock subscription offering to the investing public. To accomplish this the exchange has prepared a form indicating the requirements for preparing a prospectus for offering stocks and bonds. Any prospectus for stock or bond issues will contain important financial and non-financial information which will help the [potential] subscriber reach a decision which will either justify investing in these securities or cause him to abstain from them.

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Since the establishment of the exchange the following features have been achieved in stock trading methods:

Corresponding offers to buy and sell have been introduced on the floor of the exchange, providing a fair and appropriate price for the securities being traded.

Information on the public stock companies is continually being released. This applies to new stock issues through a prospectus which now must be prepared in accordance with the exchange's requirements, and to securities trading, and has instilled confidence in investors.

Confidence in stocks and liquidity have been achieved inasmuch as Jordanian securities are as good as banknotes to owners who can at any time exchange them for cash.

Investors in stocks are provided protection through monitoring, regulation, registration and standardization of the stock trading activities which take place on the exchange floor, and through continuous monitoring of prices. Brokers, too, are monitored to ascertain the extent of their compliance with required trading procedures, and to ascertain the quality and probity of their activities.

Profits have become available to the largest section of the population by expanding the number of shareholders in public stock companies.

Liquidity is provided to the public stock companies by facilitating the underwriting of their securities when they float them for public subscription.

The Broker System

There are 16 brokers on the Amman Stock Exchange authorized to engage in buying and selling on behalf of their customers and their portfolios.

The brokers receive commissions from their customers at the rate of 0.65 percent on transactions under 20,000 dinars, and 0.5 percent of amounts above that. The exchange takes 20 percent of the brokers' commission.

There are 72 public stock companies listed on the Amman Stock Exchange with declared capital of about 28 million Jordanian dinars. These companies are classified by sector as follows:

Industrial companies : 32, with declared capital of about 180 million dinars; financial companies (banks and financial institutions): 14, with declared capital of approximately 70 million dinars; insurance companies: 14, with declared capital of approximately 4 million dinars; service companies: 12, with declared capital of about 27 million dinars.

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It is clear that the volume of trading during previous years has multiplied continuously. For example, the volume of trading in 1981 surpassed the total volume during the 3 previous years.

With regard to the exchange's accomplishments in regulating investment in newly issued stocks in what is known as the new-issue market, the exchange has in large measure contributed to the successful coverage of new issues in the new-issue market. This may be seen in the success rate public stock companies have had in covering new stock offerings, inasmuch as at its highest this rate was 9 times the value of the offering, something the Jordanian stock exchange had never before seen.

As an indication of that 18 companies floated their stock for public subscription during 1981. Of these, 14 were newly-formed companies, and 4 were old companies that increased their capital by offering their stock for public subscription.

A total of 31,625,000 shares were floated by those companies at a total value of 72.74 million dinars. These shares were covered for 82 million. Of these companies, 7 are industrial, 4 are service companies, and 3 are insurance companies.

Four existing companies have undertaken to increase their capital by floating stock for public subscription. If the figures for the value of stock floated during 1981 are compared with the figures for stock offerings in previous years it will be seen that the total value of stock floated and covered during 1981 is equivalent to the total value of stock floated during the 3 previous years together.

In conclusion, the exchange will develop, and it will enter the world of closed circuit television. Citizens will be able to view stock prices one after another in commercial banks and elsewhere.

The exchange is contacting other Arab stock exchanges about allowing them to trade Jordanian stocks, and is expressing readiness to accept Arab stocks in the Amman Stock Exchange. Will this step help to create a common Arab stock exchange?

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SUDAN

'PARIS CLUB' AGREES TO EASE DEBT PAYMENT SCHEDULE

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1898, Mar 82 p 845

[Text] The western countries have agreed to grant Sudan an "extensive" rearrangement of its state foreign debt to permit it to achieve economic recovery, the French minister of Economy and Finance announced after a two-day meeting of the "Paris Club" on 10 and 11 March. A meeting of Sudan's creditors, held at the suggestion of Khartoum and the IMF, had taken place at the end of January. The official communique indicates that the 13 countries "appreciated the recovery efforts" undertaken by the government of the Democratic Republic of the Sudan, and noted "with satisfaction" that the Sudanese government was implementing an economic and financial program that had been approved by the International Monetary Fund on 18 February 1982.

