

Report# 136

BUSINESS AND POLITICS IN THE MUSLIM WORLD

Fertile Crescent

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From 4th - 10th September 2010

Presentation: 15th September 2010

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Summary

International Responce to Quran burn:

An “emergency summit” held in Washington with the attendance of Prominent Christian, Jewish and Muslim leaders denounced the planned event of burning the holy Quran describing it as derision, misinformation and outright bigotry, aimed at American Muslims. An “emergency summit” was held in Washington, September 7, 2010, denouncing the plan to burn the Quran Saturday September 11th, 2010, to mark the 9/11 attacks. The summit comprised of leaders of the Islamic Society of North America, who contacted Jewish and Christian leaders for support. Attendees agreed this demonstration is a reflection of an act of hate, ignorance, & bigotry. If such an act were to be performed towards other holy scriptures, such as The Bible or Torah, there would be no doubt that authorities would take a strong, universal stand to immediately prohibit & aggressively impose legal actions against all who par take in such an act of hate, without hesitation or any passive stance

General David Petraeus has warned that the scheduled plans by an American church to burn copies of the holy Quran would endanger the lives of US troops. General David Petraeus has warned that the scheduled plans by an American church to burn copies of the holy Quran would endanger the lives of US troops. "Images of the burning of a Quran would undoubtedly be used by extremists in Afghanistan — and around the world — to inflame public opinion and incite violence". The Florida based Dove World Outreach centre had planned to burn copies of the Quran the Muslims holy book which is expected to be treated with the utmost respect, on the church's grounds to mark the alleged September 11, 2001 terrorist attacks which provoked the United States war on Afghanistan. Petraeus ascertained that if images of burning the Quran are circulated it.

With the plan to torch copies of the Muslims holy Quran, U.S. President Barak Obama publicly condemned the Florida churches plans describing it as, "A stunt that could greatly endanger our young men and women who are in uniform and incite suicide bombers". With the plan to torch copies of the Muslims holy Quran, U.S. President Barak Obama publicly condemned the Florida churches plans describing it as, "A stunt that could greatly endanger our young men and women who are in uniform and incite suicide bombers".

Egypt

Political front

An Egyptian rights group scoffed at a government pledge to limit use of its emergency law as an "illusion," after the interior ministry ignored a court's request to release seven Shiite Muslims. The Shiites, in detention since mid-2009, have been charged with "forming a group trying to spread Shiite ideology that harms the Islamic religion." "Continuing the 'revolving door' policy with detainees proves the amendments to the emergency law are an illusion," the Egyptian Initiative for Personal Rights said in a statement. Parliament extended the law in May but pledged to restrict it to terrorism and

narcotic cases. The law allows for indefinite detentions and trials by emergency courts which rights groups say are unfair and harsh. Police arrested 12 Shiites in April and May 2009, five of whom have since been freed.

Egyptian political parties marginalize the role of women within party structures and higher committees, according to a new report issued by the Cairo-based Egyptian Center for Women's Rights. The report, devoted to the political status of women in Egypt, is entitled, "From the Shura Council to the People's Assembly...Egypt is for Men Only." The study analyzes the content of written news about women holding decision-making positions in 18 local daily and weekly newspapers and magazines.

participating in direct peace talks between Israel and the Palestinian Authority (PA) slated to begin, President Hosni Mubarak is seeking the continuation of US support for his presidency--or for the succession of his son Gamal to the top post--according to a group of US political experts at a conference devoted to Egypt's political future held recently by the Carnegie Endowment for International Peace. The experts, who included Carnegie Endowment professors as well as experts from other international organizations, described independent Egyptian presidential hopeful Mohamed ElBaradei as "a credible opposition leader whose agenda is not associated with foreign policy." They also described Egypt's Muslim Brotherhood opposition group as being "more capable than any other opposition movement to mobilize the public." During the discussion, experts also discussed Egypt's longstanding Emergency Law and the sincerity--or lack thereof--of the United States' commitment to promote democracy in Egypt.

Thousands registered in an attempt to secure an NDP official nomination in upcoming elections to the People's Assembly, reports Gamal Essam El-Din Close to 4,000 members of the ruling National Democratic Party (NDP) had registered as possible candidates in the upcoming parliamentary elections when the nomination period closed on 28 August. There was a rush to register in the last few hours despite the new registration fee of between LE5,000 and LE15,000 and the stipulation that those seeking to be party candidates commit themselves not to run as independents should their nominations be rejected.

Newspapers in Egypt have been banned from reporting on an unprecedented poster campaign. The campaign has been promoting the chief of intelligence, Gen Omar Suleiman, as a possible future president of Egypt. The BBC has learned that thousands of copies of two of the most popular independent dailies, Al Masry Al Youm and Al Dustoor, have been destroyed. No publication carried the news in their Friday morning editions. Independent newspapers in Egypt are always keen to publish details of the latest twist in the hottest political story in the country: who will succeed President Hosni Mubarak. Yet on Friday, no newspaper reported the news of a mysterious poster campaign that has suddenly hit the streets of Cairo.

opposition leader Mohamed ElBaradei repeated a warning that civil disobedience could be resorted to if the regime continues to ignore demands for reform. "Civil disobedience is our last card in the peaceful process for change," ElBaradei told members of the Popular Campaign to Support ElBaradei. "We do not want to resort to that, but we will not refrain from resorting to it if the regime doesn't respond to [our demands]." The former head of the UN nuclear watchdog has emerged as a rallying figure for political reform in recent months. Thousands of young Egyptians and dozens of prominent

opposition figures have thrown their full support behind his seven reform demands that include ending the state of emergency, amending the Constitution to allow for real multi-party presidential elections, ensuring judicial supervision of the vote, and putting an end to election fraud. Earlier, his campaigners threatened to strike if these demands go unheeded.

Egypt's leading democracy advocate made a forceful call for the nation to boycott November's parliamentary election, saying they were certain to be rigged and urging his young supporters to be patient and plan for a lengthy struggle. Nobel laureate Mohammed ElBaradei told that participating in the vote would go against "the national will" to transform Egypt into a genuine democracy. "If the whole people boycott the elections totally, it will be in my view, a great leap towards change," he told reporters afterward. Egypt's opposition groups are divided over the issue of a boycott and it is not clear how many would heed a call not to contest or vote in the election. The largest opposition force, Egypt's Muslim Brotherhood, for example, is unlikely to boycott, although it backs ElBaradei and his demands for change.

Mohamed ElBaradei, the former UN nuclear chief turned Egyptian reformer, accused the government of publishing pictures of his daughter in a swimsuit and at events with alcohol in reply to his bid for democracy, a newspaper reported on Saturday. Mohamed ElBaradei, the former UN nuclear chief turned Egyptian reformer, accused the government of publishing pictures of his daughter.

Egyptian President Hosni Mubarak is offering to host a second round of talks later this month in his country, according to two officials close to the talks. US Secretary of State Hillary Clinton will attend a second round of peace talks between the Israeli and Palestinian leaders later this month in the Egyptian Red Sea resort of Sharm El-Sheikh, a State Department official said Sunday. After the Sept. 14 talks between Israeli Prime Minister Benjamin Netanyahu and Palestinian president Mahmoud Abbas, Clinton will head on to Jerusalem for further discussions the following day, the official said. "Secretary Clinton will be joined in these negotiations by Special Envoy for Middle East Peace Senator George Mitchell," the official added.

Israeli settlements in the West Bank are blocking the road to a peace deal with the Palestinians and Israel must extend a moratorium on settlement building that expires this month, Egypt's president said.

Economic front

World Bank Group President Robert B. Zoellick appointed Egyptian Investment Minister Mahmoud Mohieldin Managing Director of the World Bank Group. "Mahmoud Mohieldin has proven himself a tireless reformer whose work on economic and financial reform helped Egypt weather the global financial crisis. An outstanding young leader, his first hand experience of development and of the World Bank - both as Minister and as World Bank Governor -will serve us well as we undertake our own reform program and scale-up our client focus," said Zoellick.

Egypt's currency seems unlikely to rebound substantially from 3-1/2 year lows any time soon because investor appetite for Egyptian assets may be blunted by uncertainty before a 2011 election -- and the central bank may prefer a weaker pound. The Egyptian pound (EGP) has marked a series of lows against the dollar in the past two weeks, partly because of a firmer dollar globally as weakness in the US economy prompts safe-haven flows into US Treasuries.

Social front

At a symposium organized by the Egyptian Council for Foreign Affairs, Egyptian Grand Mufti Ali Gomaa cited verses from the Holy Koran to show that Islam permitted freedom of religion and did not compel anyone to change faith. "We believe in freedom of religion," Gomaa said. "If people choose to convert to Islam, nobody should try to stop them, as this is a matter between them and God." "The current dispute over the woman who converted to Islam [Camellia Shehata, wife of a Minya church pastor] should be discussed objectively," he said, calling on those who have inflamed the issue to review their respective stances. "I resent the fact that some people have stirred up the issue in such a stupid way."

Iraq

Political front

The latest bombings in Iraq, particularly in Baghdad, show that the government is losing control despite ostensible measures to boost security. One good indication of how fragile conditions have become is the daring attack last Sunday on a major army base and headquarters in the heart of Baghdad. Unidentified gunmen barged into the former Defense Ministry building and barricaded themselves, waging a ferocious battle for about three hours, killing at least 12, and injuring many others. It was a real battle scene in the heart of Baghdad. It shows that even the army and security forces cannot protect their bases. The aftermath of the attack shows chaos all over the government, both civilian and military ranks. Nobody for sure can tell whether the attackers were suicide bombers, used car bombs or simply foot rebels from al-Qaeda who wanted to show how intrepid they have become.

Six months have passed since Iraq held national elections, but reports say there still appears to be little concrete progress in talks toward forming a government. No political group won an outright majority in the March 7 election, as Iraqis split their votes between two main Shi'ite-led blocs, Kurdish parties, and a cross-sectarian secular alliance that won significant Sunni support. Former Prime Minister Iyad Allawi's Sunni-backed secular Al-Iraqiyah list won the most seats -- 91 -- but the group has been unable to secure a governing deal with incumbent Prime Minister Nuri al-Maliki's Shi'ite-led State of Law alliance, which finished second with 89 seats, or any other factions. As the impasse continues, reports quote ordinary Iraqis as being concerned that not enough government attention is being paid to security issues or the delivery of services.

Geo strategic front

Iraqi President Jalal Talabani wants to see ties with Iran improved further and Iranian firms given even better chances to invest in the country. "Iran is urged to boost bilateral ties (with Iraq) and Iraq is urged to offer investment opportunities for Iranian firms," Talabani was quoted as saying in a statement faxed to the newspaper. Talabani's remarks come as trade exchange between the countries is mushrooming and is expected to be worth \$7 billion this year.

Lebanon

Geo strategic front

Lebanon's prime minister has said he was wrong to accuse Syria of killing Rafik al-Hariri, his father, in 2005 and said the charge against Damascus had been politically motivated. Saad al-Hariri's comments to Asharq al-Awsat, repudiate his earlier accusation that Syria was behind the Beirut bombing which killed his father and 22 others

five years ago. Syria had repeatedly denied the charge, which was supported by an initial United Nations report in 2005, which implicated Syrian security forces in the attack. Damascus rejected the UN report, saying it was "100 per cent politically biased". The assassination provoked a domestic and international outcry which forced Bashar al-Assad, the Syrian president, to withdraw troops from Lebanon, ending nearly three decades of military presence in its smaller neighbour.

The government is being urged to introduce stronger legal safeguards to protect the rights of refugees who cross the country's borders but are branded as illegal immigrants and subjected to abuse, detention and deportation under the current system. "These arrested people are put in danger if they are returned to their countries where they might be tortured," Lebanese human rights NGO, Frontiers Ruwad, said last week in a public letter. "[It] should be noted that international law requests [us] not to criminalize refugees for entering a country illegally."

International issue

Global disappointment & outrage over the burning of the Holy Quran to mark the 9/11 attacks

An "emergency summit" held in Washington with the attendance of Prominent Christian, Jewish and Muslim leaders denounced the planned event of burning the holy Quran describing it as derision, misinformation and outright bigotry, aimed at American Muslims. An "emergency summit" was held in Washington, September 7, 2010, denouncing the plan to burn the Quran Saturday September 11th, 2010, to mark the 9/11 attacks. The summit comprised of leaders of the Islamic Society of North America, who contacted Jewish and Christian leaders for support. Attendees agreed this demonstration is a reflection of an act of hate, ignorance, & bigotry. If such an act were to be performed towards other holy scriptures, such as The Bible or Torah, there would be no doubt that authorities would take a strong, universal stand to immediately prohibit & aggressively impose legal actions against all who partake in such an act of hate, without hesitation or any passive stance. The summit meeting took place amid growing concerns from the White House, State Department, and General David Petraeus, top American military commander in Afghanistan. This, over Pastor Terry Jones, of the Dove World Outreach Center, plans to put copies of the Holy Book, The Quran, in a bonfire to mark this week's anniversary of the 9/11 attacks. Jones was also known & gained some local notoriety last year when he posted signs in front of his church declaring, "Islam is of the Devil". Theodore McCarrick, Archbishop, asserted America was not built on hate, stating that the majority of Americans do not support this outrageous and grave act, agreeing it is stemmed out of hatred & if carried out, will inflict animosity and breed even more hatred. General David Petraeus warned this act would inflame public opinion and incite violence, endangering the lives of American soldiers stationed abroad.

