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Summary

Egypt

The ruling National Democratic Party's (NDP) leaders are rolling up their sleeves to prepare for November's People's Assembly elections, reports Gamal Essam El-Din

A meeting held by the NDP's six-member steering committee on Sunday laid the groundwork for the selection of candidates for November's parliamentary poll. The selection criteria, says NDP Secretary-General Safwat El-Sherif, have been endorsed by President Hosni Mubarak in his capacity as NDP chairman.

Senior NDP officials are adamant there can be no changes to election regulations ahead of November's parliamentary poll, reports Gamal Essam El-Din National Democratic Party (NDP) leaders stressed this week that the 1956 law concerning the exercise of political rights would not be amended ahead of November's People's Assembly elections. Their comments came in response to the one-day conference held by the Coalition of the Egyptian Opposition Parties (CEOP) on 8 August which called on President Hosni Mubarak to change the law to ensure that the elections were free and fair.

Egypt's banned Muslim Brotherhood has called on the Government to amend the Constitution and remove all hurdles that would hinder any independent willing to run for Egypt's presidency, the group's Supreme Guide said. All the national powers are requested to back the reform programme. They should unify their stances so as to force the Government to open the door to any one willing to run for presidency," the Brotherhood's Mohamed Badei said Friday evening. He added that removing the restrictions for presidential candidates could be done by amending the Constitution.

Unidentified people have removed posters displayed by the Egyptian Coalition for the Support of Gamal Mubarak in some areas in Daqahliya, particularly in Mansoura. Niveen al-Deeb, general coordinator for the Gamal Mubarak Support Campaign, said she is not disturbed by the events. Whenever members of the campaign spot people removing a poster, they approach them to explain Gamal's platform and how it can help the country progress.

Campaigners calling for the nomination of Gamal Mubarak, the younger son of President Hosni Mubarak, in the next presidential elections may have left millions of Egyptians in a state of confusion as to the political future of their country, while silence reigns over both the presidency and the ruling National Democratic Party. Pro-Gamal posters:

Geo strategic front

President Hosni Mubarak accepted an invitation to attend the start of direct peace talks between Israeli and Palestinian leaders in Washington next month, a newspaper reported on Saturday. "President Mubarak welcomed the Quartet's statement and confirmed his acceptance of President Barack Obama's invitation to participate in the launch of direct talks" at the beginning of September, the official Al-Ahram reported.

Inflation in Egypt remained unchanged in July, supporting the central bank's decision to keep its benchmark interest rate at the lowest level since 2006. Urban inflation, the main rate monitored by the central bank, was 10.7 percent in July, according to the website of the Cairo-based Central Agency for Public Mobilization and Statistics.

Ramadan Banquets Food prices rose 3.2 percent in July as Egyptians stocked up on supplies ahead of the holy Muslim month of Ramadan, during which they often hold large banquets at sunset to break their fast. Tobacco costs surged 29 percent after an additional government tax went into effect on July 1. The central bank lowered interest rates six times in 2009 to support the economy of the most populous Arab country in the face of the global financial crisis. Economic growth accelerated to 5.3 percent in the fiscal year that ended in June, compared with 4.7 percent in the previous 12 months.

Egypt, the world's biggest wheat importer, asked Russia to honor and reschedule deals to ship 540,000 metric tons of wheat after the latter announced plans to suspend grain exports due to a drought. Egypt sent the Russian Minister of Trade a letter stating that the two countries had signed the contracts before the announcement of the ban, which starts on Aug. 15, Trade Minister Rachid Mohamed Rachid said in an e-mailed statement.

Cyber news

Regional manager North Africa for Google, told Daily News Egypt. The number of internet users in Egypt has grown by 20 percent since 2004, which is the largest increase throughout the region, the company highlighted in a note. More broadly, the number of internet users in the MENA region grew by a staggering 1,200 percent between 2000 and 2008. Nevertheless, Arabic content online attains a mere 1 percent while Arabic speakers represent 5 percent of the world's population, Fakharany said. There are about 45.9 million users that conduct web searches in Arabic, with that figure set to grow to 82 million by 2013.

On the net Google has been making headlines after it and Verizon said regulators should be able to police web traffic over cable and telephone lines, but carriers should control the speed of access to content on mobile devices, prompting accusations that the company had "sold out." Reuters reported that the joint announcement marks a surprising industry compromise over so-called "net neutrality" — a term that means high-speed internet providers should not block or slow information or charge websites to pay for a fast lane to reach users more quickly.

Egypt's political cyber war is intensifying after hackers played havoc with the Facebook page of Gamal Mubarak, the son of President Hosni Mubarak and a possible presidential contender in 2011. The hackers posted a new group photo of Gamal with a red X running through his face and a message in Arabic: "You are not welcome, neither is your father." The photo was inserted over the original, which featured no X and carried the slogan, "Yes for Gamal Mubarak."

Egyptians are turning to Facebook and Twitter to have their say in campaigns launched by the country's presidential candidates. Hackers are also playing havoc with Web sites affiliated with candidates campaigning for next year's Egyptian presidential election, the Egypt Daily News reported on its Web site Sunday. On the Facebook page of President Hosni Mubarak's son Gamal, a member of the National Democratic Party, hackers posted a new photo with a red "X" over it and a statement in Arabic saying: "You are not welcome and neither is your father," the Daily News said. The report said the original photo that appeared on the page had a slogan under Gamal's photo saying "Yes for Gamal Mubarak." Ayman Nour, the founder of El Ghad opposition party, launched a campaign against the president's son with the slogan: "Egypt is too big for you," the report said.

Social front

Egypt's Minister of the State for Family and Population Moshira Khattab announced this week changes to the Egyptian child law. She said that a number of changes include executive regulations of the Children's Act 162 of 2008, which was recently approved by Prime Minister Ahmed Nazif. The minister said that under the new regulations, "protection of children from abduction and trafficking comes as a the top priority of the law by providing a number of procedures to be followed by medical facilities during the registration of children in birth certificates." Khattab continued to say that "under the strict measures, in addition to restricting the work of midwives to promote the birth by a doctor with a view to reducing deaths of newborns and mothers and to ensure that the child has his registered birth certificate and health card."

Iraq

Political front

Muqtada al-Sadr, leader of the Sadrist movement, to leave Iran and resettle in Lebanon. This is in order to escape from Iranian pressure, which is pushing for his approval of the nomination of Nuri al-Maliki, leader of the State of Law Coalition and outgoing Prime Minister, for a second term in office. "Muqtada al-Sadr would prefer to return to Iraq and settle in his hometown of Najaf, and resume his work in 'Al-Brani' [office of a religious cleric], which serves as his office to meet guests and followers. However conditions in Iraq are not currently suitable for his return". Furthermore, the sources revealed that "al-Sadr used to occupy the same office as that of his father, Shiite cleric Mohammad Sadeq al-Sadr, who was murdered with his two sons in the centre of Najaf city in February 1999, by the security services of Saddam Hussein"

Baghdad, Asharq Al-Awsat- An informed source within the Al-Iraqiya list has revealed to Asharq Al Awsat that outgoing Iraqi Prime Minister and leader of the State of Law Coalition [SLC] Nuri al-Maliki, sent a letter to political rival and leader of the Al-Iraqiya list, Iyad Allawi, apologizing for the statements made he a few days ago in which he described the Al-Iraqiya list as a Sunni coalition, which led to the Al-Iraqiya list suspending negotiations until he apologized. The letter was delivered by the Iraqi government's spokesmen Ali al-Dabbagh, in a meeting attended by the list's leaders; Vice President Tariq al-Hashimi and Osama al-Nujayfi.

Perched on top of an armored vehicle, the exultant U.S. soldier's shouted boasts left no room for doubt as his troop convoy trundled into Kuwait: "We're goin' home, we won. It's over. America, we brought democracy to Iraq. I love you, I love you." As a snap summary of a highly symbolic moment -- the departure of the last major batch of U.S. combat troops from Iraq more than seven years after the U.S.-led invasion -- it at least had the merit of clarity. As a statement of fact, however, it concealed a multitude of sins, failures, unintended consequences, and doubts about the future. For as soldiers of the 4th Stryker Brigade, 2nd Infantry Division, poured out of Iraq under cover of darkness early on August 19 -- two weeks ahead of President Barack Obama's August 31 deadline -- they left behind a country plagued in some ways by as much uncertainty as when the self-styled "coalition of the willing" invaded to topple Saddam Hussein's regime in March 2003. Saddam may be long gone but -- contrary to the soldier's emotive claims -- who "won" is far from clear. And in contrast to the impression meant to be conveyed by the departure of U.S. fighting forces, Iraq today is far from secure.

U.S. combat operations will officially terminate at the end of this month, when 6,000 support troops withdraw, another 50,000 U.S. forces will remain until the end of 2011,

officially in an "advisory" capacity but with the potential to become more directly involved if the need arises. In reality, U.S. military input is almost certain to remain tangible, especially given the recent warning from Iraq's top army officer, Lieutenant General Babaker Zebari, that his troops may not be ready for another decade and that the United States is pulling out too soon.

The last U.S. combat brigade has left Iraq as part of President Barack Obama's pledge to end combat operations in the country by the end of this month. Army Captain Christopher Ophardt, spokesman for the 4th Stryker Brigade, 2nd Infantry Division, said the last of the unit's vehicles crossed the border into Kuwait early on August 19. It was a heavily symbolic departure, and a television crew from the U.S. cable news network MSNBC rode with some of the departing troops, broadcasting the border crossing live as it happened.

The relative stability in southern Iraq, where the country's most prolific and gigantic oil fields are situated, has persuaded foreign firms to start operating in earnest. A good example is U.S.'s Halliburton which has recently won a contract for the drilling of 15 more wells in the giant Majnoon field. The director-general of the State Company for Drilling Adris al-Yasseri said Iraq was keen to boost its oil output by developing new fields and rehabilitating the producing ones. "It does not matter for us which company we deal with and from which country," Yasseri said. Majnoon is believed to be the country's largest oil field with proven reserves exceeding 12 billion barrels. A consortium of foreign firms has won a contract to develop the field. Yasseri said the firms have already started working. However, the field is too big for one consortium to handle and Iraqi national oil firms still have a stake.

Social front

The Iraqi government is doing all it can to ensure security for all citizens, but it is also aware that religious and ethnic minorities are particularly vulnerable and extra efforts are required to protect them, a senior Iraqi official has told. Ali al-Musawi, who is a media adviser to Prime Minister Nuri al-Maliki, said on August 19 that the safety of Iraq's minority communities was a top priority for the government in its national security strategy. Musawi's comments come after the U.S. Senate adopted a resolution earlier this month that highlighted "the perilous status of religious minorities in Iraq" and called on the Iraqi government to address abuses against these groups.

Lebanon

Geo strategic front

The organizing committee of an aid flotilla bound for Gaza will hold a press conference on Thursday in Tripoli, amid expectations it would announce kicking off its trip on Sunday. The National News Agency (NNA) reported that the boat has received permission from the Public Works and Transport Minister Ghazi Aridi to sail to Cyprus, after which it plans to head toward Gaza. The organizing committee for "Mariam" will hold a news conference on Thursday in the Tripoli seaport, where the vessel is docked to announce the next step. The NNA quoted some sources as expecting that the vessel will leave Lebanon on Sunday, adding that organizers have called foreign participants to join the boat on time.

A Lebanese ship carrying aid and women activists hoping to break Israel's Gaza blockade will set sail Sunday from Lebanon despite warnings that they will not be

allowed to make it past Cyprus, organizers said Thursday. The ship cannot travel directly to Gaza from Lebanon because Beirut is still technically at war with Israel, forcing the vessel to pass through a third country – in this case, Cyprus – before heading for the blockaded Palestinian territory. But on Thursday, the Cypriot ambassador to Lebanon told the Associated Press that the boat, the Mariam, will be turned back when it reaches Cyprus.

Transport and Public Works Minister Ghazi Aridi said Friday that the government would not respond to a call from Israeli Defense Minister Ehud Barak to prevent a Gaza-bound aid ship from sailing. The organizers of the Mariam, a Lebanese ship carrying aid and women activists hoping to break Israel's Gaza blockade, have announced that the vessel would sail on Sunday from Lebanon, despite warnings that they will not be allowed to make it past Cyprus.

The UN and Lebanese groups praised Parliament's decision to grant Palestinian refugees wider rights to employment and the end of service indemnity while Israel welcomed the law as a step toward the naturalization of refugees. "These amendments are an important step in the right direction," said Salvatore Lombardo, the Lebanon director of the UN agency for Palestinian refugees (UNRWA). "The positive momentum generated by [Tuesday's] outcome can only serve to strengthen UNRWA's commitment to serve the refugees in Lebanon to the best of our abilities, for the benefit of Palestinians and Lebanese alike," Lombardo said in a joint statement with the International Labor Office (ILO).

Lebanon is keen to start all-out offshore gas and oil exploration by the start of 2012 once interested companies submit their bids next year, Energy and Water Minister Jebran Bassil said on Thursday. Speaking during a news conference, Bassil stressed that the oil law which was approved by the Parliament two days ago should be seen as a big achievement for Lebanon. Bassil and other officials also touched on the deteriorating electricity conditions in most parts of the country and Electricite du Liban (EDL) reiterated that the problem will get worse if the government does not allocate additional funds to build more electricity plants that can cover the growing demand of the market.

Social front

Israel

Israel's prime minister defended the deadly commando raid on an international flotilla protesting the Gaza blockade in opening testimony before an internal inquiry commission Monday, and suggested Turkey had sought the violent confrontation on board. Benjamin Netanyahu told the commission that Ankara had rejected Israel's prior appeals to halt the flotilla and refused to intervene despite the prospect of violence between Israeli troops and the Turkish Islamic charity that organized the mission. "As we got closer to the date it became clear our diplomatic efforts would not stop it," Netanyahu said. "Apparently the government of Turkey did not see potential friction between Turkish activists and Israel as something that goes against its interests." The six-ship flotilla was trying to deliver aid to Gaza when it was intercepted by Israel.

President Mahmoud Abbas has warned President Barack Obama that he will pull out of upcoming peace talks if Israel ends a slowdown on West Bank settlement construction, a Palestinian negotiator said Monday. Abbas sent a letter to Obama stressing that any renewed Israeli settlement construction would end the talks, said Palestinian negotiator Saeb Erekat. The direct negotiations are to begin in Washington next week, after months

of US diplomatic efforts. Both sides seem pessimistic about the chances of success. Israel's 10-month slowdown, which bars construction of most new homes in the West Bank, is supposed to end in late September, and Israel's government is split over whether to extend it.

Arab states have cut financial aid to the Palestinian Authority (PA) so far this year, according to PA figures seen by Reuters, and the United Nations has warned of a looming Palestinian cash crisis. "The Arabs are not paying. We urge them to meet their financial pledges," said Saleh Rafat, a member of the Palestine Liberation Organization's executive committee and one of the few Palestinian officials willing to speak out on the matter. Arab government officials contacted by Reuters declined to comment on the issue. The failure of some Arab states to pay up is frustrating Western governments, which are big contributors to the Palestinian territories, and leaving officials in the West Bank with a budget headache. Some Palestinian officials speculate Arab states might be withholding the cash to try to persuade the Palestinian factions Fatah, which controls the West Bank, and Hamas, which controls Gaza, toward reconciliation. Palestinian Finance Ministry figures seen by Reuters showed the PA had received \$583.5 million in budget support so far in 2010. Only 22 percent came from Arab donors, the rest coming from international donors including the EU and United States.