With the intention of achieving recovery of a critical economic situation, President Ja'far Numayri had decided in November 1981 on a 12.5 percent devaluation of the national currency, and a steep increase in the prices of sugar (+62 percent) and petroleum products (+35 percent).

Sudan's foreign debt is estimated at around 3 billion dollars, and several western countries committed themselves on 28 January to issue 350 million dollars to Africa's most extensive country to make up the deficit in its balance of payments.

This time, the rearrangement decided upon, as specified in the "Paris Club" official communique, applies to the payments due on the loan originally to run for over a year, and payable from 1 July 1981 to 31 December 1982 under contracts signed before 1 January 1981. Reimbursement of these payments due will take place over a 10-year period, with a 4½-year grace period.

The "Paris Club" meeting, chaired by the director of the Treasury at the French Ministry of the Economy, Michel Camdessus, included representatives of the Federal Republic of Germany, Austria, Belgium, Canada, Denmark, the United States, France, Italy, Japan, Norway, the Netherlands, the United Kingdom, and Switzerland, and observers from Spain and Sweden, as well as the IMF, the World Bank, the secretariat of UNCTAD, the EEC, and the OECD.

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SUDAN

OIL DEPOSIT POTENTIAL, EXTRACTION DELAY WEIGHED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1898, 26 Mar 82 p 845

[Text] In our 20 November 1981 issue (page 2941), we tried to evaluate oil research in Sudan, but the question of Sudan's real potential in this domain remains unanswered.

In the middle of summer, 1980, AFP recently recalled, four wells producing 15,000 barrels a day had been discovered in the southwest Sudan, not far from Juba, by the American company Chevron. In an interview published by the daily Kuwaiti newspaper AL-SIYASAH, the Sudanese oil minister, Muhammad Sharif Al-Tuhami, had estimated at the time that his country would be able, "within a reasonable period of time, to produce and export the crude oil and thus solve a certain number of economic problems."

Now, 20 months later, certain experts in oil circles are wondering if the minister's optimism was not too great, while others still think that Sudan has a great future to look forward to. In support of their reservations, the former note that construction work on the Kosti refinery, 350 kilometers south of Khartoum, has still not been started, nor for that matter work on the oil pipeline linking the wells that have been discovered to that refinery. The overall cost of the projected infrastructure is estimated, it is recalled, at nearly 1 billion dollars, of which 800 million is for the refinery alone. With Chevron financing 40 percent of it.

On the other hand, the more optimistic ones think that the American company, having discovered deposits "far greater" than the estimated 30,000 barrels a day, would now like to give up the Kosti refinery and enlarge the one at Port-Sudan, to have good conditions for exporting what will not be consumed locally. In support of their thesis, the latter experts, on the basis of "reliable information," point out that the materiel recently brought into Sudan by Chevron is "considerable." Moreover, about 90 new engineers and technicians are said to have arrived in the country the last few weeks.

Both groups agree that the American company's real or apparent inertia is also related to the very poor situation of the oil market. All the oil companies present in Sudan, and Total Exploration in particular, are complaining about "very difficult" working conditions, especially poor fuel-oil distribution and thefts on work-sites. Until the market picks up again, the companies have therefore chosen to keep a low profile, and are mainly intent upon maintaining their presence until a better time comes.

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SUDAN

SUGAR REFINERIES TO BE OVERHAULED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1895, 5 Mar 82 p 677

[Text] The Sudanese Government would require nearly \$100 million to overhaul and modernize the four sugar refineries of the public sector: Sannar, Al-Silaya, Junayd and New Halfa. This figure is based on a study made by the large Dutch firm, HVA [expansion unknown]. According to this study, the investment to be made would be as follows for each refinery (in millions of dollars):

Sannar: 37.15, with 21.74 for farm and transportation equipment for the plantation and 15.41 for plant equipment.

Al-Silaya: 37.05, with 20.9 for farm and transportation equipment, 16 for the plant and 0.16 for training.

