

Report#
BUSINESS AND POLITICS IN THE MUSLIM WORLD
Fertile Crescent
Aisha Rehman
From 30th July- 6th August 2010
Presentation: 11th August 2010

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Summary

Egypt

Political front

Brotherhood gathers 100,000 signatures for ElBaradei's reform statement

The Muslim Brotherhood said today it has managed to gather more than 100,000 signatures for ElBaradei's pro-reform statement. The organization said that such a swift development proves that Egyptians are responding well to the signature-gathering campaign launched by the National Association for Change (NAC), which only started 14 days ago via the internet. The NAC also launched last Thursday a nation-wide door-knocking campaign to gather hand signatures for the petition. Campaigners have reportedly gathered 7000 signatures over the past three days. The target is to gather one million signatures for the reform statement within a three-month period ending in October. Achieving such a target will require gathering 10,000 signatures per day.

Pro-Gamal Mubarak campaign hits streets

Supporters of Gamal Mubarak, the 47-year-old son of President Hosni Mubarak and assistant secretary-general of the ruling National Democratic Party (NDP), have begun hanging posters throughout Cairo calling for the younger Mubarak's nomination in next year's presidential elections. The campaign is being organized by the self-styled "Popular Support Coalition for Gamal Mubarak." "I took this move in light of the serious national issues to have emerged recently, such as sectarian strife and the formation of Mohamed ElBaradei's National Association for Change (NAC), which lacks a clear political agenda," said coalition coordinator Magdi el-Kordi. El-Kordi relinquished membership in the leftist Tagammu opposition party in order to launch the pro-Gamal campaign. "Our coalition currently boasts 4000 members," he said, noting that prominent businessmen and political figures were not encouraged to join. NDP general secretariat member Nabih el-Alkamani, however, played down the importance of the campaign, noting that "Only President Mubarak can choose the party's candidate for next year's elections.

Geo strategic front:

Egypt's President Hosni Mubarak not attending AU summit

President Mubarak cancelled several appointments last week Egyptian President Hosni Mubarak is not attending the African Union summit in the Ugandan capital, Kampala. State media said Mr Mubarak had delegated Prime Minister Ahmed Nazif. There has been speculation about the health of the 82-year-old leader, but officials say he is in good condition. Mr Mubarak has been absent from most AU meetings since 1995. However

media reports in both Egypt and Uganda had suggested he was expected to attend the Kampala summit. This had not been confirmed by Egyptian officials. On Thursday, the president addressed the nation on the eve of Egypt's annual Revolution Day, Over the last two decades the US has cut its economic aid to Egypt significantly, according to a report issued by the US Congress research unit, which notes that both states agreed in late 1990 to downsize aid within ten years.

Christian's law:

Christians wait for new personal status law

Recent hype surrounding Coptic divorce has brought back to the table the issue of a personal status law for Christians, with this month seeing the second draft for such a law submitted to the government. Controversy was stirred in May this year when a judge ruled in favor of the remarriage of a Coptic divorced man, against the will of the Coptic church. "The Egyptian court has penetrated a space which they shouldn't have entered," said Ashraf Edward, a Christian lawyer. According to Article II of the Egyptian Constitution, Islamic law is the source of Egyptian law. Before 1920 each religious group in Egypt organized their own personal affairs, however in 1920 the first Personal Status Law was enacted, which followed Islamic law. This was qualified by a legal regulation approved in 1938 to be used by judges when ruling on matters relating to personal status in Christian cases. The regulation was updated in 1955. However it was not supported by the Coptic church, who considered the drafters of the regulation to be secularists.

Egyptian Christians attend mass in Cairo in April 2010. The brief disappearance of a priest's wife ...

Iraq

Political front

Iraqi politicians say the two blocs that won the most votes in the March 7 parliamentary elections are edging closer to a deal to form a new government, RFE/RL's Radio Free Iraq reports. Husayn al-Asad, a member of Prime Minister Nuri al-Maliki's State of Law bloc, told RFE/RL that "a deal might be reached within the next few days" between State of Law and Al-Iraqiyah that "will end the political crisis caused by the failure to form a new government." He also insisted that an alliance between State of Law and the Iraqi National Alliance, the other big Shi'ite bloc, is still alive. Ali al-Adib, a leading State of Law politician, told RFE/RL that his bloc and Al-Iraqiyah had exchanged memos laying out their positions. He said they were considering a proposal for a National Strategic Policy Council comprising all major factions as well as executive agencies to serve as a decision-making body on long-term economic planning, national security, foreign policy, and national reconciliation.

Economic front:

Iraqi authorities say they are investigating whether two Iranian commercial banks that want to do business in Iraq are covered by UN Security Council sanctions, RFE/RL's Radio Free Iraq reports. Mudhhir Muhammad Salih, a member of the Iraqi Central Bank's advisory panel, told RFE/RL that the bank has approached the Foreign Ministry and the cabinet to check if the latest round of UN sanctions against Iran also target Iran's Karafarin and Parsian banks, as the two have applied for licenses to open branches in Iraq.

Lebanon

Political front

Security front

Lebanon said Saturday it was committed to building up its armed forces after complaints by Israel about Western assistance to the military following a deadly border clash between the two countries. Two Lebanese soldiers, a Lebanese journalist and a senior Israeli officer were killed in a rare cross-border skirmish on Tuesday, the worst such violence since a 2006 war between Israel and Iranian-backed Hezbollah guerrillas.

Detailed news

Egypt

Political front

Brotherhood gathers 100,000 signatures for ElBaradei's reform statement

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Pro-Gamal Mubarak campaign hits streets

Supporters of Gamal Mubarak, the 47-year-old son of President Hosni Mubarak and assistant secretary-general of the ruling National Democratic Party (NDP), have begun hanging posters throughout Cairo calling for the younger Mubarak's nomination in next year's presidential elections. The campaign is being organized by the self-styled "Popular Support Coalition for Gamal Mubarak." "I took this move in light of the serious national issues to have emerged recently, such as sectarian strife and the formation of Mohamed ElBaradei's National Association for Change (NAC), which lacks a clear political agenda," said coalition coordinator Magdi el-Kordi. El-Kordi relinquished membership in the leftist Tagammu opposition party in order to launch the pro-Gamal campaign. "Our coalition currently boasts 4000 members," he said, noting that prominent businessmen and political figures were not encouraged to join. NDP general secretariat member Nabih el-Alkamani, however, played down the importance of the campaign, noting that "Only President Mubarak can choose the party's candidate for next year's elections." NAC coordinator Hassan Nafea, for his part, warned that the pro-Mubarak campaign suggested the looming possibility of a father-to-son presidential succession. "The plot to bequeath power to the president's son has been launched," Nafea said.

Hosni Mubarak makes TV address in attempt to halt health rumours

Egyptian president appears gaunt and pale on national day after postponing several Hosni Mubarak, 82, been in power for 29 years and is now in his fifth six-year term, which ends next year. Hosni Mubarak looks in reasonably good shape for a man who the Middle Eastern rumour mill has repeatedly written off as more or less dead. The once beefy Egyptian president did appear rather gaunt and pale when he appeared on TV on Thursday, but he was, without doubt, alive. Exaggerated reports of Mubarak's demise feed on natural curiosity about the health of a man of 82 who also happens to be the leader of the most populous country in the Arab world – and one who, crucially, has no designated successor. Repeated statements in Cairo that all is well have had little or no effect. It is no secret that in March the president underwent gall bladder surgery in Germany. Russian television even ran a story stating he was dead. But speculation about his health intensified this week when he postponed several scheduled meetings: his TV address, to mark Egypt's national day, was designed to reassure. Alarming reports have appeared from many different directions. Last week Lebanon's *as-Safir* had him returning to Heidelberg for surgery. Days later the *Washington Times* – one of the most conservative of US papers – quoted western intelligence sources as saying they believed he was suffering from terminal cancer of the stomach and pancreas. Israeli media have been awash with analyses and conjecture about the likely political significance of Mubarak's death, triggering anger in Cairo. "Why have we begun following publications in news agencies and papers that give reports from Israel and who have close ties with it?" asked one pro-government columnist. Arabs have helped feed the frenzy, too. One unnamed Arab diplomat reportedly described Mubarak as "a walking corpse". Another anonymous source said he was "heavily drugged, particularly before he appears with visitors or in public". The Egyptian government – sluggish at the best of times – says it does not feel the need to respond to every report about the president's health. Still, unnamed sources were quoted in the official media as praising his health and vigour, and recalling that until very recently he was playing squash. "The president's intensive activity recently is the best answer to such news stories," snapped his official spokesman, Suleiman Awad. Critics retort that the rumour-mongering is hardly surprising in the face of what Arabist blogger Issandar Amrani called "a nearly total information vacuum".

The true state of Mubarak's health is taboo in Egypt. Two years ago an opposition newspaper editor was jailed when a dramatic headline about the president's absence prompted a stock market crash. The wider issue is that he has been in power for 29 years and is now in his fifth six-year term, which ends next year. Astonishingly, he has not yet announced whether he will run again. The other main contenders for the succession are his businessman son Gamal and Omar Suleiman, Egypt's intelligence chief, who shares a military background with Mubarak: air force commander until he became vice-president under Anwar Sadat. Mohammed ElBaradei, former head of the UN nuclear agency, is also in the frame. Ordinary Egyptians have fallen back on telling cynical jokes. One old favourite describes a meeting between the Angel Gabriel and the president. "I came to take you away from your people," the angel announces. Mubarak, in his famously earthy way, looks at the angel curiously, and asks him: "Really? Where are we going?" Another joke tells how an Egyptian lawyer has sued the government for hiding the news that Mubarak in fact died in 2004 – and that a body double working for his wife Suzanne and son Gamal has been playing him ever since.

Egypt's Mubarak gives speech to mark revolution

Egyptian President Hosni Mubarak, whose health is the subject of persistent rumours, gave a recorded speech on Thursday pledging to focus on economic growth and social justice. The 82-year-old ruler underwent surgery at a German hospital in March to remove his gallbladder and a benign growth and sparked renewed speculation on his health last week when he twice postponed a meeting with Israel's premier. Mubarak's speech was aired to commemorate the 1952 revolution that overthrew the country's monarchy.

"Economic growth and social justice summarise the many goals we aim for today, tomorrow and after tomorrow," Mubarak, who appeared in good health, said in the address broadcast by state television. The veteran ruler, president since 1981 after the assassination of Anwar Sadat, has not said whether he intends to stand in the next election in 2011. His government was forced to respond to reports in Arab and Israel media that his health was in rapid decline after he pushed back the meetings with Israeli Prime Minister Benjamin Netanyahu. He eventually met Netanyahu, Palestinian president Mahmud Abbas and a US envoy on Sunday and attended four military and police graduation ceremonies over the week. Mubarak allowed for the first multi-candidate presidential election in 2005, but constitutional hurdles and decades of rigid rule by the National Democratic Party make it likely that his successor will be decided by a backroom deal. He never appointed a vice president, the stepping stone to the presidency over the past six decades which saw just four presidents, the first serving under a year before he was forced out by his successor Gamal Abdel Nasser, who died in office.

Mubarak took over after president Sadat was gunned down by an assassin. His son Gamal, a 46-year-old former investment banker with a senior party position, is widely seen as the heir apparent.

Egypt: Mubarak in top form, aides 'out of breath'

Egyptian President Hosni Mubarak's office says the 82-year-old leader is in top form, dismissing reports his health has deteriorated. Mubarak underwent surgery in Germany in March to remove his gall bladder and a benign growth in the lining of his small intestine. That set off speculation about how long he will stay in office. Mubarak has ruled Egypt for three decades. He has no clear successor and has never appointed a vice president.

Presidential spokesman Suleiman Awwad on Wednesday dismissed media reports that Mubarak was terminally ill and would be returning to Germany. Mubarak has attended numerous diplomatic meetings and other official functions over the past week, and Awwad said his staff were "out of breath" trying to keep up.

Former IAEA inspector: Egypt's nuclear project doesn't need more delay

Ibrahim el-Eseiry, former IAEA inspector, speaks to Al-Masry Al-Youm about the selection of el-Dabaa as the site for Egypt's first nuclear power plant. Al-Masry Al-Youm: To start with, can you give us a brief overview of nuclear plants around the world and to what extent they are used for the generation of electricity? Ibrahim el-Eseiry: The latest study produced by the International Atomic Energy Agency (IAEA) in January reveals that there are around 436 active atomic energy stations, with 56 reactors under construction in 15 states. Another 26 countries are planning for an extra 143 reactors by 2030, with a capacity of 157,932 megawatts. The whole world is interested in nuclear power as an eco-friendly energy that doesn't produce harmful carbon emissions. The cost

of electricity generated by nuclear power is cheap when compared to that produced by traditional stations. Al-Masry: If that's the case, why is the Egyptian nuclear scheme proceeding so slowly?

El-Eseiry: To be honest, Egypt is proceeding according to calculated steps that conform with international standards. Specifications about the project will be available at the end of this year. We are currently awaiting a license from the National Council for Nuclear Safety and Radiation Control (NCNSRC) to establish the plant in el-Dabaa. The license will serve as an approval for the choice of location. The license is expected to be issued next August.

Al-Masry: Some believe that Egypt cancelled its original nuclear plan in the wake of the Chernobyl disaster, and that tourist and hotel projects were undertaken in the area instead?

El-Eseiry: That's a dishonest allegation, and the evidence is that in December of 1986--that was six months after the Chernobyl accident--the Egyptian Shura Council revised the nuclear program, forming a committee for that very purpose. Committee members included Farkhanda Hassan, as chairman, 20 parliamentarians, and intellectual figures, plus ministers and officials concerned with the project. The commission worked for six months, after which it recommended speeding up work on the project, which it conceived as an integrated program with national targets and scientific, developmental, political, and security significance.

Among recommendations was the establishment of a nuclear safety authority, which became a reality after 25 years, through founding the NCNSRC last March. We don't need more delays; we have to join efforts to implement this project.

The Chernobyl disaster took place under different circumstances, but Egyptians are unfortunately the only nation still terrified of the reactor, whose design was different from other plants in the world. The Chernobyl reactor was established for military purposes, and it did not have a concrete shield to contain radiations. Add to this the fact that the accident occurred due to an error by its technicians.

Ukraine now has 15 nuclear stations for electricity generation, plus three reactors under construction. Nuclear power there produces 47 percent of the country's electricity, and this has not affected tourism, as Ukraine comes eighth in the list of worldwide tourist attraction destinations.

Contrary to popular belief, nuclear power itself has become a tourist attraction. A new concept of "nuclear tourism" has evolved.

Two months ago, Czech Republic announced that its nuclear tourism has beaten usual tourism, as visitors are eager to tour reactors from inside and figure out how they operate. In France, which receives 80 million visitors annually, there are 58 reactors sharing with 80 percent of the country's electricity. Viewing the map of these reactors, one discovers that they are located in residential areas, and are situated on fresh water sources.

Al-Masry: Some suggest moving the project to another location, other than el-Dabaa...

El-Eseiry: Isn't it better that tourism projects move to other spots to do their activities? That would be easier than moving a nuclear station. The campaign against the project is unjustified, and serves as a cover for mistakes or personal interests.

Al-Masry: Is el-Dabaa so sacred that no alternative can be provided?

El-Eseiry: We are not treating el-Dabaa as a "holy" location. Let's talk numbers and calculate the size of the damage we will suffer if we do away with the location as a site.

The choice of el-Dabaa was the outcome of studies conducted in the eighties, costing huge sums of money. It was picked from among 23 sites that underwent similar studies in the North Coast, North Sinai, the Bay of Suez, the Red Sea, the Delta, and Lake Nasser. It is now categorized as among the best sites in the world for nuclear purposes. This ranking was given by the IAEA, not Egypt.

El-Dabaa has what it takes for a successful undertaking. It enjoys an infrastructure of roads, sewage, radiation measures and seismic measures. The location for the plant's refrigeration facilities have even been specified. When we renewed our studies of the site's potential several months ago, the results supported the early findings.

Looking for a new location will require three years, in addition to two years for finishing the licensing procedures. That's a total of five years of delay.

Economically speaking, to make studies on a site as suitable as el-Dabaa will cost US\$1.7 billion, which can mount later to US\$2 billion. That suggests that we can lose up to US\$8 billion. Add to this the huge expenses for installing utilities, services, and new roads to the new sites. Within those five years, we would also keep squandering oil and gas for the sake of electricity generation, and have to pay US\$5 billion for gasoline.

Another noteworthy point is the difficulty in foreseeing the conditions of manufacturing firms within those five years. Given the eagerness of world countries to establish nuclear reactors, such companies might be so busy that we are unable to contract with them. If we had built the nuclear stations 20 years ago, its cost would not have exceeded ten percent of its recent expense. I have to openly declare: even a one-year delay in carrying out the project will be a crime against the nation and future generations.

Al-Masry: Some businessmen fear that an accident might happen that could affect the whole area. Isn't this fear realistic?

El-Eseiry: Does the occurrence of an accident during the use of a certain technology mean that we cease to rely on it? Aircraft crashes have not prompted the world to stop using aeroplanes. Mining accidents kill scores of victims but are still operative.

It has been scientifically proven that the average radiation people are exposed to due to the activation of nuclear plants is ten times lower than what they are vulnerable to in ordinary environments, where the potential for accidents is nearly zero. But the question is, what to do when they take place.

Al-Masry: Ibrahim Kamel, a senior NDP member, is one of the investors operating near el-Dabaa. He believes the plant is merely an electricity generation station. Do you agree?