Presidential elections

Election fever

The ruling National Democratic Party's (NDP) leaders are rolling up their sleeves to prepare for November's People's Assembly elections, reports Gamal Essam El-Din

A meeting held by the NDP's six-member steering committee on Sunday laid the groundwork for the selection of candidates for November's parliamentary poll. The selection criteria, says NDP Secretary-General Safwat El-Sherif, have been endorsed by President Hosni Mubarak in his capacity as NDP chairman. According to El-Sherif, the party's official candidates will come through two channels: the party's electoral college and opinion polls. "A large number of party members want to contest the next parliamentary elections, and they will be selected democratically," said El-Sherif. "Electoral colleges will be organised to put forward the names of candidates, and opinion polls conducted to see which of the names commands the support of the public. It will be on the basis of both that the party's steering committee will make a final decision." El-Sherif indicated that as many as 508 candidates could be fielded by the NDP to compete for 454 seats. The party will also hold public rallies in each of Egypt's 28 governorates to select the 64 candidates who will contest seats reserved for women. NDP members wishing to be candidates should register their names during the period from 21 to 28 August. "Once registration is completed, the process of selecting the party's official candidates will begin," said El-Sherif. The selection of candidates is expected to be the main focus of the party's annual conference, scheduled at the end of October. "The conference will be tasked with drawing the party's political roadmap ahead of the poll," according to El-Sherif. Last month El-Sherif told a meeting of NDP young leaders in Alexandria that the party would refuse to field candidates who did not enjoy the full confidence of the public. "We will respect the people's wishes and never select a candidate whose performance in parliament has been rejected by the public," he said,

insisting popularity, good reputation and a proven track record would decide who would be fighting for a parliamentary seat. Throughout the last parliament the party was dogged by corruption scandals and criminal cases, as well as by MPs making statements that outraged the public. Khaled Salah, NDP MP for the Cairo district of Al-Zawya Al-Hamra, was recently found guilty of smuggling mobile phones into Egypt, while Hassan Nashaat, NDP deputy for North Sinai, caused a furore when he said the police should open fire on young activists who demonstrate for political reform. Some potential NDP candidates have already begun preparing their election campaigns ahead of a final say on whether they will be standing. "Some feel that they will not be selected by the electoral colleges and others believe the selection process has become very complicated and overly strict," says NDP Shura Council spokesman Mohamed Ragab. He predicts that a large number of NDP members will stand as independents if they are rejected by the electoral colleges. Although the final list of NDP candidates has still to be determined, some names are guaranteed to appear. They include Fathi Sorour, 78, speaker of the People's Assembly since 1990; Zakaria Azmi, 74, chief of President Hosni Mubarak's presidential staff, an NDP MP since 1987 and the party's assistant secretary-general since 2002 and Kamal El-Shazli, a member of the NDP's political politburo who first became an MP in 1964. The party will also field a large number of businessmen, among them Ahmed Ezz, NDP Secretary for Organisational Affairs and Egypt's biggest steel magnate; Mohamed Abul-Enein, a member of the NDP's secretariat-general and a ceramics tycoon; and Tarek Talaat Mustafa, chairman of parliament's Housing Committee and the brother of Hisham Talaat Mustafa, the former Shura Council NDP member who is facing trial on murder charges.

Impossible to amend'

Senior NDP officials are adamant there can be no changes to election regulations ahead of November's parliamentary poll, reports Gamal Essam El-Din National Democratic Party (NDP) leaders stressed this week that the 1956 law concerning the exercise of political rights would not be amended ahead of November's People's Assembly elections. Their comments came in response to the one-day conference held by the Coalition of the Egyptian Opposition Parties (CEOP) on 8 August which called on President Hosni Mubarak to change the law to ensure that the elections were free and fair. The conference convened at the Wafd Party's headquarters, even though the Wafd had earlier said it would quit the coalition following criticisms levelled at the party by Osama El-Ghazali Harb, the chairman of the Democratic Front. Harb had warned that the Wafd's refusal to boycott the poll would lead to rifts within the ranks of CEOP. Fathi Sorour, People's Assembly speaker and a member of the NDP politburo, told parliamentary correspondents on 10 August that amendments to the 1956 law on the exercise of political rights approved in May 2007 included sufficient guarantees that parliamentary elections would be marked with integrity. "Opposition suggestions that the poll be placed under the full supervision of judges from the Court of Cassation would have to be discussed first by the People's Assembly. Since both the assembly and Shura Council are currently in recess it is impossible to implement any changes ahead of the November poll," he said. Sorour also pointed out that though under Article 147 of the constitution President Hosni Mubarak can issue legislative amendments when parliament is not sitting, the prerogative is restricted to matters of national emergency. He argued that the

amendment of 34 constitutional articles in March 2007, which placed monitoring of the elections in the hands of a Higher Election Commission (HEC), ensured that the polls would be fair. "The changes came in response to opposition demands to place the monitoring of elections in the hands of a body that comprised senior judges and would exercise comprehensive control of the polls," said Sorour. "The new system is far better than the old one, which was based on the principle of a judge for every ballot box, causing a lot of embarrassment for judges and implicating them in political disputes." Sorour made his remarks while touring the Cairo district of Al-Sayed Zeinab, which he has represented since 1987 and plans to contest in November's election. The 8 August conference, held under the slogan "No to elections without guarantees" saw the coalition, which includes Wafd, Tagammu, the Nasserists and the Democratic Front, adopt a final document demanding that the HEC be headed by the Chairman of the Court of Cassation, the highest judicial authority in Egypt, rather than the Chairman of Cairo's Appeal Court, as is currently the case. "The HEC, membership of which should be restricted to senior Court of Cassation judges, should exercise full control of the polls, including selecting polling and vote-counting stations, regulating their performance and ensuring that they are supervised and monitored by one or two senior judges," said the document. It also called for the police to be subject to HEC supervision to ensure they do not interfere in the election process. "In coordination with the ministries of interior, justice, foreign affairs, defence, health and manpower, the HEC should revise voter lists to make them consistent with the newly-designed national identity cards," the document concluded. Wafd Party Chairman El-Sayed El-Badawi said the CEOP document also called on President Mubarak to scrap the existing individual candidacy system in favour of the more proportionally representative slate system, so as to ensure a stronger voice in parliament for political parties and underrepresented groups such as Copts and women. In response Sorour argued that "the proportional representation slate system is too difficult for the electorate to understand". He also said that to succeed it would require strong opposition parties with an active presence in the political arena which is currently not the case. "Most of the existing parties, with the exception of the majority NDP, are weak and ineffective. And while it is true that Article 5 of the constitution states that the multi-party system should characterise Egypt's political life this will remain only a hope until strong opposition parties emerge." Moufid Shehab, minister of state for legal and parliamentary affairs and NDP assistant secretary-general, agreed that "it is impossible to amend the 1956 political rights law ahead of the upcoming elections". He pointed out that it has been amended 14 times since 1956, most recently in May 2007 in order to accommodate opposition calls for elections to be placed under a Higher Election Commission. Following the conference El-Badawi made it clear that unless the coalition's legislative demands for free elections were met by 17 September, the General Assembly of the Wafd Party would convene to decide whether or not to boycott the polls. "NDP officials should understand that guarantees for fair elections are good for them as well as for the opposition parties. Without them there will always be doubt over the fairness of any poll," he said.

Signing up

The race to collect signatures for presidential candidates is heating up, reports Gamal Essam El-Din Despite denials from senior officials of the ruling National Democratic

(NDP) that it is involved, the campaign organised to support a 2011 presidential bid by Gamal Mubarak, the younger son of President Hosni Mubarak and chairman of the NDP's powerful Policies Committee, is intensifying. The so-called Popular Coalition for the Support of Gamal Mubarak (PCSGM), which was founded three months ago, is continuing to collect signatures in support of Gamal Mubarak standing. Ahmed El-Menshawi, PCSGM's coordinator in Sharqiya governorate, announced that the campaign would focus on the densely populated Delta governorates. "We aim to open offices across these governorates and alert the attention of ordinary citizens there to the goals of our campaign," said El-Menshawi. "In Sharqiya alone, three offices have been opened." El-Menshawi insists that PCSGM's organisers are mostly young people who have joined the campaign as volunteers. "We are receiving donations from different sources but none of them are NDP businessmen," he said. Press reports have appeared suggesting business tycoon and member of the NDP's secretariat-general Ibrahim Kamel has been funding the pro-Gamal Mubarak campaign. Kamel announced two weeks ago that should President Hosni Mubarak step down, the NDP would almost certainly support Gamal Mubarak in the presidential elections. "Egypt is calling you" is the name of another pro-Gamal campaign, this time focussed on the Upper Egyptian governorate of Aswan. Like PCSGM, the campaign seeks to collect signatures from ordinary citizens in support of a presidential bid by Gamal Mubarak. According to its coordinator Ebeida Mohamed Ahmed, thousands have already been collected. The campaign's slogan, Ahmed revealed, was conceived as a riposte to the "the anti-Gamal Mubarak campaign's "Egypt is too big for you" launched by opposition activist Ayman Nour two weeks ago. A third pro-Gamal Mubarak campaign -- "Your vote is a trust" -- is also up and running. "We have so far collected 22,000 signatures from ordinary citizens in support of Gamal Mubarak's presidential bid," said NDP member Marwa Hodod said. The pro-Gamal Mubarak campaigns have even moved overseas. United Press International, an online news website, reports that an Egyptian expatriate, Hamed Abdel-Azim Bayoumi, has founded the National Association for Stability and Development, an organisation in New York that is promoting a 2011 presidential bid. The sudden proliferation of support for Gamal Mubarak has fuelled speculation that rifts within the NDP between the party's old guard, led by Secretary-General Safwat El-Sherif, and the new generation of businessmen close to Gamal Mubarak, are widening. Salah Montasser, columnist and NDP member, argues that "the NDP should break its silence and state its position on these campaigns". "Allowing them to continue without saying anything fans rumours that the NDP is breaking into two camps." Leading commentator Salama Ahmed Salama believes that, "some NDP circles have decided to seize the parliamentary elections to promote Gamal Mubarak as the country's next president". "They are seeking to give the impression that the campaigns are motivated by personal and popular admiration for Gamal Mubarak and that they do not have a hand in them," he says. Meanwhile, the campaign organised three months ago in support of Mohamed El-Baradei, former director-general of the International Atomic Energy Agency, continues apace. Nasser Abdel-Hamid, the pro-Baradei campaign coordinator, has announced that more than 700,000 citizens have signed up in support of El-Baradei's political reform manifesto "Together for Change". Youssef Abdel-Rahman, the son of famous Islamic cleric Youssef El-Qaradawi, who is in charge of El-Baradei's online campaign, says that more than 200,000 Egyptians have signed up on the social networking website Facebook alone. Officials of the

National Assembly for Change, founded last February by El-Baradei, claim they have gathered 578,000 signatures in support of the manifesto. Fathi Sorour, speaker of the People's Assembly and a member of the NDP's politburo, described El-Baradei's signature-collecting campaign, which aims to pressure the regime into allowing independent candidates to stage a presidential bid, as "irresponsible and frivolous". "Amending the constitution is a legal process, not a result of collecting signatures from ordinary citizens," Sorour told the weekly pro-government Al-Mussawar magazine. An NDP source, who asked not to be identified, said that "NDP officials are closely following up the pro-Baradei campaign. They doubt that the signatures, especially those collected through the Internet, are valid, and stress that even if the target of one million is amassed it represents a very small percentage of Egypt's population of more than 80 million."

Remove 'hurdles to run for presidency'

Egypt's banned Muslim Brotherhood has called on the Government to amend the Constitution and remove all hurdles that would hinder any independent willing to run for Egypt's presidency, the group's Supreme Guide said. All the national powers are requested to back the reform programme. They should unify their stances so as to force the Government to open the door to any one willing to run for presidency," the Brotherhood's Mohamed Badei said Friday evening. He added that removing the restrictions for presidential candidates could be done by amending the Constitution.

"The people of Egypt are the one who should decide on their future leader. They have the right to choose him from various political orientations," Badei said. Hosni Mubarak, 82, has not said whether he will seek a new term in the 2011 elections. A campaign led by potential presidential candidate Mohamed ElBaradei, the former chief of the UN nuclear watchdog, has gathered some 770,000 signatures to press for constitutional change in Egypt, its members say. The National Coalition for Change began online last February, and has since taken to the streets and become tied up with the Muslim Brotherhood, Egypt's biggest opposition bloc, helping it achieve a five-fold increase in signatures in one month and nearing its goal of one million. Another campaign supporting Mubarak's son Gamal for presidency is also intensifying, although the ruling National Democratic Party (NDP) has dissociated itself from such campaigns. Egypt had its first competitive presidential elections in 2005. It was swept by Mubarak.

Gamal Mubarak posters torn down

Unidentified people have removed posters displayed by the Egyptian Coalition for the Support of Gamal Mubarak in some areas in Daqahliya, particularly in Mansoura. Niveen al-Deeb, general coordinator for the Gamal Mubarak Support Campaign, said she is not disturbed by the events. Whenever members of the campaign spot people removing a poster, they approach them to explain Gamal's platform and how it can help the country progress. Activists from the coalition had earlier established their first branch in Mansoura and toured villages in Daqahliya to gather the signatures of those who endorse Gamal for the presidency. Al-Deeb said their target is 100,000 signatures from Daqahliya in ten days, adding that the coalition is considering the idea of having citizens sign official proxies supporting Gamal for the presidency. In Gharbiya, banners supporting Gamal for the presidency were seen in some of the cities. The same banners

also attacked the Muslim Brotherhood and ElBaradei, the former chief of the International Atomic Energy Agency (IAEA) and potential candidate in the upcoming presidential election.

Demystifying Egypt's political future

Campaigners calling for the nomination of Gamal Mubarak, the younger son of President Hosni Mubarak, in the next presidential elections may have left millions of Egyptians in a state of confusion as to the political future of their country, while silence reigns over both the presidency and the ruling National Democratic Party. Pro-Gamal posters: A man pasting up posters of Gamal Mubarak, son of President Hosni Mubarak, in Cairo last week. Gamal Mubarak, an influential politician in the ruling party, did not react in any meaningful manner to the new campaigns in his support. But the meanings of his silence, the silence of the President himself, and that of the National Democratic Party do not seem to be absent from the minds of many observers in Egypt, who say they watch the rumoured political succession slowly but surely coming into effect. "I've no doubt about the authenticity of this political succession scenario at all," said Hassan Nafaa, a professor of political science-cum-writer. "President Hosni Mubarak won't run in the next presidential elections because his son will be a contender," he told the Egyptian Mail in an interview. President Mubarak, in power since 1981, has yet to say if he would seek a sixth term in office. In an address to Parliament last year, however, he said he would continue to serve Egypt as long as "my heart pulsates". Leaders in his National Democratic Party say they cannot name a candidate for the presidency because the "President is well". Questions about Egypt's political future have always made the leaders of the party angry, while others tended to scoff at reporters who asked them.