Junayd: 9.13, with 2.73 for farm and lifting equipment, 3.52 for milling equipment, 0.37 for boilers, 2 for spare parts, etc.

New Halfa: 9.47, with 2.42 for farm and lifting equipment, 2.33 for milling equipment, 2.22 for boilers, 2 for spare parts, etc.

Several financial institutions have been approached, including in particular FADES (Arab Fund for Economic and Social Development) and the World Bank. The German Government has already allocated DM 33 million under its annual aid to cover the investments required at Junayd and New Halfa. Since the World Bank has stated that it is prepared to finance the hiring of a special consultant for the Ministry of Industry, FADES is studying the possibility of taking over the remaining financing for the refineries of Sannar and Al-Silaya (approximately \$75 million).

The construction site of the fifth refinery, at Melut, should also be taken over, following an agreement made with the Belgian agency for insuring foreign trade, by the National Office of Guaranty Commissions. The Melut refinery, whose construction was begun by the Belgian company UCMAS [expansion unknown], could not be completed because of excessive nonpayments by the Sudanese Government.

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SUDAN

ELECTRIFICATION PROGRAM FOR 15 PROVINCIAL COMMUNITIES DESCRIBED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1895, 5 Mar 82 p 677

[Text] In our issue of 11 December 1981 (p 3299), we listed the major features of the electrification projects underway and the outlook for the year 2000 in Sudan. To this panorama should be added the development plans of the Public Electricity and Water Corporation, which provide for the installation, between 1980 and 1986, of 36 new diesel generators with a total capacity of 106 MW [megawatts] for 15 provincial communities.

The distribution of these new plants is as follows (number of plants x MW):

	<u>82-83</u>	<u>83-84</u>	<u>84-85</u>	<u>85-86</u>	<u>Financing</u>
Khashm Al-Qirbah	2 x 5	1 x 5	--	--	Not Found
Kassala	4 x 1	--	--	1 x 3	Partly Danish
'Atbarah	2 x 5	--	--	1 x 5	Not Found
Shandi	--	1 x 1	--	--	Danish
Dunqulah	--	--	--	1 x 1	Danish
Port Sudan	3 x 5	--	1 x 10	--	French
Al-Qutaynah	2 x 0.5	--	--	--	Not Found
Malakai	2 x 1	1 x 1	--	--	Not Found
Waw	1 x 1	--	--	1 x 1	Danish
Juba	--	--	1 x 3	1 x 3	World Bank
Al-Ubayyid	1 x 3	--	--	--	Arab African Bank
Umm-Ruwabah	2 x 1	--	--	--	Not Found
Al-Fashir	2 x 1	1 x 1	--	--	Danish
Nyala	2 x 3	--	1 x 3	--	French*
Kuraymah-Merowe	2 x 3	--	--	--	German
	<u>2 x 1.5</u>	<u>---</u>	<u>---</u>	<u>---</u>	
Total (MW)	66	11	16	13	

*The Nyala project (9 MW total) is financed for 40 million French francs under the French-Sudanese agreement of 1981. Alstom-Atlantique and CEM [Electromechanical Equipment Company] have bid on this project.

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SUDAN

BRIEFS

SAUDI OIL SHIPMENTS--Saudi Arabia will supply free oil to Sudan to cover its needs for 3 months. These oil shipments, which have already started, are the first result of the tour just completed by the Sudanese minister of energy and mining, Mr Muhammad Sharif Tuhami, to the Persian Gulf states. The leaders of those five states have also agreed to consider emergency aid to Sudan to enable it to overcome its economic problems. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1894, 26 Feb 82 p 612] [COPYRIGHT: Rene Moreux et Cie Paris 1982] 11915