Leaders agreed that this so-called "anti-Muslim frenzy", may potentially tear apart the country and jeopardize the United State's image as a forerunner in religious freedom and diversity. The imam behind the plan to build the Islamic center near ground zero, Feisal Abdul Rauf, finally spoke out about the controversy September 8, 2010, stressing his strong stand & dedication in the pursuing the building of this Islamic center. The New York Times published the imam's statement: "...By backing down, we cede the

discourse and, essentially, our future to radicals on both sides." Robert Gibbs, White House Press Secretary, agreed with the imam, adding that Jones's plan was "un-American", also stressing, all it will accomplish, is put the lives of US troops in harm's way. Clergy members in Washington and Florida maintained they attempted to discourage Jones from proceeding with this heinous act, however, Jones was relentless with his decision. Although interfaith events are not unusual, the 'Emergency Summit' illustrated the urgency and passion expressed by the participants. Religious leaders met with Attorney General Eric H. Holder Jr., urging him to prosecute religious hate crimes, aggressively. Director of the Religious Action Center of Reform Judaism, Rabbi David Saperstein, stated; "We know what it is like when people attack physically & verbally, while others watch & remain silent. This cannot [should not] happen here, in America, the year 2010." The clergy members blamed the tense climate on politicians who were manipulating a thorny issue during the election year. The Rev. Richard Cizik, president of the New Evangelical Partnership for the Common Good, commented; "To those who choose to exercise derision, bigotry, & open rejection toward fellow Americans due to difference in faith, I say, shame on you. As an evangelical, I say to those who do this, you bring dishonor to those who love Jesus Christ." Despite an umbrella group, representing 100,000 churches coming out to support the mosque, the meeting did not discuss stands on the proposed mosque in Manhattan, stressing; "People have had multiple opinions on where the location of this project should take be, but the legal right to build the site is clearly undeniable."

Update: Worldwide protest over Quran burning

The Edinburgh Evening posted an article describing the people's anger over the burning of the Muslim's Holy Quran reporting that More than 50 Scottish Muslims arrived at the Consulate building on Regent Terrace staging their protest. "No to war, no to racism and no to Islamophobia" were painted on banners while Mohammed Asif, president of the society, rallied the group over a loudspeaker. Mr. Asif stressed that pastor Terry Jones is stirring up hatred against Muslims, and that he should be stopped immediately adding "our faith is being humiliated" "We have never gone to a church or mosque in Britain or America and started burning things". "I am sure the police would have arrested us if we were the ones burning the Bible – something we would never do". He warned of the grave consequences following the Quran burning, maintaining that it would aggravate the situation in Afghanistan, and more British and American soldiers are going to die as a result of the actions of others. The Vatican issued a statement which condemned the planned mass torching of copies of the Muslims Holy Quran by a US church in Florida describing it as "an outrageous and grave gesture" The Vatican's Pontifical Council for Interreligious Dialogue voiced its dissent highlighting that it was extremely concerned stressing; "Each religion, with its respective sacred books, places of worship and symbols, has the right to respect and protection," the council said. It appealed to other leaders to follow suit "Each religious leader and believer is also called to renew the firm condemnation of all forms of violence, in particular those committed in the name of religion

US commander warns of consequences of burning Quran

General David Petraeus has warned that the scheduled plans by an American church to burn copies of the holy Quran would endanger the lives of US troops. General David Petraeus has warned that the scheduled plans by an American church to burn copies of the holy Quran would endanger the lives of US troops. "Images of the burning of a Quran would undoubtedly be used by extremists in Afghanistan — and around the world — to inflame public opinion and incite violence". The Florida based Dove World Outreach centre had planned to burn copies of the Quran the Muslims holy book which is expected to be treated with the utmost respect, on the church's grounds to mark the alleged September 11, 2001 terrorist attacks which provoked the United States war on Afghanistan. Petraeus ascertained that if images of burning the Quran are circulated it would definitely be used to incite anti-American sentiment just as it had a few years ago with the publishing of pictures of prisoners in Abu Ghraib. "I am very concerned by the potential repercussions of the possible (Quran) burning. Even the rumor that it might take place has sparked demonstrations such as the one that took place in Kabul yesterday," Petraeus said in his message. "Were the actual burning to take place, the safety of our soldiers and civilians would be put in jeopardy and accomplishment of the mission would be made more difficult". Hundreds of Afghans rallied outside a Kabul mosque, where American flags were burnt amid chanted slogans calling death to America with an image of the Dove World's pastor hung. Crowds hurled stones at a passing US convoy but were ordered to stop by rally organizers. Indonesia also witnessed angry crowds also protesting in front of the US embassy in Jakarta because of the plans where the US condemned the plans in a statement stressing it was "deeply concerned about deliberate attempts to offend members of religious or ethnic groups". Dove World Outreach Center has been denied permits to set up a bonfire however it has vowed to go on as planned. A Facebook page has been devoted especially for the upcoming event by its supporters. This is not the first account of anti-Islam attacks where last year the church distributed t-shirts with Islam is of the devil printed on it. Related, Iran expressed concerns regarding the plans stressing it could lead to an uncontrolled Muslim response. Where Foreign Minister quoted: We advise Western countries to prevent the exploitation of freedom of expression to insult religious sanctities, otherwise the emotions of Muslim nations cannot be controlled".

Obama condemns torching of Quran describing it as destructive act

With the plan to torch copies of the Muslims holy Quran, The Associated press writes that U.S. President Barak Obama publicly condemned the Florida churches plans describing it as, "A stunt that could greatly endanger our young men and women who are in uniform and incite suicide bombers". With the plan to torch copies of the Muslims holy Quran, The Associated press writes that U.S. President Barak Obama publicly condemned the Florida churches plans describing it as, "A stunt that could greatly endanger our young men and women who are in uniform and incite suicide bombers". The controversial plan of burning the Muslims Holy Quran has sparked worldwide anger and dissent. In a taped ABC interview Obama stressed, "Look, this is a recruitment bonanza for Al Qaida, you could have serious violence in places like Pakistan and Afghanistan". Obama has been closely monitored by his opposition with issues concerning Muslims with his latest decision to construct the Ground Zero Mosque and his condemnation of anti-Islamic actions. Obama's religious sympathies and his resolve

against terrorism have been under close scrutiny. Pastor Terry Jones from the Dove Outreach Centre however has confirmed that he is planning to go ahead with the burning despite worldwide denunciations. Additional officials from the U.S. administration criticising the move include General David Petraeus, Defense Secretary Robert Gates, Attorney General Eric Holder, Secretary of State Hillary Clinton and Obama's adviser David Axelrod where they hoped to rein in the story by speaking out clearly and with one voice. Obama voiced his wishes that the pastor would withdraw his heinous plans indicating "I hope he listens to those better angels and understands that this is a destructive act that he's engaging in". Related Egypt's Muslim Brotherhood also weighed in on the issue, condemning the Quran burning day describing it as "insanity". The German news agency DPA quotes Dr. Mohamed Morsy the group's media spokesman saying "This is insanity; the man is a criminal behaving outside of any religion", "The greater responsibility for this issue lies with the U.S. government, and with the United Nations", Morsy called on all Muslims to put pressure on their governments to expel U.S. ambassadors and to boycott U.S. products until the U.S. government takes action against this heinous crime Calling Jones a "lunatic", Morsy compared the pastor to a madman with a loaded gun stressing he threatened international peace and stability.

A wired world, the crises come instantly

"Advocate tolerance, and disregard the ignorant," one book counsels. Advises the other, "Be gentle towards all, ... forbearing." If only the writers of the Quran and the Bible had logged on to Twitter accounts. The world has always had its cranks and crackpots, its intolerance and religious bigots. But only in this wired generation has word of outrages against others' beliefs flashed around the globe in an instant, to create instant crises. With his threat to burn Qurans on the anniversary of the 9/11 terrorist attacks — a plan suddenly canceled Thursday — Florida's most famous obscure preacher managed to draw imams and the pope, televangelists and presidents, U.S. governors and U.S. generals, even Angelina Jolie into an electronic storm of denunciation, appeal and warning. The Vatican had condemned the "outrageous and grave gesture." Barack Obama called it "a recruitment bonanza for al-Qaida." Interpol cautioned governments to guard against terror attacks. Britain's foreign secretary deemed it "provocative in the extreme." The most worrying reaction came in the Islamic world. Hundreds of angry protesters marched in Afghanistan and Pakistan against the planned attack on the book Muslims embrace as the word of God. Muslim governments appealed to Washington to prevent the act. Then there were the Iranian commentators who blamed Israel for the whole thing. The furor over the Rev. Terry Jones' plan was merely the latest skirmish in the Internet age's "clash of civilizations," reaching back to the death-sentence "fatwa" Iran issued against Salman Rushdie in 1989, and forward to today's Western outrage over Iran's sentencing of a convicted adulteress to death by stoning. The most explosive occurred in 2006, after a Danish cartoonist depicted the Prophet Muhammad wearing a bomb-shaped turban. This "drawing seen 'round the world" sent protesters in Islamic countries into the streets to attack Danish embassies. The increasingly globalized news media, coupled with the unfettered world of blogs, tweets, e-mails, Flickr'd photos and YouTube videos, rife with misinformation, ignorance and invective, feed the fury that now can arise overnight across oceans and time zones. Some try not to supply kindling for the bonfires of bigots. In its print edition Thursday, The New York Times barely mentioned the planned Quran

burning in Gainesville. The Associated Press also reported little on Jones' threat until Gen. David Petraeus warned Tuesday that such a provocative act could endanger U.S. troops in Afghanistan and Iraq. But the Times, the AP and other established news organizations no longer define the news agenda in the way they did in pre-Internet days. The passions were stoked instead by a "Burn a Koran Day" Facebook page, for example, which caught the faithful's attention in Egypt in mid-July, and by e-mails sent globally by outraged American Muslims. By Aug. 12, the Supreme Council of Cairo's al-Azhar University, a global center of Islamic learning, issued a statement accusing Jones' Dove World Outreach Center of "stirring up hate and discrimination." By this week it was warning of "dangerous consequences." And by Thursday, the story had gone beyond viral: Googling "Gainesville" and "Quran" or "Koran" found more than 1 million Web hits, 43,000 Internet images and more than 500 video clips. The controversy demonstrated, too, that simpler is better. The dispute over a planned Islamic center near New York's 9/11 ground zero — an argument with many nuances and conflicted feelings — barely attracted attention in the Middle East. Meanwhile, the act of burning another's holy book is easily understood by all. It also suggested the millisecond pace of crisis in our wired world may be moving toward the nanosecond. A century ago, Mark Twain was said to have observed that a lie can travel halfway around the world before the truth even gets its boots on. He spoke figuratively, of course. Today, in a world of religious tensions, terrorism, nuclear bombs and instant crisis, it's a fact.

Detailed news

Egypt

Political front

Egypt detains Shiites under emergency law: rights group

An Egyptian rights group on Tuesday scoffed at a government pledge to limit use of its emergency law as an "illusion," after the interior ministry ignored a court's request to release seven Shiite Muslims. The Shiites, in detention since mid-2009, have been charged with "forming a group trying to spread Shiite ideology that harms the Islamic religion." "Continuing the 'revolving door' policy with detainees proves the amendments to the emergency law are an illusion," the Egyptian Initiative for Personal Rights said in a statement. Parliament extended the law in May but pledged to restrict it to terrorism and narcotic cases. The law allows for indefinite detentions and trials by emergency courts which rights groups say are unfair and harsh. Police arrested 12 Shiites in April and May 2009, five of whom have since been freed. The remaining seven are being held despite five court rulings ordering their release. "The interior ministry continues to dismiss court rulings and thinks it is above the law," said Adel Ramadan, a lawyer representing the detained Shiites. Shiism, the predominant branch of Islam in Iran and Iraq, has theological differences with Sunni Islam and its followers believe Prophet Mohammed should have been succeeded by his cousin Ali rather than his companion Abu Bakr. Sunni-ruled Bahrain is mostly Shiite, as is the majority of Lebanon's Muslims. Ramadan said interrogators asked one of the arrested men, Mohammed Faruq, to abjure his Shiite beliefs. "The interior ministry seems to believe that the presence of Shiites in Egypt is a danger," he said. "They take the same stance towards other sects." The interior ministry was not immediately available for comment. Police in March arrested nine adherents of

the Ahmadiyya sect under the emergency law, who were charged with insulting religion. Ahmadis believe that a 19th century Indian mystic, Mirza Gulam Ahmed, was the Messiah whose coming was predicted by the Prophet Mohammed. Those arrested have since been released. The government had promised to release all prisoners detained under the law for reasons other than terrorism and narcotics after the amendments went into effect in June. But it has already been accused of failing to keep its vow to limit use of the law after it referred five men to an emergency court earlier this month over a street brawl in which guns were fired. One of the accused men, Emad el-Kebir, had three years earlier won a court case against two policemen who sodomised him with a stick while filming the attack. The government defended the referral to the emergency court, saying the use of live gunfire in a street brawl terrorised passersby. The emergency law, which gives police wide powers of arrest, suspends constitutional rights and curbs non-governmental political activity, has been in place continuously since Islamists assassinated president Anwar Sadat in 1981.