During the 2009 annual congress of the party, the younger Mubarak himself put the correspondent of a major satellite channel on the spot when he told him both in Arabic and in English that "I don't plan to run for president". But Mubarak junior's silence, while a group of activists are collecting signatures to ask him to run for president belie his initial promises during the congress of the party, say observers. The younger Mubarak, an eloquent and articulate speaker who revolutionised work inside the ruling party, according to several party officials, by forming critical policies committees that had never existed before, will most likely be Egypt's next president, observers add. These observers believe that by keeping silent in the face of the support campaigns in his favour, Gamal Mubarak shows indifference to the confusion felt by the majority in this country. "Otherwise why should he stay silent?" asked Saad Hagrass, a political analyst. "This silence also reflects the state of total confusion that continues to control everything in Egypt," he added. But Mubarak the junior might have got fed up with denying the presence of plans on his part to become president. He was asked the same question about the presidency every time he faced the press. One time he told a TV correspondent that he had wished he would ask him questions that do not pertain to the presidency.

"Will you ask me the same question again?" he jokingly addressed Hussein Abdel Ghani of the freewheeling Qatari TV Al-Jazeera last year. Even with this, his observers say political succession was planned a long time in Egypt and it was being implemented bit by bit since Gamal Mubarak started to rise inside the ruling party in 2005. "This succession plan is being implemented quickly these days giving fears about the president's health," Nafaa said. President Mubarak underwent a gallbladder surgery in

Germany last March, but a month later he came back to Egypt to resume his activities. He has not designated a successor and never named a vice president.

Egypt is calling you': New pro-Gamal Mubarak campaign

Another signature-gathering campaign was launched a few days ago in Nubia to support Gamal Mubarak, son of President Hosni Mubarak, in standing for the presidency. The campaign, with the slogan "Egypt is calling you," is being led by Ebeida Mohamed Ahmed, member of the National Democratic Party in Aswan. The number of signatures has so far reached 200. The campaign slogan was chosen in response to the anti-Gamal "Egypt is larger than you" campaign, according to Ebeida. Thousands of pro-Gamal posters have been printed, to be distributed next week in Aswan and then other governorates. In a related context, around 20 lawyers filed a report with the attorney general against Ayman Nour, founder of Ghad Party, accusing him of inciting hatred for Gamal and depriving him of his constitutional right to stand in presidential elections. "It's an honor for me to call on citizens not to elect Gamal Mubarak," said Nour. Meanwhile, a human rights association in Daqahliya submitted a report to Ahmed Nazif, Egypt's prime minister, to take action against any candidates, regardless of party affiliation, who deface walls with posters. Nevine al-Deeb, coordinator for the pro-Gamal Mubarak coalition campaign founded by Magdi al-Kurdi, said their coalition had 20,000 posters printed in two days, but that such posters do not affect the general look of streets.

Egyptian popular movements hold the government responsible for prices hike

An Egyptian political front called "The Free Country", held the government responsible for prices hike calling the Egyptians for joining a demonstration next Monday under the motto "We became hungry". Egyptian popular movements hold the government responsible for prices hike "We became hungry" The demonstration will take place in Cairo and Alexandria to protest against prices hike of food commodities. The Front asked the protestors to carry plates and spoons as a means to condemn the government policy which gave up the poor and individuals of limited income. Movements as "Kefaya", "6 April", and "Youth for Justice and Development group" also announced that they will join the demonstration. Kefaya movement coordinator Abdel Halim Kandil said "the movement will join the demonstration to speak out its rejection for the current economic and social conditions". For his part, Mohammed Abu Shady, the head of Internal Trade Sector said that the reason behind prices hike is the unjustified exploitation of the traders to the increasing demand for food commodities during Ramadan. "Egypt suffers from low productivity in general and the inability to achieve self-sufficiency to most of the commodities a matter that resulted in importing the rest of our needs." Shady added. "Egypt imports 100% of the capital commodities like machines and factories and 60% of food for high prices that do not suit the incomes of the Egyptians", Shady said. Shady went on to say "traders greed is behind prices hike and the government will keep an eye open for them in order to achieve markets' stability".

Geo strategic front

Mubarak accepts invite for Mideast talks

President Hosni Mubarak accepted an invitation to attend the start of direct peace talks between Israeli and Palestinian leaders in Washington next month, a newspaper reported on Saturday. "President Mubarak welcomed the Quartet's statement and confirmed his acceptance of President Barack Obama's invitation to participate in the launch of direct talks" at the beginning of September, the official Al-Ahram reported. On Friday, US Secretary of State Hillary Clinton invited Mubarak and Jordanian King Abdullah II to the launch of the first direct talks between Palestinian and Israeli leaders since December 2008. Palestinian President Mahmoud Abbas had refused face-to-face talks with Israeli Prime Minister Benjamin Netanyahu but accepted the invitation after key powers reiterated a call for an end to Israel's occupation of Palestinian lands it conquered in 1967. The Quartet of the United States, Russia, the European Union and the United Nations said the negotiations for a Palestinian state alongside Israel could be completed in a year.

Economic front

Inflation in Egypt remained unchanged in July, supporting the central bank's decision to keep its benchmark interest rate at the lowest level since 2006. Urban inflation, the main rate monitored by the central bank, was 10.7 percent in July, according to the website of the Cairo-based Central Agency for Public Mobilization and Statistics. The rate matched the median forecast of four economists surveyed by Bloomberg. Prices rose 2.3 percent in the month, the most since August 2008, because of high food and tobacco costs, the agency said. "At this point we don't expect an impact of the monthly increase in prices on monetary policy," said Mohamed Abu Basha, an economist at EFG-Hermes Holding SAE, Egypt's biggest publicly traded investment bank. "The increase in food prices is seasonal and tobacco prices are excluded from core inflation because they are regulated." Core inflation, which excludes the costs of fruits and vegetables as well as regulated prices, was little changed in June at 6.7 percent. The median forecast for the measure in July, which the central bank is due to release later today, was 7.2 percent according to three economists surveyed by Bloomberg. The central bank, which has kept its benchmark interest rate unchanged at 8.25 percent since September last year, will monitor global wheat prices before it meets next month to review monetary policy, Abu Basha said. Egypt is the world's biggest importer of the grain. Wheat prices have risen 24 percent this year, helped by Russia's worst drought in at least half a century.

Ramadan Banquets Food prices rose 3.2 percent in July as Egyptians stocked up on supplies ahead of the holy Muslim month of Ramadan, during which they often hold large banquets at sunset to break their fast. Tobacco costs surged 29 percent after an additional government tax went into effect on July 1. The central bank lowered interest rates six times in 2009 to support the economy of the most populous Arab country in the face of the global financial crisis. Economic growth accelerated to 5.3 percent in the fiscal year that ended in June, compared with 4.7 percent in the previous 12 months. The benchmark EGX30 stock index has gained almost 4 percent this year. Juhayna Food Industries, Egypt's biggest publicly traded seller of dairy products, has surged about 20

percent since listing on the bourse in mid-June, while Eastern Co., the country's monopoly cigarette maker, has advanced 8.7 percent.

Egypt Asks Russia to Reschedule Wheat Export Deals

Egypt, the world's biggest wheat importer, asked Russia to honor and reschedule deals to ship 540,000 metric tons of wheat after the latter announced plans to suspend grain exports due to a drought. Egypt sent the Russian Minister of Trade a letter stating that the two countries had signed the contracts before the announcement of the ban, which starts on Aug. 15, Trade Minister Rachid Mohamed Rachid said in an e-mailed statement today. "We are suggesting the forming of a joint committee to discuss the rescheduling of the agreed-upon amounts after the lifting of the export ban," Rachid said. "We are requesting he agreed-upon price be upheld once these shipments can be made." Russia's decision to suspend exports has no immediate effect on Egypt, and the North African country has enough wheat supplies for subsidized bread for four months, Rachid said. The changes are expected to add between 2.5 billion Egyptian pounds (\$44 1.7 million) and 4 billion pounds to the budget, he said. Russia said last week it would ban grain exports from mid- August as a drought wipes out crops in the country. Russia was the world's third-largest wheat producer last year, according to data from the International Grains Council. It supplied Egypt with more than half of its imported wheat in the marketing year through June. Russia will consider adjusting the ban after Oct. 1 when there is more clarity about this year's harvest and winter sowing, possibly shortening or extending the moratorium on outbound shipments, a government official said Aug. 6.

Price Increases Milling wheat for November delivery has risen 45 percent on NYSE Liffe in Paris since the start of July to 209.50 euros (\$278.22) per ton. Egypt agreed to pay as much as \$283.69 per ton for French wheat yesterday, up from \$183.50 a ton for a cargo of Russian wheat a month ago. Russian companies may cancel shipments of about 600,000 metric tons of wheat to Egypt, Kirill Podolsky, chief executive officer of grain trader Valars Group, said last week. Egypt excluded Russia and Kazakhstan from its most recent tender, buying 240,000 tons of French wheat. Russian Prime Minister Vladimir Putin last week proposed that Kazakhstan and Belarus, the country's partners in a customs union, join the grain-export ban. Egypt had agreed since July 7 to buy consignments of Russian wheat totaling 540,000 tons for shipment between Aug. 1 and Sept. 10. To make up for lost shipments from Russia, Egypt will buy an additional 60,000 tons in each new tender, Nomani said Aug. 5. The wheat importer last month relaxed its rules on shipments from France to allow loading of wheat at multiple French ports. Egypt had previously demanded that cargoes of between 55,000 and 60,000 tons be loaded at a single port. That ruled out shipments from France's main grain-export hub of Rouen on the Seine River, where draft constraints limit grain cargoes to about 40,000 tons.

Egypt and US cooperate to protect Afghanistan's wheat

The governments of the US, Egypt and Afghanistan governments will tomorrow celebrate the signing of a cooperation agreement that seeks to protect the livelihoods of farmers in Afghanistan. According to a statement from the US Embassy in Cairo, the three states will celebrate the agreement, according to which a disease-resistant strain of wheat will be provided to Afghan farmers to improve their wheat production. The celebration, held at the Agricultural Research Center (ARC) in Cairo, will be attended by

the US Ambassador to Egypt, the Egyptian Minister of Agriculture, and the chargé d'affaires of the Afghan Embassy in Cairo, and it will be followed by a press conference. The agreement represents an effort to combat Ug99--a strain of a deadly wheat pathogen known as stem rust, which is capable of killing an entire crop of wheat within a few days. The reddish-brown, wind-borne Ug99 fungus was first detected in Uganda in 1999 and has since spread to other countries in Africa and the Middle East. The US Agriculture Ministry, the International Maize and Wheat Improvement Center, and several researchers from around the world, including Egypt, have worked together to develop new strains of wheat capable of resisting the pathogen. Egypt was one of the first countries to develop and double the productivity of a strain of wheat that resists the Ug99 pathogen. That strain was given the name Misr1, and successfully grown in Afghanistan last year. According to the cooperation agreement, Egypt's ARC has developed 150 tons of Misr1 and the US Agriculture Ministry has paid the costs of purchasing the wheat. The Pentagon has covered the cost of delivering it into Afghanistan. Afghanistan's Agriculture Ministry will use the seeds in a program supervised by the United Nations' Food and Agriculture Organization to help produce 3000 tons of the new strain, which will after one year be sold to Afghan farmers, helping to protect around three quarters of Afghanistan's wheat produce.

Citadel Capital Obtains \$2.6 Billion Loan to Develop Oil Refinery in Egypt

Citadel Capital Corp., the biggest publicly traded Egyptian private equity firm, said one of its units, the Egyptian Refining Co., obtained a \$2.6 billion loan to help finance construction of a \$3.7 billion oil refinery. "That this project remained on track through the deepest financial crisis in living memory is a testament to ERC's solid economic fundamentals," Ahmed El-Houssieny, a managing director at Cairo-based Citadel, said in an e-mailed statement today. Egypt, the Arab world's most populous country, said the country's oil refining capacity may double to 66 million tons over the next decade as mostly Asian companies spend \$30 billion building new facilities. The loan for the Egyptian Refining Co. has \$2.35 billion of senior debt from institutions including Japan Bank for International Cooperation, Nippon Export and Investment Insurance, the Export Import Bank of Korea, the European Investment Bank and the African Development Bank, the Cairo-based firm said. The funding also includes \$225 million in subordinated debt from Mitsui & Co., which is part of the group of contractors building the refinery, and the African Development Bank, Citadel Capital said. Mitsui is providing \$200 million, and the African Development Bank the balance. "It's one of their most economically sound investments, but it will take time to realize a profit on this project," said Hatem Alaa, an equity analyst at HC Securities & Investment Co. in Cairo. "It's positive for their fee business, but the real value generation is when they exit the investment and that will not be before 2014 when construction is complete." The refinery, to be built in the greater Cairo area, will produce 4 million tons of refined products when completed, including 2.3 million tons of EURO V diesel, Citadel Capital said. The Egyptian Refining Co. will sell its production to the state-owned Egyptian General Petroleum Corp. under a 25-year agreement at international prices, it said. Citadel Capital shares increased 4.4 percent to 7.12 Egyptian pounds as of the 2:30 p.m. close in Cairo, valuing the company at 4.71 billion pounds (\$830 million).

Cyber news

Google eyes growing internet users in Egypt and region

“We are very excited about the kick start of the internet ecosystem in Egypt,” Wael Fakharany, regional manager North Africa for Google, told Daily News Egypt. The number of internet users in Egypt has grown by 20 percent since 2004, which is the largest increase throughout the region, the company highlighted in a note. More broadly, the number of internet users in the MENA region grew by a staggering 1,200 percent between 2000 and 2008. Nevertheless, Arabic content online attains a mere 1 percent while Arabic speakers represent 5 percent of the world’s population, Fakharany said. There are about 45.9 million users that conduct web searches in Arabic, with that figure set to grow to 82 million by 2013. To offer its products to the growing number of Arabic online users, Google has set up a team that is mapping out the requirements of the market, Fakharany explained. The company has already rolled out a number of platforms for Arabic speaking users, such as a blog spot, a new search engine as well as a translation service to name a few. In Fakharany’s estimation, the landscape of the services available will change radically, and the trend “is not stopping.” When inadequacies of its translations service were raised, as some users have complained about the quality of translations between Arabic and English, Fakharany agreed that it still has a few kinks which Google is currently working on fixing. In fact, the company is ameliorating the translation platform that works akin to the human brain’s memory by translating chunks of text through understanding context and not just translating a word at a time, he explained. Once a translation of a phrase has been made correctly, he continued, the translation is registered within a database to be reused in the future when another user makes the same translation request.