AGRICULTURAL PROJECTS FOR NORTH--The \$18 million which the International Development Association (IDA) granted to Sudan in January is intended, through the Agricultural Bank of Sudan, to finance the program for outfitting three agricultural areas in the country's northern province. These three areas, Umm Ruaba (86,000 unirrigated hectares), Abu Hamed (6,720 irrigated hectares) and Dongola (14,600 irrigated hectares) are composed of small private farms. The project will have the following main features: Irrigation equipment (\$3.8 million): Abu Hamed, 780 diesel engines (4-16 horsepower), 390 pumps; Dongola, 680 diesel engines and 340 pumps. Farm equipment (\$500,000): 30 tractors (30-50 horsepower), 30 disk harrows, 650 backed harrows, 50 platform scales. Vehicles (\$1 million): 8 cars, 3 4 x 4 station wagons, 35 4 x 4 pickups, 12 5-ton trucks. Office and residential buildings and equipment (\$2.2 million). Technical assistance and training (\$1.9 million): 168 experts/month. Other operational purchases (\$4.6 million): insecticides, seeds, sacks, fertilizer, spare parts, etc. The project's total cost, including the local portion, is \$35 million. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1896, 12 Mar 82 p 730] [COPYRIGHT: Rene Moreux et Cie Paris 1982] 11915

EGYPTIAN OIL SHIPMENTS--Egypt has supplied Sudan with 150,000 tons of oil in the last 2 months. These shipments were made when Sudan was experiencing a serious shortage of fuel, whose prices have increased from 30 to 40 percent following the elimination of budget subsidies for these products on 10 November. According to Sudanese President Nimeiry, one-third of the country's foreign exchange revenues were used to pay the oil bill and Sudan's balance of trade showed a deficit of \$65 million in 1981. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1896, 12 Mar 82 p 730] [COPYRIGHT: Rene Moreux et Cie Paris 1982] 11915

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TUNISIA

FOREIGN MINISTER DISCUSSES MAGHREB, INTERNATIONAL RELATIONS

Paris AL-WATAN AL-'ARABI in Arabic No 268, 2-8 Apr 82 pp 36-37

[Interview with Baji Caid Essebsi, Tunisian minister of foreign affairs, by al-Habib al-Salimi: "Baji Caid Essebsi, to AL-WATAN AL-'ARABI: There is No Use in Returning to Fez at Present; Iranian Intransigence Behind Continued War"]

[Text] Tunis--What would Tunisia's position be should the OAU finally approve membership of a Sahara Republic and how does Tunisia draw up the features of its new foreign policy amidst the feverish international polarization competing for the Arab Maghreb? Baji Caid Essebsi, the Tunisian minister of foreign affairs, says: We are concerned about the OAU and we cannot approve its encroachments. We stand stubbornly against any foreign military presence in the area. We have had this interview with the minister:

The OAU, with the major rift from which it is suffering, was the subject of the first question. The Tunisian minister of foreign affairs said: Tunisia is one of the founding members of the OAU. Naturally, Tunisia is strongly attached to this organization and to its survival so that it can render the services for which it was founded. There is no doubt that this organization has gone through difficult periods in the recent past and has experienced internal differences, some of them marginal and some fundamental. I believe that you are referring to the differences of opinion that emerged in Addis Ababa recently at the convocation of the latest session of the OAU Council of Ministers. Tunisia's position has been clear. Inasmuch as it is attached to the organization, Tunisia is also eager for the proceedings of this organization to take place in accordance with the charter and according to the spirit of this charter. I believe that this is an ethic that must exist among all of the organization members so that the organization's activities will be beneficial and clear. It is our belief that the latest OAU Council of Ministers session, held in Addis Ababa, witnessed a deviation from this rule and a resort to offhanded and crooked ways that do not honor the organization and that even damage its credibility, its influence and its role. This is why Tunisia adopted a firm stance, first by advocating the use of reason and the adoption of a wise position to protect the organization from tremors and upheavals, and perhaps even from disintegration. Tunisia pointed out all the infractions it had noticed in the actions of this organization's General Secretariat. Because the appeal voiced by Tunisia fell on deaf ears, Tunisia decided to suspend its participation in the session held in Addis Ababa out of its desire to draw attention to the serious situation and to express its political resolve not to be carried away by the currents that do not serve the organization's interests.

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[Question] There are indications that the Arab Maghreb has begun to draw the main attention of the superpowers. Can Tunisia, by virtue of its relations with the area's states and by virtue of its neutral policy, protect the area from the international conflict?