El-Eseiry: I completely disagree, for a number of reasons. To start with, we are in need of this technology for the future. If we fail to obtain it, we will fail to grasp any new technology that might surface. This project is a reason for national pride, and it will bring massive economic benefits. It will also secure indispensable resources like oil and natural gas for the next generations. The nuclear station contains civilian and technological facilities, besides valves, cables, pumps, tanks, pipes, and other things that serve the local industrial sector. This will help enlarge local contribution that will grow further with the expansion in new plants.

Al-Masry: There is a belief that the delay in adopting a political decision over el-Dabaa is the reason behind the problems facing the site currently. Do not you consider that a political decision choosing el-Dabaa will end the dispute?

El-Eseiry: I see no dispute; we are already working on a decision that was adopted in 1981, opting for el-Dabaa as a location for the plant for public benefit, and this decision is in force until now. Procedures for the project are being completed according to schedule with no obstacles. Not a single state official has demanded us to keep away from el-Dabaa.

Al-Masry: Is the Egyptian Atomic Energy Agency able to push that scheme forward?

El-Eseiry: Without wishing to sound harsh on ourselves, it's enough that we have lost efficient personnel over the last 30 years. We are not in the operation stage yet, we are still in the process of preparing the manpower. Missions have been sent for training in Russia, the US, Germany, France, and Korea. During the five years required for establishing the station, we will train the personnel who will work on construction and activation.

Al-Masry: Do you feel easy with the US position on Egypt's nuclear project?

El-Eseiry: I do not care for the Americans. What is important is that we are acting according to international regulations that guarantee transparency and confidence. Our nuclear plan is 100 percent peaceful, and is undertaken in collaboration with the IAEA, so why would the US stand against us?

In fact, Egypt signed three agreements during the eighties with France, the US, and Germany, according to which each of them will provide Egypt with two nuclear stations. We also engaged with the US in a nuclear collaboration deal that is still effective until now.

Al-Masry: What about the nuclear fuel cycle, would it not pose a problem for Egypt in the future?

El-Eseiry: Nuclear fuel is one of the requirements we take into consideration, and there is an action plan being drawn up to tackle the nuclear fuel cycle strategy. It is a blessing from God that uranium is one of the most plentiful ores on earth, but the decisive factor is the cost of extracting it. Future reactor technologies will not simply depend on uranium as a fuel, but will also rely on materials produced by "burning" uranium. The IAEA says it has a large reserve, and if Arab states integrate, they can become self-sufficient as far as uranium is concerned. The advantage in that case would be that uranium prices will be uniquely different from those of gas and oil, for even if they rise by 100 percent, electricity prices will see just a slight increase that will not affect consumers.

Al-Masry: Do you have an idea about the sources that can fund the project?

El-Eseiry: A scenario is being worked out to secure funding from different sources, such as state loans, local banks, and investment funds. There is a strategy for that purpose that we are still considering, which will be declared in time.

Al-Masry: What is the most fitting nuclear technology for Egypt, given that you have studied the CANDU reactors that operate with heavy water?

El-Eseiry: CANDU reactors are better since they do not require uranium or high enrichment technologies. The problem with heavy water is that its only exporter is Canada, and we have to take that in account. As for traditional reactors that operate with ordinary water, they demand complicated processes for enriching uranium, but can still be obtained from several sources.

Al-Masry: Does Iran intend to manufacture a nuclear bomb?

El-Eseiry: I worked for the IAEA from 1991 until 2009. During this period, i made inspection tours in many states, such as Japan, North and South Korea, Taiwan, China, Australia, Spain, Germany, Canada, the Netherlands, and Iraq. I never visited Iran, yet I believe that since it was a signatory of the NPT, it should seize this opportunity to seek peaceful nuclear capabilities. It is entitled to enrich uranium within the accepted limits stipulated by international treaty.

Interview with pro-Gamal Mubarak campaign leader

Supporters of Gamal Mubarak, the 47-year-old son of President Hosni Mubarak and assistant secretary-general of the ruling National Democratic Party, last week launched a poster campaign throughout Cairo calling for the younger Mubarak's nomination in next year's presidential elections. The campaign was organized by the self-styled "Popular Support Coalition for Gamal Mubarak." Coalition coordinator Magdi el-Kordi spoke to Al-Masry Al-Youm about the coalition's support for the younger Mubarak, foreign schemes to destabilize Egypt, and the coalition's makeup. Al-Masry Al-Youm: What's the point of forming the coalition?

Magdi el-Kurdi: Anyone who reviews what's currently happening in the political arena will notice more than one issue: for example Nubia, Darfur, frequent sectarian strife, Nile water and the crisis with Nile basin countries. All of these are crises reaching their peak in the year leading up to the presidential elections, in order to set a foreign agenda in Egypt. As founders of the coalition, we believe Gamal Mubarak is the one who will protect us from these foreign schemes.

Al-Masry: But why Gamal Mubarak specifically?

El-Kurdi: Gamal Mubarak is an Egyptian youth whose dream has been shattered. He wanted to found the "Future Party" before it was transformed into a non-governmental organization. After policy work for a long time within the National Democratic Party, he has enough experience, in addition to his extreme diplomacy. Despite the fierce attacks he endures on a daily basis, he hasn't got himself involved in any altercations or conflicts.

Al-Masry: Some people say Gamal Mubarak doesn't need popular support, since governmental support is enough.

El-Kurdi: Gamal Mubarak doesn't have any more chance than anyone else--for example Hamdeen Sabbahi, who can nominate himself for the upcoming presidential campaign. Gamal Mubarak is our choice and the one we will support in the elections, on the condition of Article 77 of the Constitution being amended.

Al-Masry: Who are the members of the coalition?

El-Kurdi: It's composed of 4000 members of the poorest people. When we came up with the idea three months ago, we visited villages where we asked the poor about their political opinions. We found the majority of Egyptians support Gamal Mubarak, based on the concept of "Who we know is better than who we don't know."

We do not extend membership to businessmen, members of parliament, or political elites.

Al-Masry: Banners hung in el-Darb el-Ahmar and Sayyeda Aisha districts seem to have been expensive for the coalition. What is the source of the funding?

El-Kurdi: The cost of the whole campaign didn't exceed LE50,000, including banners, and was mainly funded personally by coalition members. We refused some funding offers from MPs. The main part of the coalition's budget is funded by a friend named Ahmed el-Menshawi.

Al-Masry: Some people will accuse you of trying to get closer to Gamal Mubarak for personal gain. What do you think?

El-Kurdi: We know this pretty well. None of us will nominate himself for parliament. We will collect funding from coalition members only. Our support for Gamal Mubarak is because he's the only choice now on the political arena.

Personally, I have always rejected the inheritance of power idea, but the foreign scheme currently being played out in Egypt compels us to unite.

Al-Masry: But personal gains are not limited to parliamentary membership and financial funding only...

El-Kurdi: I have no comment. I know independent newspapers will not leave us alone. Whoever has the idea that we are benefitting from the campaign is encouraged to uncover this. We are citizens who care for this country's interests. Up until now, we haven't had contact with Gamal Mubarak.

Al-Masry: You were a member of the leftist Tagammu Party. Why did you leave the party?

El-Kurdi: I froze my membership. We are supporting a citizen whose name is Gamal Mohamed Hosni to hold office. He's an ordinary citizen who has visited poor people in villages. If there's anything preventing Gamal Mubarak from being informed about the problems of citizen, we must inform him of it.

Al-Masry: Hassan Nafaa considers your coalition to be supported by businessmen in the NDP who will benefit from Gamal Mubarak's presidential candidacy. What's your opinion?

El-Kurdi: To be realistic, we know this country suffers from corruption. The question is whether corruption is a result of President Mubarak's time in power, or whether it was inherited from the age of President Sadat?

I personally think Mubarak has delayed in countering corruption, because he was fighting religious extremism. Now I believe Gamal Mubarak will fight corruption.

Al-Masry: What's the source of your faith in Gamal Mubarak?

El-Kurdi: I read his statement, which said, "I am committed to fighting corruption," and this is evidence of his intention to eradicate it.

Opposition still undecided on elections

The Egyptian opposition coalition met Wednesday to discuss whether they will boycott October's parliamentary elections if the government does not provide legal guarantees for a free and fair vote.

Representatives from the liberal Wafd, the leftist Tagamu, the pan-Arab Nasserist, and the Democratic Front parties refrained from clearly suggesting that they will not field candidates to the parliamentary elections, a call put forward by reform movements such as that of former IAEA head Mohamed ElBaradei.

Instead, the four secular parties, widely thought of as lacking a strong grassroots base, compiled a list of conditions. If the conditions are not met by the government, each party will decide on its own whether or not to participate in the elections.

“The coalition parties decided that they will seek specific guarantees of transparent elections from the government. Should the government not provide these guarantees, each party will decide what to do,” said Mounir Fakhry Abdel Nour, the general secretary of the Wafd party, pointing out that boycotting remains an alternative if the government fails to respond to their demands.

These guarantees include that all stages of the elections process be monitored by the judiciary, added Abdel Nour. The parties also called for President Hosni Mubarak to amend the political participation law which currently provides the ruling National Democratic Party (NDP) with leverage for controlling political life.

According to Egypt’s constitution, the president can issue a law when the parliament is not in session.

Asked if the parties had initially negotiated these conditions with the government, Abdel Nour said, “No direct contact with the government has been established yet.” He added, however, that “the government can change the laws at any moment.”

Independent political analysts, however, ruled out that the opposition could challenge the NDP’s hegemony in any upcoming election. “The opposition at the moment is highly fragmented,” said Amr Hashem Rabea, an elections expert at Al-Ahram Center for Political and Strategic Studies. Rabea explained that each party has shown contradicting actions over the last couple of months. “Wafd, which is loitering on whether to join the coalition or not, had tried earlier to coordinate with the Muslim Brotherhood, while Tagamu and Nasserists are making deals with the government,” noted Rabea.

Many analysts warn that the NDP and some opposition parties might engage in a back door deal whereby candidates from these parties will be secured a few seats in the next 518-seat parliament in order to reduce the Muslim Brotherhood’s chances in the elections.

All three parties, with the exception of the Democratic Front, have already selected party members to represent them in the elections.

In the last parliamentary election, in 2005, the coalition was represented by eight members. The NDP won 311 seats, while the Muslim Brotherhood candidates, running as independents, won 88 seats.

Future faces

A poster war has erupted on Cairo's streets between the supporters of President Hosni Mubarak's younger son Gamal, and of ex-IAEA chief Mohamed El-Baradei, reports Gamal Essam El-Din

[Click to view caption](#)

A man sits outside a cafe as posters of Gamal Mubarak, are seen on the wall above in downtown Cairo

The face of Gamal Mubarak, the son of President Hosni Mubarak and chairman of the ruling National Democratic Party's (NDP) influential Policies Committee, has appeared on posters in the streets of central Cairo districts such as Gammaliya, Moski, Bab Al-She'riya, Sayeda Aisha and Qalaa, urging people to support a presidential bid in 2011. The posters, featuring a portrait of the 47-year-old and bearing the words "yes to Gamal Mubarak for president", are part of a campaign promoted by the Popular Coalition for the Support of Gamal Mubarak (PCSGM).

PCSGM's coordinator, Magdi El-Kordi, says "the campaign is an initiative from a group of young people who believe that 82-year-old President Hosni Mubarak should step down next year to make room for his son to stand in the presidential election".

"Our campaign is a direct response to ex-IAEA's chief Mohamed El-Baradei's attempt to collect signatures from citizens in support of amending the constitution to allow independents to run in presidential elections. We view the return of El-Baradei and the formation of the National Assembly for Change [NAC], which lacks a clear political agenda, as a serious development."

El-Kordi, 54, was a member of the leftist Tagammu Party until he was expelled for his support of Gamal Mubarak.

"I was deeply impressed by Gamal Mubarak's visits to slum areas in Cairo and Giza and to poor villages, and by his support of the middle and working classes to which I, and millions of other Egyptians belong," says El-Kordi. "So much so that I decided to start a movement that would advocate his candidacy for the post of president."

El-Kordi stresses that the campaign is not endorsed by Gamal Mubarak, who has not been contacted over the posters.

"I will not contact him until the coalition has rallied mass support for his nomination in next year's election."

El-Kordi claims that the poster campaign has encouraged 4,000 young Egyptians to join his movement in just two days.

The pro-Gamal campaign will not be confined to street posters but will extend to cyberspace.

"We hope that when we take this campaign to popular websites like Facebook we will generate even more support. We also plan to tour a number of governorates to promote Gamal Mubarak," says El-Kordi.

Alieddin Hilal, NDP secretary for media affairs, confirms that party officials have nothing to do with the campaign.

"It is an initiative by a group of youth and does not represent the NDP's official position on fielding a presidential candidate," Hilal said.

Moufid Shehab, minister of state for legal and parliamentary affairs and the NDP's assistant secretary-general insists that "the ruling NDP will name its official presidential candidate three months before the election, in July 2011". The candidate must be chosen from the NDP's Higher Council, which has 45 members.

"President Mubarak is the NDP's preferred choice for president in 2011 and no NDP member is authorised to announce that he will be standing in the elections until President Hosni Mubarak gives his final say about the issue," says NDP Secretary-General Safwat El-Sherif.

President Mubarak, El-Sherif continued, countering stories in the Western and Israeli press alleging that Mubarak is ill, is in excellent health and completely able to serve another six-year term.

Opposition forces have been provoked by the pro-Gamal poster campaign. The official website of the outlawed Muslim Brotherhood said it believes that "senior NDP officials stand behind the campaign".

"There is a conflict between the NDP's old guard, who are associates of President Mubarak and want him to stay so they retain their own positions, and the NDP's younger generation who want to see Gamal Mubarak as president of Egypt as soon as possible," said ikhwanweb.

The Muslim Brotherhood and the El-Baradei-led NAC are cooperating over an online petition calling for political reform and constitutional amendments. Ikhwanweb claims that it has collected 252,000 signatures for the petition, while the NAC's website says it has more than 450,000 signatures in support of El-Baradei's political reform manifesto.

Not to be outdone by the NAC, which is seeking one million signatures in support of El-Baradei's campaign, the PCSGM says it is aiming at winning the support of five million citizens for a Gamal Mubarak presidential bid.

The NAC and other political dissent movements, including the 6 April Youth Movement, have plastered streets in Cairo and Alexandria with posters of El-Baradei.

An NDP source said "we are closely following what is called the one-million signatures campaign."

"This figure," said the source, "represents just 1.4 per cent of Egypt's population of 84 million, and most of the signatures, especially those collected via the Internet, are false."

Ghad Party leader Ayman Nour says the poster campaign is yet more evidence that describing Gamal Mubarak to being groomed to inherit power from his father.

Nour, a potential presidential candidate in 2011, says he asked several shop owners in Gammaliya district about the pro-Gamal posters only to be told they had been put up by Cairo City Council employees.

"They told me they were compelled to display the posters to avoid harassment from local officials," Nour told the "Change through Political Parties" conference on 29 July. Nour announced that his party will launch its own poster campaign, which will raise slogans like "Egypt is too big for you, Gamal Mubarak" and "No to Gamal Mubarak".

Political analysts were divided over the pro-Gamal poster campaign.

Mustafa Elwi, appointed NDP member of the Shura Council and a Cairo University Political Science professor, wondered "why supporters of Gamal Mubarak should be denied the right of putting up posters while the supporters of El-Baradei or Nour are allowed to do so," while stressing that the party has nothing to do with the campaign.

NAC coordinator Hassan Nafaa thinks the pro-Gamal campaign could be aimed at gauging Gamal Mubarak's popularity or perhaps "a prelude to something being cooked up by businessmen close to Gamal Mubarak in the NDP who want to see him as Egypt's pro-business president as soon as possible".

Moving on

In response to a question about his political future on 2 August, Gamal Mubarak, the 47-year-old younger son of President Hosni Mubarak, said on Tuesday that he already has a full time job within the ruling party's ranks, reports Gamal Essam El-Din.

"I am the chairman of the ruling National Democratic Party's [NDP] Policies Committee and my job in this committee is to help formulate and crystallise national policies in collaboration with the government," he told a meeting of NDP young leaders at Helwan University on Tuesday.

The answer was an indirect response to ongoing speculation that he is using his position in the party to prepare for a presidential bid.

Mubarak has not officially announced his candidacy in the upcoming presidential election, scheduled in September 2011, and President Hosni Mubarak has denied on several occasions that his son is being groomed to take over.

Alieddin Hilal, the NDP's Secretary for Media Affairs, told the meeting that "the NDP has nothing to do with the so-called pro-Gamal poster campaign".

"The party is focussed on preparing for parliamentary elections," said Hilal. "Press reports that have appeared about the poster campaign are entirely unfounded. The campaign is the initiative of some young political activists. There is no party involvement."

The NDP, Gamal Mubarak continued, is now engaged in drafting its manifesto for parliamentary elections and will announce its platform during the party's annual conference in October.

"We face many challenges on this front. We propose increasing the number of voting and polling stations so that smaller numbers are registered at each. This will mean voting will be much more transparent and easier for judges to monitor."

The party, he said, will endeavour to ensure it field candidates whose integrity and good reputation translates into votes. "The party's record of political and economic achievement will also help maintain its majority in the People's Assembly," he added.