On the net Google has been making headlines after it and Verizon said regulators should be able to police web traffic over cable and telephone lines, but carriers should control the speed of access to content on mobile devices, prompting accusations that the company had “sold out.” Reuters reported that the joint announcement marks a surprising industry compromise over so-called “net neutrality” — a term that means high-speed internet providers should not block or slow information or charge websites to pay for a fast lane to reach users more quickly. Commenting on the ongoing controversy, Samir ElBahaie of Google in Egypt said that the regulatory environment in each country is unique and that this recent proposal does not affect Egypt. Meanwhile, regional manager Fakharany was particularly proud of Google Chrome, launched in mid-2008. “Already, the browser boasts 40 million users worldwide, and we work with local partners to provide a personalized service, such as offering Ramadan inspired recipes and prayers,” Fakharany said. The focus on creating local content — by as micro in focus as a user’s neighborhood, also known as ‘geocoded searches’ — is the area with the most potential for growth, he said. These platforms are all avenues through which Google attracts advertising revenue, a bulk of the company’s overall revenue. Worldwide, the advertising market is worth a little more than \$21-22 billion, and 90 percent of Google’s revenues originate from advertising, Fakharany said. He acknowledged that Chrome, which is currently a free of charge web browser, would eventually become “monetized,” meaning it would be transformed into a paid-for-service. Google is confident that obliging consumers to pay for the browser would be successful over the long-term, because once

consumers become accustomed to using a product, they will want to continue to do so even at a marginal cost. According to the company's strategy, this plan will only come to fruition once the browser has 100 million users worldwide, as this is considered the threshold number of users after which charging for the service becomes economically viable. The company, however, has yet to develop a plan to realize the objective of enticing Chrome users to pay up for using the browser. Seeking to harness the internet's potential to drive the economy, the Egyptian government recently signed an agreement with Google to help realize the potential of the online advertising industry, Fakharany explained. Signed with the Ministry of Communications and Information Technology, along with six other ministries, Google will invest \$2.5 million dollars by helping make Egypt a digital hub through driving entrepreneurship and innovation, amongst others. Google will invest in internet-related and online advertising companies with potential to grow, by purchasing a part of a company's capital, much in the same way venture capitalism scheme works. "This is a very aggressive plan for Google, and the first of its kind," stated Fakharany. Google is confident about this investment, citing a recent report by the Pan Arab Research Center (PARC), spending has increased by 36 percent in Egypt alone, and that for GCC and Levant countries, online advertising went from \$38 million in 2007 to \$95 million in 2009.

EGYPT: Cyber war among possible presidential candidates

Egypt's political cyber war is intensifying after hackers played havoc with the Facebook page of Gamal Mubarak, the son of President Hosni Mubarak and a possible presidential contender in 2011. The hackers posted a new group photo of Gamal with a red X running through his face and a message in Arabic: "You are not welcome, neither is your father." The photo was inserted over the original, which featured no X and carried the slogan, "Yes for Gamal Mubarak." Hacking into the Facebook page of a high-ranking National Democratic Party official, not to mention the president's son, is a new chapter in the cyber battles between the anticipated candidates in the upcoming presidential elections. The attack on Gamal Mubarak's page, which has 4,000 members, came a few days after supporters launched a campaign urging him to run. Other politicians have tested the Internet waters. Ayman Nour, founder of El Ghad opposition party launched an anti-Gamal Mubarak campaign under the slogan "Egypt is too big for you." A Facebook page attached to the campaign drew 2,000 followers in one week. Admittedly, those numbers are tiny in a country where more than 16 million people have Internet access, but they may reflect a desire for new forms of political communication. Some Egyptians are turning to social media websites, such as Facebook and Twitter, to circumvent the country's emergency law, which for nearly 30 years has prohibited widespread political expression. For example, earlier this week 15 activists were detained in Alexandria while trying to hang posters in support of the "Together for Change" petition issued by opposition leader Mohamed ElBaradei. The newspaper Almasry Alyoum described the increased cyber activity as an "electronic stock market." ElBaradei, the former chief of the International Atomic Energy Agency, appears to lead the cyber race, with more than 455,000 people signing his "petition for change" online, according to Almasry Alyoum. Hamdeen Sabahi, a member of parliament, came in second, with 10,000 people signing his petition. Nour is in the third place, with more than 9,000 supporters on his Facebook group. The role of cyberspace politics is expected to grow through 2011. Statistics from

the international Telecommunication Union show that Egypt's number of Internet users increased by 36% between 2008 and 2009. Facebook is the second-most-popular website in Egypt, with more than 3.5 million of Egypt's Internet users taking part, according to Alexa, a web information company.

Internet makes a mark in Egypt

Egyptians are turning to Facebook and Twitter to have their say in campaigns launched by the country's presidential candidates. Hackers are also playing havoc with Web sites affiliated with candidates campaigning for next year's Egyptian presidential election, the Egypt Daily News reported on its Web site Sunday. On the Facebook page of President Hosni Mubarak's son Gamal, a member of the National Democratic Party, hackers posted a new photo with a red "X" over it and a statement in Arabic saying: "You are not welcome and neither is your father," the Daily News said. The report said the original photo that appeared on the page had a slogan under Gamal's photo saying "Yes for Gamal Mubarak." Ayman Nour, the founder of El Ghad opposition party, launched a campaign against the president's son with the slogan: "Egypt is too big for you," the report said. A Facebook page attached to the campaign drew 2,000 followers in one week and 9,000 supporters have already reportedly signed on his Facebook page. Mohammed ElBaradei, the former head of the International Atomic Energy Agency, a keen opposition leader, is also vying for the presidential spot. The Egyptian newspaper Almasry Alyoum said ElBaradei appears to be leading in the cyber race with more than 455,000 signing his online petition for change. About 10,000 people have signed a petition on the Facebook page of Parliament member Hamdeen Sabahi, the report said. More than 3.5 million Egyptian Internet users have pages on Facebook, which has become the second most popular Web site in the country, the Alexa Web information company reported.

Social front

Egypt announces regulations of child law

Egypt's Minister of the State for Family and Population Moshira Khattab announced this week changes to the Egyptian child law. She said that a number of changes include executive regulations of the Children's Act 162 of 2008, which was recently approved by Prime Minister Ahmed Nazif. The minister said that under the new regulations, "protection of children from abduction and trafficking comes as a the top priority of the law by providing a number of procedures to be followed by medical facilities during the registration of children in birth certificates." Khattab continued to say that "under the strict measures, in addition to restricting the work of midwives to promote the birth by a doctor with a view to reducing deaths of newborns and mothers and to ensure that the child has his registered birth certificate and health card." The regulations stipulate the allocation of offices of health in all areas to enable mothers to register her child in the absence of a marriage contract, in which a four character name would be written in the father's name item in the birth certificate, with no sign on the birth certificate highlighting that this name is not the real name of the real father of the child. While this would be clarified to the registration office, at the same time, it has been given "the right to ensure the child to alternative families that do not carry the Egyptian nationality, as well as for widows, divorcees and never-been married," the ministry said. The regulations will enable a fostering family to give their name to the child and is guaranteed

by a birth certificate, with the increase in subsidies for those families in the event of the marriage of the daughter. Strict controls had been added to curb child labor, Khattab continued in her comments, such as the “withholding of child labor before the age of 15, and to guarantee that this work wouldn’t hinder his education and to ensure non-exploitation or causing any damage to the child, as well as to identify areas of training of children so as not to even make this training a back door to child labor, and regarding the criminal treatment, a new measure is applied to children in conflict with the law, and instructed to do so in one of the public works that would develop his character and maintain their dignity in him such as public libraries and the role of caring for elderly persons.” The law has also given special attention to education, emphasizing the establishment of schools away from sources of environmental pollution, as well as providing places and times for the practice of educational activities, “with the application of active learning at all levels where also it would stress banning books that incite extremism and encourage corruption and anomalies in public libraries so the child cannot see them,” the minister continued. The new law also gives special attention to the feeding of children and by disseminating awareness of the importance of breastfeeding, and controls on advertising products for artificial feeding.

Iraq Political front

Iraq: Al-Sadr Refuses to Reconcile with Al-Maliki

London, Asharq Al-Awsat- Iraqi sources in Najaf and Beirut confirmed the validity of information published by Asharq al-Awsat yesterday, which detailed the intention of Shiite cleric Muqtada al-Sadr, leader of the Sadrist movement, to leave Iran and resettle in Lebanon. This is in order to escape from Iranian pressure, which is pushing for his approval of the nomination of Nuri al-Maliki, leader of the State of Law Coalition and outgoing Prime Minister, for a second term in office. The sources, who preferred to remain unnamed, spoke to Asharq al-Awsat via telephone yesterday, from the cities of Najaf and the Lebanese capital Beirut. They said that “Muqtada al-Sadr would prefer to return to Iraq and settle in his hometown of Najaf, and resume his work in ‘Al-Brani’ [office of a religious cleric], which serves as his office to meet guests and followers. However conditions in Iraq are not currently suitable for his return”. Furthermore, the sources revealed that “al-Sadr used to occupy the same office as that of his father, Shiite cleric Mohammad Sadeq al-Sadr, who was murdered with his two sons in the centre of Najaf city in February 1999, by the security services of Saddam Hussein”. The sources added that “the leader of the Sadrist Movement [al-Sadr] hopes to return to Najaf, but he believes that the conditions are not currently appropriate. He will return when al-Maliki is no longer Prime Minister, as he [al-Maliki] fought against supporters of the Sadrist Movement and arrested many of them, who are still detained”. The sources revealed that “the attempts and communications made towards al-Sadr, through al-Maliki, head of the State of Law Coalition, were conducted by Iranian and Iraqi mediators in order to clear the air between the two leaders. However, all these attempts have failed because of the cleric’s insistence on not meeting and reconciling with al-Maliki. In particular, [he refuses to reconcile with] the leaders of the Dawa Party, headed by al-Maliki, because they described supporters of the Sadrist movement as militias. One of the initiatives,

offered by the State of Law Coalition to the Sadrist movement, was al-Maliki's readiness as Commander in Chief of the armed forces to release the detained followers of al-Sadr, but this was rejected". The source noted that "the decision by members of the Sadrist Movement to not attend an Iftar dinner hosted by al-Maliki the day before yesterday, for the Iraqi National Coalition, which was attended by Ammar al-Hakim, head of the Islamic Supreme Council along with a number of leaders of the Council, was a clear message indicating the impossibility of reconciliation between the Sadrists and the President of the outgoing government, and a refusal to accept his nomination to head the next government". Al-Sadr has directed sharp criticism towards al-Maliki, describing him as 'false', and considering what has been achieved during his time in office as a 'failure'. He said this during a television interview, in which he also claimed "al-Maliki arrested my supporters and imprisoned them, calling them terrorists...then he lies [about their imprisonment], and tries to substantiate his lie, by saying we have released them from prison". He added that the number of his supporters detained in Iraqi prisons is estimated at 2,000. Some of them have been accused of encouraging a sectarian war, whilst others have been accused of being rebels. Al-Sadr explained, in an interview that had been conducted with him at his residence in Iran, after the election results, that "A State of Law delegation came to me here offering their [Sadrist prisoners] release, but I refused to incorporate the detainees' papers into talks of forming a new government, because this government is not obliged to release them". The sources confirmed that "al Sadr rejected all pressures and proposals made by Iranian officials, including political and material incentives for his approval of the nomination of al-Maliki. These days he is seriously planning to go to Lebanon and it is possible to relocate to Beirut". The sources pointed out that "the first and last decision of the Sadrist movement is the decision of its leader, Muqtada al-Sadr". Meanwhile, Iraqi sources in Beirut indicated that "al-Sadr has offices and property in Beirut, which are ready and prepared to receive him at any time he decides to access them". They highlighted that "the two sons of his brother Mustafa, who was killed along with his father and brother in Najaf in 1999, are studying at the American University there, and his cousin Jaafar Muhammad Baqir al-Sadr, who was nominated by the Sadrists to head the government, also lives in Beirut". The sources reported that Muqtada al-Sadr himself has a house in the Lebanese capital, without indicating the type of housing, whether it is a mansion, villa or apartment, and without mentioning its specific location. They revealed that "al-Sadr frequents Beirut from time to time, without announcing his visit". The sources ruled out the idea that al-Sadr would be the guest of Hezbollah leader Hassan Nasrallah, or that he would live in southern Lebanon, because "al-Sadr does not want to be subject to the control of new authorities, having been liberated from Iranian control, just as he is not closely linked with Nasrallah". They reported that Muqtada al-Sadr has been a resident of the Iranian city of Qom since 2007, "for the purpose of studying to obtain a high level Shia degree". However, according to Iraqi sources in the city of Qom, "Iranian authorities are entrusted with his protection and maintaining the confidentiality of his residence, where only a limited number of his followers [can] meet him".

Iraq: Al-Maliki Apologizes to Political Rival

Baghdad, Asharq Al-Awsat- An informed source within the Al-Iraqiya list has revealed to Asharq Al Awsat that outgoing Iraqi Prime Minister and leader of the State of Law

Coalition [SLC] Nuri al-Maliki, sent a letter to political rival and leader of the Al-Iraqiya list, Iyad Allawi, apologizing for the statements made he a few days ago in which he described the Al-Iraqiya list as a Sunni coalition, which led to the Al-Iraqiya list suspending negotiations until he apologized. The letter was delivered by the Iraqi government's spokesmen Ali al-Dabbagh, in a meeting attended by the list's leaders; Vice President Tariq al-Hashimi and Osama al-Nujayfi. The source who spoke to Asharq Al Awsat on the condition of anonymity added that the list decided not to exacerbate the situation and accepted the apology letter of the SLC leader," stressing that the "efforts now focus on convening a meeting within this week between the SCL and Al-Iraqiya leaders heralding the beginning of serious negotiations between the two sides." However, he added that "this will not be at the expense of Al-Iraqiya's dialogues with the Al-Sadr Trend." The Al-Iraqiya list has suspended the negotiations last week due to the statements that described the list as "sectarian" made by Nuri al-Maliki, who said that the Al-Iraqiya list is "a Sunni coalition, and in case a government is formed that does not include this component, this government would be unstable." Al-Iraqiya demanded that Al-Maliki apologizes for these statements. For his part, Al-Iraqiya member Muhammad Allawi said that "Al-Maliki has two options; he can either assumes the second post after the prime minister or accepts to stay as a member of parliament." On the possibility of starting dialogues with the SLC anew in spite of Al-Maliki's insistence to remain a candidate for the post of prime minister in the next government, Allawi said that "Al-Iraqiya had set a condition not to mention the name of Al-Maliki as a candidate to head the next government during the dialogues or the negotiations with it, and in case this happens, the meeting with the SLC would stop." He stressed that Al-Iraqiya is adopting this stand since it is the bloc that has the electoral right which authorizes it to form and head the government." Muhammad Allawi added that the Al-Iraqiya list "is going ahead in its negotiations with the Iraqi National Alliance (led by Ammar al-Hakim) in determined steps, and the same is the case of the Kurdistan Alliance, while keeping the door open for the SLC to take what it deserves of main posts, specifically the second highest post after the prime minister." Meanwhile, SLC member Ali al-Dabbagh, told Asharq Al-Awsat that during his meeting with Allawi he delivered two documents to the Al-Iraqiya leader, "the first deals with the principles of national partnership in the decision-making and the levels of participation in the next government, with emphasis on the need that there should be active participation that ensures the participation in the rule in the country for all. The second paper deals with the reforms in the state establishments, particularly those dealing with the legislative, executive, and judicial branches, something that enables the state to shoulder its responsibilities and build establishments that no side or party can usurp."