[Answer] Tunisia is well known as a nonaligned country. It is against polarization because it believes that polarization is harmful. But this does not mean that Tunisia has no friendships with the Western and Eastern countries. A strong friendship binds us to the United States and to European countries because we have interests with these countries. We are also tied by friendship to the Soviet Union, with which we have economic dealings and diplomatic exchange. Our relationship with the Soviet Union is based on mutual respect.

This is our political line. Tunisia is an Arab country with African and Mediterranean dimensions and it always seeks to act within this framework through the friendships it has, be they friendships within this or that sphere. What remains to be said is that Tunisia works to keep its political decisions independent. These political decisions must, of course, be realistic. A statesman's decisions must be effective and purposeful. We have been extremely successful in this regard.

This is our viewpoint in Tunisia. We will safeguard it and will seek to follow the same policy at the level of the greater Arab Maghreb. However, the presence of certain hot issues, whether we like it or not, is bound to attract the interest of the two superpowers and of the major powers. The struggle of the two superpowers is everywhere. This struggle can, of course, find in our regional differences a sphere of competition embodied in the struggle for our area. This is what has happened.

Special Sensitivities

[Question] Tunisia is aware of the dangers of a foreign military presence in the Arab Maghreb and is exerting efforts to bring the views closer to each other. But these efforts have been rejected by Algeria (Algeria's position toward Mohamed Mzali's statements in Paris regarding the Western Sahara). Will Tunisia alter its efforts to bring about this rapprochement or will it stand by its previous proposals?

[Answer] First, there is no [foreign] military presence in this area, God be thanked--not in Tunisia, in Morocco, in Algeria or in Mauritania. There is no foreign military presence. There is an attempt at polarization. We acknowledge this but hope that our area will remain far from the heat of the international struggle. This does not mean that there is no foreign military presence in the Mediterranean basin. Our position toward this presence is clear. But the Maghreb territories are free of such a presence and we hope this situation will continue until God inherits the earth and those on it, and He is the best of heirs. It remains to be said that there are issues that create special sensitivities, such as the Western Sahara issue to which you have referred and which generates sensitivities among some of the area's states.

In Tunisia, we abide by the principle of nonintervention in the affairs of others. We also accept no intervention in our affairs. This does not mean that

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we are not interested in what happens in the Arab Maghreb countries. We are interested in the stability of this area and in seeing peace prevail in its various parts. We hope and strive for amity to dominate the relations of all of the area's countries. This is one of our duties. Tunisia always seeks to lessen any tension that may develop in one country's relations with another, and we will continue to do so because we believe that it is in Tunisia's interest and in the interest of the area's countries collectively. The rule in political action is that this action always evokes viewpoints and reactions because of numerous considerations. Special sensitivities develop from time to time. We regret this and assert that we have no wish to play any leadership role in this area. What we do is always for the good of all. The future will show that Tunisia gets involved only for the sake of what is good and out of its desire to serve the general interest of the area.

Relations With France

[Question] It seems that the French premier's visit has not achieved the goals expected by Tunisia and that French-Tunisian relations are going through a critical phase. Was the recent French-Tunisian meeting in Paris, in which you participated, able to restore relations between the two countries to their previous condition?

[Answer] I disagree with what you have said. However, the reports published in some papers justify what you have concluded. The French premier's visit to Tunisia was a visit of friendship and a working visit and it did achieve its goals by the mere fact that it took place. France meant to express its friendship for Tunisia and the importance it attaches to Tunisian-French relations through that visit. We thanked the French Government for this expression and appreciated this initiative for it. The first visit made by the French premier outside of Europe was the visit he paid to Tunisia. Therefore, there is no place for talking about negative aspects in the meeting. The most important outcome of the visit is the fact that it did take place. Our relationship with France is excellent and at a satisfactory level in our opinion, and in the opinion of France itself. The recent convocation of the Joint Higher Tunisian French Committee in Paris and the talks held on the occasion of the convocation of this committee, whether at the level of the two ministers of foreign affairs or with the French premier, are another indication that the relations between the two countries are at an acceptable level. In every dealing there are aspects that require dialogue, concerted efforts and profound thinking. Our relationship with France dates way back and, God willing, will continue to be sound. We are eager to see this relationship prosper. This is what we see at present.