Egypt TV show stirs debate over Muslim Brotherhood

bearded young cleric yells at a young woman for lifting her traditional veil from her face while speaking to him on the street, and rants against Egyptians who adopt Western lifestyles and values. His followers beat up an opponent. That is the image of the founder of the Muslim Brotherhood depicted in a TV miniseries airing in Egypt that casts a harsh light on the country's largest opposition movement just three months before a crucial parliamentary election that is expected to pit it against President Hosni Mubarak's ruling party. Supporters accuse the government of using the show as a propaganda tool to demonize the fundamentalist group by portraying it as a collection of fanatics battling secular-minded and Western-oriented Egyptians and trying to turn Egypt into an Islamic society. Political scientist Ashraf el-Sherif, however, said the program has had the opposite effect. "What the series has done is turning a dinosaur into a living political phenomenon," said el-Sherif, who lectures at the American University in Cairo. "Now, the Brothers are no longer a banned group, as the government insists. They have entered every house, street and coffee house in Egypt." The Muslim Brotherhood is deeply mistrusted by many Egyptians but has also gained a measure of popular support with its network of social services. It is the largest and most organized political opposition movement, posing a strong challenge to a government that faces a rising tide of calls for democratic reforms and protests over the lack of basic services. The group, founded in 1928, was banned in 1954 on charges of using violence. But it has since renounced violence, expanded its international presence and participated in Egyptian elections as independents despite frequent crackdowns. It surprisingly won about 20 percent of the 454 seats in 2005 parliamentary elections and since then, authorities have jailed around 5,000 of its members. Egypt will have a parliamentary election in November and a presidential poll next year. The TV drama, titled "Al-Gamaa," or "The Group," has become one of the most popular of this year's Ramadan series. During the holy month, soap operas and miniseries are a popular tradition for Muslims who usually gather at home in the evenings after breaking their dawn-to-dusk fast. It was produced by a private company Albatros Film Production in association with state-owned television. The episodes, which are broadcast nightly on state TV and rerun later on a privately owned channel, reportedly have attracted the most commercials among the more than 60

Ramadan soap operas in another measure of its popularity. The plot centers on a recent court case in which the Brotherhood was accused of setting up a student militia, then uses flashbacks to tell the story of its foundation. One TV presenter said watching the show is better than reading 20 books on the group. Critics say the show is historically inaccurate, and leading Brotherhood members allege that the script expresses the views and policies of Egypt's powerful security apparatus, which regards the group as a breeding ground for extremists. "What was meant to be a work of drama has turned into flagrant political propaganda," said Abdel-Gelil al-Shernouby, editor of the Brotherhood's website. The show's creator, Wahid Hamid, a renowned script writer who is known for his secular views and disdain for Islamic political groups, acknowledged he took some liberties with the facts for production purposes. But he has insisted the show was mainly based on the group's own documents, including a memoir and other writings by its founder Hassan al-Banna. Al-Banna, who was assassinated in 1949, is portrayed as a conservative, intolerant cleric who barks at women for not properly covering their heads and attacks Egyptians who adopt Western lifestyles or values. A charismatic schoolteacher, al-Banna founded the group with the goal of establishing a system that is guided by Shariah, or Islamic law. He traveled to remote villages to preach Islamic values and call for an Islamic awakening in mosques, schools and coffeeshops. The movement has since spread from Indonesia to Morocco, with many followers in the United States and Europe. From it were born other political Islamic groups — including the militant Palestinian Hamas movement. The Brotherhood has been blamed for assassinations and armed attacks against political opponents, but its leaders insist that was part of its troubled past. "Those who know the Brothers will know the lies of the government and its media and will make sure those people who haven't met the Brothers are eager to know them and probably join them," the group's supreme leader Mohammed Badie said. The group has stepped up efforts to improve its image with videos and its own Facebook-style social networking site known as Ikhwanbook, which advertises a goal to "spread awareness of moderate Islamic values." Pro-government writers say the Muslim Brotherhood's history cannot be whitewashed. "Egyptians know that the Brotherhood intends to set up an Islamic state that will suppress its opponents," wrote Abdel Moneim Saeed, a senior ruling party member and chairman of the board of the state-owned Al-Ahram newspaper. "It is hostile to all and wants to push the nation back to the Middle Ages."

The Stalled Rise of the New Guard

The new guard of businessmen affiliated to Gamal, which saw a remarkable rise inside the NDP from 2000 onward and has dominated the cabinet since 2004 under the leadership of Prime Minister Ahmed Nazif, recently seems to have peaked. Particularly in the last two years--coinciding with the global recession and increasing protests at the new guard's neoliberal economic agenda--there has been a shift inside the NDP. While President Mubarak has headed the party since 1981, the party's six-member general secretariat shows an even balance between the old guard represented by Secretary General Safwat al-Sharif, Presidential Chief of Staff Zakaria Azmi, and Minister for Parliamentary Affairs Mufid Shehab, and the new guard represented by Deputy Secretary General Gamal Mubarak, Secretary for Organizational Affairs Ahmed Ezz, and Secretary

for Information Ali Hilal al-Dessouki. Old guard figures dominated the NDP congress in 2009 much more than other gatherings in recent years, and Safwat al-Sharif reportedly played the primary role in nominating NDP candidates for the June 2010 Shura Council elections. Regarding policies, old guard NDP leaders have become publicly critical of the Nazif government's reform plans, provoking a slowdown in the government's privatization course. The old guard's motivation within this power game is transparent. The new guard stands for an economic course that benefits the business elite and restricts the role of the state within the economy. This hurts the interests of the old guard, whose most important source of power has been the state, including the inflated public sector and bureaucracy. Leading members of the old guard have resisted the rising influence of the "political businessmen" who have intensively supported Gamal Mubarak's political career. Among the prominent examples of businessmen close to the NDP who have accumulated vast wealth due to economic reforms are steel magnate Ahmed Ezz, ceramics businessman Muhammad Abul Einein, and the two tycoons Mohamed Mansour and Ahmed El-Maghrabi. Zakaria Azmi has led the resistance to such newcomers via his various functions as presidential chief of staff, NDP deputy secretary general, and member of parliament. Azmi engaged in verbal confrontations with NDP businessmen during parliamentary sessions, and it was probably due to his advice that President Mubarak has so far retained certain senior government officials. They include Chairman of the Central Auditing Agency Gawdat al-Malt, who has criticized the new guard's reform agenda, and Central Bank head Farouk al-Okdah, who has remained politically independent of Gamal's group. Azmi's greatest success, however, was the weakening of the powerful Alexandrian business shilla (clique) within the cabinet, which included Minister of Transport Mohamed Mansour, Minister of Housing Ahmed El-Maghrabi (Mansour's cousin), and Minister of Industry Rashid Mohamed Rashid. According to press reports, Azmi played a decisive role in the forced resignation of Mansour as transportation minister in 2009 following a serious train accident. Azmi is also rumoured to have been behind the highly publicized presidential decree cancelling a land deal that involved Palm Hills Development, a company in which the Mansour and El-Maghrabi families are the main shareholders.

The Military as Holder of the Balance of Power So far, the military leadership has kept out of the power struggle between old and new guards inside the party and the government. In general, this neutrality seems to serve the interests of the old guard, as a positive signal by important military officers regarding the new guard and Gamal Mubarak would certainly give them a boost. There are several reasons for this neutrality. First, President Mubarak has worked assiduously at cultivating political neutrality and absolute loyalty to the president in the military for 30 years, and it has become an ingrained habit. Second, many officers might share the concerns of the old guard regarding the new guard agenda, which would lead logically to eventual limits on the power of the military and its many economic and other perquisites. Third, there are many personal connections between the old guard and the military leadership. Zakaria Azmi and Safwat al-Sharif, for example, have military backgrounds and are from the same generation as Director of General Intelligence Omar Suleiman, with whom they have worked for decades. Finally, there might well be individual ambitions within the military regarding the presidency; the name most often raised in this context is Air Marshal Ahmed Muhammad Shafiq, the former Egyptian Air Force commander and current minister for civil aviation.

Gamal in the Middle Gamal

Mubarak thus faces a dilemma: if he breaks away from his current supporters to cultivate the support of the old guard, for example by cooling his enthusiasm for the neo-liberal economic course, he is in danger of turning the powerful business elite against him (as well as going against his own instincts). On the other hand, if he retains his current supporters, the resistance of the old guard and possibly the military against his presidential ambitions could intensify. The old guard and the military could push for a transitional successor to President Mubarak--for example the powerful Omar Suleiman, who apparently enjoys some popularity due to the perception that he is not corrupt--but whether this person would vacate the position for Gamal in the future would be far from certain. The parliamentary elections scheduled for late November will be an indication of the trend within the NDP and could change the current power configuration once again. If candidates supported by the new guard were to win a clear majority of NDP seats, this could help Gamal to marginalize the old guard and enhance his chances of becoming the ruling party candidate. Recent reports about candidate registration, however, suggest that many old guard members want to run for parliament, and their names will not be easily deleted from the nomination list. In any case, the ailing Hosni Mubarak might well decide to run again in 2011 if his health permits, keeping the decade-running battle over succession going for another year or two.

Women's rights group: Egyptian political system marginalizes women

Egyptian political parties marginalize the role of women within party structures and higher committees, according to a new report issued by the Cairo-based Egyptian Center for Women's Rights. The report, devoted to the political status of women in Egypt, is entitled, "From the Shura Council to the People's Assembly...Egypt is for Men Only." The study analyzes the content of written news about women holding decision-making positions in 18 local daily and weekly newspapers and magazines. The report states that the marginalization of women by Egyptian political parties was made clear by their nominees in recent Shura Council elections, which only included three women--one each from the Tagammu, Al-Ahrar and Al-Watani parties--representing a mere 12.5 percent of Egypt's 24 political parties. The report sees this as evidence that party agendas are little more than "political cosmetics," asserting that the female presence in political parties was "only for show" rather than true participation. The report describes recent Shura Council election results as "disappointing," since only one of 11 female candidates won, even though the government had earlier decreed that 11 women out of 44 appointed members--25 percent--would be appointed. The report goes on to denounce the role of the media regarding female candidates, describing media coverage as "typical, routine and repetitive," emphasizing that the media's role did not aid in changing the public perception of female nominees. The report also notes that, at a time when a number of Arab countries had already elected female judges, the Egyptian State Council had postponed the appointment of female judges due to a lack of "suitable boarding arrangements" for women.

Elections

Carnegie Endowment: Mubarak seeks US support for the presidency

By participating in direct peace talks between Israel and the Palestinian Authority (PA) slated to begin Thursday, President Hosni Mubarak is seeking the continuation of US support for his presidency--or for the succession of his son Gamal to the top post--according to a group of US political experts at a conference devoted to Egypt's political future held recently by the Carnegie Endowment for International Peace. The experts, who included Carnegie Endowment professors as well as experts from other international organizations, described independent Egyptian presidential hopeful Mohamed ElBaradei as "a credible opposition leader whose agenda is not associated with foreign policy." They also described Egypt's Muslim Brotherhood opposition group as being "more capable than any other opposition movement to mobilize the public." During the discussion, experts also discussed Egypt's longstanding Emergency Law and the sincerity--or lack thereof--of the United States' commitment to promote democracy in Egypt. Robert Kagan, senior associate at the Carnegie Endowment, said the Middle East peace process was no less important than what was happening in Egypt, particularly in light of the US influence on the "transitional period" Egypt was currently passing through. "There is no doubt the US will have a significant influence on the region during this period," said Kagan. He went on to say that everyone was waiting to see the US reaction to the prospect of a Gamal Mubarak presidency, and whether Washington would allow such a development to take place given the absence of free and fair Egyptian elections. "Everyone in Egypt and surrounding regions will see this as the US giving its blessing to this latest chapter in Egypt's long history of dictatorship," he said. "We must therefore be cautious when dealing with these current events." He went on to say that the elder Mubarak's participation in upcoming peace talks between Israel and the PA gave him "significant influence" in the region. Kagan said Mubarak was essentially telling everyone, "If you want a peace process, or strategic stability in the Middle East, then you have to support me." He also pointed out that the US "needed" Mubarak on certain issues, noting that the Egyptian president had been "useful" to the US in regards to the peace process and regional stability. Tom Malinowski, Washington advocacy director for Human Rights Watch and expert in US foreign policy, said "significant changes" had taken place in Egypt within the past five years, most importantly, the appearance of a credible opposition leader such as ElBaradei. Michele Dunne, a senior associate at the Carnegie Endowment, said the upcoming parliamentary elections would represent the "true test" for the Obama administration vis-à-vis its stated commitment to promote Egyptian political reform.