Geo strategic front

General Says U.S. Ready To Resume Iraq Combat Role If Needed

U.S. soldiers listen to a briefing on August 19 before their unit leaves Iraq.

The top U.S. military commander in Iraq says local security forces will be ready for the withdrawal of American troops next year, but the United States could return to combat operations if needed. In an interview aired on CNN today, General Ray Odierno said U.S. troops could move back to a combat role if there was "a complete failure of the security

forces" or if political divisions split the Iraqi security forces. His comments came days after the last U.S. combat brigade left Iraq, more than seven years after the U.S.-led invasion. About 50,000 U.S. troops are to remain in the country until the end of 2011 to serve as a training and assistance force. Odierno said U.S. involvement in Iraq beyond the end of 2011 probably would involve assisting the Iraqis secure their airspace and borders. On Iran, the U.S. general said Tehran was funding extremist groups in Iraq out of fear of a strong democracy as a neighbor.

U.S. Iraq Troop Withdrawal 'In Name Only' As Country Faces Uncertain Future

Perched on top of an armored vehicle, the exultant U.S. soldier's shouted boasts left no room for doubt as his troop convoy trundled into Kuwait: "We're goin' home, we won. It's over. America, we brought democracy to Iraq. I love you, I love you." As a snap summary of a highly symbolic moment -- the departure of the last major batch of U.S. combat troops from Iraq more than seven years after the U.S.-led invasion -- it at least had the merit of clarity. As a statement of fact, however, it concealed a multitude of sins, failures, unintended consequences, and doubts about the future. For as soldiers of the 4th Stryker Brigade, 2nd Infantry Division, poured out of Iraq under cover of darkness early on August 19 -- two weeks ahead of President Barack Obama's August 31 deadline -- they left behind a country plagued in some ways by as much uncertainty as when the self-styled "coalition of the willing" invaded to topple Saddam Hussein's regime in March 2003. Saddam may be long gone but -- contrary to the soldier's emotive claims -- who "won" is far from clear. And in contrast to the impression meant to be conveyed by the departure of U.S. fighting forces, Iraq today is far from secure. Militant insurgents remain ominously active. An Iraqi soldier stands guard at the site of a bomb attack in Karbala on July 27. On 17 August, a suicide bomber killed 61 Iraqi Army recruits in central Baghdad, while five government employees were killed in roadside bombings and other attacks the following day. Iraqi officials say July saw the deaths of more than 500 people, including 396 civilians, making it the deadliest month for more than two years.

The prospects for further violence in a conflict, which --- according to the independent monitoring group, Iraq Body Count -- has already accounted for the deaths of between 97,000 and 106,000 civilians, are all too real.

Expectations Not Met As for democracy, Iraq has not had a functioning elected government for more than five months, following disagreements about the results of last March's general election, leaving a political vacuum ripe for violent insurgent groups like Al-Qaeda to flourish. The country's economy, too, remains unstable, while its social cohesion is badly fractured. According to Pentagon figures, the war in Iraq has cost the lives of at least 4,415 U.S. soldiers -- so the exuberance of the departing U.S. forces was understandable. But whatever they are leaving behind, it is hardly peace and stability. The outcome of the war is very different from that envisaged in 2003, when President George Bush ordered the invasion, says Paul Rogers of the Department of Peace Studies at Bradford University in England. "It is so different from what was expected 7 1/2 years ago, when the expectation was that Iraq would rapidly move to a peaceful pro-Western country with a very effective and vibrant free-market economy," Rogers says. "The result instead has been over 100,000 civilians killed and 4 million refugees and a very protracted war, which, at least for the moment, has left a high degree of instability." The continued lack of a government just makes this worse, he adds.

Iraq's, Region's Winners And Losers That confounding of expectations becomes clear when trying to sort out winners from losers. Iraqis march in early July, four months after the elections, calling for the formation of a government. Among Iraqi groups, the Kurds appear to be plain gainers, having established autonomy in the northeast of the country over a region that is relatively stable. Arguably even bigger winners are the majority Shi'ite community, which has gained a degree of political power from which it was excluded during Saddam's rule, when the Sunni minority held the reins. The Sunni community, by contrast, is widely believed to have lost out in the unfolding political flux of the past seven years. But most striking -- and dismaying from the perspective of U.S. policymakers -- has been the strategic advantage gained by the United States' longtime adversary, Iran, which has gained from the removal of a regime that it fought in a bloody eight-year war during the 1980s. Theocracy in Tehran has also been able to exploit its shared Shi'ite faith with Iraq's majority to gain an important political foothold. "Iran has probably gained the most, one would have to say," Rogers argues, "Saudi Arabia probably much less so and there are concerns in the kingdom because of the way in which Iran has gained. It's not that the Shi'as in Iraq are very much beholden to Iran. Theologically, one would say that Shi'a Islam probably has more important sites in Iraq than it does in Iran and there is a belief in a sense that one has to be cautious on the Iranian side about trying to gain too much influence. But probably in broad terms, Iran is the biggest single beneficiary of the changes in Iraq as far as the region is concerned." Iran's gain may be Israel's loss. In the run-up to the war, the then-Israeli government of Ariel Sharon fervently favored Saddam's removal -- with memories still fresh of Iraqi Scud missile attacks against Tel Aviv in 1991, when a U.S.-led military coalition began operations to expel Iraqi troops occupying Kuwait. Talk in Israel in the immediate aftermath of invasion was of investing in post-Saddam Iraq and even of Israeli tourists flocking to a country from which thousands of Jews had fled in the aftermath of the Jewish state's establishment in 1948. Instead, Israeli policymakers are now preoccupied by the resultant rise of Iran as a regional adversary and potential threat.

Dependant On U.S. Support But even amid such domestic and regional power realignments, the depiction of the August 19 troop departure as a final U.S. withdrawal is something of a fiction.

Iraq will continue to look to U.S. support in the air.

While U.S. combat operations will officially terminate at the end of this month, when 6,000 support troops withdraw, another 50,000 U.S. forces will remain until the end of 2011, officially in an "advisory" capacity but with the potential to become more directly involved if the need arises. In reality, U.S. military input is almost certain to remain tangible, especially given the recent warning from Iraq's top army officer, Lieutenant General Babaker Zebari, that his troops may not be ready for another decade and that the United States is pulling out too soon. The United States is likely to stay closely involved in Iraq's defense irrespective of its troops' presence, says Hamid Fadhil, professor of political science at the University of Baghdad. He notes that U.S. Embassy in Baghdad is the biggest in the world in terms of size and number of employees. "But I have to mention that Iraq is still dependent on the U.S. in many ways," Fadhil adds. "For

example, there is some ambiguity when it comes to the aspect of external security and about the commitment of the U.S. to defend Iraq from any external attack."

Privatizing Security One key component of Iraqi security likely to remain in the hands of the United States is air defense, a role Iraq is presently unequipped to adopt since it lacks an air force. Following the departure of U.S. forces next year, responsibility for training Iraqi police to deal with insurgents is to be taken over by the State Department. The task will be carried out by contractors and is certain to result in a rapid increase in the presence of private security organizations. Already, according to "The New York Times," the State Department is planning to double the number of private security guards to around 7,000 to protect civilians. Rogers says the U.S. troop drawdown will not end the involvement of external forces but will simply privatize it -- ensuring a large foreign involvement for many years to come. "I think for the next 18 months, the reality is that there is going to be a large formal American military presence," Rogers says. "You may call them advise-and-assist brigades, but they do have a combat function if need be. "But what is clearly going to happen is the privatization of foreign-security involvements in Iraq. That's already at a pretty heavy level, with many tens of thousands of security personnel from abroad. That I think, if anything, will at least increase but certainly not diminish. So in a sense, there is a transition over the next 18 months to two years towards at least a partial privatization of foreign security intervention in Iraq. I think that will persist for a long time."

Last U.S. Combat Brigade Leaves Iraq

The last U.S. combat brigade has left Iraq as part of President Barack Obama's pledge to end combat operations in the country by the end of this month. Army Captain Christopher Ophardt, spokesman for the 4th Stryker Brigade, 2nd Infantry Division, said the last of the unit's vehicles crossed the border into Kuwait early on August 19. It was a heavily symbolic departure, and a television crew from the U.S. cable news network MSNBC rode with some of the departing troops, broadcasting the border crossing live as it happened. But a smattering of combat troops still remain in Iraq, and a senior White House official told Reuters on August 18 that media outlets who reported that combat operations had ended were wrong. The official said that won't happen until August 31.

As of now, there are still 56,000 U.S. troops in Iraq. By September 1, 50,000 will still be in place, in noncombat roles technically classified as "advise-and-assist brigades." The Pentagon says some troops will accompany Iraqi patrols on missions, if requested, and some will continue to train Iraqi armed forces and police units. Special forces will continue to help Iraqis track down terrorists. The remaining U.S. troops are set to leave Iraq at the end of December 2011.

Uncertain Future More than seven years have passed since the U.S.-led invasion toppled Iraqi dictator Saddam Hussein, in March 2003. The official U.S. death toll now stands at 4,419. The Iraq Body Count project -- which tracks violent deaths of Iraqi civilians since the U.S. invasion using media reports and records from hospitals, morgues, and NGOs -- puts the number of Iraqi deaths around 100,000. The Iraq war has lasted longer than the U.S. Civil War, World War I, and World War II. The outgoing U.S. ambassador to Iraq, Christopher Hill, told an audience at the U.S. Institute of Peace on August 18 that things in Iraq were "definitely going in the right direction." "The security situation, which is very difficult and one that is not going to be at a completely

satisfactory level, will continue to improve. The Iraqi forces are capable of handling the security problems. They will have problems. There will be mistakes," Hill said. "We have made mistakes, too, in how we handled it. They will learn from their mistakes as we learned from our mistakes and I think you will see a continued improvement in the security situation." As Hill spoke, five Iraqi government workers were killed in roadside bombings and other attacks by insurgents. A day earlier, a suicide bomber killed 61 army recruits in Baghdad. And five months after elections, the two main political blocs have yet to form a governing coalition. The violence and political chaos are a stark reminder of the uncertain situation U.S. forces are leaving behind.

General Says U.S. Ready To Resume Iraq Combat Role If Needed

The top U.S. military commander in Iraq says local security forces will be ready for the withdrawal of American troops next year, but the United States could return to combat operations if needed. In an interview aired on CNN today, General Ray Odierno said U.S. troops could move back to a combat role if there was "a complete failure of the security forces" or if political divisions split the Iraqi security forces. His comments came days after the last U.S. combat brigade left Iraq, more than seven years after the U.S.-led invasion. About 50,000 U.S. troops are to remain in the country until the end of 2011 to serve as a training and assistance force. Odierno said U.S. involvement in Iraq beyond the end of 2011 probably would involve assisting the Iraqis secure their airspace and borders.

On Iran, the U.S. general said Tehran was funding extremist groups in Iraq out of fear of a strong democracy as a neighbor.

Economic front

Volume of Iran's trade exchange with Iraq worth \$7 billion

Trade exchange between Iran and Iraq is mushrooming and is expected to be worth \$7 billion this year. Despite the record figure, Iran says the volume of exchange is below expectations. "The trade exchange between the countries is below the required level when compared with other states," said Iran's Economy and Finance Affairs Minister Shamsudeen Hussein. The growth in volume of trade is noticeable in Iraqi supermarkets, shops and stores which brim with Iranian goods, particularly in central and southern parts of Iraq. An indication of the mushrooming trade exchange has been the recent deals the countries' traders have signed for the import of Iranian goods during the Muslim month of fasting, Ramadan. Sami Hamid, head of the Chamber of Commerce in the Province of Diyala says most of the deals are for the import of food stuffs, especially sugar and legumes. "Hundreds of trucks laden with Iranian goods pass through the province every day," said Hamid.

Iraqi oil firm on \$224 million oil drilling drive in south

The Missan Oil Firm is proceeding with plans to drill 20 new oil wells in two years. The wells are situated in the southern Province of Missan where some of Iraq's largest oil fields await development. The company has drilled four wells so far in the southern Bazirkan field, said the company's information officer Abbas al-Tarafi. The company

was established recently to administer the province's massive reserves. Tarafi said the company has done a survey to assess the current capacity of producing wells and boost their output. The volume of oil flowing from Missan fields has been increasing but it still makes a slight portion of the total Iraqi output volume of over 2 million barrels a day. Missan production is estimated at about 200,000 barrels a day. Tarafi said the company was pursuing a two-pronged policy. "First we carry out an appraisal of the producing wells. Second we go along with plans to drill new ones," he said.

Foreign firms race to develop Iraqi oil fields

The relative stability in southern Iraq, where the country's most prolific and gigantic oil fields are situated, has persuaded foreign firms to start operating in earnest. A good example is U.S.'s Halliburton which has recently won a contract for the drilling of 15 more wells in the giant Majnoon field. The director-general of the State Company for Drilling Adris al-Yasseri said Iraq was keen to boost its oil output by developing new fields and rehabilitating the producing ones. "We are striking contracts with various foreign firms for the digging of new wells. It does not matter for us which company we deal with and from which country," Yasseri said. Majnoon is believed to be the country's largest oil field with proven reserves exceeding 12 billion barrels. A consortium of foreign firms has won a contract to develop the field. Yasseri said the firms have already started working. However, the field is too big for one consortium to handle and Iraqi national oil firms still have a stake.

Iraqis currently produce 45,000 barrels of oil a day from the field and the 45 new wells to be dug by Halliburton are bound to boost Iraqi output. But once the field is developed and the foreign firms complete their operations, Majnoon is bound to produce 1.8 million barrels a day on its own. The development of Majnoon is part of a national drive to hike output to 12 million barrels a day in a few years. Meantime, the authorities in the southern Province of Basra have turned down a request by the British Petroleum to allocate special roads for the transfer of the company's equipment to Majnoon. The authorities said such a measure will be contrary to law and would require extra security measures.