Following a wave of scandals involving MPs, senior party officials recently announced that the performance of deputies from the outgoing 2005-2010 parliament is being reviewed and the party would refuse to field candidates who did not enjoy the full confidence of the public. Reform across a host of sectors would be a central plank of the NDP's manifesto, said Mubarak, who last week met with writers as part of the party's preparations for a paper on cultural issues.

"Cultural issues should be a part of the NDP's reform programme. We will never be able to achieve integrated development without upgrading the existing culture," Gamal Mubarak said, arguing that the party's reform agenda, encapsulated in the slogan "a new way of thinking" adopted in 2002, had energised political life in Egypt.

"It is this agenda that opened the way to the political dynamism that has swept the country in the last few years as unprecedented freedom of expression was allowed to grow," he said.

"The next few months will see a clash of ideas among major political forces on the issue of the reform and the future of the country, which is only natural given how difficult it is to build a consensus on political issues."

The younger Mubarak also argued that the amendment of Article 76 of the constitution in 2005, and the amendment of 34 articles in 2007, opened the horizons of political reform in Egypt.

"These amendments put an end to the single candidate referendum, encouraging many politicians to stand in presidential elections," said Mubarak.

He insists that the NDP-supported government is doing everything possible to uproot corruption.

"Several organisations and agencies are entrusted with fighting corruption at all levels. The party has no problem with any senior official, once implicated in corruption, being referred to court for trial."

Mubarak also defended the NDP's record on the sensitive issue of human rights, saying the credit for establishing the National Council for Human Rights (NCHR) should go to the party.

"There is no question that the NCHR, together with recent laws passed by parliament, represents a big step towards guaranteeing the respect of human rights in Egypt," said Mubarak. He staunchly defended the government's privatisation policies.

"It is true that some companies that were privatised are suffering problems but on the whole the financial performance of privatised companies has improved and this is reflected in increased levels of productivity and in the incomes of employees."

That the Egyptian economy has grown enormously, with steady advances in GDP, means that reliance on US economic assistance has decreased to the point where it is now a modest component of the national economy, he said.

On foreign issues, Mubarak argued that Egypt's regional role may have changed, but it is not in retreat.

"To those who allege that Egypt's role in the Arab world and Middle East has suffered a setback, I would point out that there is no point whatsoever in comparisons with the 1960s. International and regional developments have moved on in the last four decades, and so has Egypt."

Geo strategic front:

Egypt's President Hosni Mubarak not attending AU summit

President Mubarak cancelled several appointments last week Egyptian President Hosni Mubarak is not attending the African Union summit in the Ugandan capital, Kampala. State media said Mr Mubarak had delegated Prime Minister Ahmed Nazif. There has been speculation about the health of the 82-year-old leader, but officials say he is in good condition. Mr Mubarak has been absent from most AU meetings since 1995. However media reports in both Egypt and Uganda had suggested he was expected to attend the Kampala summit. This had not been confirmed by Egyptian officials. On Thursday, the president addressed the nation on the eve of Egypt's annual Revolution Day, commemorating the anniversary of the military coup that toppled the monarchy in 1952. The BBC's Jon Leyne in Cairo said Mr Mubarak appeared healthy but thinner than usual, and spoke standing up for more than 10 minutes. Mr Mubarak had gall bladder surgery in Germany in March. Concerns about his health resurfaced when a series of meetings was postponed last week. But Mr Mubarak has since followed a busy schedule, attending public events almost daily. Correspondents say Mr Mubarak's health is a taboo topic in Egypt and a cause of political and economic uncertainty, because he has no obvious successor. Mr Mubarak has been in power for 29 years and his fifth six-year term ends in 2011. However, he has not made it clear whether he intends to stand in the elections.

A murky business: Diving chamber accused of corruption

Hurghada--A simmering row between diving centers and the diving industry's national regulator is muddying the waters of Egypt's LE15 billion diving industry. The accusations started flying last year when a number of local diving center owners accused the board of the Chamber of Diving and Water Sports (CDWS) of mismanagement and corruption. CDWS board members, for their part, say the charges were issued by disgruntled individuals after their dive centers were blacklisted by the chamber.

"This dispute is really getting ugly," said a Hurghada-based divemaster. "Each side knows the other's dirty laundry and it's all being made public."

The CDWS, a regulatory organization formed in 2007 under the umbrella of the Egyptian Tourism Federation, was ostensibly created to regulate all diving and recreational water activities in Egyptian coastal waters. In effect, it supervises some 450 member diving centers and safari boat operators to ensure that they meet the minimum equipment, maintenance and service levels for safe operation.

Diving centers and safari boat operators that pass a CDWS audit, and pay registration fees, are granted ISO certification and membership in the chamber--a prerequisite for receiving an operating license from the Ministry of Tourism. Those that fail are placed on the chamber's blacklist and are subject to having their operating licenses refused or revoked.

The auditing process is a controversial one. Some diving center operators claim it is a smokescreen to disguise a biased and opaque licensing process. They charge that dodgy operators "who play ball" are granted licenses, while decent operators--particularly competitors of CDWS board members' own business interests--are blacklisted for minor infractions and forced out of business.

It all boils down to money, says a Facebook group called "Say no to the CDWS."

"[The CDWS is run by] opportunists who have no qualms about putting ill-gotten money into their pockets, and hurting their competitors. Some of these parasites continue to run their private businesses, using their positions in the CDWS to their advantage and [to] the disadvantage of competitors, while being paid a huge salary by the CDWS," the group said in a statement.

The first CDWS board election in November 2008 named Hisham Gabr, owner of Camel Dive Club in Sharm El-Sheikh, as chairman. The board members, elected for three year terms, have--according to one angry diving center owner--colluded to consolidate their control over the lucrative industry.

"The chamber is being run by a gang of thieves," charges Ashraf Sabry, owner of Alexandria Dive, an Alexandria-based diving center on the CDWS blacklist. "The problem is that these thieves are backed by the minister of tourism."

According to Sabry, the CDWS is facing dozens of lawsuits from wrongfully blacklisted dive centers, and its board is currently under investigation for corruption. He also claims to have documents that prove the chamber paid police and coast guard officials to act as its enforcers.

“These people are using our money to buy authority that has the power to stop [dive boats] and diving centers from working,” Sabry told Al-Masry Al-Youm. “Two hundred diving centers and 1,800 diving instructors are out of work because of this illegitimate chamber. Each diving center is worth between LE3 million and LE200 million, so you’re talking about billions of pounds lost because of this corruption.”

Zeyad El-Bassel, a CDWS board member and head of the Technical Committee, refutes the charges. He says the chamber was formed to end two decades of diving industry self-regulation that allowed anyone with a couple of cylinders and a dubiously acquired divemaster certificate to open a diving center.

“Before the CDWS... there were no rules and regulations for diving centers--you could have old equipment, poor maintenance and improper premises and still get [an operating] license,” he recalled.

CDWS discovered that the fragmentation of the diving industry had caused a notable deterioration in quality and had served to skew prices, he explained. In response, the chamber established equipment and operating requirements for all diving centers and liveaboards “that were clear and in black and white,” and which aimed at removing the deadwood.

“To compete in this industry you must have your own kitchen,” El-Bassel asserted. “If you cannot afford to have 60 tanks and a filling station with a capacity of 250 liters per minute, you will not have enough [capital] to run your operation and hire proper guides or instructors. All you’ll do is try to find out how much [competitors are] selling for and attempt to [undercut] them... to steal their customers.”

Some business owners say the equipment requirements have unfairly forced the closure of small, specialized diving centers and even a center for recreational freediving, an activity that does not require any scuba equipment.

“According to [CDWS], we are a dive center and need a dive license, with... 60 tanks, a compressor, scuba diving equipment and whatnot,” said Linda Paganelli, co-founder of Freedive Dahab. “Problem is, I would even be willing to do that, but it’s impossible since they stopped issuing diving licenses in 2008 because there are too many diving centers in Dahab.”

CDWS also adopted a new international quality standard for service provision. Dive centers and liveaboards were given until the end of 2008 to comply with the EN 14467/ISO 24803 standard.

“We had to assure that dive professionals were qualified,” said El-Bassel. “The pilot has to fly the airplane--you cannot have the stewardesses flying the plane.”

He estimates that 40 percent of diving centers and liveboards were already meeting the equipment and service standards, others just needed a gentle push, while a small but vocal minority resented the additional investment required. In total, he says only 50 dive centers were blacklisted and 15 were shut.

El-Bassel dismisses allegations that the CDWS board is squandering membership dues on extravagant PR campaigns or buying off officials by offering them first-class air tickets.

“We’ve invited a lot of officials and media people to come and see what we’re doing,” he said. “If we invite them, we pay for their ticket... as any other business organization would.”

Like any new entity, the CDWS has suffered teething pains. Irreconcilable differences between board members over the direction and policies of the chamber have led to a series of stormy meetings and several resignations.

“I disagreed with how things were being run, but corruption? I doubt it,” said one former CDWS board member. “These charges are coming from smaller dive operations who know that if they have to meet the chamber’s equipment and safety standards it will cost a lot and they’ll no longer be able to offer the cheapest prices.”

Holder To Meet Mubarak In Egypt

United States Attorney-General Eric Holder will arrive in Cairo on Monday on a two-day official visit during which he is expected to meet Egyptian President Hosni Mubarak and several Ministers to discuss efforts to promote peace, development and justice, as well as cooperation on fighting terrorism.

The meetings will discuss political developments in the country mainly with those responsible for the electoral process such as police, judiciary and representatives of legislative bodies.

On Tuesday, Holder is due to meet with Public Prosecutor Abdel Meguid Mahmoud, Interior Minister Habib al-Adly, Justice Minister Mamdouh Marei and Minister of Legislative and Parliamentary Affairs Mufid Shehab in Cairo.

And on Wednesday, he will host a roundtable discussion with regional reporters at the U.S. Embassy in Cairo.

Visit of the top U.S. Department of Justice (DoJ) official responsible for agencies that include the FBI and the Drug Enforcement Agency, comes a few months ahead of the Parliamentary and Presidential elections in Egypt, slated for the next year.

Washington has not stopped commenting on the internal affairs of Egypt since 2005 when the last Presidential election was held.

Egyptian newspapers expect Holder to raise the issue of blogger Khaled Said's death that caused a lot of anger and uproar in the Egyptian streets.

The 28-year-old businessman was murdered last month in Alexandria by two police agents.

Earlier on Sunday, Holder arrived in Uganda to attend the 15th African Union Summit in Kampala and met with several African leaders.

His visit to Uganda came just two weeks after twin bomb blasts in Kampala that killed 74 people.

Addressing the summit he said President Barack Obama recognized the "growing importance of the African Union; he understands that a stronger Africa means a stronger America."

The top DoJ official said the U.S. President appreciated the work that the African Union leaders were doing to strengthen political and economic cooperation across this continent.

The United States also recognizes that ending the threat of al-Shabaab to the world will take more than just law enforcement, he said referring to the militant Somali Islamist group al-Shabaab, which claimed responsibility for the July 11 incident, adding, that is why Washington is working closely with the AU to support the African Union's Mission in Somalia.

Holder said the United States applauded the heroic contributions that were being made on a daily basis by Ugandan and Burundian troops, and pledged to maintain U.S. support for the AU and the AU Mission in Somalia.

The trip to Africa marks Holder's second visit overseas in recent months. On June 30, Holder flew to Afghanistan, where he met with top officials and sized up the country's justice system.

US economic aid to Egypt declines

Over the last two decades the US has cut its economic aid to Egypt significantly, according to a report issued by the US Congress research unit, which notes that both states agreed in late 1990 to downsize aid within ten years.

According to the report, economic aid dropped from US\$815 million in 1998 to US\$411 million in 2008, and is expected to amount to just US\$250 million next year.

The report reveals that officials on both sides expressed their desire to remove Egypt from the list of economic aid recipients upon expiry of the ten-year deadline, and their intention to boost trade between the two countries.

The two states have not yet agreed on exactly how to downsize aid over the next ten years, says the report, although Cairo is keen to establish an endowment body to manage the funding of development projects. Analysts quoted in the report say such a move would protect the aid against any conditions imposed by Congress.

Electricity Minister calls for rethinking energy subsidies

Electricity Minister Hassan Younis on Sunday declared that the government should "reconsider" its current policy of subsidizing energy.

"People often use more than one air conditioner in their homes," he said, noting that 98 percent of Egyptian citizens benefited from state energy subsidies.

Commenting on the electricity blackout that struck seven different cities throughout Egypt over the weekend, Younis said that such power cuts were prone to happen all over the world.

"Hospitals and other strategic buildings must be equipped with their own power generators by law," he said. "And if we could reduce consumption for two hours a day, we wouldn't experience these kinds of outages."

Replying to a question as to why street lamps were kept lit until early morning, the minister explained that responsibility for this laid with municipal councils and the Ministry of Transportation. "We only provide them with technical assistance," he said.

Meanwhile, according to a report issued by the cabinet's Information and Decision Support Center, the amount of electricity produced in June exceeded domestic consumption levels, with 12 million kilowatts being produced while only 10 million kilowatts were consumed.

Govt to address unfair price increases during Ramadan

The Egyptian government will use all tools to expose traders who unjustifiably raise their prices during Ramadan, said Mohamed Abu Shadi, head of the internal trade sector at the Ministry of Trade.

Stores of commodities are sufficient to satisfy local need for more than three months, said Abu Shadi. He added that these stores are monitored daily.

Abu Shadi further added that the Ministry of Trade will solicit the help of the Consumer Protection Agency, commerce chambers, control authorities, and other bodies to control prices.

According to Abu Shadi, the Ministry of Trade has coordinated efforts with commerce chambers to form markets to sell commodities at low prices during Ramadan. They are also examining the possibility of announcing the working hours of bakeries that make subsidized bread.

Ragab el-Attar, a member of the board of directors of the Cairo Commerce Chamber, said the prices of Ramadan yameesh—a variety of nuts and other products imported mainly from Syria—have decreased an average of 5 percent from last year.

Abdel Aziz el-Sayyed, head of the poultry sector at the chamber, said the price of poultry is likely to reach a new high this year due to an increase in the price of chicks and eggs.

Abu Shadi said that his ministry has given strict instructions to speed up the distribution of imported products in Egypt in order to combat attempts by traders to unfairly raise the prices of poultry and red meat.

Egypt, Turkey presidents discuss Middle East peace progress

The presidents of Egypt and Turkey met on Wednesday in Cairo to discuss the progress of the international efforts to bring Israel and Palestinian leaders back into negotiations.

Turkish President Abdullah Gül arrived on Tuesday night at Cairo to pay a working visit upon invitation of Egyptian President Hosni Mubarak. Turkey and Egypt get together twice a year to conduct consultations on bilateral issues.

During the meeting, Mubarak remarked Egyptian efforts to impulse the peace process as well as the Hamas and Israel negotiations to achieve an enduring peace in Palestine.

Prior to the meeting with Egypt's leader, Gül was joined by Ahmed Nazif, the Egyptian Prime Minister in order to attend the graduation ceremony at the Egyptian Military Academy. The Turkish president was the first head of state to be invited to this ceremony.

Gül and Nazif also presented some of the graduated students their medals. Following the ceremony, Gül attended the luncheon given by Mubarak on the occasion of the graduation ceremony.

After meeting with the President of the Arab republic, Gül traveled back to Istanbul on Wednesday night.

Same old story

Two months ahead of parliamentary polls and the debate in Washington over political reform and human rights in Egypt is heating up, reports Mohamed Abdel-Baky

Last week the United States Senate saw a bill proposed based on a Congress resolution which calls for widening democracy in Egypt, and abolishing the emergency law.

The bill calls on the US secretary of state to "make human rights and democratic reform in Egypt a top priority in the ongoing relationship and dialogue between the US and the Egyptian government".

The bill also calls upon the US government to allocate more funds to observers monitoring parliamentary elections scheduled in October. And funds coming to Egyptian civil society from the US should no longer be subject to the approval of the Egyptian government, the bill said.

Debate over the draft ended with it being referred to the Foreign Relations committee for further discussion.

"This bill has a good chance to get a big number of votes," a leading US politician told Al-Ahram Weekly, who predicted it would gain approval by September for three reasons.

First, the bill was introduced by both Democrat and Republican senators.

Senator Russell Feingold, Democrat, and Senator John McCain, Republican, were the main sponsors, and it was co-sponsored by Democrat senators Robert Casey, Christopher Dodd, Richard Durbin and Edward Kaufman.

It also uses soft language in addressing Egyptian government policy towards human rights and democratic reform, and is a non-binding resolution, making it less likely that the administration will object to it being passed.

Last month Senator Robert Casey visited Cairo, where parliamentary elections and human rights topped his agenda in talks with Egyptian officials.

"Egypt will face two important sets of elections this year and the following one. I hope that this process will reflect the democratic will of the Egyptian people and should be conducted in a free and transparent manner," Senator Casey said after his visit.

Bahieddin Hassan, director of the Cairo Centre for Human Rights, told the Weekly that if the bill gains approval it will heat the debate in Washington on elections in Egypt.

He added that although the resolution makes no big demands and is non-binding, it would carry a degree of moral force and might encourage the US government to yield to pressure from the media and civil society.

Moufid Shehab, minister of state for legal and parliamentary affairs, said in a conference last week that Egypt has made tangible progress in protecting the human rights. It had amended laws and signed international agreements to protect human rights and stood firmly against any human rights violations.

"Khaled Said's case is a perfect example. We do not protect anyone who violates the human rights of any Egyptian citizen. Now there are two policemen on trial because they might have made mistakes that caused the death of Said," he said.