NDP nominations begin

Thousands registered in an attempt to secure an NDP official nomination in upcoming elections to the People's Assembly, reports Gamal Essam El-Din Close to 4,000 members of the ruling National Democratic Party (NDP) had registered as possible candidates in the upcoming parliamentary elections when the nomination period closed on 28 August. There was a rush to register in the last few hours despite the new registration fee of between LE5,000 and LE15,000 and the stipulation that those seeking to be party candidates commit themselves not to run as independents should their nominations be rejected. The list of candidates includes 50 NDP heavyweight figures who will complete the selection process unopposed. According to one party insider "no one had the guts to compete against the party's old stalwarts who are members of the politburo, secretariat-

general and the powerful Policies Committee led by Gamal Mubarak, the younger son of President Hosni Mubarak." Topping the list of the NDP's wannabe MPs are septuagenarian old guard politicians such as Fathi Sorour, 78, speaker of the People's Assembly since 1990 and NDP MP for Cairo's south district of Al-Sayeda Zeinab since 1987; Zakaria Azmi, 74, chief of the presidential staff, an NDP MP for Cairo's East district of Al-Zeitoun since 1987 and the party's assistant secretary-general since 2002; and Kamal El-Shazli, 76, a member of the NDP's political politburo who first became an MP in 1964 for the Delta governorate's district of Al-Bagour. El-Shazli was Minister for Parliamentary Affairs from 1994 to 2006. Of the eight cabinet ministers who have registered, seven were unopposed. They include existing MPs Minister of Finance Youssef Boutros Ghali, in the north Cairo district of Shubra; Minister of Social Solidarity Ali Meselhi in the Sharqiya governorate district of Abu Kebeir; Minister of Military Production Sayed Meshaal in Helwan and four new faces to parliament, Minister of State for Parliamentary and Legal Affairs Moufid Shehab in Alexandria's Moharrem Bey district; Minister of Irrigation and Water Resources Mohamed Nasreddin Allam in Sohag governorate's Juhayna district; Minister of Investment Mahmoud Mohieldin in Qalioubiya governorate's Kafr Shukr district and Minister of Agriculture Amin Abaza in Sharqiya governorate's district of Al-Tilien. The only cabinet minister who registered but will be obliged to compete to win the NDP's nomination is Fayza Abul-Naga, minister of state for international cooperation. Abul-Naga, who is seeking to be elected as NDP's candidate in Port Said, faces competition from female physician Sohair El-Tamanawi. El-Shazli is joined by three other one-time cabinet members, former minister of trade and supply Ahmed Guweili standing in Beheira governorate's Shubra Kheit district, former minister of irrigation Mahmoud Abu Zeid in Gharbiya governorate's Nahtai district, and former minister of tourism Tawfik Ismail in Daqahliya governorate's Dekerness district. Ismail, who headed parliament's Budget Committee between 1990 and 2000, was sentenced in 2000 to five years in prison after he was found guilty of helping businessmen obtain illegal loans from banks. Fifteen current chairmen of parliamentary committees have also registered: the chairman of the Health Committee Hamdi El-Sayed in Cairo's Nozha district; head of the Legislative Affairs Committee Amal Othman in Giza's Doqqi district; head of the Economic Committee Mustafa El-Sayed in Sharqiya's district of Diarb Negm; of the Tourism and Culture Committee Ahmed Abu Taleb in Fayoum governorate's Tamia district and the chairman of the Arab Affairs Committee Saad El-Gammal in Helwan's Al-Saff district. The list also includes three business tycoons: chairman of the Budget Committee steel magnate Ahmed Ezz; chairman of the Industry Committee and industrialist Mohamed Abul-Enein and chairman of the Housing Committee and construction magnate Tareq Talaat Mustafa. Ezz, who also doubles as NDP secretary for organisational affairs, secured his nomination unopposed. He has been NDP MP for Menoufiya governorate's district of Menouf, in which his iron and steel plants are located, since 2000. Abul-Enein, an NDP MP since 1995, is a member of the NDP's secretariat-general and the Policies Committee. Mustafa, the brother of Hisham Talaat Mustafa, the former Shura Council member who is facing trial on murder charges, donated LE1 million to the party when he applied to be its candidate in the east Alexandria district of Sidi Gaber. The list of hopeful NDP business tycoon candidates includes Mustafa El-Sallab, deputy chairman of parliament's Economic Committee, standing in Nasr City; construction magnate Mohamed El-Morshidi, standing in Maadi;

retail tycoon Talaat El-Qawwas in Abdine and industrialist Hani Sorour, standing in Azbakiya. Sorour was recently acquitted of charges of producing and selling substandard medical equipment. Tourism tycoon Khaled Khairi is seeking nomination for the Alexandria district of Attarin; industrialist and chairman of Alexandria's Sporting Club Mohamed El-Meselhi is standing in Al-Raml and industrialist Mamdouh Hosni Khalil. Khalil, who was the NDP's MP for Alexandria's Moharrem Bey district, is now contesting the neighbouring district of Ghobrial. The move means he will not be competing against Minister of State for Parliamentary and Legal Affairs Moufid Shehab. In addition to Cairo and Alexandria, businessmen are also standing in Delta and Suez Canal governorates. The biggest surprise was Effat El-Sadat, nephew of late president Anwar El-Sadat and an export-import business magnate, who is seeking to be the NDP's candidate in Menoufiya governorate's district of Tala. If successful, Effat will be competing against his brother Talaat El-Sadat, a ferocious critic of both President Hosni Mubarak and his younger son Gamal since becoming an MP in 2000. Effat revealed that he had been asked by NDP leaders to stand against his brother. "This was the wish of the party. It was not on my mind to run in Tala," said Effat. He added that Jihan El-Sadat, the widow of late president Anwar El-Sadat, was "very happy when she knew that I had registered my name". "She believes that I, rather than my brother Talaat, am the right man to be MP for Tala, which contains the village of Meit Abul-Kom, the birthplace of Anwar El-Sadat." Talaat El-Sadat is reported to have been taken aback by his brother Effat's wish to be an NDP candidate in Tala. "NDP leaders believe that they can sow the seeds of division within the Sadat family by forcing my brother to run against me," says Talaat. "But the final say on who will be Tala's MP should be left to its people who should be allowed to go to the polls without police harassment." Tens of women have also registered as potential candidates following the decision to reserve 64 women-only seats in parliament. Topping the list are Minister of State for International Cooperation Fayza Abul-Naga in Port Said; Hosna Rachid, the sister of Minister of Trade and Industry Rachid Mohamed Rachid, and Sahar Talaat Mustafa, the sister of Hisham and Talaat Mustafa, both seeking to win seats in Alexandria. On Sunday the door was opened for a week for the filing of any appeals against those who have registered. "The final list will then pass through three stages before the names of NDP candidates are announced," says Ahmed Ezz. "The first stage includes electoral colleges, which will be held on 15 September. The second stage involves two weeks of internal elections, due to begin on 21 September." Rallies in 28 governorates will also be held to select the party's candidates for the 64 seats reserved for women in parliament. "The final list of NDP candidates will be announced during the party's annual conference, scheduled for 9 to 10 November," says Ezz.

Analysts: NDP official's statements on presidency impede younger Mubarak's chances

Recent statements by ruling National Democratic Party (NDP) Secretary-General Safwat al-Sherif--in which he cited "a consensus" among party leaders to nominate President Hosni Mubarak for another presidential term in elections next year--will impede the chances of the president's son, Gamal, to run for the same post, say political analysts.

Al-Sherif's remarks, they say, would not put an end to attempts within the ruling party to bequeath executive power to the younger Mubarak, although they might ignite a power

struggle between his supporters and those of his aging father. The NDP old guard--including al-Sherif, Kamal al-Shazli and Fathi Sorour--favor another term for President Mubarak, while others--such as Ahmed Ezz and Mohamed Kamal, along with certain businessmen--want to see a Gamal presidency," said legal expert Ibrahim Darwish, "even though Gamal lacks charisma." George Ishac of the National Association for Change opposition movement agreed. "The conflict between the old and new generations of the party will end up harming the country's political future," he said. "Gamal is not acceptable to certain foreign circles," opined legal expert Yehia al-Gamal. "Should President Mubarak vanish suddenly without selecting a successor, chaos would prevail." Director of the Cairo-based Al-Ahram Center for Translation and Publishing Wahid Abdel Meguid, for his part, denied the existence of discord within the NDP regarding the future of the presidency. "The problem is that the issue is always kept hushed up, so no one has enough information to properly assess the situation," Abdel Meguid said.

Posters for Egypt's spy chief as president removed

Posters supporting [Egypt's](#) intelligence chief as a candidate in next year's presidential election were removed from Cairo's streets hours after they appeared, while an independent newspaper was ordered to pull reports of the campaign from its pages, officials said Friday. The swift reaction against the posters, which bore an image of Lt. Gen. Omar Suleiman in a dark business suit and sunglasses and waving his right hand, appeared to indicate that the campaign backing the enigmatic spy chief had embarrassed President Hosni Mubarak's regime. Suleiman is a close aide of Mubarak, the 82-year-old who has ruled Egypt for nearly 30 years and is still officially the ruling party's candidate in next year's presidential vote. The campaigners behind the posters, which dubbed Suleiman the "real alternative," say they oppose a possible succession in which Mubarak passes power to his son, banker-turned-politician Gamal. Both deny that such a plan exists. A security official, speaking on condition of anonymity because he was not authorized to speak to the media, said municipality workers removed all of the posters Thursday soon after they appeared. He did not elaborate. Campaign organizers also confirmed the posters were taken down. The activists insist on anonymity, making it impossible to determine who or how popular they are. The question of who will succeed Egypt's longtime ruler has gained added urgency since the elder Mubarak traveled to [Germany](#) earlier this year for surgery to remove his gallbladder and a benign growth in his small intestine. His 46-year-old son has been a rising force in Egyptian politics since 2000, and now serves as the ruling party's chief strategist. Earlier this month, posters sprung up around Egypt supporting Gamal as a candidate for presidency. In an indication of just how delicate the issue of who will succeed the elder Mubarak is, an official at the independent Al-Masry Al-Youm daily the paper was ordered to destroy 30,000 copies of the daily that carried reports of the Suleiman poster campaign. It was an unusual request for Egypt's largely vibrant press. The official, who also spoke on condition of anonymity because of the sensitivity of the issue, said the printing house of a state-owned newspaper refused to print another batch of Al-Masry Al-Youm until news of the campaign was pulled from the front page. The state-owned printing house was following orders from senior officials, the official said without elaborating. Suleiman, 74, has been Egypt's intelligence chief for nearly two decades. He is a close Mubarak adviser and is in charge of Egypt's most pressing foreign policy issues, such as relations with [Israel](#), the United

States and neighboring Sudan. He rarely speaks to the media and, like most of those with intelligence or military backgrounds, is viewed positively by many Egyptians who look to him as a candidate that would keep Egypt's top job within the widely respected military. He has never publicly expressed a wish to run for president and is not a member of the ruling party.

Egypt bans reports of mystery poster campaign

Newspapers in Egypt have been banned from reporting on an unprecedented poster campaign. The campaign has been promoting the chief of intelligence, Gen Omar Suleiman, as a possible future president of Egypt. The BBC has learned that thousands of copies of two of the most popular independent dailies, Al Masry Al Youm and Al Dustoor, have been destroyed. No publication carried the news in their Friday morning editions. Independent newspapers in Egypt are always keen to publish details of the latest twist in the hottest political story in the country: who will succeed President Hosni Mubarak. He is 82, has ruled for nearly 30 years and is known to be unwell but has no obvious successor. Yet on Friday, no newspaper reported the news of a mysterious poster campaign that has suddenly hit the streets of Cairo. The posters showed Gen Suleiman in dark sunglasses with a raised arm as if waving to the crowd, and carried the slogan: "The real alternative." **Harassment** Those behind the posters have not disclosed their identity but they issued a statement. The statement said Gen Suleiman was a widely respected figure within the ruling establishment as well as the opposition. It said the general was the only man who can thwart plans to promote Mr Mubarak's son to succeed his father. The activists, like other members of the opposition, are clearly unhappy about stepped-up efforts to promote the young Mubarak for president. Those behind Gamal Mubarak have been allowed to campaign freely, while others who support the former international nuclear watchdog, Mohamed ElBaradei, have been harassed by the police. But unlike all other probable presidential candidates, the 75-year-old chief of intelligence is not known to have political ambitions, even though he has long been considered a very likely successor to Mr Mubarak. The authorities' decision to gag the newspapers seems to derive from a fear that news of a campaign in favour of the general could refuel speculation that there is a power struggle within various wings of the ruling elite.