Social front

Iraq Admits Minorities Remain Vulnerable

The Iraqi government is doing all it can to ensure security for all citizens, but it is also aware that religious and ethnic minorities are particularly vulnerable and extra efforts are required to protect them, a senior Iraqi official has told RFE/RL's Radio Free Iraq. Ali al-Musawi, who is a media adviser to Prime Minister Nuri al-Maliki, said on August 19 that the safety of Iraq's minority communities was a top priority for the government in its national security strategy. Musawi's comments come after the U.S. Senate adopted a resolution earlier this month that highlighted "the perilous status of religious minorities in Iraq" and called on the Iraqi government to address abuses against these groups. Minorities including the Chaldeans, Syrians, Assyrians, Armenians, and other Christians, Shi'ite Shabaks, Sabeen Mandaeans, and Yazidis have lived for centuries in the region that is now Iraq. They have often been the target of bomb attacks and other violence by

militant Islamic groups. Unadim Kanna, a Christian member of parliament and secretary of the Assyrian Democratic Movement, says that the United States and Europe can contribute more effectively to enhancing the status of Iraq's religious and ethnic minorities by helping Iraq advance in such spheres as good governance, human rights, and reconstruction. Hanin al-Qaddu, leader of the Democratic Shabak Gathering and a member of the outgoing parliament, says that it was the government's failure to crack down on abuses against minority groups that prompted the U.S. Senate's call to address this issue. Qaddu says that the United States is especially concerned ahead of the departure of the last U.S. combat forces from Iraq and in light of the continuing political deadlock over forming a new government. The UN's refugee agency estimates that since 2003, some 250,000-500,000 Christians -- about half the total number in Iraq -- have left the country.

Lebanon Political front

Hundreds attend funeral for slain Fatah al-Islam leader

Hundreds of mourners gathered at the Ain al-Hilweh Palestinian refugee camp Thursday for the funeral of Abdel-Rahman Awad, the head of an Al-Qaeda-inspired group, and his aide "Abu Bakr" Mubarak. Awad, a Palestinian, was the presumed chief of the shadowy Fatah al-Islam, an Islamist group which fought a deadly battle in 2007 against the Lebanese Army at the Nahr al-Bared refugee in north Lebanon. The conflict raged for more than three months and cost 400 lives, with 168 Lebanese soldiers among the dead. Awad was said to have fled to the notorious southern refugee camp of Ain al-Hilweh.

Prayers were held for Awad at the camp's Nour Mosque after which his funeral procession toured the streets, with family members and representatives of various Palestinian factions including Osbat al-Ansar official Abu Tarek al-Saadi in attendance. Many of the mourners chanted: "Paradise, open your doors, the martyr is coming to visit," and "There is no Allah but Allah," as the funeral procession made its way to the nearby Darb al-Seem cemetery. Awad's close supporters did not take part in the gathering to avoid tensions with rival Palestinian factions as requested by the Lebanese Army. Prior to the funeral, his followers had a final chance to have a look at him after he was brought to their strong hold in the camp. "God bestow mercy on you!" Awad's 75-year-old mother was heard shouting. The slain leader's brother, Hussein, a member of the influential Fatah movement said that his brother "has chosen his own path and what consoles us is that he did not drag the camp to a fight with the [Lebanese] Army or the surrounding." "We are keen that his funeral be held calmly and naturally and we will not accept that any incident happens ... We are under the law," he told The Daily Star. The mourners joined their companions who were participating in Mubarak's funeral that was held following prayers at Al-Safsaf Mosque. Lebanese troops on Saturday killed Awad and Mubarak in a shootout in the eastern town of Chtaura in the Bekaa Valley. Awad, who had been hiding in Ain al-Hilweh for over a year, along with his comrade opened fire at troops. Army soldiers responded killing the pair, the Lebanese Army said. Abu Bakr was rumored to have provided military training to members of Fatah al-Islam. The pair had been traveling on false identities to Iraq via Syria, according to a Fatah al-Islam

statement picked up by SITE Intelligence, a US service that monitors jihadist forums on the internet. Lebanese judicial authorities have accused Awad of being behind bus bombings two years ago in the northern port city of Tripoli, near Nahr al-Bared, that killed 21 people, including 13 soldiers. Fatah al-Islam has been linked to deadly attacks that targeted top army and police officers in December 2007 and January 2008 respectively, as well as three UN peacekeepers in south Lebanon in June 2007. Lebanese authorities have also charged that Awad had been monitoring the movements of Lebanese Army troops as well as of UN peacekeepers stationed in south Lebanon. In August 2007, the US State Department designated Fatah al-Islam as a “terrorist” group. In other news, Khaled Aref, a member of Fatah’s revolutionary council stressed that “security and calm” were prevailing in the Ain al-Hilweh camp. Aref spoke to reporters on Thursday after visiting Sidon MP Bahia Hariri at her residence in Majdalyoun. “I can completely assure you that calm and stability are prevailing in the camp after this incident [killing of Awad and Mubarak], especially that there is a complete understanding between all Palestinian factions,” said Aref. “For sure this agreement has achieved stability and calm that was cemented through daily communication with our brothers in the Lebanese Army and security agencies through Palestinian factions and the armed struggle,” he added. He reassured the inhabitants of the camp and its surrounding the situation would improve “to the benefit of the camp and the Lebanese surrounding.” –

Geo strategic front

Flotilla organizers nearly set to sail to Gaza

The organizing committee of an aid flotilla bound for Gaza will hold a press conference on Thursday in Tripoli, amid expectations it would announce kicking off its trip on Sunday. The National News Agency (NNA) reported Wednesday that the boat has received permission from the Public Works and Transport Minister Ghazi Aridi to sail to Cyprus, after which it plans to head toward Gaza. The organizing committee for “Mariam” will hold a news conference on Thursday in the Tripoli seaport, where the vessel is docked to announce the next step. The NNA quoted some sources as expecting that the vessel will leave Lebanon on Sunday, adding that organizers have called foreign participants to join the boat on time. The same sources added that administrative and logistic preparations for the trip were taking place. The vessel is also being loaded with needed supplies, said the sources, stressing that organizers of the trip “will carry out all organizational and legal measures” required for the ship to sail. Separately, the Cypriot ambassador to Lebanon Keryakos Kouros discussed Wednesday with organizers details regarding the boat’s trip to Cyprus. – The Daily Star

Mariam to set sail for Gaza Sunday despite warnings

A Lebanese ship carrying aid and women activists hoping to break Israel’s Gaza blockade will set sail Sunday from Lebanon despite warnings that they will not be allowed to make it past Cyprus, organizers said Thursday. The ship cannot travel directly to Gaza from Lebanon because Beirut is still technically at war with Israel, forcing the vessel to pass through a third country – in this case, Cyprus – before heading for the blockaded Palestinian territory. But on Thursday, the Cypriot ambassador to Lebanon told the Associated Press that the boat, the Mariam, will be turned back when it reaches

Cyprus. “We decided that such a ship will not be allowed to enter Cyprus and if such a Gaza-bound ship docks in a Cypriot port the crew and the passengers will be deported to their country of origin,” Kyriacos Kouros said. Kouros said Cyprus has a “moral and legal responsibility” to those allowed into its waters, and that a blockade-busting ship could endanger lives along with “regional peace and stability.” But organizer Samar al-Hajj was undeterred Thursday, and said the ship would set out with up to 75 female activists on a mission to deliver cancer medication, books and toys. “We are not children who can be told to stay home,” Hajj told the AP after a chaotic news conference outside the port in Tripoli, where Lebanese security forces prevented the group from speaking to the media from the ship. Sending blockade-busting ships has become a highly charged issue since Israeli naval commandos boarded a flotilla of Gaza-bound ships on May 31, killing nine pro-Palestinian Turkish activists. Israel says its troops opened fire after coming under attack by activists wielding clubs, axes and metal rods. The activists said they were defending their ship after it was attacked by Israeli soldiers in international waters. The raid sparked an international outcry and forced Israel to ease its blockade of the Hamas-ruled Gaza Strip. Israel, along with Egypt, imposed the embargo in June 2007 after Hamas militants took control of the area. Israel has lifted virtually all restrictions on food, medicine and consumer goods, but still maintains its naval blockade, saying that Hamas could sneak weapons into Gaza. Asked whether sending the Mariam was a provocation given that medicine was now allowed into Gaza, Hajj said the ship was “symbolic” with the aim of lifting the blockade entirely. The Israeli Army would not say whether it would intercept the vessel, saying only it is “monitoring the situation and preparing accordingly.” Daniel Zonshine, a Foreign Ministry spokesman, said Israel has no objections to delivering humanitarian aid, but that any shipments must be coordinated through Israel. Hajj said Lebanon’s president, premier and Parliament Speaker did not respond to her requests to meet, which appeared to signal Beirut’s lack of support for the venture.

Barak urges Lebanon not to let Mariam sail

Transport and Public Works Minister Ghazi Aridi said Friday that the government would not respond to a call from Israeli Defense Minister Ehud Barak to prevent a Gaza-bound aid ship from sailing. The organizers of the Mariam, a Lebanese ship carrying aid and women activists hoping to break Israel’s Gaza blockade, have announced that the vessel would sail on Sunday from Lebanon, despite warnings that they will not be allowed to make it past Cyprus. The vessel has received permission from the Transport and Public Works Ministry to sail to any country on its way to Gaza, as it cannot sail directly to Gaza. Ehud Barak was quoted on Friday by Israeli newspaper Haaretz as saying that the Mariam intended to aid terror organizations that aimed to “kill Israeli civilians.” “The ship that is preparing to sail from Lebanon has nothing to do with humanitarianism.” He urged the Lebanese government to prevent the ship from leaving. “If the ship insists on arriving, in opposition to the current blockade, Israel will be forced to stop it and bring it to the port of Ashdod,” he added. But later on Friday, Aridi told Al-Jadid television station that the vessel would not head toward Cyprus because the Cypriot authorities did not grant it permission. The minister said the issue had become more complicated, stressing that the permission granted to the Mariam to sail to any port with which Lebanese authorities dealt continued to be valid.

Bishops warn against selling foreigners land

A recital was held Monday to mark the conclusion of the Bishops Garden's annual activities, while masses to celebrate Assumption Day were held over the weekend, with some bishops warning against the selling of land to foreigners. The recital, held at the Maronite patriarch's summer residence in Diman, was organized by Bsharri's municipal union and performed by Qadisha's orchestra. The event was attended by Maronite Patriarch Nasrallah Butros Sfeir along with a number of bishops, local residents and expatriates. Sfeir delivered a speech in which he thanked Qadisha's municipal union for their annual recital that they hold in honor of Lebanese expatriates. He labeled the emigration of expatriates as a "real epic." On Saturday, Sfeir headed a mass celebrating Assumption day in Saydet Hanneh church in Hasroun. The ceremony was attended by Bsharri MPs Streedaa Geagea and Elie Keyrouz along with a number of local mukhtars and mayors. Sfeir delivered a sermon in which he focused on the meanings of the Assumption Day. Following the mass, Sfeir attended a dinner banquet held by head of Engineer's syndicate in the north Joseph Ishak in Sfeir's honor. The dinner was held at Ishak's house. Meanwhile, Christians held separate masses in other parts of the country, including the southern district of Bint Jbeil and Zghorta in the north. In the village of Joun in Iqleem al-Kharoub, Sidon and Deir al-Qamar bishop for Roman Catholics Elie Haddad led prayers in the Church of Lady. Haddad stressed coexistence between Christians and Muslims in the village, urging Christians not to sell their land. "You Christians do not sell your land, and you Muslims don't tempt Christians to sell their land by offering them money worth five times the price of their land," he said. – Antoine Amrieh

UN welcomes Palestinian employment rights decision

The UN and Lebanese groups praised Wednesday Parliament's decision to grant Palestinian refugees wider rights to employment and the end of service indemnity while Israel welcomed the law as a step toward the naturalization of refugees. "These amendments are an important step in the right direction," said Salvatore Lombardo, the Lebanon director of the UN agency for Palestinian refugees (UNRWA). "The positive momentum generated by [Tuesday's] outcome can only serve to strengthen UNRWA's commitment to serve the refugees in Lebanon to the best of our abilities, for the benefit of Palestinians and Lebanese alike," Lombardo said in a joint statement with the International Labor Office (ILO). "This endorsement of the universal right to work by Lebanese legislators is an important breakthrough," ILO regional director Nada al-Nashif said in the statement. "It reaffirms Lebanon's commitment to social justice and decent work for all." Lebanon's Parliament on Tuesday revoked a ban that had barred the refugees from tens of professions for years, reducing them to jobs in fields such as construction and farming. As is the case with other foreigners, Palestinians will still not be permitted to work in professions reserved for Lebanese citizens such as medicine, law or in the army and police force. Israeli Deputy Foreign Minister Danny Ayalon said the Lebanese Parliament's decision was a step toward granting refugees the Lebanese nationality and their naturalization. "This is a small step that was long awaited on the road to grant the nationality to Palestinians and their naturalization in Lebanon and elsewhere around the world as displaced should eventually obtain the nationality in the

place they live in,” Ayalon said. Ayalon also voiced hope that Arab countries follow Lebanon to grant refugees complete citizenship rights. While Lebanese officials did not comment on Ayalon’s statements, the Lebanese Cabinet decided Wednesday to put into action a plan to strengthen the Palestinian refugees’ right of return and increase UNRWA’s contribution to meet the refugees’ financial needs. Lebanese parliamentary groups also praised the approval of the refugees’ employment right, with the exception of the Phalange Party, which criticized Parliament for not setting norms to prevent naturalization. Future Movement bloc leader MP Fouad Siniora said the ratification of the law addressed the humanitarian aspects of the refugees’ everyday life and proved that the Lebanese were capable of reaching consensus through dialogue over an issue that was subject to internal divisions. “It is true that nothing would compensate our Palestinian brothers for their land and home but it is true that a healthy and new relation with our Palestinian brothers ... would also strengthen the Lebanese and Palestinian commitment to reject naturalization,” Siniora said. While the Future Movement’s Christian ally – the Lebanese Forces – praised Parliament’s decision, the movement’s other Christian ally, the Phalange Party’s leader Amin Gemayel criticized Parliament for passing the law “without setting norms that prevent naturalization.” “It is not fair to give rights to a non-Lebanese when the rights of Lebanese who own land alongside camps are confiscated,” Gemayel said while stressing that “what happened yesterday was contrary to what we agreed during previous meetings with former Premier Siniora.” Echoing Siniora, Lebanese Forces official Antoine Zahra said Wednesday’s parliamentary session was the outcome of a political agreement but added that his party opposed granting refugees the right to property ownership, a demand that was sought by Progressive Socialist Party leader MP Walid Jumblatt. UNRWA estimates Lebanon houses 400,000 Palestinians, but Lebanese officials estimate no more than 300,000 refugees actually reside in the country as the agency does not strike off its lists those who emigrate. Most of them are descendants of Palestinians who were driven out of their homes or forced into exile after the creation of Israel, 62 years ago. The majority of refugees reside in Lebanon’s 12 camps and continue to live off UN handouts. They remain deprived of health care, the right to own property and the right to citizenship, among other rights. – The Daily Star, with agencies

Palestinians rally at UNRWA to demand more rights

Palestinian activists and factions gathered Wednesday near the UN Reliefs and Works Agency (UNRWA) services manager’s office in Nahr al-Bared camp, calling for enhancing the humanitarian rights of Palestinian refugees in Lebanon. The protest was organized by the Union of the Right of Return Committees (URRC), which operates under the organization of Labor Union Committees. Abdullah Deeb, from the URRC, called upon the Lebanese Parliament “to ratify all humanitarian rights of Palestinians in Lebanon, chief among them the right to work without a work permit so that equality is achieved between the Palestinian worker and his Lebanese brother.” He also called for granting Palestinians the right to run free enterprise along with owning real estate. Deeb said the recommendations of the administration and justice parliamentary committee did not meet the minimum of humanitarian rights. On Tuesday, the parliament ratified a draft law allowing Palestinians to work in Lebanon after obtaining work permit for free, along

with granting them access to end of service indemnity provided by the UNRWA. – The Daily Star

Where is the alternative deal for Lebanon?