After the talks, I personally returned from France with very good impressions. I am satisfied with the outcome of the talks, especially since we had not expected of the talks more than what could be realistically expected. Our relationship with France is good, has improved and is likely to improve further in the coming years. What I want to stress now is that we have felt political resolution on the part of the French Government to enhance and develop the relations in all the fields, especially in the sphere of supporting Tunisia in the struggle for growth and progress that we will continue to wage in the forthcoming sixth plan.

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[Question] Will Tunisia play a role to speed up convocation of the Arab summit in Fez and when will this summit be held?

[Answer] The first round of the Fez summit has been held. We have thought about postponing the meeting to strengthen consultations, to crystallize thinking and to study the plans that will be presented to the conference. The summit is an important event that brings together the Arab heads of state. The Arab and world public expects decisive results from this summit. Therefore, it is beneficial to study all points of the agenda carefully before we resume the meeting. I do not believe that there is any use in convening the conference under the present circumstances. Deliberation, consultation and study are a must. When all the circumstances for the success of the second round of the summit are present, then the time will be right for convening it. I see no benefit in holding this summit at present or in the next few months.

Iranian Intransigence

[Question] The efforts to put an end to the Iraq-Iran war have failed. Do you think that the mediation being conducted by the Islamic Committee will bear fruit and what will Tunisia's position vis-a-vis the Iranian intransigence be in case the Islamic efforts fail?

[Answer] We must not lose hope, especially since a sound solution can be reached only through the agreement of the two warring parties. The Iraq-Iran war is regrettable and we have been pained by it because it is taking place between two countries that are supposed to cooperate and to unite their forces to confront the Zionist enemy. We have great hope that each side will find its way to a dialogue and that reason will prevail over emotion. Tunisia has encouraged all of the conciliation efforts exerted in this regard, be they efforts exerted at the level of the Islamic Organization, of the nonaligned countries or of the international community. It is regrettable that none of these efforts has borne fruit. To tell the truth, there is intransigence on the part of the Iranian side because Iraq has repeatedly expressed its readiness for dialogue and for a compromise and has agreed to all these mediation efforts. But the Iranian side has clung to its position of rejection. What is also regrettable is that the continued war has created distressing complications, such as Israel's support for Iran. It is the duty of all of the Arab countries that can influence Iran, and I am not going to name any particular country, to exert efforts to push Iran toward negotiation and a peaceful solution, especially since nobody wants the solution to come at the expense of this or that side. The hoped for solution is the solution that guarantees the legitimate rights of each of the two sides.

[Question] Do you think that Egypt will return to the Arab family after 25 April?

[Answer] It is difficult to say. But what we can assert is that we welcome such a return. This is the duty of every sincere Arab who regrets Egypt's withdrawal and departure from Arab consensus because Egypt is the biggest Arab country, whether in terms of population or of cultural and civilization. It is the duty of every Arab to hope for Egypt's return to the Arab ranks because

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such a return constitutes a great gain for the Arab nation and strengthens this nation in all respects. But the circumstances for this return must be present. It is only being realistic to admit that Egypt's recognition of Israel and its conclusion of peace with Israel pose a problem for which a solution must be found, because we should create the proper circumstances for this return.

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TUNISIA

BRIEFS

EXPLOITATION OF OFFSHORE OILFIELD--In a communique issued in Rotterdam at the beginning of the month, the Shell company indicated that it would begin production at an oilfield in the Mediterranean 42 km from the Tunisian coast from the supertanker "Murex" (210,000 tons), which will be permanently moored along the Tunisian coast. Shell stated that it opted for this tanker, equipped with necessary facilities and installations, because a platform linked to the coast by a pipeline would have made exploitation of the field unprofitable. Production will amount to 10,000 barrels (1 barrel = 159 litres) a day, according to Shell, which will be cooperating with the Italian company Agip, and the Tunisian firm ETAP (Tunisian Petroleum Activities Enterprise) on this project. Shell also stated that the reserves of this oilfield are estimated to be 10 million barrels. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1905, 14 May 82 p 1265]

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