Voting in elections is against national will for reform, ElBaradei tells supporters

Egypt's leading democracy advocate has made a forceful call for the nation to boycott November's parliamentary election, saying they were certain to be rigged and urging his young supporters to be patient and plan for a lengthy struggle. Nobel laureate Mohamed ElBaradei told about 200 activists gathered Monday for a sunset Ramadan meal that participating in the vote would go against "the national will" to transform Egypt into a genuine democracy. "If the whole people boycott the elections totally, it will be in my view the end of the regime," he told reporters afterward. Egypt's opposition groups are divided over the issue of a boycott and it is not clear how many would heed a call not to contest or vote in the election. The largest opposition force, Egypt's Muslim Brotherhood, for example, is unlikely to boycott, although it backs ElBaradei and his demands for change. ElBaradei, who served as the chief of the UN nuclear agency, returned home in February to a hero's welcome. Supporters have rallied behind him to press for democratic reforms and urged him to run in the 2011 presidential election. ElBaradei, whose

campaign has provoked government anger, said he would only run if there were constitutional changes and guarantees of free elections. In six months, his campaign has gathered around 800,000 signatures on a petition calling for such changes — a force that seems to have encouraged ElBaradei to attack the government more forcefully. Until Egypt's political system opens up, it would be wrong to legitimize it by participating in elections, he said. By pressing from the outside, the regime is more likely to give way, he said. ElBaradei said the ruling party has failed to govern Egypt, bringing only rising poverty, illiteracy and disregarding human rights. "When I look at the temple they built, I see a decaying temple, nearly collapsing. It will fall sooner rather than later," he told the crowd. "I will never enter this temple. What we call for is to bring down this temple in a peaceful civilized manner." President Hosni Mubarak has ruled Egypt for nearly 30 years, using emergency laws that severely restrict civil rights. His ruling party is expected to dominate the parliamentary election; while the older opposition parties are not seen as capable of mounting a serious challenge. ElBaradei was not specific on where he would take his campaign next, but he threatened civil disobedience if the regime continues to ignore calls for change. However, for the time being, he urged his supporters to reach out for bigger numbers. The crowd at Monday's event chanted: "ElBaradei keep on going. We are behind you for change. There is no going back."

Who bankrolled Gamal Mubarak's Washington trip?

Many are asking why Gamal Mubarak accompanied his father on an official visit to Washington for the launch of direct talks between the Palestinians and Israelis. In what capacity did he go? Was he a member of the official delegation? Gamal Mubarak's position in the ruling National Democratic Party (NDP) does not require him to be in Washington; the president doesn't even take the NDP secretary-general on official visits. Nor did the White House announce that Gamal Mubarak was invited, which probably means he wasn't. Moreover, there is no evidence that Gamal Mubarak maintains any personal or official relationships with Israeli Prime Minister Benjamin Netanyahu or Palestinian Authority President Mahmoud Abbas which would cause them to request his attendance as a mediator. And since this trip surely has nothing to do with securing US and Israeli support for Gamal Mubarak's inheritance of power from his father, there is only one explanation left: The president just wanted to spend quality time with his son on the sidelines of the negotiations, like many fathers who take their kids to work as a form of leisure. Anybody curious about Gamal Mubarak's trip will be disappointed to know that important questions--why he went, who he met, what deals he made, and, most importantly, whether or not he managed to obtain American and Israeli blessings for his presidential bid--still have no straight answers. Unless we find out who paid for the trip expenses. Was it the state? The party? His business friends? His father? Or did Gamal Mubarak pay out of his own pocket? Gamal Mubarak should face up to these questions with sincere and honest answers. Once we know who footed the bill, we will know the purpose of his trip and what it will cost the Egyptian people--financially and politically.

Gamal Mubarak and the discord in Egypt's ruling elite

Whether Gamal Mubarak will be the ruling National Democratic Party's (NDP) candidate in the 2011 presidential election is one of the most discussed questions in

Egypt today. Campaigns have sprung up in Egypt and abroad to collect signatures in support of his candidacy--an apparent attempt to counter similar campaigns in support of former International Atomic Energy Association head Mohamed ElBaradei, and perhaps to force the ruling elite's hand--but they are a side show. Much more crucial will be President Hosni Mubarak's state of health, the degree of unity within the elite regarding Gamal's candidacy, and the future course of the country. For the first time in Egypt's modern history, the business elite are playing a role in the succession question, but it is still not clear whether that role will be decisive.

Who is Saad Eddin Ibrahim trying to fool?

Saad Eddin Ibrahim--the well-known dissident, Egyptian-American sociologist and human rights activist--signed a statement on Monday, issued by the Popular Coalition to Support Gamal Mubarak for Presidential Candidacy, backing the nomination of the president's son in next year's elections. Media outlets reported the act as totally unexpected on the part of Ibrahim, who is widely known as a strong critic of President Hosni Mubarak. Meanwhile, Ibrahim maintains there is nothing perplexing about what he did, adding that he, in principle, believes in the right of every Egyptian to be nominated for the presidency. In statements published by Al-Masry Al-Youm, Ibrahim went so far as to say that if Gamal Mubarak were elected in a free and fair election process it would not be considered an "inheritance" of power from father to son. To be sure, Ibrahim, more than anyone else, is well aware that the road has been paved for Gamal to assume the presidency. He knows that Article 76 of the constitution was amended a few years ago to maximize Gamal's chances of winning the presidency and to impede the nomination of other candidates. In fact, the rigging of election results is the inevitable corollary of Gamal's nomination, for the president's son will not stand in the election to compete, but to win. **So who is Ibrahim trying to fool?** There are two explanations for Ibrahim's sudden change of course--one which assumes good intentions on his part, while the other does not. Assuming his actions are well-meaning, Ibrahim's support for Gamal can be explained by his unstable psychological and social conditions and the pressures he has been subjected to lately--imprisonment, self-imposed exile and repeated threats by Mubarak's government. Alternatively, Ibrahim may have cut a deal with the regime: it stops threatening him and, in return, he weakens the opposition and damages the reputation of its icons. Either way, Ibrahim has done a great disservice to himself. If the first scenario is true, Ibrahim is no longer acting rationally, but if it is the second, then he has lost all credibility as a human rights activist and an unrelenting defender of democracy. Regardless of the reason behind Ibrahim's embrace of Gamal, his actions have roused the contempt of many people. His frequently erratic behavior and sudden changes of attitude have always stirred skepticism over his real intentions, leaving even his sympathizers in doubt. It does not shock me that most Egyptians who used to revere him as a professor and public intellectual now seem to avoid being associated with him in any way. Ibrahim's shady connections with official American and Israeli bodies have cast doubt about his patriotism in the past. His support for Gamal Mubarak is the nail in the coffin, once and for all undermining his credibility as a true opponent of the Mubarak regime.

Is ElBaradei a serious alternative?

Mohamed ElBaradei did not begin this new public outcry for political change with his personal ideologies and goals. Rather, the known electoral contender's speeches brought to the public's ears a suppressed topic in Egypt: the complete absence of an alternative to President Mubarak. Now this opened public discussion does not focus on ElBaradei as the only candidate, but points out dozens of other figures worthy for the job. In fact, ElBaradei has not said anything new since he first appeared on the Egyptian political scene. We the Egyptian people have shouted even harsher accusations at the regime, and put forward the same demands at seminars long before he did. We have rejected oppression, demanded more political mobility, and appealed for better human rights more than ElBaradei has ever done in his speeches and Twitter messages. However, we had hoped that ElBaradei would have more vigor in his pursuit of fair political representation. Instead, he has just joined the ongoing political debates with stagnation, as if he were participating in dry seminars or conferences about political conditions in Egypt. ElBaradei embodied our hopes, so we expected him to lead all those initiatives and discussions and to formulate concrete plans for action. We did not want ElBaradei to compete with us over what we do best as writers as much as we wanted him to demonstrate a new style of professional organization and a better form of political practice. We wanted him to lead his association and supporters rather than be led by them. We wanted him to take us as seriously as we took him when we received him at the Cairo International Airport. I don't know why it is that I felt that ElBaradei is still clueless after I read the news about his meeting with members from the Muslim Brotherhood. He appears to be taking one step forward and two steps back. I have a feeling that he is missing out on opportunities to present himself as a genuine alternative to the current president. What progressive, politically-active Egyptians are looking for is a figure with a certain approach, level of performance, and technique. However, ElBaradei has so far failed to present a detailed platform and market it successfully, while simultaneously failing in pushing for the amendment of the Constitution and the reform of the election system, continuing with his signature-gathering campaign--one which I doubt will have impact when I take into consideration the conditions in Egypt. We thought ElBaradei was going to freshly lead us forward, as someone who has come from a more organized political environment. To our disappointment, however, ElBaradei is using obsolete progressive techniques. We were under the false impression that the man was going to develop our methods of opposition, but were surprised to find him being led by our traditional opposition. So my question is: Who is taking the lead, ElBaradei or those around him?

ElBaradei to regime: 'It's time to pack your bags and go'

Mohamed El Baradei, former Director General of International Atomic Energy Agency, meeting with poets and literary people at his home, Cairo-Alexandria Road, April 8, 2010. The meeting comes as part of ElBaradei's campaign to seek support amongst figures in cultural, political, and popular spheres for constitutional reforms as a step towards his running for presidency in 2011. Ending months of speculation, opposition leader Mohamed ElBaradei has called for a blanket boycott of upcoming Egyptian parliamentary elections by all opposition groups. Speaking at a gathering of young supporters Wednesday night in Moqattam, ElBaradei said political restrictions in place under long-serving President Hosni Mubarak make it impossible to work for reform

from within the system. “We’re working in the context of an illegitimate political system,” he said. “The regime hasn’t responded to any of our demands.” Instead he is rallying Egypt’s often deeply divided opposition forces around the idea of a mass public boycott. “That will be a message to the regime that it’s time to pack your bags and go,” he said. “The people will have said ‘You don’t represent us.’” Since July, volunteers from ElBaradei’s National Association for Change have been gathering signatures in support of a seven-point list of reform demands, including the end of Egypt’s long-standing state of martial law, the establishment of international polling place monitors and the elimination of constitutional obstacles to an independent presidential candidacy. The reforms would require the rewriting of three separate articles of the constitution. The signature campaign received a significant boost when the powerful Muslim Brotherhood announced it would lend its considerable grassroots weight to the effort. Now with ElBaradei claiming that the campaign is approaching 1 million signatures, he appears to be moving into a more forceful and confrontational stance. “Change is coming, nobody can doubt that,” he said. “The road ahead of us is long but we must continue.” In addition to the parliamentary boycott, ElBaradei has made hints about launching a campaign of massive civil disobedience. He insisted Wednesday that any such campaign, would be “conducted in a civilized way” but made it clear that his movement was willing to shake the regime’s stability with mass peaceful demonstrations. “If we go down to the streets, we want that to be the first time and the last time,” he said. “I’m optimistic that we will achieve change and we will do it in a civilized way.” The government has largely ignored ElBaradei’s reform campaign, giving him minimal coverage in state-owned newspapers. Earlier this summer, senior National Democratic Party spokesman Ali Eddin Hilal made an indirect reference to his movement, saying it would be “a mockery” to alter the constitution to suit the demands of one political group. The prospect of a boycott has been a steady topic of political debate for months. But securing total opposition participation in the boycott could prove difficult for ElBaradei. The Muslim Brotherhood has remained non-committal, with leaders saying the issue was still being debated internally. The Brotherhood is banned from forming a political party and subject to periodic crackdowns and mass arrests, but it secured a surprising 20 percent of parliament seats in 2005 elections, running its members as nominal independents. The Wafd Party, Egypt’s oldest opposition group, has also indicated it would prefer to contest the upcoming vote, scheduled for early November. ElBaradei said his movement intends to continue with its signature drive as a means of proving that his reform demands are backed by a massive popular mandate. He said he hopes to gather “5 million or 10 million before the presidential elections,” scheduled for fall 2011. President Hosni Mubarak, in power for 29 years, has not yet indicated whether he will seek a fifth 6-year term. ElBaradei has also not declared his candidacy, saying he would only run if the constitution were altered to allow him to run as an independent candidate.