God knows what General Othman had lived. He lived, it seemed, at the immigration hall on the Jordan-Syria border. Patrolling the space behind the bank of officials, ruling on exceptions to the rule with either a dismissive wave or, in my case, a scowl, a quick shift of his eyes from my passport to my eyes, eyes solicitous in those late night hours for one of his dismissive waves. You see, despite the stern looks of Bashar on every wall around us, I knew there could always be exceptions to the rule. The official had returned back to the window and had told me to proceed to the door at the end of the hall. He had kept my passport. So, now, I knew I was “in a process” whose duration and conclusion would stay a mystery until General Othman could indicate otherwise. The door at the end of the hall had opened into the general’s office. The monumental desk, some gilded tokens of governmental appreciation, two lumpy couches and, of course, Bashar observing through shifting clouds of smoke. There were other Arab travelers whose composition changed over the night; a lackey who shuttled in tea and occasional visits by the general who would take his place behind the desk and, in deference to “his American” would insist, in response to each enquiry I had made on “permission to proceed,” that I take yet another of his smokes and a refill of tea. We were old-timers. We knew the dynamic. He would be cordial until Damascus got back to him; I would appear resigned ... even as I knew the whole game depended on me slipping into Lebanon by way of Syria. I, with a face made older than I was by decades of this; he with a permanent black swatch under his eyes – like a raccoon – I had thought, from his years of sleepless nights on the border. Around 02:00 hours, he had appeared again, this time with my passport. He was pleased to have been some help. I was to rent a taxi and scoot across the dark farmlands with all dispatch and then exit Syria before first light into Lebanon’s Bekaa Valley. It was early morning on July 14, 2006. A day earlier, the Israeli’s had effected a crater on the runway of the Hariri airport. The skies were theirs and thousands of residents from south Beirut were now streaming into the hills east of the city. Before it was over, a short 34 days later, 700 thousand had made that trek and the south was once more degraded in tragic proportions. Today, four years later, my colleagues and I are back in the Bekaa preparing for another round – an even more comprehensive and devastating round than the one in 2006. We are stock-piling medicines for folks with chronic diseases, basic staples, fuel, and water. We have re-connected with our partners in Nabatieh, Hasbaya, Zahle, Baalbek and Beirut. We seek audiences with Lebanon’s tribal and confessional leaders, trying our best as foreigners to find clues to the future. We have approached Western donors for funding. We sit in Cafes in Hamra and soak up the latest from the street. The play in Tehran, Riyadh, Tel Aviv, Damascus, Ankara. The play from Nasrallah, Hariri, Aoun, Jumblatt, Safadi, and Fattouche. We watch the bourse, the exchange rates and the occupancy rates at the seacoast resorts. Planning for the worst, hoping it will not come to pass, and knowing that this time, if diplomacy does not prevail, it will be like June of 1982, not July 2006. It will be a fight to the finish with regional consequences. So ... where is the alternative deal? That Syria is allowed to re-impose itself in Lebanon; that sanctions are relaxed and the Saudi’s invest; that Damascus puts some distance between it and Tehran? And what likelihood, the cafe pundits in Hamra ask, of Tehran going

gently into that good night? Enter Nizar ... toward my corner table. Running late, smart phone to one ear, signaling for his habitual double espresso ... the constant prelude ... "Sorry, sorry" ... he drops the cigarettes on the table ... "So, what's up?" A graduate from Austin in computer sciences but hard wired as a Levantine. Currently the director of the Arab Union of Information and Communication Technologies. "Well, maybe not," he responds to my presentation of today's "best bets" of the overnight political developments. "The ICT revolution has come to town," he declares. "This is no longer only a game played by struggling nation states in the post colonial era." "Sovereignty," he says "is not what it used to be." The search for union, for pan Arab, for Caliphate has led nowhere since the Ottomans other than short humiliating wars and Arab potential unrealized. "Now," he argues, "the new technologies and a youth fed up with a century of war and despair are, silently but inexorably creating the union that eluded the Baathists, Nasr, the Integrist. They are, in historic proportions, going on line. They are accelerating daily the great trade in ideas over the World Wide Web. They are now finally building an Arabic content which unites them around their common and powerful legacies." Then, he snaps his head up, looking for the waiter, and orders another double espresso and another pack of Marlboro's ... his excitement growing proportionately. "Three percent," he tells me. "Know what that is?" And then, before I can answer, he is off on his dream for "generation next"... connected Arab youth, incubating ideas and aspirations with impunity across the once-sovereign borders. Creating an Arab identity that finally must be reckoned with by the Western Hegemons. He slumps back, a bit breathless from his speech. "It's all still there," he concludes. "A strategic geographical position on the Eastern Mediterranean and in the Persian Gulf, resource rich, wonderful historical reference points, one language and a multitude of confessions and persuasions. A crucible with common purpose." Then my friend smiles and seemingly sucks down half the length of the smoke in one pull ... pats my arm. "Just like America, but with much more history under its belt." "Well, I don't know," I think to myself as I ramble back to my apartment on Maqdisi. Maybe. An Arab youth that refuses the past and now with the means to breeze past borders to trade aspirations. I do know that my Syrian friend, General Othman, and I are about ready to hang up our spurs. Him to spend more time with grandchildren and me to somehow use my experiences in the Middle East over the decades to effect better US policy – policy which supports the hopes of folks like Nizar ... plays to "generation next" and their possibilities to connect around a renaissance of what they had in the millennium before the Ottomans collapsed. David Holdridge is the president of Bridging the Divide, an international justice and peace organization with offices in Lebanon, Iraq and the United States. David has worked in the development in the Middle East for over 30 years. He lived and worked in Lebanon between 1981 and 1983, and from 2006 to 2007.

Economic front

Lebanon hopes to start gas exploration in 2012

Lebanon is keen to start all-out offshore gas and oil exploration by the start of 2012 once interested companies submit their bids next year, Energy and Water Minister Jebran Bassil said on Thursday. Speaking during a news conference, Bassil stressed that the oil law which was approved by the Parliament two days ago should be seen as a big

achievement for Lebanon. Bassil and other officials also touched on the deteriorating electricity conditions in most parts of the country and Electricite du Liban (EDL) reiterated that the problem will get worse if the government does not allocate additional funds to build more electricity plants that can cover the growing demand of the market. He emphasized that water demarcation, to determine offshore Lebanese boundaries, must begin as soon as possible. “The passage of the law is the first step which will put Lebanon on the road of oil industry. We can’t claim that we have become an oil producer but rather a state with crude resources and this is a serious test for our capability,” Bassil said. There is no official accurate data on the actual size of the gas and oil reserves both offshore and on shore. But some experts believe that Lebanon may be sitting on oil and gas reserves valued at more than \$1 trillion. “The first thing we should do is to work closely with companies that have financial means in addition to vast experience. These two elements are lacking in Lebanon,” Bassil said. He added that Lebanon will split profits with companies that explore for oil and gas offshore. Bassil said the law would operate on the principle of “production-sharing.” And while Lebanon has passed the law, it still has a long way to go before catching up with the Israelis. It must identify blocs, supply data to interested investors, and select bidders to start exploration work, while the Israelis already have firms drilling for gas. Bassil said that the oil project will create additional jobs for the Lebanese. He said that a conference would be held in Lebanon in October of this year that will include all the companies that are interested in bidding. “We welcome any assistance from all the countries and companies that desire to explore for gas,” Bassil said. Bassil and EDL director Kamal Hayek attributed the severe electricity rationing to the growing energy consumption this summer.

They highlighted that Lebanon produces 1,600 MW of electricity while the actual demand is more than 2,500 MW. Hayek said that EDL has adopted a series of emergency measures this summer to ensure that consumers get enough electricity. He added that Lebanon must build 700 MW of power plants and has asked French Consultant Company EDF to prepare a tender proposal for firms interested in building more power plants in the country. According to Hayek, the best way to address the electricity shortage in the short and medium term is to lease powerful electricity generator ships or to lease electricity from private generator companies. But the EDL official admitted that the option of buying electricity from private generators may be more expensive than building power plants. He added that all these proposals need political consensus and if this is done then EDL can embark on a workshop to carry out reforms in the electricity sector. – The Daily Star

Lebanon's industrial sector must be ready to face competition - minister

Industry Minister Abraham Dedeyan encouraged the Lebanese private sector on Friday to be well prepared for the changes that are going to take place following Lebanon’s signing of trade agreements with the World Trade Organization. “The private sector should be up to the competition that is going to be created after signing those agreements,” he said, noting that negotiations will always take into account Lebanon’s interests first. The remarks came during Dedeyan’s visit to the industrialists’ association aimed at discussing the challenges faced by Lebanese industrialists and their demands. Dedeyan informed head of the Lebanese Industrialists Association, Nemat Ifram, about the Cabinet’s

approval of four items – discussed during its last meeting – regarding regulations imposed by the Lebanese Accreditation Council. or his part, Ifram said that the Lebanese industrial sector was able to prove its resilience despite all of the challenges and difficulties it has faced during the past few years. “We expect industrial exports to go up during this year noting that it increased by 35 percent during the first quarter of 2010 compared to the first quarter of 2009,” he said. “We also expect the Lebanese industry to reach a record in terms of exports by the end of this year.” According to Bank Audi’s Lebanon economic report, industrial activity was on the upside on the local front, while external demand increased in line with the gradual recovery in industrial activity in the region over the past months. But the statistics provided by the report are different from those provided by Ifram because it mentioned that industrial exports increased by 11.3 percent in the first quarter of 2010 compared to the same period of 2009. On the other hand, it added, Lebanon’s imports of industrial machinery reached \$57.9 million in the first quarter of 2010, up by 7.1 percent from the same period last year. It said that the value of imports of industrial machinery, which mirrors the activity of investments made in the industrial sector, reached a record high when compared to the first quarter of previous years. This indicates an upsurge in industrial activity or plan to intensify industrial activity in the country. The report said that this is also positive for economic activity in the country, as the share of industry from the country’s GDP has been reaching a level close to 10 percent in the past few years. Ifram called upon the government to pay special attention to the industrial sector and create an investment-friendly environment for healthier development of the Lebanese economy. Dedeyan said that the Industry Ministry and the industrialists association worked hard during the past 10 years to establish a strong partnership in an attempt to activate the industry sector in Lebanon. He added that one of the most important challenges faced by industrialists was the high production cost due to the high prices of electricity and fuel. “Another important challenge is the ability of modernizing the Lebanese production and increasing exports especially that our local products are of a great quality and able to compete with international items,” he said. However, he added, this requires a great cooperation between the Industry Ministry and economic associations. Dedeyan said that Lebanon should take enough time to study all of the agreements it plans to sign in order to ensure that the country’s interests come first. He added that it was of utmost importance to prepare a complete study on the difficulties faced by Lebanese products in entering Arab countries. – The Daily Star

Alain Aoun: We Are Not Responsible for Electricity Crisis

Change and Reform MP Alain Aoun said Monday that his parliamentary bloc was not responsible for the electricity crisis which has worsened over the past month. Beirut has been witnessing random power outages of up to 8 hours a day, whereas before three hours of daily power cuts were enforced. In some rural areas, however, residents barely get two hours of power supply a day. "There is an electricity problem and no one denies that," Aoun told al-Jadid TV channel. He said an electricity plan proposed by Energy Minister Gebran Bassil "has nothing to do with the state budget." Last month, Cabinet approved Bassil's electricity reform plan which aims at lowering the energy sector's losses, the environmental impact and the national deficit.

Latest Power Crisis: Budget or Electricity First?

The electricity crisis continues to threaten the shaky political situation in Lebanon amid bickering over whether efforts to solve the problem should be linked to the adoption of the 2010 budget. Head of Parliament's Finance and Budget Committee Ibrahim Kanaan told An Nahar that the budget draft that is currently under discussion by the committee should not be linked to the electricity problem. Premier Saad Hariri, however, is spearheading efforts to pressure parliament into approving the budget before solving the power crisis. Hariri said during an iftar that blocking roads with burning tires "does not solve the problem." "The solution would be by approving the budget in parliament and starting to work, while taking into consideration the priorities of the people, which are also the priorities of the government," he said. March 14 sources also told An Nahar that spending on the electricity plan cannot be implemented separately from the budget. Head of the Administrative and Justice committee MP Robert Ghanem told Free Lebanon radio on Monday that it was "essential to link the budget with the electricity crisis."

Social front

Lebanon struggles to retain Arabic in polyglot culture

Maya Sabti's children were born and raised in Lebanon but they speak only broken Arabic and cringe when presented with an Arabic book to read. "I try to get them interested, but I don't blame them that they're not," said Sabti, whose children are 8 and 10. "Mobile phones, Facebook, movies – all that's important to them is in English." In Lebanon, where everyday conversations have long been sprinkled with French and English, many fear the new generation is losing its connection to the country's official language: Arabic. The issue has raised enough concern for some civil groups to take action. "Young people are increasingly moving away from Arabic, and this is a major source of concern for us," says Suzanne Talhouk, 33, a Lebanese poet who heads "Feil Amer," an organization launched last year to promote Arabic. "The absence of a common language between individuals of the same country means losing the common identity and cause," Talhouk said. In a nod both to its members' sense of urgency and their language fixation, the group's name is the Arabic grammatical term for an imperative verb. Arabic is believed to be spoken as a first language by more than 280 million people, mostly in the Middle East and North Africa. The classical, written form of the language is shared by all Arabic-speaking countries but spoken dialects differ among countries – and fluency in speaking doesn't necessarily mean fluency in reading and writing. While Arabic is the official language of Lebanon, a tiny Arab country of 4 million on the Mediterranean, many Lebanese pride themselves on being fluent in French – a legacy of French colonial rule – and English. Conversations often include a mix of all three, so much so that "Hi kifak, ca va?" – with the English "hi" and the Arabic and French phrases for "how are you?" – has become a typical greeting, even appearing on T-shirts and mugs sold in souvenir shops. Most schools in Lebanon teach three languages from an early age, and many parents send their children to French- or American-curriculum schools where Arabic comes second or third. It has become very common for young people, particularly when using Facebook and text messages, to write Arabic using Latin characters. Even politicians are not immune. Last year, Prime Minister Saad Hariri, 40, stumbled through a speech in Parliament, having obvious difficulty with the classical Arabic – raising

laughter from lawmakers and from the many who watched videos of the address posted on YouTube. The concerns are not unique to Lebanon. Neighboring Syria requires that at least 60 percent of the space on signs for shops, restaurants and cafes should be in Arabic. However, Lebanon is a special case because of its more open society, said Mounira al-Nahed, assistant secretary general of the Beirut-based Arab Thought Foundation. Lebanon's sectarian and ethnic diversity have always made it open to foreign influences. Moreover, it has a huge diaspora with an estimated 8 million people of Lebanese descent living in countries as distant as Brazil and Australia – many of whom come regularly to Lebanon for visits and often don't speak much Arabic. Nahed blames parents in part for speaking to their children in French or English at home, thinking they will pick up Arabic anyway. But this has had the adverse effect, making Arabic come at a distant third. "It has reached a stage where you see young people in Lebanon feel it's shameful to speak Arabic. This is not the case in the Gulf or other Arab countries," she said. Nahed also blames teaching techniques that often do not encourage children to speak Arabic and make the language seem dull and complex to learn. Talhouk and her group have been lobbying to change that. Her group visited Lebanese universities in an effort to gauge attitudes toward Arabic. Dozens of students were asked to recite the Arabic alphabet. Most of them were unable to go beyond the first five letters. "Not only do they not know their Arabic ABCs, but they also wondered why they should bother learning it and how it would help them," Talhouk said. In an attempt to draw attention to the problem, her group recently organized an all-day Arabic language festival entitled "We Are Our Language" in Beirut. The festival included a book exhibition, music and literature readings, as well as posters urging, "Do not kill your language" and "Teach your son to speak Arabic." Sabti, a housewife who brought her children to the festival, hoped it would help change their perspective. "We need more activities like this. I hope this helps young people know we have a beautiful language that we should protect." But for Youssef Dakhil, a student in his 20s, the problem is all about the lack of a Lebanese national identity. "Unfortunately, we like everything that's imported, including foreign languages," he said.