Shehab also asserted that the large number of sit-ins that, "we see every day in Egypt is an example of the democratic atmosphere Egyptians enjoy."

The Congress bill comes amid growing debate within Washington's civil society over US policy to Egypt, lent impetus by The Working Group on Egypt, an association of former senior officials that focuses on US policy towards Egypt in the coming two years.

The group sent a letter to Secretary of State Hillary Clinton in April urging her to "discuss with the Egyptian government US hopes that Egypt will hold genuinely competitive elections". The letter asked the US government to allocate adequate funds to directly support domestic and international monitors. The letter was published in many American papers along with op-eds supporting its proposals.

"The Egyptian government does not care about these debates in Washington, they know how to deal with them," says Wahid Abdel-Meguid, an expert at Al-Ahram Centre for Political and Strategic Studies.

He added that he does not think the US government will pressure Egypt over the upcoming elections as both Washington and Cairo are distracted by pressing regional security issues.

Economic front

Watan Hurr to protest price increases Monday

The Watan Hurr (Free Country) popular movement will stage protests over price increases on food next Monday in front of the People's Assembly in Cairo and the Chamber of Commerce in Alexandria.

They will be joined by other opposition movements like Kefaya, 6th April, and The Youth for Justice and Development. Protesters will gather under the motto "We are Hungry" and carry spoons and empty dishes.

Essam el-Sherif, spokesperson for Watan Hurr, stated that the protest is the last of a series of demonstrations staged by the movement in other Cairo and Giza districts.

Meanwhile, the coordinator for Kefaya, Abdel Halim Qandil, attributed his group's participation to their rejection of current social and economic conditions.

Migrants' remittances: Between expenditure and investment

Uses of Remittances	Frequency	Percentage
General household expenses	144	34.8%
Education	64	15.5%
Health care	49	11.8%
Savings	40	9.7%
Family expenses	34	8.2%
Food	23	5.6%
Utilities	16	3.9%
Property investment	16	3.9%
Personal items	6	1.4%
Capital investment	6	1.4%
Emergencies	5	1.2%
Rent	3	0.7%
To finance a marriage	3	0.7%

Photographed by other

A study on remittances and investment opportunities for Egyptian migrants was released in mid-July by the International Organization for Migration (IOM) in cooperation with the Egyptian Ministry of Manpower and Migration (MMM), the Center for Migration and Refugee Studies (CMRS) at the American University in Cairo, and the Italian Cooperation for Development.

The study looks at the importance of remittances to the Egyptian economy, which is a net exporter of labor and a major recipient of cash from abroad. It also examines links between remittances and investment.

“Remittances have received a lot of attention in the past years because they are the most tangible contribution of migrants to the development of their country. In our studies we also wanted to draw attention to other contributions such as circulation of skills, human capital and social networks that are often neglected, but are very important, for instance, for setting up small and medium businesses,” said Roberto Pitea, IOM’s regional research officer.

At the beginning of 2009 Egypt ranked as the seventh largest receiving country, with an estimated cash inflow of US\$7.8 billion. According to the study, remittances represented 5.8 percent of Egypt's GDP in 2008.

However the global financial crisis has seen remittances decline by about ten percent annually, and in Egypt there was a sharp drop of approximately 17.8 percent between the end of 2009 and the same point in 2008, according to the World Bank. While a decline

had been anticipated, the percentage was considered high. "Such a large drop can be expected due to major labor redundancies following the economic crises in host countries," said Mohamed Saleh, an economic researcher at the University of Southern California.

"What happened in 2008 was normal economic behavior for those who are working abroad and sending money to their home countries. The crisis affects the worker's job security and supporting those at home becomes more difficult," he added.

However, remittances are expected to pick up gradually as employment picks up, although the labor market always lags behind in the recovery from economic crises. This phenomenon can be observed in the Gulf markets which are recovering faster than their western counterparts. **Who sends the money?** In addition to a thorough review of the relevant regulations and policies which govern investment, the IOM conducted an empirical survey of 200 remittance-receiving households in Cairo, Menufeya, Fayoum and Sharkeya.

The study found that Egyptian migration is essentially a male phenomenon, with men representing 91 percent of the senders in the households surveyed. Migrants are between 15 and 70 years but the median age is 35. Correspondingly, the study revealed the vast majority of recipients (70 percent) are female.

The education levels of migrants are generally high, 59 percent of migrants have completed university degrees, compared with only ten percent of the general population.

Eighty one percent of migrants work in the Arab Gulf countries, mostly in Saudi Arabia, with the next largest population working in the United Arab Emirates. **Where do remittances go?** The research team found that the amounts received ranged from LE110 to LE15,000 per month with a median amount of LE1500. However, there are significant differences between governorates, with households in Cairo reporting a median income of LE3000, while in Fayoum, the amount is only LE600. This is consistent with lower levels of education in the profiles of the migrants from this area and their inability to command such high salaries.

While only one per cent of respondents cited investment as a reason for leaving the country, 20 percent of households actually channel remittances towards savings. Half of those who were saving invested in real estate with about the same number preferring small and medium enterprises (SMEs), stock markets and agriculture.

Reported reasons for households not to invest included lack of access to credit, a perceived high risk in investing in Egypt and a lack of information about investment opportunities. Government policy, including high taxation, extensive bureaucracy and corruption were also cited as reasons not to invest.

Most recipients however use the income to meet the daily needs of their families, including healthcare and education. Pitea points to the fact that this shows remittances

play a vital party in poverty alleviation and investment in human capital in Egyptian society. **Ways forward:** The study recommended some steps to promote more direct remittance-based investments. “It would be useful to establish specific programs in different governorates to provide business and investment advice to migrant families and the migrants themselves,” said Pitea.

This could be done by simply devising a migrant-specific outreach strategy for existing initiatives such as the micro-credit program administered by the Social Fund for Development or the one-stop shop put in place by the General Authority for Investment and Free Zones.

The report also advised setting up an information desk at Cairo International Airport that can provide information to homecoming Egyptians, a high impact strategy if done in tandem with important stakeholders.

Since the majority of recipients and investment decision makers are females, Pitea advised looking into gender-responsive and family-specific programs that could be developed to educate and assist women in budgeting and investment, through improving their levels of financial literacy and building their capacities to manage investment.

New pensions law: The hollow promise of a 'happy retirement'

On 13 June, one year after the government introduced a new insurance and pension law, parliament ratified the final draft.

The government has allocated LE213.2 billion of the 2010/2011 state budget for social spending, a 29-percent increase compared to the previous fiscal year.

Finance Minister Youssef Boutros-Ghali said that social welfare represents "a fundamental pillar of Egypt's financial policy," and government officials call the new legislation the key to a "new era" of social solidarity.

But even before the law's inception, there has been criticism that it is less tuned to social needs and more directed toward investment ends.

Defending the new law's omission of the word "social," Boutros-Ghali said, “not mentioning the word ‘social’ in the law’s title doesn't mean the government has ignored the principle of solidarity.” He went on to assure MPs that the new law will do more for social solidarity than the existing one, and promised benefits to those currently receiving meager pensions and salaries.

The government's allocation for 2010/2011 social spending includes education, consumption subsidies, energy, electricity, low-income housing, and health insurance; an estimated LE29.957 billion of the total amount will go to supporting the pension and social insurance system.

Further, for the first time, Egyptian law permits the National Organization for Social Insurance (NOSI), the entity that allocates social services like health, disability and aging insurance to citizens, to directly invest 46 percent of its funds without any bank mediation. This change is designed to allow the organization to create diverse long-term investments of varying asset classes, including real estate, businesses and securities.

The relationship between NOSI and the state-owned National Investment Bank (NIB) appears to be ending. The new law does not provide a role for the NIB, which used to be responsible for investing social insurance funds. Instead the law establishes a direct relationship between the treasury--the new controller of the insurance funds--and its own investments. In other words, the government will invest directly in pension funds as opposed to doing so through the NIB.

Despite the new law's advantages as promoted by the government and advocates, opponents describe it as hastily prepared, and objected to its ratification by the People's Assembly three weeks ago.

Responding to criticism, Assistant Finance Minister Mohamed Moeet insisted the new law has been carefully drafted and revised on all levels. "The law has been discussed and technically revised through a dialogue over the past three years with civil society organizations, political parties, associations and universities," he said.

El-Badry Farghaly, head of the Retirees Union, believes however that the new law carries insufficient social provisions, calling it an investment law, not a social one: "[For citizens], the new system will be just like seeking out private life insurance companies."

Farghaly also warned that the law will seize pensioners' money--roughly LE435 billion, or the equivalent of 35 years of savings--and re-channel it to the public treasury in order for the government to pay off its growing debt. "We as retirees will lose all our wealth, after which we will then own nothing."

According to the old law, the government had no direct authority managing such money. However, once it becomes a figure in the public treasury, the government will have authority to allocate it at will.

According to the Central Bank of Egypt's most recent monthly report, the total internal debt of the country stands at LE863.3 billion, while external debt has reached US\$33.3 billion (LE184.8 billion). The government is desperately looking for sources to offset this deficit. Some say the new law can help reduce debt by up to LE435 billion.

The Egyptian Union of Insurance Companies has also expressed concern regarding the law, which it presented in an official document to the ministers of finance and investment. The union fears the new law will negatively affect insurance companies by cutting into their business, as the law will most likely reduce demand for private life insurance companies because it obligates individuals to apply to the state social insurance system.

Pre- and post-retirement: Government officials say they expect the new legislation to bolster savings and improve post-retirement living standards, stressing that the law aims to narrow the existing gap between pre- and post-retirement salaries. Public-sector retirees currently earn monthly pensions that average LE50 less than their pre-retirement salaries. In the private sector, that average difference is LE450.

Private-sector companies are known for providing workers with insurance far below their actual salaries in order to reduce costs--a practice that often produces misleading financial indicators as well as serious problems for an economy moving towards dependence on the private sector for economic development.

The new law criminalizes such behavior, with penalties ranging from a one-year prison sentences to fines as high as LE50,000 depending on the number of workers at the company in question. The current law stipulates a fine of LE1 per uninsured worker for similar violations.

A number of business and professional associations submitted proposals for modifications to the Minister of Finance which were not incorporated into the ratified law. Among those organizations were the Egyptian Businessmen's Association (EBA), the Egyptian Hotels Association (EHA), and the Egyptian Junior Business Association (EJB), all of whom rejected the clause stipulating prison terms for company owners who violate the new law.

Ahmed Alhindy, CEO of Alwataneya Logistics, argues that many workers would in fact be satisfied with paying less for insurance. "Workers by choice like to pay as little as they can for insurance as they only care about short-term income. I don't mind insuring them according to their real income as the new law says. However, there is always the problem of seasonal workers, and those who refuse to sign contracts."

Alhindy is also dissatisfied with the idea of prison terms imposed against private companies. "It is very difficult to differentiate between those who refuse to insure their workers and those who agree, but pay them insufficiently. I think the new law is harsh on us, but we have to obey. What else can we do?"

Retiring at 65: The new law also raises the retirement age from 60 to 65 years, which some see as enabling employees to work longer and earn more money.

The impact on the Egyptian economy is questionable however, as the unemployment rate sits at nearly ten percent. Retirement, on the other hand, provides job openings for the unemployed. The new law may threaten this balance in the labor market and risk driving up unemployment.

And in a country with a modest life expectancy--68 for men and 71 for women, according to UN data--the government's promise of a "happy retirement" may in fact ring hollow.

Chinese naval warships pay five-day visit to Egypt

Two Chinese naval warships arrived in Egypt's Mediterranean port of Alexandria on Monday, kicking off a five-day visit to the north African nation.

The vessels, destroyer Guangzhou and frigate Chaohu, are part of the fifth Chinese naval escort flotilla, which just completed the escort mission in the Gulf of Aden and Somali waters to protect commercial ships from pirate attacks.

Zhang Wendan, commander of the visiting squad, said the visit is to further improve military exchange and cooperation between Chinese Navy and the navies of surrounding countries of the Somali waters.

Egyptian Navy Commodore Ahmed Abdul-Aziz, chief of staff of Alexandria navy base, expressed warm welcome for the Chinese warships.

Chinese ambassador to Egypt Wu Chunhua, Chinese Consul-General to Alexandria Liu Aizhong and representatives of overseas Chinese in Egypt attended the welcoming ceremony.

Zhang, who is also deputy chief of staff of the Chinese Navy's South Sea Fleet, presented a wreath at the Egyptian unnamed naval soldier memorial in Alexandria after the welcoming ceremony.

China's fifth naval escort flotilla with more than 800 officers and soldiers has successfully escorted 588 Chinese and foreign vessels in 41 batches since it arrived in the pirate-infested waters in early March this year.

The two warships will leave Egypt and continue their Mediterranean journey on Friday.

Mubarak says economy is Egypt's top priority

Egyptian President Hosni Mubarak said Thursday improving economic growth and dealing with social disparities were top priorities for the Arab world's most populous nation, challenging his political opponents to take them on.

Near daily protests in Egypt have brought attention to rising living costs and other economic problems, giving opponents of Mubarak's three-decade rule a rallying point.

Reformists have also demanded greater political freedoms, including legal changes that would allow for freer elections and serious competition to Mubarak in next year's presidential elections.

On his annual speech to commemorate the anniversary of the military coup that toppled the monarchy in 1952, Mubarak focused on economic issues.

He said Egypt has managed to weather the global economic downturn and that its own economic growth is picking up.

He said improving economic growth through cooperation with the private sector and reducing social disparity through new legislation remain his government's top priority.

In a speech televised Thursday, he challenged opposition parties to address these issues before this year's parliamentary elections.

"Economic growth and social justice sum up the many aims that we are pursuing today, tomorrow and the day after," Mubarak said. "While I look forward to parliamentary elections that push forward our democratic experience, I call on all political parties to come up with ideas and visions to deal with these priorities_ on which there is no disagreement."

However, he avoided any mention of the opposition's demands for reforms to allow independent election supervision and ensure a fair vote.

Rights groups and opponents have complained that Egypt's elections are flawed and accuse the government of vote rigging to sway the polls in the ruling party's favor.

Opposition groups are meeting to discuss whether to boycott the elections or make their participation conditional on guarantees for a free vote.

They say constitutional changes introduced by Mubarak over the past few years have effectively made it easier to rig elections.

Opposition demands found a new impetus when former U.N. nuclear chief and Egyptian diplomat Mohammed ElBaradei returned to Egypt this year, declaring that he would seek change in his native country.

ElBaradei refuses to join any political group, saying they are controlled by Mubarak's regime, and has called on young Egyptians to join his campaign for change.

"Mubarak appears to be addressing only the political parties. He is even setting the priorities for them," said Dina Rashwan, a political analyst with Al-Ahram Center for Strategic and Political Studies.

The 82-year Mubarak appeared visibly thinner while delivering the speech and a little pale. He underwent surgery in Germany in March to remove his gall bladder and a benign growth in the lining of his small intestine.

That set off speculation about how long he will stay in office and who will succeed him. His aides say he is in top form and is keeping a busy schedule.

Mubarak has ruled Egypt for nearly three decades. He has no clear successor and has never appointed a vice president.

Egypt: \$708 million spent on advertising in 6 months

A report issued by the Arab Research Center said that the volume of money spent on advertising in Cairo has risen by at least 35 percent during the first half of this year. The report also noted that Egypt surpassed the amount spent in Dubai on advertisement campaigns.

The report attributed the boom to the government's campaign for family planning, where the Egyptian Government increased spending on advertising to \$708 million compared to \$680 million dollars in Dubai, a place known to spend and spend on advertising.

The report did not look at private expenditure on advertising in the country and focused on governmental efforts across the region.

The Egyptian government, according to the report, supervised the implementation of an ad campaign called "Egyptian Pause" by spending funds amounting to about \$73.9 million, or more than 10 percent of the total spending on advertising.

The Arab data and statistics research center adopted advertising rates announced by the agencies, but did not take into account the discounts and prices for some collective advertisers.

Some economists in the country have questioned the usefulness of spending this amount of money, with one observer pointing out that “this amount of money could have been spent elsewhere on development projects, which in the long run will reduce the number of kids being born.”

US slashes funds for democratization in Egypt

The US Senate Budget Committee, headed by Senator Patrick Leahy, announced a decision last Thursday to cut funds allocated to promoting democracy in Egypt by US\$5 million. Observers say the move reflects a trend within the US administration to reduce pressure on the Egyptian regime to carry out political reforms and promote civil liberties. US President Barack Obama had earlier requested that congress earmark some US\$25 million for promoting democracy in Egypt in 2011, which the committee has since cut back to US\$20 million. Egypt will, however, receive US\$250 million in economic aid, in addition to US\$35 million for education, of which US\$10 million will be granted in the form of scholarships for Egyptian students wishing to study in the US. Egypt will also receive US\$1.3 billion in military aid. This includes funds for border protection and “activities in the Sinai Peninsula,” the nature of which the committee did not specify. US law allows Egypt, Israel and other non-NATO allies to rent or purchase US military equipment for civilian use if approved by the US president. Meanwhile, the committee agreed to grant Israel a total of US\$3 billion worth of aid for next year.