ElBaradei threatens civil disobedience if reform demands ignored

Surrounded by nearly 200 young followers at an iftar gathering in Sayeda Zeinab Monday, opposition leader Mohamed ElBaradei repeated a warning that civil disobedience could be resorted to if the regime continues to ignore demands for reform. “Civil disobedience is our last card in the peaceful process for change,” ElBaradei told members of the Popular Campaign to Support ElBaradei. “We do not want to resort to

that, but we will not refrain from resorting to it if the regime doesn't respond to [our demands].” The former head of the UN nuclear watchdog has emerged as a rallying figure for political reform in recent months. Thousands of young Egyptians and dozens of prominent opposition figures have thrown their full support behind his seven reform demands that include ending the state of emergency, amending the Constitution to allow for real multi-party presidential elections, ensuring judicial supervision of the vote, and putting an end to election fraud. Earlier, his campaigners threatened to strike if these demands go unheeded. “We want to retrieve our freedom,” ElBaradei told his supporters at the iftar. “We want the people to rule themselves. We want the regime to be the people’s representative rather than custodian.” ElBaradei’s supporters have been collecting signatures in favor of his petition in different Egyptian governorates through door-to-door canvassing and over the internet. So far the petition has attracted nearly 800,000 signatures. Like most regime opponents, ElBaradei’s campaign is seeking to build a momentum for change ahead of the presidential elections slated for 2011. Although the leadership of the ruling National Democratic Party has confirmed that President Hosni Mubarak will be the party’s nominee, the incumbent’s ill-health raises doubts over his ability to run for a sixth term. “The upcoming year and upcoming months will be decisive,” said ElBaradei. “A regime change may happen within months or a year.” His defiant tone was met with fervent applause and whistles. His audience shouted: “Go ahead, Baradei, we are behind you to bring about change!” and “Oh, unjust regime, change is coming!” “Today, ElBaradei’s speech was bolder than his previous ones,” 21-year-old Tanta University graduate Ahmed Abd Rabboh told Al-Masry Al-Youm on the sidelines of the iftar. “This courage stems from the signatures that were collected and the popular support that he garnered over six months,” added Abd Rabboh. Yet the signatures are not enough to convince ElBaradei to send his followers into the streets to further pressure the regime. The former diplomat warned the enthusiastic crowd against rushing and urged them to wait for “the right timing.” “We should not take to the street until we know that such a move will mark the beginning of the end of this regime,” said ElBaradei. Many of his supporters hailed ElBaradei’s warning as a wise approach. “Taking to the street is not a good option now. A confrontation with the regime may provoke a brutal reaction,” said 32-year old radiologist Dina Amin. “We want him to take to the street with 50 or 60 thousand people to prove his strength to the regime. Up until now, not enough people would take to the street,” said Abd Rabboh. ElBaradei also renewed a call for boycotting the upcoming parliamentary elections scheduled for November. He expects the poll to be marred by fraud since the government refuses to ensure full judicial inspection of balloting stations. ElBaradei said whoever participates in the poll, whether as a voter or a candidate, would be violating “the national will.” Yet the Nobel Prize laureate’s call seems to have fallen on deaf ears, as most opposition parties, as well as ElBaradei’s Muslim Brotherhood allies, are all likely to field candidates for parliament. “People have different views,” said ElBaradei. “I cannot impose my views on them. All I can do is [use] the power of persuasion.”

Road to labor rights begins with democracy, ElBaradei tells workers

Democracy is the only way to guarantee equitable economic and social rights for workers, former director of the International Atomic Energy Agency and reform advocate Mohamed ElBaradei told leaders of labor groups in a meeting Tuesday. He urged them to

join the National Association for Change (NAC), which he founded and is a member of, and to sign his petition of seven reform demands. The meeting, the first in a series of public conferences with potential presidential candidates organized by the Egyptian Center for Economic and Social Rights, was ElBaradei's second public meeting since his return to Egypt last week. "Democracy will produce an economic and social reform program that addresses the real needs of workers since they would form more than 50 percent of any majority in parliament and thus their voice will be heard," ElBaradei said.

"It isn't important whether a company is owned by the government or the private sector, but whether or not there are mechanisms to ensure labor rights and public freedoms for workers to form groups that voice their demands," he added. ElBaradei hailed workers for their clear vision and organization and said that five labor leaderships would participate at the next NAC meeting. Workers urged ElBaradei to advocate economic and social rights rather than democracy and demanded that workers become the core of any future action for change instead of "the fake" political elite. Others expressed concerns that being a liberal, ElBaradei would give up labor rights in favor of capitalism. ElBaradei assured the workers that social and economic rights have been the core of his attention for the past 20 years. "The regime wants to spark a social debate over education and health but ignores the core issue of democracy and public freedoms," he added. He lobbied for the signatures of 23 million workers in Egypt on the reform petition that calls for constitutional changes governing presidential elections and terms and for the end of the state of emergency. This massive number of signatures would eradicate any legitimacy the current regime enjoys, he said. ElBaradei said he is neither a presidential candidate nor will he make significant change on his own and encouraged everyone to participate in the campaign. "The idea of one man effecting change implies the absence of a sense of responsibility among us; the National Association is the one that will bring change and everyone can participate through signatures," he said. "We are now approaching one million signatures; if we can reach 10 million — more than those who voted in the presidential elections in 2005 — the regime will lose any legitimacy. But I expect we can reach three million soon," ElBaradei added. He also pointed out that collective work is a key factor in the success of his campaign. "We have to resort to unusual means to achieve our demands by going directly to the people and starting a non-violent civil disobedience," ElBaradei said. "The upcoming parliamentary elections are the perfect moment to demonstrate this civil disobedience; if all political parties and independent candidates boycott the elections, the current regime will fall. And those who participate will be going against the national will," he added.

In response to questions regarding his long trips abroad and absence from street demonstrations, ElBaradei said that going to the street would be a final option and would take place only once. "If we will descend to the street then we must be at least 250,000 — not a thousand or two — for the action to be effective and significant," he said. "My traveling is to create support for the cause of change in Egypt and to ensure that peace in the Middle East will never be attainable if it isn't a publicly approved peace through an elected government," ElBaradei added.

'No political role' for Mubarak Jr in US

Egyptian Foreign Minister Ahmed Abul Gheit has denied Israeli reports that Gamal, the son of President Hosni Mubarak, had met Israeli Prime Minister Benjamin Netanyahu

during a trip made by President Mubarak to attend the relaunch of direct Palestinian-Israeli peace talks last week. Posters supporting Gamal Mubarak, the son of President Hosni Mubarak, in the coastal city of Alexandria as a potential presidential candidate. "This is not the first time that the President is accompanied by his son," Abul Gheit told the Dubai-based TV station Al-Arabiya. "The President's son had no political role at all during the US visit," he added. Opposition says that President Mubarak is grooming his son, who is an influential politician in the ruling National Democratic Party, to succeed him. Both Mubaraks have denied such claims on several occasions. "Such reports are mere lies and are fabricated by some people, who have a hysterical knack for erroneous analysis and the desire to fabricate something which is not real," said Abul Gheit.

ElBaradei urges election boycott

Egypt's leading democracy advocate made a forceful call Monday for the nation to boycott November's parliamentary election, saying they were certain to be rigged and urging his young supporters to be patient and plan for a lengthy struggle. Nobel laureate Mohammed ElBaradei told about 200 activists gathered a sunset Ramadan meal that participating in the vote would go against "the national will" to transform Egypt into a genuine democracy. "If the whole people boycott the elections totally, it will be in my view, a great leap towards change," he told reporters afterward. Egypt's opposition groups are divided over the issue of a boycott and it is not clear how many would heed a call not to contest or vote in the election. The largest opposition force, Egypt's Muslim Brotherhood, for example, is unlikely to boycott, although it backs ElBaradei and his demands for change. ElBaradei, who served as the chief of the UN nuclear agency, returned home in February to a hero's welcome. Supporters have rallied behind him to press for democratic reforms and urged him to run in the 2011 presidential election. ElBaradei, whose campaign has provoked government anger, said he would only run if there were constitutional changes and guarantees of free elections. In six months, his campaign has gathered around 800,000 signatures on a petition calling for such changes - a force that seems to have encouraged ElBaradei to attack the government more forcefully. Until Egypt's political system opens up, it would be wrong to legitimise it by participating in elections, he said. By pressing from the outside, the regime is more likely to give way, he said. ElBaradei claimed the ruling party has failed to govern Egypt, bringing only rising poverty, illiteracy and disregarding human rights.

Egypt NDP hints at Brotherhood squeeze

A senior member of Egypt's ruling party said on Wednesday the Muslim Brotherhood had failed to provide an effective parliamentary opposition, in the latest hint that the Islamists may be sidelined in November elections. In an interview with Reuters, Ali El Din Hillal, head of media for the National Democratic Party (NDP), dismissed media speculation that the party was tightening its grip in preparation for a successor to President Hosni Mubarak. The outcome of the parliament vote is being watched to see how much space the authorities give opposition groups. The vote precedes a crucial 2011 presidential election, which has fueled speculation about a possible father-son succession. Mubarak, 82 who had surgery in Germany in March, has not said whether he will run for a sixth six-year term. Many believe his son Gamal, 46, is being groomed to step in. Both

father and son have denied any plans for a succession. "This media circus is designed to impose an agenda on the party but the NDP will not budge. Our focus now is parliamentary elections," Hillal said. The Brotherhood, which skirts a ban on religious groups by running candidates in parliament as independents, now controls a fifth of the seats - by the far the biggest opposition bloc - but has said state suppression is likely to cut its presence. "There are different views about the performance of Brotherhood MPs over the last five years, that they did not meet the required level of effective groups and had not served their districts well," Hillal told Reuters. In the end, it is about what voters want and whether their representative can deliver." It follows comments to local media by NDP secretary-general Safwat el-Sherif, who said he did not expect the Brotherhood to repeat their 2005 success in the forthcoming vote. The government insists elections are free and fair. But the Brotherhood, other opposition groups and independent observers repeatedly complain that votes are rigged against them.

Government behind daughter's photos: ElBaradei

Mohamed ElBaradei, the former UN nuclear chief turned Egyptian reformer, accused the government of publishing pictures of his daughter in a swimsuit and at events with alcohol in reply to his bid for democracy, a newspaper reported on Saturday. Mohamed ElBaradei, the former UN nuclear chief turned Egyptian reformer, accused the government of publishing pictures of his daughter in a swimsuit and at events with alcohol in reply to his bid for democracy, a newspaper reported on Saturday. The Nobel Laureate, who returned to Egypt early year to push for reforms, told the independent Al Dustor daily that the pictures on Facebook, which were also run by some Egyptian newspapers, were the government's "usual response". They showed his daughter Laila, an investment lawyer with a practice in London, in a swimsuit and at her wedding, where alcohol was served. "Such a campaign is the usual and only response of the regime towards whoever demands democracy, which is the only way for freedom and economic reform and social justice," ElBaradei told the newspaper. The pictures, insinuations of drinking alcohol which is forbidden by Islam and Laila's marriage to a banker in London with a non-Muslim name could raise eyebrows in increasingly conservative Egypt, where Muslim women largely dress modestly and cannot wed non-Muslim men. But a senior Muslim Brotherhood official said the influential Islamist opposition movement was not interested in ElBaradei's personal life. "We don't support any personality in particular. We agree on demands for reform and are part of a coalition that has people from different streams, including liberals," said Brotherhood politburo member Essam Erian. "Of course they will have their own agenda and lives," he said. "Our priority is reform." ElBaradei could not be reached for comment. The former head of the United Nations International Atomic Energy Agency galvanised the country's opposition after he returned to the country in February. His campaign says it has collected tens of thousands of signatures on a petition calling for change. He initially received a hostile welcome from the government press, with a leading newspaper alleging he had Swedish citizenship and foreign support. ElBaradei, 68, has ruled out running for presidential elections next year unless the constitution, which places restrictions on independent candidates, is reformed.

ElBaradei accuses government of smearing campaign

AFP writes that former IAEA chief Dr. Mohamed ElBaradei accused the ruling regime of posting pictures on the social networking website Facebook, of his daughter dressed in a swimsuit and at an event in which alcohol was served, in an attempt to discredit him. AFP writes that former IAEA chief Dr. Mohamed ElBaradei accused the ruling regime of posting pictures on the social networking website Facebook, of his daughter dressed in a swimsuit and at an event in which alcohol was served, in an attempt to discredit him. In a statement to Egypt's *Aldostour* paper ElBaradei described the action as normal and a usual response: "Such a campaign is the usual and only response of the regime towards whoever demands democracy, which is the only way for freedom and economic reform and social justice, National Democratic Party spokesman Ali Eldin Helal however argued that the publication of the pictures was dishonourable and the Party deplored such actions adding that political disputes would never turn into personal attacks. He added that it was not part of the Egyptian culture which highlights the significance of family privacy. The Nobel Peace Prize laureate emphasized that using the photos to portray him and his family as nonbelievers was a politically damaging accusation in an increasingly conservative Muslim country stressing that the government is "waging a campaign of sheer lies. *Associated press reported in a statement by the could be candidate:* "This just shows how desperate the forces against change have become by resorting to a smear campaign based on lies and fabrication. Senior Muslim Brotherhood officials remarked that the group was not interested in ElBaradei's personal life. Media spokesman and member of the MB executive bureau Dr. Essam ElErian asserted that the group does not support a person in particular but it does agree on demands called by ElBaradei for political reform and peaceful constitutional amendments. The two opposition groups have worked collectively launching a petition to secure signatures calling for change acquiring close to 700, 000 signatures. We are part of a coalition that has people from different streams, including liberals," "Of course they will have their own agenda and lives," he said. "Our priority is reform." The NDP Party denied the regime was linked to the issue calling it "character assassination." "I think this is a very grave mistake, violating the privacy of others," said spokesman Ali Eddin Helal.