Ramadan music festival aims to encourage tourism

A Ramadan music festival, designed to promote tourism and development in Lebanon's three main cities, kicked off on Thursday, promising to attract tens of thousands of spectators over the next two weeks. The "Urban Development Festival: Ramadan Nights," now in its second year, will feature nightly events in Beirut, Sidon and Tripoli. The Hariri Foundation-organized festival, will bring together musical talent from Lebanon, the Arab world and Europe in a reported drive to stress the need for more coordinated national development. "The festival is designed to showcase the uniqueness of major Lebanese cities and highlight the role of cultural events in fostering an environment conducive to national unity, social cohesion and partnership," said event spokesperson Tariq Hakawati. "[Through this] we hope to render the festival a vehicle for economic growth and social change." The opening night, which was packed with spectators in all three cities, featured performances by Syrian singer Imad Rami, who played in Tripoli, and classical singer Tania Kassis, best known for her series of Islamo-Christian songs, who performed at the Beirut Souqs. A special tribute to veteran musician

Omar Zeeni was also performed by Lebanese musician Ahmad Kabbour at a specially constructed venue next to the 17th century ruins of the Khan al-Franj sea fortress. Some upcoming acts are expected to appear in more than one city a night in a supposed show of national unity. "The music has been chosen to attract all age groups and we have some performances which cater for the older generation while some are almost exclusively for children," said Hakawati. "The festival is still young ... but we hope this year will teach us about what more can be done and how to better engage people." – The Daily Star

Israel

Israeli PM: Turkey looked for a fight on ship

JERUSALEM: Israel's prime minister defended the deadly commando raid on an international flotilla protesting the Gaza blockade in opening testimony before an internal inquiry commission Monday, and suggested Turkey had sought the violent confrontation on board. Benjamin Netanyahu told the commission that Ankara had rejected Israel's prior appeals to halt the flotilla and refused to intervene despite the prospect of violence between Israeli troops and the Turkish Islamic charity that organized the mission. "As we got closer to the date it became clear our diplomatic efforts would not stop it," Netanyahu said. "Apparently the government of Turkey did not see potential friction between Turkish activists and Israel as something that goes against its interests." The six-ship flotilla was trying to deliver aid to Gaza when it was intercepted by Israeli naval commandos enforcing a blockade of the seaside strip. When troops encountered unexpected resistance on one of the vessels, the Mavi Marmara, they opened fire and killed nine Turkish activists, one of them a dual American citizen. The bloody crackdown sparked wide international outcry and pressured Israel to loosen the blockade of Gaza, imposed with Egypt after Hamas seized control of the coastal territory in June 2007. The five-member Israeli commission, headed by a retired Supreme Court justice and joined by two foreign observers, is looking into the government's decision-making leading up to the raid. Although it does not have the power to mete out punishment, its findings could be politically damaging to Netanyahu and other top officials. Israel's defense minister and military chief of staff will also face the commission. The United Nations has announced an inquiry of its own. A separate Israeli military inquiry found that military intelligence had failed to predict the violent resistance on board the Turkish vessel, and troops went in unprepared, expecting only passive resistance. But it said the commandos had acted properly. Israel has released video footage showing the commandos being pummeled with wooden planks and metal rods as they landed on the ship. The pro-Palestinian activists on board the Mavi Marmara have said they acted in self-defense after Israeli troops landed on their boat in international waters. Both the military and the activists have accused each other of sparking the violence. There was no immediate comment Monday from Ankara. Turkey has harshly criticized Israel for the raid and ties have cooled considerably since. Turkey recalled its ambassador and has also demanded Israel apologize for the raid. Israel has refused to do so. During his testimony, Netanyahu refrained from answering some security-related questions — such as Israeli intelligence assessments — and promised to do so in a later hearing that was closed to the media. However, he defended Israel's action on board the vessel and accused the pro-Palestinian activists of provoking the violence. He said the Israeli soldiers displayed "exceptional

bravery in carrying out their mission and in defending themselves from genuine and lethal danger." "I am convinced that in the end of your investigation it will be clear that Israel and the Israel Defense Forces acted in accordance with international law," Netanyahu said. Netanyahu said he instructed the military to make every effort to avoid bodily harm to the protesters and contrasted these instructions with the activists, whom he quoted as saying that the "Jews need to go back to Auschwitz." He claimed the truth about the raid only began to emerge after Israeli video footage showed troops being assaulted on board. "With their release, the understanding began to trickle down among honest people around the world that the Marmara was not exactly 'The Love Boat' and that the IHH people were not exactly docile peace activists," he said. The IHH is an Islamic charity that has close ties to the Turkish government as well as the Hamas government in Gaza. Israel outlawed the group in 2008 because of its ties to Hamas. The group is not listed by the US State Department or the European Union as a terror organization. IHH vehemently denies ties to radical groups. The five-member commission is headed by retired Israeli Supreme Court Justice Jacob Turkel. Beside Turkel, 75, the commission includes a retired general, Amos Horev, 86, and Shabtai Rosenne, a 93-year-old international jurist and diplomat. International pressure led Israel's government to include two foreign observers: David Trimble, a Nobel peace laureate from Northern Ireland, and Brig. Gen. Ken Watkin, Canada's former chief military prosecutor.

Palestinians: No talks if settlement freeze ends

West Bank: President Mahmoud Abbas has warned President Barack Obama that he will pull out of upcoming peace talks if Israel ends a slowdown on West Bank settlement construction, a Palestinian negotiator said Monday. Abbas sent a letter to Obama stressing that any renewed Israeli settlement construction would end the talks, said Palestinian negotiator Saeb Erekat. The direct negotiations are to begin in Washington next week, after months of US diplomatic efforts. Both sides seem pessimistic about the chances of success. Israel's 10-month slowdown, which bars construction of most new homes in the West Bank, is supposed to end in late September, and Israel's government is split over whether to extend it. Erekat said that Abbas also sent the letter to the European Union, the UN and Russia - all members of the Mideast Quartet of mediators, along with the US. "If the Israeli government continues settlement activities, then by this it would have decided to stop negotiations, because we can't continue with it if settlements continue," he said. While Israeli Prime Minister Benjamin Netanyahu and other Israeli officials have said in the past that the slowdown would not be extended, the Israeli government is now signaling that it might be flexible. "The government has yet to announce officially what will be done. For the moment, the most important thing is to get the talks going, and we're not going to do anything to give the Palestinians an excuse to derail the talks," said Yigal Palmor, a spokesman for Israel's Foreign Ministry. Netanyahu has not commented on the issue of the freeze since the US announced on Friday that talks would be resuming in Washington next week. It will be the first face-to-face peace talks between the sides since late 2008. Obama hopes to forge a deal within one year. Extending the settlement slowdown would be deeply unpopular among the more hawkish members of Netanyahu's coalition government and among many members of his own

Likud party. Some analysts have suggested that in order to press ahead with the talks the Israeli leader might be forced to rearrange his coalition, excluding some of the more hard-line parties and bringing in his more moderate rivals from the opposition Kadima party.

Palestinians say Arab states cutting aid

Arab states have cut financial aid to the Palestinian Authority (PA) so far this year, according to PA figures seen by Reuters, and the United Nations has warned of a looming Palestinian cash crisis. “The Arabs are not paying. We urge them to meet their financial pledges,” said Saleh Rafat, a member of the Palestine Liberation Organization’s executive committee and one of the few Palestinian officials willing to speak out on the matter. Arab government officials contacted by Reuters declined to comment on the issue. The failure of some Arab states to pay up is frustrating Western governments, which are big contributors to the Palestinian territories, and leaving officials in the West Bank with a budget headache. Some Palestinian officials speculate Arab states might be withholding the cash to try to persuade the Palestinian factions Fatah, which controls the West Bank, and Hamas, which controls Gaza, toward reconciliation. Palestinian Finance Ministry figures seen by Reuters showed the PA had received \$583.5 million in budget support so far in 2010. Only 22 percent came from Arab donors, the rest coming from international donors including the EU and United States. In the last three years, the most Arab states have paid in any one year was \$525.9 million, contributed in 2008, the figures show. A UN report this week said the Palestinian Authority “will face a serious liquidity crisis in September and will have difficulty paying August salaries” due to the aid shortfall. PA officials said August wages were secured. Aid is crucial in helping pay the wages of 148,000 PA employees including 67,000 in the Gaza Strip, whose salaries support a Gazan economy that has withered under an embargo imposed by Israel since the Hamas group rose to power there. Palestinian policymakers say donor support has been one of the main engines of strong economic growth in the West Bank, estimated at up to 8 percent this year. Prime Minister Salam Fayyad, midway through a two-year plan to build the institutions of a future Palestinian state, warned recently of “serious financial difficulty” and said the PA faced “a significant shortfall in external assistance.” Most officials in Fayyad’s government are reluctant to openly blame Arab states for the shortfall, concerned that speaking out will make them even less likely to pay. European Union diplomats have expressed frustration at what they see as a failure by some Arab states to honor pledges made at a 2007 donors’ conference in Paris. “Europe and the United States have fully met our commitments, but certain Arab states are not doing likewise, which is a problem,” a senior diplomat in a Western capital told Reuters. When asked why this might be, he said: “Ask them.”

Lebanon faces political crisis over Hariri case

Lebanon may be plunged into a political crisis which could bring down its coalition government if the UN tribunal investigating the killing of former premier Rafik Al-Hariri indicts members of the Shiite group Hezbollah. The Syrian and Iranian-backed Hezbollah has strongly criticized the tribunal and said last month that the prosecutor's first indictment, expected to be issued in September or October, will blame some of its members. Since then Hezbollah leader Sayyed Hassan Nasrallah, who has been in hiding

since the group's war with Israel in 2006, has repeatedly rejected any Hezbollah link to Hariri's killing, attacking the tribunal as an "Israeli project." Analysts say Nasrallah is determined to deflect blame at any price, even if it leads to confrontation with Prime Minister Saad Al-Hariri, son of the slain billionaire politician. The younger Hariri formed a national unity government last year which includes Hezbollah ministers. Just a year earlier a political crisis led to street fighting between Hezbollah and supporters of the pro-Western Hariri, in a brief echo of Lebanon's 1975-1990 civil war. If the UN tribunal does go ahead with indictments of Hezbollah, members the group, together with its Shiite and Christian allies, could decide to collapse the government. "This time if they pull out of the government, the government will fall. They have the veto power this time," said Paul Salem, head of the Carnegie Endowment's Middle East center. The assassination of Rafik Al-Hariri in 2005 pitched Lebanon into political and sectarian turmoil, dividing it into a pro-Syrian camp lead by Hezbollah, and an anti-Syrian and pro-Western camp headed by Saad Al-Hariri. The following year Prime Minister Fouad Siniora approved plans to establish the tribunal, over objections from Hezbollah and its allies, prompting them to pull out of the government. Eighteen months of political crisis ended in street fighting in May 2008 when Siniora's government tried to shut down a telephone network operated by Hezbollah, which called the move a declaration of war. The crisis ended after talks in Qatar, but some Lebanese fear a repeat scenario if Hezbollah figures are indicted. "(Hezbollah) has proven its strength and won, so beware of testing it again," Nasri Al-Sayegh said in Assafir newspaper, referring to the street fighting in 2008 when Hezbollah supporters took over Beirut. "If the indictment touches Hezbollah, and some in Lebanon cheered for it, then who knows where things will end up."

Hariri's dilemma

The Hezbollah warnings put Hariri in a thorny position. He either continues supporting the tribunal, even if it accuses the Shiite group, putting him on a collision course with Hezbollah. Or he denounces the UN investigation into his father's death, and risks losing international support and credibility. "The question is: is there middle ground?" said Salem, adding that Nasrallah was warning that those who supported the tribunal "must be supporting Israel, which is a threat meaning he can use force." So far Hezbollah has shown no sign of backing down. Last month Nasrallah said Hariri told him privately the tribunal was going to indict "rogue members" of the group, but Nasrallah rejected any link at all between his members and the killing. "Hariri can not distance himself from the tribunal, and he cannot embrace it ... It's a kiss of death if he does," said Oussama Safa, head of the Lebanese Center for Policy Studies in Beirut, "The best thing to do if it comes out (is) to look the other way." Alarmed by the heated political tension which surfaced after Nasrallah's first attack on the tribunal, the leaders of Saudi Arabia and Syria made a joint visit to Beirut last month.

The visit seemed to ease the discord without reaching a solution on how to avoid future conflict. But analyst say that as long as Damascus and Riyadh work together, they should be able to curb internal tensions. "Saudi Arabia and Syria are the safety valve of Lebanon," said Jihad Al-Zain, lead analyst at an-Nahar newspaper. Saudi Arabia, along

with its allies in Lebanon, supports the Hague-based court. Riyadh is among its main budget contributors. Syria, initially implicated by UN investigators in the Hariri bombing, has always viewed the tribunal with suspicion, describing it as politically motivated. On Monday, Nasrallah displayed what he said was Israeli surveillance footage which he said pointed to Israel carrying Hariri's killing. The UN court responded by requesting the evidence he showed. Safa said that might offer a window to postpone any looming indictments, giving time for tensions to ease and offering Hariri the chance to support Hezbollah's call for the court to investigate any Israeli involvement. But others fear positions are too entrenched for compromise. "Will the tribunal move toward questioning Israel? Of course not. Will (Nasrallah) draw back from his positions? Of course not. Can the government meet Nasrallah's request? Of course not," Elias Hana wrote in Assafir. It does not seem there is a specific way out. The crisis is political. It (might) develop to a dangerous security crisis."