Social front:

Mubarak pardons 3525 prisoners

In celebration of the 1952 revolution, President Hosni Mubarak has ordered the release of 3525 prisoners. The pardoned prisoners will be discharged this Friday morning. Technical and legal committees were set up by Interior Minister Habib el-Adly under presidential instructions to examine prisoners’ files and decide who could be eligible for a pardon. Among those pardoned are 169 prisoners who are still required to pay fines to be released. Their files were submitted to el-Adly, who ordered their release and the payment of their fines, as they proved to be facing financial difficulties

We are all Khaled Saeed: Redefining political demonstration in Egypt

“Khaled Saeed” is the username of the email address he uses to connect with his angry followers. He won’t be pushed to reveal his name or even minor details about his identity. He can only be heard through G-talk, as he believes his IP address, and potentially his location, can be traced using Skype. The death threats he says he receives make him nervous about any carelessness that could expose his identity. When asked to identify himself, he simply says: “I am a young Egyptian man who is not satisfied with the conditions of our country.” With a high level of invisibility, this young man has succeeded in creating and maintaining “We are all Khaled Saeed,” a Facebook page which serves as a platform for his peers to express their outrage over the death of Khaled Saeed, to organize, and to share ideas about the most unconventional tactics of political resistance. “It was a very spontaneous decision,” says an anonymous voice via G-talk. “I wanted to tell people that the same could happen to me, or to anyone else.” As soon as the photos of Khaled Saeed’s deformed face and bashed head were circulated on the

internet in early June, this young man, who had never before engaged in any political activity, launched his Facebook page. Within a few weeks, the page attracted nearly 222,000 members. “People were horrified by Saeed’s picture. They used to log in to the page and swear at the perpetrators,” he says. Earlier this summer, the death of the 28-year-old Alexandrian made headlines and provoked several protests that called for his killers to be prosecuted and Egypt’s state of emergency to be lifted. The case also stirred international criticism, which eventually forced the regime to refer for trial the two policemen who eyewitnesses allege beat Saeed to death. Hearings started last week and are scheduled to resume on 25 September. In Facebook jargon, the anonymous cyber activist is recognized as the page’s “admin,” or administrator. By virtue of this title, he is taken up with managing the page’s content, initiating debates, posting news updates, and conducting polls over the most effective tactics to highlight Saeed’s case. Between these tasks and his real-life job, which he refuses to reveal, the admin says he only has three hours of sleep. Top of the tactics promoted by the page is silent protest, whereby Saeed’s sympathizers dress in black and take to the streets, not uttering a word to each other or even holding hands. They are expected to stand silent while reading from the Bible or the Quran. “The message of silent protests is much stronger than thousands of demonstrations where people normally shout and cameras shoot, as if it were a football game,” he says. Plus, it is a way to circumvent the country’s 29-year-old emergency law, which bans demonstrations and the chanting of slogans, he adds. The idea has already appealed to hundreds of Alexandrians who have taken to the streets in silence four times since Khaled Saeed’s case became public. “We want to do something new,” says Sara Omar, a 23-year-old Alexandrian who has been involved in protests for the last five years. “They [the police] claim that shouting slogans annoys them. Okay, our protests are now silent.” This innovative tactic has been more effective in attracting larger numbers of demonstrators, she says, because there are many people who are afraid to demonstrate by shouting slogans. “A silent protest usually has a higher number of participants than a regular one because anyone could join in just by standing next to us,” says Omar. Like many pro-Saeed activists, Omar does not know the identity of the person she is following. Yet his obscurity does not bother her. “We do not care who the administrator is,” says Omar. “We are not driven by this person; we are driven by the issue.” “No one knows who I am,” says the Facebook page admin, “except a very small number of people who live abroad. I gave them the password to the page so they can maintain it in case anything happens to me.” Besides silent protests, the “We are all Khaled Saeed” page has been encouraging its members to mark currency notes with the slogan “No to Torture, No to the Emergency Law,” hoping to reach millions of Egyptians. “If I lived in a country that respected me, I would not resort to this, because the currency note is not mine and it belongs to everyone,” says the mysterious admin. “But this country does not respect your human rights and this is why you have to come up with extraordinary tactics.” In recent years, the social networking site Facebook has been a significant platform for social and political mobilization in Egypt. The call for a national strike to protest inflation and political stagnation in April 2008 marked the inception of Facebook activism. The message coincided with a labor strike that turned into a riot in the Delta province of Mahallah. As a primary reaction, the regime arrested a dozen Facebook activists and accused them of instigating civil disobedience. Since that time, until Saeed’s case, Facebook activists fell short of mobilizing remarkably large demonstrations. “What is

peculiar about these new forms of silent resistance is that they introduce an additional layer of political activism in Egypt,” says Amr Hamzawy, an expert with the Carnegie Endowment for International Peace. “This layer is informal. It’s not being influenced greatly by opposition groups, nor by ideologies. It’s therefore dynamic, and issue-based.” The “We are all Khaled Saeed” page’s administrator is fully aware of the advantages of being informal and is determined not to turn his group into a formal political movement or party. “In order to succeed, we should stay away from becoming an organization, because the government knows how to destroy any organization,” he says. “The whole thing is spontaneous and to participate, you simply need to hit the ‘like’ button on Facebook.” However, these resistance strategies are far from posing a real threat to the ruling regime, according to Hamzawy. “They are by definition not sustained forms of opposition activism,” he says. “However, they demonstrate how deep and wide ranging popular frustration is.” President Hosni Mubarak’s regime is passing through a critical juncture as social and political discontent has reached unprecedented levels. In the last four years, his regime has been rocked by thousands of labor protests over rising inflation and deteriorating economic conditions. In the meantime, opposition groups have been pressuring Mubarak to lift the 29-year-old state of emergency and introduce political reforms that would allow independent candidates to run in the presidential election, slated for fall 2011.

“As long as the government does not fix its errors, we will keep coming up with new ideas to express our outrage,” says the anonymous architect of “We are all Khaled Saeed.”

Controversial blogger released by authorities

Authorities have recently released a number of political activists and prisoners of conscience in a bid to improve Egypt’s international image ahead of crucial parliamentary and presidential elections, analysts said.

Last week, Blogger Hany Nazeer was released after being detained without charge for 21 months on allegations of insulting Islam.

Nazeer’s release comes on the heels of recent promises by the government to release all prisoners arrested under Egypt’s emergency law for offenses unrelated to either drug trafficking or terrorism. In May, the 29-year-old emergency law was renewed for another two years, drawing ferocious criticism from rights groups and Egypt’s political opposition.

A blogger from the Upper Egyptian province of Qena, Nazeer was detained in October 2008 shortly after posting a link on his blog--Karez el-Hobb (“Evangelist of Love”)--to a controversial novel entitled Teiss Azazil fi Makka (“The Bull of Azazi in Mecca”). Said to have been written by a seventh century monk, the writer tells the tale of how he had inspired Prophet Mohammed to establish a new religion.

Nazeer’s blog had also contained posts about human rights and Coptic issues. “I talked about sectarian violence...and the Coptic situation and the difficulties associated with building churches and with Copts taking leading positions in government,” Nazeer said.

Nazeer's link to the novel, however, ended up triggering angry reactions on the part of local Qena residents.

"After he posted the link to the novel, angry villagers besieged his house, so he ran away," said lawyer Huda Nasrallah, who worked on the case.

According to Nasrallah, police took Nazeer's brothers hostage in an effort to coerce the blogger into turning himself in to authorities.

"Hani surrendered when police threatened to take his sisters," recalled Nasrallah. "He was then detained and transferred to Burg el-Arab prison."

Nazeer was detained with the use of arrest warrants issued by the Ministry of Interior--a common practice under the emergency law. Although the court issued eight subsequent release orders, Nazeer remained behind bars.

"There were no official investigations of Nazeer within the last two years," said Rawda Ahmed, a lawyer with the Arab Network for Human Rights Information who worked on the case. "And we were prevented three times from visiting him in prison despite having legal permission."

Nazeer says his almost two years in detention were marked by considerable discomfort and occasional humiliations.

"Some 35 prisoners were confined to a 6.5-meter by 3.5-meter cell," Nazeer told Al-Masry Al-Youm via telephone from Qena. "There were no beds, and we didn't have enough room to sleep on our backs."

"Once they punished all my cellmates by forcing them to undress in front of other prisoners," Nazeer recalled. "Only myself and a couple others were exempted from the humiliation."

Throughout the course of Nazeer's detention, a number of local and international human rights groups made appeals for his release. His case has made him one of Egypt's most prominent prisoners of conscience, along with Bedouin activists Musaad Abu Fagr and Yahya Abu Maseera.

Analysts and human rights experts, however, believe the release of Nazeer, along with dozens of Bedouin activists, amounts to little more than an attempt on the part of the government to improve its image vis-a-vis human rights or to reduce tension with the Bedouin tribes of the Sinai Peninsula.

"The release of high-profile detainees is a message by the government to contain pressure on its human rights record, especially following the recent renewal of the emergency

law,” said Hossam Bahgat, director of the Cairo-based Egyptian Initiative for Personal Rights.

According to human rights organizations, around 300 detainees have been released since June, in line with the government’s earlier pledges.

Nevertheless, Bahgat dismissed the assumption that that the release of detainees is intended to improve the regime’s image domestically. “Releasing political detainees is still not a top priority on the opposition’s agenda,” he said.

Prominent activist returns to Cairo

Saad Eddin Ibrahim, a human rights activist and political opposition figure, returned to Cairo on Thursday morning from London. The former director of Ibn Khaldon Center for Developmental Studies will stay for two weeks to visit family. For the past three years, Ibrahim has been in voluntary exile in the US.

Official sources at Cairo Airport revealed that Ibrahim arrived with his American wife, Barbara Ibrahim, on an Egyptian airliner. They noted that airport officers did not apprehend him while he finished his entry procedures, allowing him to exit through the customs area.

Ibrahim was received by friends and relatives, including his brother, Ahmed, the current director of Ibn Khaldoun, who noted that his brother's stay will be limited to family visits and meetings with employees at the center. He pointed out that no prior arrangement had been made with security or political authorities.

Ibrahim told reporters, “I am very happy to be back in Egypt, and am very touched by this reception,” he said, adding that his entry procedures were finished easily and without any objection from authorities. He said that he will only make family visits and does not intend to engage in any public activities.

Ibrahim was litigated in absentia over three years in 14 cases, all related to threatening social stability and national security, espionage, and receiving foreign funds. These were the same charges for which he had been sentenced to three years in prison in 2000, though he was acquitted in some of the new suits, while courts labelled other cases as out of their jurisdiction.

Ibrahim has been in voluntary exile for three years due to unfavorable statements about NDP figures, some of whom filed lawsuits against him.

There are still nine pending reports filed against Ibrahim at the Attorney General’s office, according to his lawyer, Shadi Talaat, who added that this makes Ibrahim wary of the possibility that he might be barred from travelling back to the US.

Wednesday's Papers: Mubarak on the job and Nasser in the comics

State-owned papers Al-Ahram and Al-Gomhorriya both devote the top of their front pages to coverage of President Hosni Mubarak attending graduation ceremonies at the Police Academy. The writing and presentation of both packages seems geared to emphasize two main points: Mubarak's vigorous public schedule (he also visited new projects under construction at Cairo Airport) amid seemingly constant rumors about his health; and the noble role of the police as protectors of social order—a reputation that has suffered greatly in the wake of the Khaled Saeed case and a host of other brutality accusations.

Interior Minister Habib el-Adly seemingly sums up this theme in Al-Gomhorriya's sub-headline—"We renew our commitment to sacrifice in order to protect stability and the general interest."

On a humorous note, Al-Ahram's choice of front-page photo serves as a reminder that Prime Minister Ahmed Nazif really is an amazingly tall and imposing man. The lineup shot of senior officials shows Nazif towering over Mubarak—who is hardly diminutive in stature himself. On his other side, the top of Shura Council's president Safwat el-Sherif's head only reaches to below the knot on Nazif's tie.

Inside, Al-Gomhorriya supplies details on this fall's upcoming parliamentary elections, with word that 29 November is the most likely date for voting. The date isn't fully official yet, as it is pending a presidential decree, according to the paper. Plans are for the vote to be conducted under the supervision of more than 2000 judges. However there's no mention of electoral monitoring by international observers or local non-governmental organizations—both of which are demanded by Mohamed ElBaradei and numerous other opposition forces.

Privately-owned Al-Shorouq shunts news on Mubarak's daily schedule to its inside pages, instead devoting part of its front page to news that the family of alleged Alexandria police brutality victim Khaled Saeed has cancelled its power of attorney agreement with the Nadeem Center for the Rehabilitation of Victims of Violence. The brief article is short on details, and it's unclear what the reasons for the decision or the future implications for Saeed's case may be. The Nadeem Center has played a central role in pushing forward the case of Saeed, who was beaten to death in public last month by plain-clothed police officers, according to the accounts of multiple witnesses.

In an interesting visual choice, Al-Dostour dedicates about a quarter of its front page to an eye-catching full-color comic strip telling the story of the 1952 revolution, ahead of its 58th anniversary later this week. The comic strip shows a young Gamal Abdel Nasser and his fellow Free Officers, including future Defense Minister Abdel Hakim Amer, plotting the revolt. And the front-page offering is just a teaser for an impressive eight-page spread inside the paper telling Nasser's life story in vivid comic form.

**Christian's law:
Christians wait for new personal status law**

Recent hype surrounding Coptic divorce has brought back to the table the issue of a personal status law for Christians, with this month seeing the second draft for such a law submitted to the government. Controversy was stirred in May this year when a judge ruled in favor of the remarriage of a Coptic divorced man, against the will of the Coptic church. "The Egyptian court has penetrated a space which they shouldn't have entered," said Ashraf Edward, a Christian lawyer.

According to Article II of the Egyptian Constitution, Islamic law is the source of Egyptian law. Before 1920 each religious group in Egypt organized their own personal affairs, however in 1920 the first Personal Status Law was enacted, which followed Islamic law.

This was qualified by a legal regulation approved in 1938 to be used by judges when ruling on matters relating to personal status in Christian cases. The regulation was updated in 1955. However it was not supported by the Coptic church, who considered the drafters of the regulation to be secularists.

In 1979, the Coptic Church submitted to the People's Assembly a draft personal status law that could be applied to Christians, but received no response.

More recently, the church was assigned by the government to set up a committee to revise the (still in draft form) law. The committee consisted of bishops from the three main Christian denominations, namely orthodox, Catholic and protestant, in addition to both Muslim and Christian lawyers. It was headed by Omar el-Sherif, vice minister of justice for legislative affairs.

The revised draft law includes 141 articles and was passed to the Ministry of Justice on 9 July this year.

The committee was however accused of excluding some Christian denominations, such as the Roman Orthodox church and Anglicans, according to Father Rafic Greiche, press director for the Greek Catholic church in Egypt.

Ramsis el-Naggar, a lawyer representing the Coptic church in the committee, said other Christian denominations not represented in the committee were however given the draft law to approve it before it was finalized.

El-Naggar added that a meeting of 300 Christians was held last month to discuss the draft and common issues that it needed to solve. "Secular Christians were present at this meeting," he said.

The new law covers the controversial issue of divorce. "The Christian Personal Status Law gives more reasons for divorce than the old regulation issued in 1938," said el-Naggar. According to the 1938 legal instrument, adultery is the only legal justification for a divorce among Christians. But according to the new draft, a divorce can be obtained when a spouse obliges his/her partner to engage in non-religiously-ordained sexual intercourse.

Moreover, any evidence of adultery may be taken into account by the court under the new law, as opposed to previous restrictions on admissible evidence. This means that phone calls and mobile messages can now be taken into consideration by judges.

The new law also allows child adoption, which is not permitted by Egypt's general Personal Status Law (a modified version of the 1920 version).

The issue of inheritance however remains unresolved. According to the current Egyptian Personal Status Law, men inherit double the amount of what women are entitled to (as according to Islamic law), while within Christian doctrine both men and women are

entitled to equal inheritance. "The committee has left this issue to Christian families [to deal with] on their own and not through law," said el-Naggar. The draft law includes some "preaching" measures on values, calling for obedience to and respect for parents, raising children well, and faithfulness in marital relations, among others. While these articles are complementary and intended to serve as a spiritual context to support judges in reaching their verdicts, they are not considered by some to be a necessary part of a personal status law. "I don't approve of these articles because the law is there to administer personal relations, not to preach to people," said Ashraf Edward. For some legal experts, the new law does not provide an optimal solution to problems posed by Egypt's general Personal Status Law. "I'm sure a lot of problems will come up when this new law is implemented," said Edward. The committee has also been criticized for not including non-Christians, although it was assigned by the government specifically with the task of putting forward a draft personal status law for non-Muslims. As the draft law excludes other non-Muslim religions, such as Bahai's for example, its title was amended to "Christian Personal Status Law." Meanwhile, rights groups have called for a more civil personal status law that would not be exclusively "Christian."

"The government has a role here. They should be making the law inclusive enough for whoever wants to follow it," said Adel Ramadan, a lawyer with the Egyptian Initiative for Personal Rights.

Sunday's papers: the priest's wife returns and crime rates rise

Both state-owned and independent newspapers led with news of the safe return of the wife of a Minya priest. Al-Ahram reports, on page two, that Kamilia Shahata Zakher, the wife of Bishop Tedaous Samaan Rezaq of the Mar Gerges Church, was not kidnapped and did not face attempts to convert her to Islam. It is reported that she left her home voluntarily and went to stay with one of her friends following problems with her husband. However, there were no details on how security forces were able to find her and solve the sectarian crisis, which was about to take place.