Mubarak signals Egypt succession by taking son to Washington

Gamal Mubarak, son of Egyptian President Hosni Mubarak, will accompany his father to this week's Washington peace summit in what may be the clearest sign yet that he is being groomed for the succession. Gamal has long been the center of speculation that he will replace his ageing father - but until now the 82-year-old president has kept his presumed heir at arm's length during high-profile international engagements. This time, the younger of the president's two sons is expected to meet with Israeli delegates to U.S.-sponsored peace talks with the Palestinians, and perhaps even with Israeli Prime Minister Benjamin Netanyahu himself. Two months ago Haaretz revealed that President Mubarak, who has ruled Egypt almost unopposed since 1982, is ill with cancer, prompting vehement denials from Cairo. Over the past year, he has undergone treatment in Germany – ostensibly for back trouble – and France. This week he to return to Paris en route to the United States for talks with French President Nicholas Sarkozy. It is not known if there are also medical grounds for the stopover. News of Mubarak's ailing health has lent increased urgency to speculation over his successor. The president has not said if he will run for a sixth term in presidential elections scheduled for next year, though he has

vowed to stay in office until his last breath. Mubarak has never appointed a vice president, and there is no political figure of comparable stature to stand out as an election possibility – although Mohammed El Baradei, a former chief of the International Atomic Energy Agency, has emerged as a possible opposition candidate. Most observers still see Gamal as the frontrunner for the leadership, however, and a recent poster campaign calling for his candidacy has been interpreted as a push by his allies within the governing National Democratic Party to convince doubters of his ability to lead.

Geo strategic front

Egypt cancels visit by Iranian FM following alleged remarks

Egypt on Wednesday canceled a scheduled visit by Iranian Foreign Minister Manouchehr Mottaki after the latter was accused of describing certain Arab leaders as "traitors" for supporting direct peace talks between Israel and the Palestinian Authority (PA), expected to kick off Thursday. Egypt's official Middle East News Agency quoted Assistant Foreign Minister Wafaa Bassim as saying, "The Iranian charge d'affaires in Cairo has been summoned for clarification on what his foreign minister said." Bassim was also quoted as saying: "In light of this development, it was decided to postpone the NAM [Non-Aligned Movement] Troika meeting next Monday in Cairo that the Iranian foreign minister was expected to attend to a date to be determined on the sidelines of the UN General Assembly in New York." In a recent speech at a Tehran mosque, Mottaki has been accused of calling certain Arab leaders that he did not identify as having "betrayed their people" by participating in the launch of direct negotiations between Israel and the PA. The launch will be attended by Egyptian President Hosni Mubarak and Jordan's King Abdullah II. Mottaki had been slated to meet the foreign ministers of Egypt and Cuba on Monday at the NAM Troika meeting.

Egypt might host second round of Mideast peace talks

Washington (CNN) -- If this week's Mideast peace talks brokered by the Obama administration go well, Egyptian President Hosni Mubarak is offering to host a second round of talks later this month in his country, according to two officials close to the talks. The officials stressed to CNN that nothing is firm yet and there is a lot of progress that still needs to be accomplished starting with a dinner President Barack Obama is hosting Wednesday night with Israeli Prime Minister Benjamin Netanyahu and Palestinian President Mahmoud Abbas in the Old Family Dining Room of the White House. Mubarak also is attending the dinner along with King Abdullah of Jordan, Secretary of State Hillary Clinton and Mideast Quartet Representative Tony Blair. On Thursday, Clinton will be hosting Abbas and Netanyahu at the State Department in Washington for the actual start of direct talks between the two parties for the first time in nearly two years. Ambassador Soliman Awaad, a spokesman for Mubarak, told reporters late Wednesday that Egypt is ready to host a second round of discussions between Abbas and Netanyahu at some point between now and September 26, when Israel's 10-month moratorium on Jewish settlement construction in the West Bank will expire. Abbas has declared that the peace talks will end if Israel does not extend the freeze on settlements, while Netanyahu is under great pressure within his country to end the moratorium

altogether, just one of many difficult issues to be worked out. Awaad warned that if the moratorium is not extended then "all bets are off" in terms of negotiations.

Group promotes Egypt's spy chief for president

A group of activists have hung up posters around Egypt's capital supporting the country's intelligence chief as a possible candidate in next year's presidential elections. Launched Thursday, the campaign for Omar Suleiman is the latest stab against a possible father-son succession in which President Hosni Mubarak, Egypt's leader of nearly 30 years, passes power to his son, banker-turned-politician Gamal. Mubarak, 82, and his son deny such a plan exists, but Gamal Mubarak's political influence has been growing since 2000. Opposition has been vocal against such a succession, floating names of alternative candidates like Suleiman and former U.N. nuclear agency chief Mohammed ElBaradei. The posters call Suleiman a "real alternative."

Clinton to attend Mideast talks in Sharm El-Sheikh

US Secretary of State Hillary Clinton will attend a second round of peace talks between the Israeli and Palestinian leaders later this month in the Egyptian Red Sea resort of Sharm El-Sheikh, a State Department official said Sunday. After the Sept. 14 talks between Israeli Prime Minister Benjamin Netanyahu and Palestinian president Mahmoud Abbas, Clinton will head on to Jerusalem for further discussions the following day, the official said. "Secretary Clinton will be joined in these negotiations by Special Envoy for Middle East Peace Senator George Mitchell," the official added. Abbas and Netanyahu relaunched direct peace talks at a Washington summit last Thursday after a 20-month hiatus, but the negotiations will face a major test later this month when an Israeli settlement moratorium expires. The Palestinians have insisted that if Israel does not renew the partial freeze on settlement construction in the occupied West Bank when it expires on Sept. 26 the peace process will come to an end. On Sunday, Israel's hard-line Foreign Minister Avigdor Lieberman said that his party will try to block any extension of Israel's settlement slowdown. He said the Israeli government must keep its explicit promise to voters that the 10-month slowdown, declared under US pressure in order to draw the Palestinians to the negotiating table, will end as scheduled at the end of September. Netanyahu has yet to say how he will handle the deadline. Negotiations are due to be held every two weeks in the hope of meeting US President Barack Obama's deadline of achieving a landmark peace deal within a year. In opening some four hours of talks in Washington last Thursday, Clinton acknowledged the "suspicion and skepticism" leading up to the meetings after scores of previous US administrations tried and failed to help resolve the decades-old Middle East conflict. Before the talks began, Netanyahu told Abbas that recognizing his country as a Jewish state and ensuring its security were required before a broader agreement could be sealed. But recognizing Israel as the Jewish homeland would be a difficult political proposition for Abbas, as it could undermine the right-of-return claims of Palestinian refugees who left or fled the land when Israel was created in 1948. Abbas for his part, stuck to his demands that the Israeli government move forward to end all settlement activity and completely lift the embargo over the Gaza Strip. Israel tightly controls access and egress from the Hamas-run Gaza Strip.

The last direct peace talks ended in December 2008, when Israeli forces invaded Gaza to halt Hamas rocket fire on Israel.

Egypt says Israeli settlements block road to peace

Israeli settlements in the West Bank are blocking the road to a peace deal with the Palestinians and Israel must extend a moratorium on settlement building that expires this month, Egypt's president said. Writing in Wednesday's edition of the New York Times ahead of U.S.-hosted direct peace talks, President Hosni Mubarak also proposed an international force for the West Bank and said Egypt was ready to assist in mediation. Egypt, which in 1979 became the first Arab state to sign a peace treaty with Israel, has long played a mediation role. Mubarak has been invited to attend the launch of the new round of talks, with Jordan's king, whose country also made peace. But Egypt often criticises Israel, particularly settlement building, as an obstacle to peace, while Cairo's own efforts to prepare the ground for talks, such as trying to heal a rift between Palestinian factions, have yielded little progress. "For its part, Israel should make no mistake: settlements and peace are incompatible, as they deepen the occupation that Palestinians seek to end," the Egyptian president wrote. "A complete halt to Israel's settlement expansion in the West Bank and East Jerusalem is critical if the negotiations are to succeed, starting with an extension of Israel's moratorium on settlement-building, which expires this month," he added. A flare-up of violence in the Palestinian West Bank and a deadlock over Jewish settlements there loom as potential deal-breakers for U.S. President Barack Obama, who will host Israeli and Palestinian leaders for dinner at the White House. Israeli Defence Minister Ehud Barak hinted at possible compromise over one of the most sensitive issues by saying on Wednesday Israel would be willing to hand over parts of Jerusalem in talks with the Palestinians. Mubarak outlined in his article the broad principles many Arabs see as essential to any deal, including creating a Palestinian state on land occupied in the 1967 war and establishing Jerusalem as a capital for both sides. But he urged Arabs to support peace. "Arab nations should continue to demonstrate the seriousness of their peace initiative with steps that address the hopes and concerns of ordinary Israelis," he said referring to a 2002 peace proposal. He also said Gaza, controlled by the Islamist group Hamas and which has been under an Israeli blockade, must not be excluded from a deal. "The Palestinians cannot make peace with a house divided. If Gaza is excluded from the framework of peace, it will remain a source of conflict, undermining any final settlement," he said, offering to resume efforts to heal Palestinian divisions. Mubarak said putting an international force in the West Bank could help build confidence and provide security. He recognised Israel's demand for security but said it should not be used as a justification for continuing to occupy Palestinian land. "Finally, Egypt stands ready to host the subsequent rounds of negotiations," Mubarak wrote. (Writing by Edmund Blair; Editing by Samia Nakhoul)

Mubarak concerned over 'new dangers' in the Gulf

Egyptian President Hosni Mubarak said Sunday he was concerned about "new dangers" in the Gulf, in an apparent allusion to Iran, whose nuclear ambitions concern numerous Arab countries. In a speech to mark the Lailat El-Qadr during the holy month of Ramadan, Mubarak said "our celebration comes as our Arab and Muslim world faces difficult times." In addition to the problems in Afghanistan, Pakistan, Iraq, Lebanon, Sudan and Somalia, Mubarak warned of "new dangers that are emerging in the Gulf region and threaten its stability." Western countries and Israel suspect Iran is using its

civilian nuclear program to hide efforts to develop a nuclear bomb, a prospect that also worries Arab nations. Arab nations, such as Saudi Arabia, are also concerned about Shia Iran's support for Hezbollah in Lebanon and the Palestinian Islamist movement Hamas. Egypt, which has been deeply involved in the Israeli-Palestinian peace talks, postponed last week a visit to Cairo by Iranian Foreign Minister Manouchehr Mottaki over comments criticizing the role of some Arab leaders in facilitating the talks. Ties between Tehran and Cairo have been severed since 1980 in the wake of the Islamic revolution in Iran and Egypt's recognition of Israel. Since then the two countries have only maintained interest sections in each other's capitals.