Al-Dostor, an independent newspaper, reports on the same case with Ibrahim Isaa's article "Priest's wife returned, but won't be the last Christian wife to disappear." He doubts the credibility of the explanation given for Zakher's disappearance, and wonders how she could not have heard about the demonstrations staged following her disappearance, and why her friend failed to call the church to ease the tension.

Al-Ahram hints at an interview with the speaker of People's Assembly Ahmed Fathi Sarour, in which he criticizes demonstrators and protesters as "who have no vision of reform." In addition, he warns against staging demonstrations in front of courts, which is condemned by the government, and which he describes as chaos.

Al-Shorouq allocates an entire page to Farouq Gouida's opinion piece, "Egypt is between the Poor's crimes and the Rich's influence." Gouida states that both the poor and the rich contribute to the lack of progress in the country. It is reported that the crime rate has risen over the last couple of years. According to Gouida, unemployment, drugs, and managerial corruption are the main reasons behind the spread of crime in Egypt. Gouida

further attributes this to an absence of justice, explaining that when a citizen is deprived of his basic rights, he seeks to achieve them using force.

In other leading news, Al-Akhbar reports that the Ministry of Social Solidarity is preparing for Ramadan by providing subsidized flour, meat, chicken, and gas cylinders to citizens at low prices. Aly Meseilhy, Minister of Social Solidarity, announced that monitoring the prices and distribution of basic subsidized commodities is part of the government's campaign to control markets during Ramadan. He states that there are reserves of supply commodities to satisfy the needs of Egyptians for the next three to five months.

Al-Ahram does not add anything substantial to this news, but reports that the Minister of Trade and Industries, Rachid Mohamed Rachid, announced that reductions will start on 2 August in order to promote trade within the start of academic year and Eid el-Fitr.

Escape of Egypt priest's wife inflames sectarian tension

Egyptian Christians attend mass in Cairo in April 2010. The brief disappearance of a priest's wife ...

The brief disappearance of a priest's wife that sparked rumours of abduction and forced conversion to Islam has highlighted deep-rooted tensions between Christians and Muslims in Egypt, where a private dispute can quickly become a matter of national security.

When Camilia Zakher, the 25-year-old wife of a Coptic priest, went missing for five days, Coptic Christian activists promptly staged a series of angry protests in her home province of Minya and in Cairo accusing Muslims of her abduction and forced conversion to Islam.

But on Friday, Camilia was located at a friend's house by security services who escorted her home and it has since emerged that she had left home of her own will, following domestic quarrels.

The case has underlined the simmering anger of Egypt's Coptic Christian minority that complains of systematic discrimination and marginalisation in a mainly Muslim and increasingly conservative society.

It has also brought to light the heavy involvement of the security apparatus in its bid to keep a lid on sectarian tensions.

"If both the Church leaders and security officials agree that Camilia Shehata (Zakher) was not kidnapped and left her house willingly, on what legal basis did the security hold her and return her home?" asked Ishaq Ibrahim of the Egyptian Initiative for Personal Rights (EIPR).

The Coptic Church has publicly thanked security services for bringing Camilia back home.

Coptic Christians make up about six to 10 percent of Egypt's 80 million population. Among their grievances are political marginalisation and restrictions on church-building. Observers say Egypt's deteriorating political and economic situation has pushed both Muslims and Christians further towards extremism, sparking knee-jerk angry reactions within both communities.

"Egypt has become a fanatical country, where hatred exists on both sides... Egypt is tainted by extremism, fanaticism and ignorance... due to oppression and corruption," wrote Ibrahim Eissa, editor-in-chief of the independent daily Al-Dustur in Sunday's edition.

He argued that Camilia's case, which is not the first of its kind, will also not be the last. According to EIPR, from January 2008 to January 2010, there have been at least 53 cases of sectarian violence or tensions that have taken place in 17 of Egypt's 29 governorates.

"There is an obsession among Muslim extremists who believe that converting a Christian to Islam is a victory for Islam and guarantees them a place in heaven," Eissa says.

"There is also a great deal of sensitivity among Christians who consider a conversion by a Copt to Islam to be an insult to their religion and a threat to Christianity," Eissa said.

Camilia's case has also raised the issue of the strict Church laws governing marriage and divorce -- forcing several Copts who have trouble obtaining divorce to convert in order to leave the marital home and start a new life.

"The question goes back to what the Church refuses to confront: personal status laws," wrote Abdullah Kamal, a columnist in the daily Rose al-Yussef.

Earlier this month, Egypt's highest judicial body overturned a ruling ordering the Coptic church to issue a second marriage permit to divorced Copts requesting one.

That ruling sparked demonstrations, with Christians accusing the state of interfering in religious affairs.

Copts forbid divorce except in proven cases of adultery, or if a spouse converts to another religion or branch of Christianity.

Egyptian Christians protest woman's disappearance

Hundreds of angry Egyptian Christians have protested in a central church in Cairo against the mysterious disappearance of a Coptic woman in southern Egypt.

Joined by several priests, the demonstrators chanted slogans against police and asked President Hosni Mubarak to step in to help the return of the missing woman, the wife of a priest in the upper Egyptian city of Minya.

The protesters claim that the woman, identified as Camelia Shehata, had been abducted, with some protesters accusing police of involvement.

"We will remain on a sit-in here until the priest's wife returns," said Bishop Wesa Sobhi, as anti-riot police were deployed outside the church.

Denying that the woman has been abducted, a security source said police had been searching for her since her disappearance on Sunday.

Relations between Egypt's Christians and their Muslims compatriots have recently been marred by tensions due to conversions and disputes over places of worship.

Earlier this year, six Christians and a Muslim guard were killed in an attack blamed on a Muslim in the Upper Egyptian town of Nagaa Hamad.

Christians account for around 10 per cent of Egypt's 80 million population.

Iraq

Political front

Iraqi Officials: Progress Made On Coalition Deal

August 06, 2010-- Iraqi politicians say the two blocs that won the most votes in the March 7 parliamentary elections are edging closer to a deal to form a new government, RFE/RL's Radio Free Iraq reports. Husayn al-Asad, a member of Prime Minister Nuri al-Maliki's State of Law bloc, told RFE/RL that "a deal might be reached within the next few days" between State of Law and Al-Iraqiyah that "will end the political crisis caused by the failure to form a new government." He also insisted that an alliance between State of Law and the Iraqi National Alliance, the other big Shi'ite bloc, is still alive. Ali al-Adib, a leading State of Law politician, told RFE/RL that his bloc and Al-Iraqiyah had exchanged memos laying out their positions. He said they were considering a proposal for a National Strategic Policy Council comprising all major factions as well as executive agencies to serve as a decision-making body on long-term economic planning, national security, foreign policy, and national reconciliation.

Adib added that one idea being considered is to bestow a specific legal status on this body by consensus to enable it to carry out crucial functions.

Jamal al-Battikh, a leading Al-Iraqiyah official, told RFE/RL that "indeed State of Law and Al-Iraqiyah are now closer to each other than to any other bloc."

He predicted that "a deal can be announced next week" if an agreement is reached on the proposed council.

Battikh said that surprises were possible at any moment in the next few days, and all kinds of permutations for a ruling coalition are possible, including an Al-Iraqiyah deal with either State of Law, or the two Shi'ite blocs and the Kurdish party together.

Political analyst Asaad al-Ibadi told RFE/RL that the ideal scenario is a deal between State of Law and Al-Iraqiyah as the two biggest factions, which would ensure a comfortable majority in parliament and, by extension, a strong government.

Is there a roadmap to get Iraq out of its predicament?

World conflicts usually have roadmaps to have them settled. For instance, there is one such roadmap for the Arab-Israeli conflict despite the problems blocking a settlement. But the road to peace is quite clear regardless of the great differences on views on how to achieve it.

Almost all conflicts in the world have their own roadmaps. We in Iraq, and despite the gravity of the situation, we have nothing of the sort. What we see in Iraq is the absence of goals and plans for how to solve the country's problems.

Egypt's ultimate aim was recovering occupied Sinai as a price for making peace with Israel. Today, Syria seeks almost the same roadmap and so do the Palestinians but the Israelis are not willing to give up occupied land in return for peace. The Jewish state thinks it has the power and the means to block any roadmap that will lead to a settlement like the one it had with Egypt.

In Iraq the paths and roadmaps contradict each other and are in a constant struggle because there is no horizon in sight. In the meantime, there is no party in the country to exert some effort in order to find out a united roadmap that will lead the country to a safe harbor.

The two-party meetings reported in the news and involving certain political lists are out of necessity and do not to seek a way out of the crisis regarding the formation of the new government.

These meetings are not going to become a precedent to be followed or a roadmap to solve the country's problems.

If the crisis over the formation of a new government is over, we will once again be in a situation where there is no roadmap to guide the government and the political factions to national reconciliation and constructive and effective peace.

The disparate political lists work as if the country has no institution, although they themselves wrote its paragraphs, swore on it and had it passed in a referendum.

Violating the constitution is no longer an exception but rather a norm. The institution is being trampled on under the pretext of "national agreement". If we violate our constitution under such pretexts why on earth did we write it.

The minds of those leading the country are saturated with political rancor emanating from local, regional and international clash of interests.

One can imagine what will happen to our poor constitution at the hands of those who had no say in writing it if they come to power.

Geo strategic front:

.S. Senate Confirms New Iraq Ambassador

The U.S. Senate has unanimously confirmed career American diplomat James Jeffrey to be Washington's new ambassador to Iraq.

Following the confirmation on August 5, Jeffrey, who has been serving as U.S. ambassador to Turkey, is now set to replace Christopher Hill as Washington's top envoy in Baghdad.

Before being appointed to his post in Ankara, Jeffrey served as a deputy national security advisor and an assistant to the president in George W. Bush's administration.

His experience also includes previous diplomatic postings in Baghdad, including as deputy chief of mission and charge d'affaires in 2004-2005, as well as other postings in the Middle East and Europe.

Jeffrey's confirmation follows President Barack Obama's pledge earlier this week that the United States will end combat operations in Iraq by the end of this month.

Obama Says U.S. Combat Mission In Iraq To End On Schedule

U.S. President Barack Obama speaks at the Disabled Veterans of America conference in Atlanta on August 2. U.S. President Barack Obama has announced that the United States will end its combat mission in Iraq by the end of August, as he promised it would more than year ago. In a speech to the Disabled American Veterans on August 2, Obama said: "Shortly after taking office, I announced our new strategy for Iraq and for a transition to full Iraqi responsibility, and I made it clear that by August 31, 2010, America's combat mission in Iraq would end. And that is exactly what we are doing, as promised and on schedule." It was the first of many speeches the White House says will take place this month in an attempt to draw attention to the U.S. transition in Iraq. With competitive Congressional elections looming this November, the Obama administration is keen to remind voters that the Democratic president has fulfilled a major pledge. White House spokesman Bill Burton told reporters traveling with Obama to the speech in Atlanta, "The message is that when the president makes a commitment, he keeps it."

Transition Force Remaining: By the end of the month, the size of the U.S. force in Iraq will number just 50,000 troops, down from 144,000 when Obama took office in January 2009. The last U.S. soldier is due to leave at the end of 2011. In his remarks, Obama painted a picture of a U.S. military operation that's winding down, noting that U.S. troops have closed or handed control to Iraqis "hundreds of bases" and moved out "millions of pieces of equipment in one of the largest logistics operations...in decades." He said U.S. troops were leaving only after having "restor[ed] order and effectively defeat[ed] Al-Qaeda in Iraq on the battlefield." And he repeated the White House's assertion that the security situation is the best it's been in years. "Violence in Iraq continues to be near the lowest it has been in years. And next month, we will change our military mission from combat to supporting and training Iraqi security forces," the president said.

But new numbers released jointly by the Iraqi ministries of Defense, Interior, and Health paint a much different picture. The overall level of violence has fallen significantly in the last two years but the government says Iraqi casualties have reached a two-year high: 532 in July alone, the highest since May 2008's 563 deaths.

The 50,000 U.S. troops who will remain in Iraq will now shift their focus toward wrapping up what will be a more than eight-year war operation by the time it ends in 2011. "As agreed to with the Iraqi government, we will maintain a transitional force until we remove all our troops of Iraq by the end of next year," Obama said. "During this period, our forces will have a focused mission: supporting and training Iraqi forces, partnering with Iraqis in counter-terrorism missions, and protecting our civilian and military efforts." Those civilians are set to become more numerous as noncombat operations increase. Obama described the U.S. commitment in Iraq as "changing from a military effort led by our troops to a civilian effort led by our diplomats."

No Government Yet: One front Obama can't claim success on is Iraq's government, which hasn't formed a governing coalition or chosen a prime minister four months after elections. Some analysts attribute the recent uptick in civilian deaths to insurgents who are taking advantage of the political deadlock and lack of clear authority. In his address to the audience of wounded veterans -- many of whom received their injuries in post-9/11 military operations -- Obama acknowledged that there is less good news out of Afghanistan, where he has sent an additional 30,000 troops to confront an increasingly resilient Taliban insurgency. In July, casualties hit their highest point since start of the war almost nine years ago. The recent replacement of the war's commanding general, Stanley McChrystal, and the leak of thousands of classified military reports have added fuel to a growing debate in Congress and among the U.S. public over the United States' ability to win the upper hand. Obama tried to reassure the public that the reality is not as bleak as some believe. "We will continue to face huge challenges in Afghanistan, but it is important that the American people know that we making progress and we are focused on goals that are clear and achievable." He reminded his listeners that Afghanistan was the home of the terrorists who planned the attacks of 9/11 and warned that if the country "were to be engulfed by an even wider insurgency, Al-Qaeda and its terrorist affiliates would have even more space to plan their next attack." Obama said he will "refuse to let that happen." In Pakistan, where Washington uses teams of U.S. Special Forces to train Pakistani soldiers and pilotless drones to target terrorist leaders, Obama said Islamabad

has "begun to take the fight to violent extremists within its borders," which he said has led to "major blows against Al-Qaeda and its leadership."

Obama Urges Iraqis To Form Government 'Without Delay'

Iraq held elections in March, but rival coalitions have so far been unable to agree on a prime minister and new government.

U.S. President Barack Obama has called on Iraq's rival parties to form a government "without delay."

The call was issued in a statement released by the White House after Obama met in Washington with the U.S. ambassador to Baghdad, Christopher Hill, and the top U.S. military commander in Iraq, General Ray Odierno.

Iraq held elections in March, but the coalitions that succeeded in winning parliament seats have so far been unable to agree on a prime minister and new government -- raising concerns about instability.

The White House statement also said General Odierno reported that the United States military is ahead of schedule in carrying out its planned reduction in troops in Iraq to 50,000 by the end of August. Around 80,000 U.S. soldiers are currently in the country.

The statement added that Obama expressed regret about a July 22 rocket attack on the fortified Green Zone international sector in Baghdad that killed three security contractors working for the U.S. government.

Economic front:

Iraq Checks Iran Banks Seeking License

August 05, 2010-- Iraqi authorities say they are investigating whether two Iranian commercial banks that want to do business in Iraq are covered by UN Security Council sanctions, RFE/RL's Radio Free Iraq reports. Mudhhir Muhammad Salih, a member of the Iraqi Central Bank's advisory panel, told RFE/RL that the bank has approached the Foreign Ministry and the cabinet to check if the latest round of UN sanctions against Iran also target Iran's Karafarin and Parsian banks, as the two have applied for licenses to open branches in Iraq.

Salih said allowing the two Iranian financial institutions to set up shop in Iraq was out of the question without official approval from the government. He added that the Central Bank's board of directors, which grants banking licenses, is still waiting for clear-cut instructions in this regard.

The UN Security Council in June imposed a fourth round of sanctions on Iran over its disputed nuclear program.

The resolution says countries should prohibit in their territories the opening of new branches, subsidiaries, or representative offices of Iranian banks if they believe such financial activities could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon-delivery systems. Fadhil Muhammad Jawad, a legal adviser to the government, told RFE/RL that if verification showed the two Iranian banks in question were covered by the UN sanctions, "Iraq will of course comply." Osama Murtadha, a professor of international relations at Baghdad's Mustansiriya University,

says that even if the two Iranian banks are denied a license, trade relations between Iraq and Iran are too extensive to be affected. The Iraqi Central Bank announced this month that it was talking with seven foreign banks interested in doing business in Iraq, including some from Iran and Lebanon.

Iraqi oil exports still below pre-U.S. invasion average of 2 million barrels a day

Iraqi oil exports averaged 1.8 million barrels a day for the whole month of June, the Ministry of Oil said. The ministry's spokesman Isam Jihad said Iraq exported 54.7 million barrels of oil last month, earning \$3.8 billion. The average is below exports in the months before the invasion of Iraq by U.S. troops in 2003 when exports used to average 2 million barrels a day or even more. Iraqi oil output has slumped from heights of nearly 3.5 million barrels a day before the country's 1990 invasion of Kuwait. The peak output achieved since then hovered at 2.8 million barrels a day before the 2003 U.S. invasion. Most of the country's exports (1.4 million barrels a day) are ferried to international markets from terminals at the head of the Gulf. The twin pipeline via Turkey, which used to carry up to 800,000 barrels a day, is operational but with less than half that capacity.

Vying for top government post delays formation of new Iraqi government

Disagreements on who should be the next prime minister are delaying the formation of the new Iraqi government. The winners and losers of the last general elections held four months ago want to have the post of the prime minister, according to Addnan al-Shamkhani, a senior leader of the State of Law Coalition. The State of Law which includes the party of the current Prime Minister Nouri al-Maliki lost the elections with a slight majority. But his rival, Ayad Allawi, leader of the Iraqi list bloc, has failed to win the two thirds parliamentary majority necessary for forming the new government. Allawi, a former prime minister, has garnered only one seat more than his main rival, the Maliki's coalition. Both are striving to win seats from other factions, such as the Kurds and the Sadr movement headed by the Shiite cleric Moqtada al-Sadr. But both have their own terms which neither Allawi and nor al-Maliki are able to meet. And there are large differences over who should be the prime minister, Shamkhani said. Even smaller parliamentary blocs want to have a say because the personality of the new premier seems to matter a lot in Iraq, he said. There are many Shiite factions who object to having Maliki at the head of the government. There are some Sunni factions, among them Kurds, who would not like to see Allawi becoming the new prime minister. As the squabbling and wrangling drags on, conditions in the country continue to worsen. Violent attacks with a scale not seen in the past two years have made a comeback with reports pointing to a drastic decline in the hold of government troops and security forces even in major neighborhoods in Baghdad.

Iraq's largest dam loses 60% of its water reserves

The Mosul Dam, Iraq largest water reservoir, suffers from serious erosion of its foundations, according to a senior Electricity Ministry official. The dam, which used to hold 11 billion cubic meters of water, is less than half full, said Musaeb al-Mudaress, the ministry's information officer. Mudaress made the remarks as he tried to explain to local reporters the reasons for the slump in power supplies and the worsening conditions of the national grid. The dam, which in terms of capacity is the fourth largest in the Middle

East, suffers from neglect and lack of maintenance and repairs. “The Mosul dam cannot be filled with more than 40% of its capacity” of 11 billion cubic meters of water, Mudaress said. Its hydro-electricity power plants used to produce around 320 megawatts, enough to feed the northern city of Mosul, home to nearly 2 million people. But as the dam’s storage capacity has declined so has its power generating potential, according to Mudaress. Today, the dame produces less than 100 megawatts and the output is erratic. The drastic decline in reserves is catastrophic to Iraqi agriculture since the water reserves were essential to farmers cultivating land on both sides of the River Tigris that bisects the country from north to south. The dam’s plummeting reserves are not due to lowering water levels from the Tigris which originates in Turkey. They are necessary to preserve its shaky foundations and prevent its failure which is bound to inundate major cities including Mosul and Baghdad if it bursts at full capacity.

Kurds have no right to export own oil, says minister

Oil produced in the Kurdish region will have to be shipped abroad through SOMO, Iraq’s oil export arm, said Oil Minister Husain al-Shahristani. Shahristani said he has asked for a delegation from the Kurdish regional government to visit Baghdad in yet another attempt to solve outstanding issues. He made the remarks following reports that the Kurds were exporting their oil to Iran in violation of central government rules. Iraqi Kurds have retorted by accusing unidentified factions in the central government of stealthily exporting up to 100,000 barrels a day to Iran. Shahristani said he would ask the Kurdish delegation to produce evidence of their allegations. The minister said SOMO and his ministry have not been notified by Kurds regarding their oil exports to Iran. The Kurds, through foreign assistance, have developed several fields in their region and say they are capable of exporting up to 100,000 barrels of oil a day. But Baghdad has denied them access to national pipelines, saying the royalties should be diverted to national coffers, the thing which the Kurds refuse to do. Meantime, international oil majors with contracts to develop Iraqi oil fields, have yet to start operations due to delays in granting visas to their technicians and shipping equipment to the country. Shahristani acknowledged the delays but said his ministry was coordinating with the Interior Ministry to remove the hurdles. “Delays are expected because we are dealing with a gigantic project, which is the world’s largest,” he said. The project aims to gradually boost Iraqi oil output to more than 12 million barrels a day in six years.

Iraqi Kurds biggest losers from stoppage of oil exports from their region

Iraqi Kurds lose at least \$100,000 a day due to the suspension of oil exports from their region, an Oil Ministry official said. Assem Jihad, the ministry spokesman, said the Kurds would have been entitled to one dollar a day for each barrels exported from the their region. The will have also earned 17% from the total royalties, he added. The Kurds get 17% of to the total sum of hard cash Iraq earns from its oil exports. But the oil exports originating from their region and estimated at 100,000 barrels a day have been suspended due to differences on how to share their royalties. The central government is determined to have a big say in oil sales originating from the region, while the Kurds would like their administrative autonomy to extend to their natural resources including crude oil.

The Kurdish regional government has signed several deals with international firms to develop oil fields within their region, currently comprising three northern province – Arbil, Sulaimaniya and Dahouk.

Social front:

Iraqi Official Says Thousands Of Artifacts Recovered

A senior Iraqi official says that international cooperation has resulted in the recovery of thousands of ancient artifacts stolen from the country's national museum and historical sites since 2003, RFE/RL's Radio Free Iraq reports. Tourism and Antiquities Minister Qahtan al-Juburi told RFE/RL that more than 36,000 various artifacts have been recovered in the past seven years. Juburi said that figure includes roughly 8,000 items that were stolen from the national museum when it was looted shortly after Baghdad fell to U.S.-led forces in April 2003. He said a total of some 15,000 historical artifacts were lost from the museum. Juburi said this encourages the ministry and other government departments to continue their hunt until the last missing artifact is returned to Iraq.

Tourism and Antiquities Ministry spokesman Abd al-Zahra Talaqani told RFE/RL that in 2008 alone, 702 artifacts were returned by Syria and 2,470 items from Jordan. He said 70 pieces had recently been returned from the Netherlands and four from Turkey. Talaqani said there were 22 artifacts being held by Spain pending a settlement of legal issues related to their ownership.

He said that countries from Germany to Peru were helping Iraq recover its lost treasures, but that "Iran has so far been uncooperative in this respect."

Meanwhile, Juburi said that during a recent visit to the United States an agreement was reached with the University of Chicago to send archeologists to Iraq to work with Iraqis on the excavation of an archeological site. He said a similar pledge was received from the Czech Republic.

Juburi emphasized that such foreign expertise is vital, considering there are more than 21,000 archeological sites in Iraq -- some 13,000 of them unexplored.

Kurdish region provides shelter for more than 30,000 internally displaced Iraqis

There are 32,518 internally displaced people who have chosen the Kurdish region as a safe haven, the Ministry of Displacement and Migration has said.

The ministry's Undersecretary Salam al-Khafaji said the displaced had fled to the Kurdish region mainly from central Iraq and some of its northern cities, especially Mosul.

Khafaji said the figure was based on the latest count the ministry conducted in the Kurdish autonomous region comprising the provinces of Dahouk, Arbil and Sulaimaniya.

He said the figure was much higher but many families have opted to return to their home towns, taking advantage of the relative quiet and stability in the past two years.

The count is necessary in order to provide the internally displaced with services and other forms of governmental assistance, he said.

The exodus to the Kurdish region from other parts of the country started due to the upsurge in violence that followed the 2003-U.S. invasion of the country.

More than 9,000 families had sought refuge only in the city of Sulaimaniya, but many have decided to return to their original homes, according to Jabbar Hama, head of the ministry's office in the province.

Hama said his office keeps a reliable count of all those who chose Sulaimaniya as a refuge. According to U.N. statistics, millions of Iraqis have been on the move inside the country since the U.S. invasion. At least two million Iraqis have fled Iraq to neighboring states, particularly Syria and Jordan.

Lebanon

Political front

Security front

Lebanon committed to building up army

Lebanon said Saturday it was committed to building up its armed forces after complaints by Israel about Western assistance to the military following a deadly border clash between the two countries. Two Lebanese soldiers, a Lebanese journalist and a senior Israeli officer were killed in a rare cross-border skirmish on Tuesday, the worst such violence since a 2006 war between Israel and Iranian-backed Hezbollah guerrillas. The clash — in which Lebanon and Israel gave different accounts of what happened — raised fears of wider conflict. Both countries have since worked to calm tension at the border. Speaking in the southern Lebanese village of Adaisseh where the clash occurred, President Michel Suleiman said the cabinet would meet to ratify a three- or five-year plan to arm the military “so that it can protect the nation’s dignity.” “The government will put forth a plan to arm the army regardless of the position of some countries,” Suleiman was quoted as saying by the National News Agency. He did not say when the plan would be approved. **Israeli complaints** Israeli Defense Minister Ehud Barak said he had spoken to France and the United States about the Jewish state’s worries. “We think it is a mistake to arm the Lebanese army with weapons, with advanced systems,” Barak said in an interview with Israel Radio earlier this week. “Because these things are liable to be — we used to describe the danger that these things would end up in Hezbollah hands, but before our eyes something more troubling is happening, and they are being used directly by the Lebanese army against us.” Asked whether Paris or Washington had paid attention to Israel’s complaint, Barak said: “Not really. Not really. **The clash** Hezbollah did not take part in the clash, although its leader, Sayyed Hassan Nasrallah, said his powerful Shi’ite guerrillas would intervene if Israel attacked the army again. By Israel’s account of Tuesday’s events, a Lebanese army sniper hit two Israeli officers as they watched a tree-pruning operation on the security fence below the U.N. “Blue Line.” The Lebanese army said it first fired warning shots, then Israelis fired at their soldiers. Israeli artillery and tank fire followed. **US support** The United States has provided more than \$720 million in assistance to the Lebanese army since 2006, according to the U.S. embassy website. In Washington, asked whether the United States was confident the Lebanese army was not being “manipulated by any particular political group,” State Department spokesman P.J. Crowley said: “We are, as we’ve said many times, we’re in support of the civilian government in Lebanon,” he said according to a transcript of an August 5 daily press briefing. “And we think improving the capability and performance of the Lebanese government, both across the government, but including in the security sector, contributes to stability in the region and is in our interest.” **Baroud: don’t punish the army** Interior Minister Ziad Baroud said that Cabinet is planning to discuss President Michel Suleiman’s proposals over building up the army. **The minister told the daily An Nahar**

Sunday : “The army cannot be punished in any way whatsoever for performing its duty of defending the border and the nation,” said Baroud. **Russian / French helicopters**

The daily Al Hayat reported Sunday from official Lebanese sources that Lebanon is set to receive a number of Russian military helicopters and that talks are also ongoing with France over providing Lebanon with new helicopters and missiles.

Lebanon has a lot to say about the border clash

Lebanon is ready to confront Israel during a new Security Council session in the next few days to discuss the deadly clashes between Lebanese and Israeli soldiers according to , An Nahar newspaper

Israeli soldiers use a crane as they appear to cut a tree on the Lebanese side of the border in the southern village of Adaisseh, Lebanon, Tuesday, Aug. 3, 2010. The tree was reportedly in a disputed area along the border Lebanon has reportedly a lot to say about the border clash and wants to provide detailed information to the (Council) president and the members about the (Israeli) provocation that led to the bloody” fight”.

Russia’s U.N. envoy Vitaly Churkin, who chairs the Council this month, said a meeting over the clashes will be held “within days.” Lebanon will tell Council members about the circumstances of the Israeli patrol’s insistence to cut down the trees rather than wait for UNIFIL to solve the dispute over the issue, An Nahar said. Israel’s action led to the bloody confrontation between the two sides. The Lebanese ambassador to the U.N. will also complain about the recent threats by Israeli army officials against Lebanon, An Nahar said. Lebanese Armed Forces (LAF) commander General Jean Kahwaji on Wednesday said that Israel Defense Forces (IDF) troops entered on Tuesday a disputed area along the Blue Line, despite objections from the Lebanese army and UNIFIL, National News Agency (NNA) reported.

Report: Israel preparing for a tunnel war

World Tribune newspaper has reported that the Israeli military has been preparing its troops for a tunnel war in Lebanon and the Gaza Strip.

The daily quoted officials as saying that the Israeli army has been training combat troops to detect and seize tunnels built by Hamas in Gaza and Hezbollah in Lebanon.

“We have assessed that Hamas and Hezbollah will make extensive use of tunnels in any future war,” an official told the daily

The Israeli military’s Ground Forces Command has reportedly approved the construction of at least seven urban warfare training centers by 2012, according to the World Tribune.

Two of the facilities were designed to contain tunnels for combat units to enhance combat skills against Hamas and Hezbollah, it said.

Israeli troops encountered Hezbollah tunnels in the 2006 war in Lebanon and Hamas tunnels in the 2009 war in the Gaza Strip. Officials said both militant groups were believed to have vastly expanded their network of tunnels and bunkers over the last year.

Concerns are reportedly mounting in the Israeli defense establishment that Hezbollah may be digging tunnels from Lebanon to Israel to attack a border community or IDF outpost, according to Israeli media

While the IDF has been reportedly worried that Hezbollah will try to kidnap soldiers – as it has done twice in the past – the latest fears surround the possibility that militants will cross into Israel through tunnels, enter a border community like Shlomi and barricade themselves inside a home with civilians.

Geo strategic front:

Lebanese army boosts troops near Israel border

Lebanon is sending about 3,000 additional troops to the country's south after residents clashed with UN peacekeepers in the tense region where many view the international force with mistrust, officials said Monday.

The UN deployed 12,000 forces along Lebanon's southern border with Israel in 2006 with the aim of helping some 15,000 Lebanese troops extend their authority into the area for the first time in decades and create a buffer zone free of fighters for the Iranian-backed militant group Hezbollah.

Israel and the powerful Lebanese Hezbollah fought a war in 2006 and tensions between them are now on the rise again, especially in the south which is heavily influenced by the Shiite militants. Many residents there view the UN peacekeepers with suspicion or allege they spy for Israel.

Tensions have heightened over recent reports that Syria has sent Scud missiles to Hezbollah and suspicions that Hezbollah patron Iran wants to acquire nuclear weapons.

Three weeks ago, the UN Security Council called on Lebanon to deploy more troops to the tense area.

There have been skirmishes between residents of the south and the peacekeepers in the past. But the confrontations have been more serious in recent weeks, with residents throwing stones and blocking roads. Injuries have been reported on both sides.

Many of the recent skirmishes have targeted French peacekeepers.

Lebanese Prime Minister Saad Hariri told the French Ambassador to Lebanon, Denis Pietton, on Monday that he was sending an additional brigade of Lebanese troops to the south.

A senior Lebanese military official confirmed the troop movement but refused to release details, citing military security.

Obama's image takes a beating in Arab world

A majority of people in the Arab world now hold a negative view of President Barack Obama and the United States in a substantial change from how he was seen at the start of his presidency, according to a public opinion poll released on Thursday. Sixty-two percent hold a dim view of Obama and the United States compared with 20 percent who view them in a positive light, according to the 2010 Arab Public Opinion Poll released by Washington-based think tank The Brookings Institution. In a survey early in his presidency, only 23 percent of respondents in six countries expressed a negative view of

Obama and the United States, while 45 percent were positive about the new administration, which took office in January 2009. In the latest poll, 63 percent said they were discouraged by Obama's Middle East policy and 16 percent said they were hopeful. The findings also marked a reversal from the previous year, when more than half were optimistic about US Middle East policy and only 15 percent were discouraged. A majority (61 percent) of the nearly 4,000 people in Egypt, Jordan, Lebanon, Morocco, Saudi Arabia, and United Arab Emirates said they were most disappointed with Obama's policies on the Israeli-Palestinian conflict. Iraq was the second most disappointing issue, but it was a distant second with a mere 27 percent of respondents calling it a top priority. More than half of those polled (54 percent) said an Israeli-Palestinian peace agreement would improve their views of the United States the most. In last year's survey, half the respondents said withdrawing troops from Iraq was the number-one thing the United States could do to improve its image in the Arab world. Among other findings, a majority of the Arab public now see a nuclear-armed Iran as being better for the Middle East. Fifty-seven percent believe Iran is trying to develop nuclear weapons, about the same as in 2009 but up from 39 percent in 2008. Fifty-seven percent said that if Iran acquires nuclear weapons the likely outcome would be more positive for the Middle East, compared with 21 percent who say it would be a more negative development. Last year, only 29 percent thought a nuclear-armed Iran would be good for the region, while 46 percent said the likely outcome would be more negative. The poll of 3,976 people was conducted June 29-July 20, by the University of Maryland and Zogby International. The margin of error is plus or minus 1.6 percentage points.

Baghdad returns to map of global airlines

Baghdad is getting back on the map of international airlines after 20 years of violence as the prospect of multibillion oil deals lures business travelers. Gone are the days of hair-raising cork-screw landings — dubbed death spirals — as the bloodshed has ebbed from a peak of sectarian warfare in 2006 and 2007, though bombings and suicide attacks still occur regularly across Iraq. Several foreign airlines started or announced plans to fly to Baghdad in recent months as firms slowly come back to Iraq seven years after a US-invasion, attracted by oil contracts and infrastructure projects. So far 12 mostly Arab carriers connect Baghdad with Lebanon, Syria, Turkey, Bahrain, Jordan, Iran and other countries in the region, according to airport officials. The latest destinations are Jeddah in Saudi Arabia and Abu Dhabi, capital of the United Arab Emirates. Lufthansa plans to start to fly from Germany from Sept. 30, while authorities are also in talks with Austrian Airlines, Dubai's Emirates and a French carrier, said Adnan Blebil, head of Iraq's civil aviation authority ICAA. "Another airline from Dubai will be also coming," Blebil said, busily shifting and signing papers while sitting in his airport office, where the phone rings almost non-stop. Anticipating more growth, authorities plan to refurbish a third terminal that has been out of use as the Iraqi capital saw little traffic for 20 years due to UN sanctions, wars and much violence since the US-led invasion in 2003.

Airline officials say Baghdad routes are among the most profitable ones. Most planes are full despite tickets costing a fortune - for example, \$800 for an economy ticket to Jordan's capital Amman, just some 800 km (500 miles) away. They can also benefit from the troubles of state carrier Iraqi Airways. The government wants to dissolve the airline within three years to avoid asset claims by Kuwait over Saddam's 1990-91 occupation of

the smaller neighbor. To lure more international airlines Baghdad International Airport boasts some of the world's toughest security checks to prevent car bombs and suicide attacks. These airlines have very high security standards. They won't operate from an airport unless they've done a thorough physical check that all their requirements are met," said Terminal Security Manager Paul Gillert. Up to six search points have to be cleared, the first one more than a kilometer away where guards with dogs search every car and traveler. No traveler can enter the terminal without a valid ticket and travel document so relatives accompanying them have to bid farewell outside the building, said Gillert, whose security firm G4S has some 700 staff on duty. Iraq was mainly shut off from the world after Saddam Hussein invaded Kuwait in 1990, triggering UN sanctions. Apart from Royal Jordanian flying to Amman there was little traffic to Saddam International, as it was called until 2003. Despite the newcomers, there is still plenty of space for other airlines to come. The airport handled around 165,000 travelers from October to December 2009, according to ICAA. Based on that trend Baghdad had more than 600,000 passengers in 2009, compared to 9.1 million at British city Birmingham, whose airport is a similar size. No full-year or comparison figures were available from ICAA officials. The third Baghdad terminal will be refurbished so each has a capacity of 2.5 million passengers, Blebil said. Officials boast the airport has largely avoided the violence that has plagued Iraq since the invasion but this comes at a price - many travelers are exhausted when they reach the plane cabin after checks and more checks. "If I would count the time I spent between coming to the airport and going through checkpoints, I would have landed in Iran by then," said 33-year old Iranian businessman Ridha Miri, waiting to check in on a flight to Tehran. Built in the early 1980s, the airport has seen, like most public buildings, roads and hotels in Iraq, little refurbishment after several wars and more than a decade of economic sanctions. Telephone booths without telephones, fading colors on dusty walls and signs showing the way to anti-air raid shelters in the basement welcome travelers in the main departure hall. As most air bridges do not work, planes tend to park away from the terminal, while passengers sometimes wait up to an hour to retrieve their luggage. "Nothing has changed, the same decor, the same furniture, only the air-conditioning system is better in the past," said Abu Yasir, a 37-year old Iraqi flying to Tehran. I don't think they have renewed anything." As the latest innovations, a duty-free shop has opened and signs show the way to a "1st class restaurant" upstairs. "One small cup of tea costs 90 cents. We don't eat there but bring food from home," moans Iraqi passenger Muhsin Radhi, 65. Assistant restaurant manager Fadhil Abu Mohammad himself moans about security measures: His best customers have now been banned from entering the terminal - US soldiers from nearby bases enjoying a meal at night. "We used to keep the restaurant open until late hours at night, sometimes until 4 am," he said.

Lebanon accuses 3rd telecom worker of Israel spying

A Lebanese prosecutor on Saturday charged a third state telecommunications employee with spying for Israel in a widening scandal rattling the country. Judge Sakr Sakr accused Milad Eid of "dealing with the Israeli enemy..., giving them technical information in his position as head of international communications at the Telecommunications Ministry," according to judicial sources. Eid was also charged with meeting Israeli officers in several places outside Lebanon. If convicted, Eid, who was employed at the state-owned

fixed-line operator Ogero, would face the death penalty. Two employees working for state-owned mobile telecom firm Alfa were earlier charged with espionage for Israel, in arrests that have sparked debate on how deeply Israel had infiltrated Lebanon's telecom and security sectors. Lebanon is in an official state of war with neighboring Israel. The powerful Lebanese Shiite militant group, Hezbollah, fought the Jewish state to a stalemate in a 2006 war. Last Tuesday, Lebanese and Israeli forces clashed along the border, leaving four dead in the worst such flare-up since 2006. Hezbollah has suggested Israel could have used telecom agents to manipulate evidence such as phone records to implicate the group in the 2005 assassination of former prime minister Rafik Al-Hariri. Lebanese President Michel Suleiman has called for severe punishment for spies and said if a death sentence is submitted to him for approval, he will sign it. Two other Lebanese have been sentenced to death for spying for the Jewish state. Lebanon began a wave of arrests last year as part of an espionage investigation in which dozens of people have been arrested on suspicion of spying for Israel. More than 20 people have been formally charged. A high-ranking army officer and a Christian party member, who was also a retired army colonel, have been among the recent high-profile arrests. Israel has not commented on any of them. Senior Lebanese security officials have said the arrests dealt a significant blow to Israel's spying networks in Lebanon, especially since the suspects played key roles in identifying Hezbollah targets that were bombed during the 2006 conflict. Lebanese courts have until now handed down what were widely seen as light sentences against nationals who worked with Israeli occupation forces and their local militias. Israel ended its 22-year occupation of mainly Shiite south Lebanon in May 2000.

Iranian president to visit Lebanon after Ramadan

Iranian President Mahmoud Ahmadinejad will visit Lebanon after the Muslim fasting month of Ramadan, a top official said Sunday. "The president will go to Lebanon at the first occasion after Ramadan," Foreign Minister Manouchehr Mottaki said at a joint news conference with his visiting Lebanese counterpart Ali al-Shami. The holy month, during which the Muslim faithful abstain from eating, drinking, smoking and having sex during daylight hours, is expected to begin on Thursday in Iran, depending on the sighting of the new moon. Mottaki's statement confirmed what Hassan Nasrallah, the leader of the Iranian backed Hezbollah group said last week during his televised speech. He said that Ahmadinejad will visit Lebanon after mid September. The last visit by an Iranian president to Lebanon was by reformist Mohammad Khatami in May 2003, while Lebanese President Michel Sleiman had visited Tehran in November 2008. Mottaki and Shami lashed out at Israel as they condemned the Jewish state for the recent clashes along the Israel-Lebanon border and the May 31 raid by its commandos on an aid flotilla heading to the blockaded territory of Gaza. "The survival of the Zionist regime is facing serious problem," Mottaki said in comments translated by the English language Press TV channel. Shami, who acknowledged Iran's support over the Arab-Israel issue, added that "Israeli aggression is due to its hostile nature." The May 31 Israeli raid on the aid flotilla left nine pro-Palestinian activists dead and sparked an international outcry against the Jewish nation.

Lebanese-Syrian meeting on border crossings

Lebanese Minister of State Jean Ogassapian issued a statement on Wednesday in which he said a meeting between Lebanese and Syrian official delegations will be held in Damascus on Thursday to discuss establishing official border crossings on the Lebanese-Syrian borders.

According to Ogassapian, the participants will discuss means to increase bilateral coordination on the borders to facilitate transportation of people and goods.

The statement added that Ogassapian would participate in the meeting.

Economic front

IT sector:

Lebanon to assess security concerns over BlackBerry

Lebanon will assess security concerns relating to the use of BlackBerry phones, the telecom regulator said on Thursday, making it the latest country to raise worries over the smartphone devices.

Acting Head of the Telecommunications Regulatory Authority, Imad Hoballah, said the TRA would start talks with BlackBerry's Canadian maker, Research In Motion, over its concerns.

RIM is facing mounting pressure from some governments around the world, including India, Saudi Arabia and the United Arab Emirates, to allow access to its encryption system on national security grounds.

"We are studying the issue from all sides — technical, service-wise, economic, financial, legal and security-wise," Hoballah told Reuters. "We are discussing this with the concerned administrations and ministries."

On Wednesday RIM and Saudi Arabia held last-ditch talks to avert a threatened cut-off of the BlackBerry Messenger text messaging service.

The UAE plans to ban BlackBerry Messenger, email and web browser services from October.

Hoballah did not say what decision might be taken on the use of BlackBerrys in Lebanon. Industry executives put Lebanon's mobile phone penetration at 60 percent to 70 percent, with only a fraction of subscribers owning BlackBerrys.

SPIES, STREET-FIGHTING, EAVESDROPPING

The Lebanese regulator's move coincides with widespread concern over the integrity of the telecom network.

Two employees at state-owned mobile telecom firm Alfa were been charged last month with spying for Israel. A third employee working for fixed-line operator Ogero was arrested last week.

The arrests have sparked debates on how deeply Israel had penetrated Lebanon's telecom and security sectors.

Iranian-backed Hezbollah, which fought a war with Israel in 2006, said the cases showed Israel's ability to infiltrate and control the network, compromising Lebanon's national security.

RIM is in an unusual position of having to deal with government requests to monitor its clients because it is the only smartphone maker which manages the traffic of messages sent using its equipment.

The BlackBerry issue highlights national security concerns mooted in Lebanon and elsewhere.

"BlackBerry is outside the control of monitoring. So there are fears that it could be exploited by Islamist extremist groups or by spies," a security source said.

Lebanon experienced a violent crisis in 2008 when the Western-backed government tried to ban a private fixed-line communication network operated by Hezbollah.

The powerful political and military group called the move "open war" and its gunmen briefly seized Beirut.

Rival Lebanese politicians have also stirred controversy in the past by accusing each other of eavesdropping on phone calls. Reuters

Abboud: Tourism industry will not be damaged by clashes

Minister urges media not to 'exaggerate the incident' after busy June

Tourism Minister Fadi Abboud said that the clashes that took place on Tuesday between the Lebanese army and Israeli troops on the border will not affect the tourism industry in Lebanon. "Tourists got used to the Israeli style and I don't think that they will want to end their vacation in Lebanon because of what happened," Abboud told The Daily Star. Lebanese and Israeli troops exchanged fire on the border Tuesday in the most serious clashes since a fierce war four years ago, and Lebanon said at least two of its soldiers and a journalist were killed in shelling. Abboud said that "Israel will use every trick in the book" to get in the way of Lebanon's prosperity and one way to do that is by ruining the tourism season. Abboud has previously announced that he expects the year 2010 to be Lebanon's best tourist year. He expected "a 20 percent increase in tourist arrivals" from last year, anticipating a total of 2,250,000 to visit Lebanon in 2010. Meanwhile, Byblos Bank's Lebanon This Week reported that the number of incoming tourists to Lebanon totaled 964,067 in the first half of 2010, constituting an increase of 26.6 percent from 761,415 tourists in the same period of 2009. According to the report, Arab tourists

accounted for 39.9 percent of total visitors and were followed by visitors from Europe with 24.4 percent, Asia with 18.9 percent, America with 12.1 percent, Oceania with 2.7 percent and Africa with 1.9 percent. The number of tourists reached 231,212 in June 2010, constituting an increase of 20.6 percent, up from 191,691 in June 2009. The report added that Arabs accounted for 35.1 percent of total visitors in June 2010, followed by Europeans with 24 percent, Americans with 18.8 percent, and Asians with 17 percent. Abboud said that tourists will not be affected by this incident because they were convinced to choose Lebanon as their tourist destination in the first place. "They came to support our country," he said. "I call upon the Lebanese media not to exaggerate the incident." On the other hand, hotels in Beirut and in Mount Lebanon confirmed that no cancellations took place yet. "We have a full occupancy so far," said front office manager of Casa D'or hotel in Hamra. "We expect tourists to leave the country starting August 7 before the beginning of Ramadan." Racha Mounzir from the reservations department at the Coral Beach hotel confirmed that there were no cancellations there yet either. There were no cancellations at Al Bustan Hotel, said front office manager Gloria Sawma.

Social front

Palestinian Rights In Lebanon

"Lebanon will not dodge these duties, which must be crystal-clear, and not be subject to any misinterpretation" said Prime Minister Sa'ad Hariri when commenting about the most recent efforts to recognize the civil rights of the over 400,000 Palestinians in Lebanon. Maybe someone should remind the young travelling PM that the Palestinian refugees have been in Lebanon ever 1948 and the Lebanese authorities have yet to recognize their moral and legal obligations. Yes, Mr. PM, it is a shame when government dodges its duties but the fact of the matter is that Lebanon has been dodging its duties for over sixty years and with no end in sight. Until the Lebanese government starts viewing the Palestinian refugees in Lebanon, both inside and outside the camps, as immigrants that are entitled to all civil rights and to access to work and property ownership then this shameful issue will not be resolved. It ought to be emphasized again that the Palestinian refugees are entitled to unalienable civil rights guaranteed to them by the creator, UDHR as well as International law. The Lebanese authorities are not being asked to offer access as much as to recognize the right of access and stop preventing the Palestinians from getting what is legally and morally theirs. Can you imagine the outcry if say, Canada, Australia and the US are to prevent Lebanese immigrants to these countries from accessing the social services networks, jobs and the right to own property? Have we forgotten that we need to treat others the way that we expect to be treated?

And please let us not justify our bigotry and discrimination by shedding crocodile tears and by making the totally discredited argument that we mistreat the Palestinian refugees for their own good. The right of return will not be diluted in any way form or fashion even if each of the 400,000 Palestinians is to become a millionaire. The right of return is not related to any developments after 1948. Foreign ownership of property within the boundaries of the state, any state, has always been the cause of exaggerated fears and anxieties in more than one country. But if such limits are to be applied, and I do not believe that they should, then said limits are to be uniform and none discriminatory. In that case the limits that are applicable to a Saudi Arabian ought to apply also to a

Palestinian or even a Marsian for that matter. One more time, if reason and common sense are to apply then it becomes very clear that the fear of having the ownership of the country in the hands of foreigners is vastly exaggerated. Lebanon already has very tight limits on land ownership by foreigners; any none Lebanese. The total aggregate area of Lebanon that can ever be owned by foreigners is limited to 3% of the country. This represents 312 million square meters. The records show that outside of Beirut only Baabda, Aley and the Metn are already more than 2% owned by foreign entities while the rest of the country is still less than 1%. This implies that foreign ownership could more than triple and yet it will not bump against the current limit on foreign ownership.

A quick back of the envelope calculation regarding the potential effect of Palestinian ownership can be very revealing. If it is assumed that the average size of the Palestinian household is 5 persons; mother, father and 3 children; then the approximate number of Palestinian households is about 80,000. Assume furthermore that $\frac{1}{4}$ of these households have the financial means to purchase land in Lebanon. If each of these 20,000 households is to buy a lot of land of 800 square meters then the total area involved would amount to only 16 million square meters, which is only 5% of the land allotted to foreign ownership. This 0.0015% of the total area of the country is not an unreasonable proportion of property to be owned by 10 % of the residents is it? Not even if that area is doubled or even tripled.

There are no valid reasons to place any restrictions whatsoever on a group of people who have been living in a country for over sixty years and who in all likelihoods will not be leaving any time soon. Lebanese Eager to Hear what Nasrallah Has to Say: A New Turning Point in Hariri's Murder Probe?

All eyes are turned to Hizbullah leader Sayyed Hassan Nasrallah's press conference on Monday that reportedly is set to change the course of the international tribunal's investigation into ex-Premier Rafik Hariri's assassination.

During his last press conference, Nasrallah said he would provide evidence of Israel's involvement in Hariri's Feb. 2005 killing.

While March 14 forces are adopting a wait-and-see approach, high-ranking March 8 sources told An Nahar newspaper that Nasrallah didn't unveil even to his closest aides what information he would provide during his press conference.

Other March 8 sources, however, said that Nasrallah's evidence would turn the course of the probe into Hariri's murder, creating a new status quo.

An Nahar quoted the sources as saying the Hizbullah secretary-general would announce that his party had at the early post-assassination stages carried out an investigation into the killing based on an Israeli telecommunications technique that it had unveiled.

However, the party stopped its investigation when it was unintentionally leaked to Western security sides.

Pro-March 14 dailies said Monday that Nasrallah's 8:30 pm conference is aimed at toppling the international tribunal or hitting at stability in Lebanon to pressure the

international community to review its findings which will reportedly name rogue Hizbullah members.

Informed Arab sources expected that calls would increase for the government to stop funding the court or pull the Lebanese judges out following Nasrallah's conference.

They told al-Liwaa daily that the Hizbullah chief could bring up the issue of a man from Nasrallah family who had told the former prime minister that the Shiite party was planning to assassinate him.

Other sources said Nasrallah could hint that Hariri had a role in luring Israeli army colonel Elhanan Tannenbaum to a European country to allow a Hizbullah group to seize the man.

Tannenbaum's capture allowed Hizbullah to make a large prisoner swap deal under which leaders from the group were released from Israeli jails.

As Safir daily, in its turn, said that Nasrallah's revelations would be a legal and political turning point in the case of Hariri's murder. It quoted informed sources as saying that the conference would open new horizons that the court could pick up and build on "if it wanted to be impartial."

Ayalon: We Will Deal with Lebanese Army on Basis of Being an Enemy

Israeli Deputy Foreign Minister Danny Ayalon has warned that the Jewish state will deal with the Lebanese army as an enemy if it attacks Israeli soldiers again.

"If the Lebanese army repeats what it did (on Tuesday), we will deal with it on the basis of being an enemy," Ayalon told al-Hurra satellite TV network Thursday.

"There is a tendency by Hizbullah and Iran to take control over the Lebanese army," he said.

Also Thursday, Ayalon warned of the danger of Hizbullah gaining influence over Lebanon's army just days after the deadly exchange of fire along the border left four people dead.

"There is a danger of the Hizbullization of the Lebanese army, if the army begins to behave like Hizbullah," Ayalon told public radio.

"If Hizbullah manages to take control of the army, we will have to treat (the army) in a completely different manner," he said.