Rough start for peace

An old hand on Palestinian-Israeli negotiations, Nabil Fahmi shares with Dina Ezzat his concerns and meek expectations over fresh US-sponsored peace talks. A bad combination of excessive tactical manoeuvring and shaky political will could blow up the chance to make Middle East peace out of talks to be launched later today in Washington between the Palestinian Authority (PA) and Israel under supervision of US President Barack Obama and with the presence of President Hosni Mubarak and King Abdullah of Jordan. If these talks -- over which Nabil Fahmi, a senior Egyptian diplomat, hides no pessimism -- are to continue and if they are to produce a final settlement for the decades long Palestinian-Israeli struggle, Fahmi says, Obama needs to complement his moral commitment to the parameters of a fair peace deal with an action oriented approach. Arab negotiators need to show no willingness to bend when push comes to shove, and the Israeli government needs to accept that a final peace deal is only possible when the legitimate rights of Palestinians are secured. Above all, Fahmi adds, all parties concerned need to accept one of the most important lessons of years of Arab-Israeli negotiations: a deal is only possible through a comprehensive package that takes into account the interests of all parties. Fahmi was heavily involved in the Middle East peace process since its official launch in the Madrid Peace Conference in 1991, at a time when Egypt was the only Arab state with a peace agreement with Israel. Beyond his last diplomatic post as Egypt's ambassador to Washington until late 2008, Fahmi -- now founding dean of the School of Public Policies at the American University in Cairo -- is keeping up his contacts with top figures of the peace process in and out of Egypt. Today, Fahmi feels that the region has come a long way beyond the days of Madrid when he arrived to the Spanish capital to set the grounds for the first multilateral Arab-Israeli peace talks. At the time, Fahmi had to negotiate a long list of issues, starting from the content of the talks to the seating of delegations and the nature of the participation of Palestinian delegates. "So much time has been spent on the peace process whose launch was first made possible by the results of the October 1973 War," that sent Israel a clear message that it cannot always have its way in the Middle East and that the Arabs will not give up on territories occupied in 1967. The talks to be launched this evening -- US East Coast Time -- should therefore reach a conclusive point, Fahmi argues, without wasting any further time on excessive tactics applied by the US broker or Israeli negotiators to cover up for a serious lack of political will required to make the final settlement, "for which the parameters are clear to everybody". This said, Fahmi does not underestimate the many challenges posed by the new round of talks. For him the "disturbed regional context" and the striking difference of the initial standing points of the concerned parties are clear and present

threats to the talks. There is much tension, warns Fahmi. He explains: Israel has gone far right, the Palestinians are falling into divisions, "beyond the Fatah and Hamas division", and relations among regional players are far from smooth. "And there is hardly any common ground among the parties." "Arabs want a settlement on the basis of international legitimacy while Israel is saying plain and loud that it would not go for a settlement on the basis of the 1967 borders, it would not allow any Palestinian the right of return, and that it insists on the Jewish nature of Israel and that the future Palestinian state should be disarmed," Fahmi explains. As for the US, while Washington "seems to want to stick to the tenets of international legitimacy... and while the US secretary of state indicated a possible one-year timeframe for the new round of talks, it is still the case that the US administration does not seem prepared to move away from [an unfair] letter of guarantees" offered by former US president George W Bush to former Israeli prime minister Ariel Sharon in 2004 that signalled Israel could keep major settlement blocs and deny the otherwise internationally recognised right of return for Palestinian refugees. With such a confused starting point, and notwithstanding the personal commitment of Obama and concerned Arab leaders to make the best out of realities on the ground, Fahmi finds it "very hard to be optimistic about how these talks will proceed or where they would lead to". Once the talks are launched, negotiating teams will meet and committees will be assembled. Come 26 September, the date for the expiry of a partial -- some say phoney -- freeze imposed on the construction of illegal Israeli settlements in occupied Palestinian territories, the situation might be completely altered. The head of the PA, Mahmoud Abbas, had said that he would walk out on talks if Israeli Prime Minister Binyamin Netanyahu resumes settlement construction. For his part, Netanyahu said that he has made no promises, neither to Obama nor to Abbas, to extend a freeze that his ultra-rightwing coalition members are determined to end. "This will be a tough date," agrees Fahmi. It is unrealistic, he suggests, that Netanyahu who is going to these talks partially to ease tension with Obama would go into full confrontation with his coalition members. "Obama wanted these talks [ahead of mid-term congressional elections] to prove his determination to attend to Middle East issues in parallel with the pull out of US combat troops from Iraq and the complex situation in Afghanistan". By producing a context of peace negotiations Obama might be able to extract the commitment of Netanyahu to refrain from ramping up new settlement projects even if the ruling Israeli coalition declines to renew the freeze officially. "Some sort of compromise could be found, but this will remain to be seen," said Fahmi. The mode of negotiations itself could prove to be an issue, Fahmi notes, in the sense that the US is unlikely, due to decades-long commitments, to propose ideas to the negotiating teams away from prior consultation with Israel, which in turn is unlikely to agree to anything that aims to take the context of negotiations closer to the tenets of international legitimacy. Fahmi warns that Israel is working to get the US and the rest of the concerned parties to agree that any settlement has to be formulated according to the facts on the ground, and that if the facts on the ground are unlikely to be altered it becomes almost absurd to talk of a fair and comprehensive settlement. He adds, Israel will likely attempt to negotiate a provisional Palestinian state -- something that Fahmi believes no Arab leader is willing to settle for. Obama has to be more forcefully engaged, Arabs have to underline their positions as expressed in the Arab Peace Initiative, and Israel has to come to terms with the concepts

of international legitimacy, says Fahmi. Otherwise, he adds, pessimism over the talks to be launched today might well be fully justified.

Economic front

Egypt: World Bank Appoints Egyptian Director

World Bank Group President Robert B. Zoellick today appointed Egyptian Investment Minister Mahmoud Mohieldin Managing Director of the World Bank Group. "Mahmoud Mohieldin has proven himself a tireless reformer whose work on economic and financial reform helped Egypt weather the global financial crisis. An outstanding young leader, his first hand experience of development and of the World Bank - both as Minister and as World Bank Governor -will serve us well as we undertake our own reform program and scale-up our client focus," said Zoellick. In his role as Managing Director, Mr. Mohieldin will oversee the offices leading the Bank's Knowledge development including: Finance and Private Sector Development; Sustainable Development; Poverty Reduction and Economic Management; Human Development; and the World Bank Institute. Mr. Mohieldin has been a leading client of the Bank's Arab World Initiative and he will continue to innovate and improve this work. "I look forward to joining this dynamic institution in supporting the enhancement of sustainable and inclusive growth of developing economies. At this critical juncture, when instability and successive crises have afflicted world systems and economies, the importance of the World Bank's mission and presence has become more apparent than ever before," said Mohieldin. "The World Bank's mission to eradicate poverty and promote social and gender justice, as well as pursue economic progress while enhancing capacities and empowering people, is one that I profoundly share." Mr. Mohieldin has served as the Egyptian Minister of Investment since 2004. As minister, he led a comprehensive structural and regulatory reform program to modernize and liberalize the Egyptian economy in three critical areas - leveraging private investment for growth and job creation; enhancing access to non-bank financial services; and implementing a successful asset management program of public enterprises. "Mahmoud Mohieldin's outstanding track-record of results in reform, modernization, and knowledge-generation make him supremely well-suited to this position," said Zoellick. Mohieldin has established a global reputation for effective and strategic management and built an outstanding record of results including: creating an effective single regulator for the non-bank financial sector; building a stock-market for small and medium sized enterprises; consolidating and liberalizing the insurance sector and enhancing its regulatory framework; and developing the mortgage finance market and launching Egypt's first liquidity facility for mortgage refinance. He is also responsible for creating the first Institute of Directors in the Arab World, and producing the first Arabic Code of Conduct for corporate governance and introducing guidelines for corporate social responsibility. As a result of his leadership, Egypt was named Top Reformer for four years in the Doing Business Report and was top regional recipient of foreign direct investment.

Egyptian minister leaving Cabinet for WB

Egyptian Investment Minister Mahmoud Mohieldin, a prominent economic liberaliser, will resign from the Egyptian Government to take up a senior post at the World Bank

beginning in October, the cabinet said late Wednesday. Expectations that he would take the World Bank post has led to media speculation about possible successors for his ministerial portfolio, seen as vital to an economic team that has pushed through controversial free market reforms since 2004. "As soon as he takes up the new position, he will leave the ministry," said cabinet spokesman Magdy Rady. The state-run egynews.net website said possible contenders to head the minister included Ziad Bahaa el-Din, who is the chairman of Egypt's financial regulatory agency. Mohieldin is one of three leading ministers who spearheaded liberal reforms under the government of Prime Minister Ahmed Nazif. These included the sale of major state assets and sharp reductions in income taxes and tariffs.

Political ambiguity may push Egyptian pound down

Egypt's currency seems unlikely to rebound substantially from 3-1/2 year lows any time soon because investor appetite for Egyptian assets may be blunted by uncertainty before a 2011 election -- and the central bank may prefer a weaker pound. The Egyptian pound (EGP) has marked a series of lows against the dollar in the past two weeks, partly because of a firmer dollar globally as weakness in the US economy prompts safe-haven flows into US Treasuries. Last Thursday, the pound fell as low as 5.7056 after touching 5.7057 on Tuesday, its lowest level since January 2007. Some analysts argue the pound is unfairly undervalued since Egypt's economic growth is ticking higher and fund inflows from abroad have been recovering, while the central bank may start leaning towards raising interest rates late this year as the risk of inflation grows. Annual figures released by the central bank on Monday implied a balance of payments surplus for the April-June quarter of US\$249.7 million, a turnaround from a deficit of US\$1.04 billion a year earlier. Net portfolio investment, mainly purchases of equities and Treasury bills and bonds, recorded a US\$768.1 million surplus versus a US\$154.9 million deficit. Economists say faster growth has boosted prospects for state revenues, helping to push Egyptian Treasury yields lower. The public sector deficit was 8.3 percent of gross domestic product last year and the market expects it to remain flat or slightly lower in the current fiscal year to June 30, even as higher wheat prices inflate the government's import subsidy bill. Annual urban consumer inflation in Egypt held steady at 10.7 percent in the 12 months to July, but month-on-month inflation was 2.3 percent, the highest since August 2008 and up from a 0.7 percent rise in June. Much of the rise was due to the approach of the Ramadan holy month and the imposition of a sales tax on tobacco, but given pressure on food price inflation, some analysts think an interest rate hike is possible around the end of this year. "There's no particular reason for the pound to be weakening and generally investors are hoping that all these forces, as well as the recent pick-up in inflation, might cause the pound to appreciate a little for the rest of the year," said EFG Hermes economist Mohamed Abu Basha. Other factors are less positive for the pound, however. Egypt's political future is less certain after three decades of stability under 82-year-old President Hosni Mubarak, who has not said if he will stand for a new six-year term in the presidential election due sometime next year. Many Egyptians think his son Gamal, 46, will take his place and continue a policy of economic liberalization combined with strong state control over society and politics. Father and son have both denied any plan for a family succession, however, and the eventual transfer of power is seen by many investors as a significant long-term political risk. For now, there is little sign of

any major flight of capital from Egypt because of this risk. Such a flight would probably be reflected in rising treasury yields, but the average yield on Egyptian 91-day treasury bills was 9.637 percent at an auction on Sunday, down from 10.27 percent in mid-June CBEY. But central bank policy may also weigh on the pound; many analysts believe the central bank wants to stimulate exports and is focused on amassing foreign reserves to ensure it has the financial firepower to defend the currency if necessary ahead of the presidential poll next year. Egypt's net foreign reserves stood at US\$35.3 billion in July, up from US\$32.9 billion a year earlier. In addition to official reserves, the bank had amassed more than US\$4 billion in other foreign exchange by June, according to BNP Paribas figures. "There is either a deliberate attempt to weaken the pound, or to build reserves to cushion...in the event of an outflow of money in the run-up to the 2011 presidential (election)," said Shahin Vallee, BNP's head of emerging market foreign exchange strategy. The pound's drop since late August below the psychologically important level of 5.70 against the dollar suggests to many traders that the central bank lacks appetite for a stronger currency. "They might be in for some competitive devaluation," said Vallee. "People were thinking 5.70 was the threshold for them, but that doesn't seem to be the case." Traders say the central bank often intervenes indirectly to keep the pound at a preferred level via Suez Canal Bank, which receives dollar receipts from the Suez Canal Authority, and Arab African International Bank. The central bank does not comment on such interventions. However, Vallee and others said they would be surprised if the pound fell as low as 5.82, last touched in early 2005 when the currency was recovering from a sharp drop that followed the introduction of a free float. Analysts said the bank might expect the pound to get support from Egypt's improving economic outlook and the possibility of higher interest rates before the end of 2010, so it may simply be keeping the currency down for now in order to prevent a strong uptrend from developing -- not in order to create a downtrend. Technically, the Egyptian pound faces strong resistance at 5.66, its August peak. Any break of that barrier would trigger a double bottom formed by the July and September lows, and targeting the 5.62 area.

Social front

Grand Mufti of Egypt: Islam promotes religious freedom

At a symposium organized by the Egyptian Council for Foreign Affairs on Tuesday, Egyptian Grand Mufti Ali Gomaa cited verses from the Holy Koran to show that Islam permitted freedom of religion and did not compel anyone to change faith. "We believe in freedom of religion," Gomaa said. "If people choose to convert to Islam, nobody should try to stop them, as this is a matter between them and God." "The current dispute over the woman who converted to Islam [Camellia Shehata, wife of a Minya church pastor] should be discussed objectively," he said, calling on those who have inflamed the issue to review their respective stances. "I resent the fact that some people have stirred up the issue in such a stupid way." On the issuance of unfounded religious rulings (fatwas) by Muslim preachers, the mufti said that fatwas had at one time been issued exclusively by Egyptian Mufti Mohamed al-Mahdi Abbas, who died in 1895. Since then, Gomaa explained, religious edicts had become the responsibility of Al-Azhar's Dar al-Iftaa, which was specifically established for the purpose. "Those issuing such fatwas are after

the money that the satellite television channels pay them,” he said, adding that it would “take time” to rectify the recent phenomenon. In a related development, Coptic Church sources said that Coptic Pope Shenouda III would soon allow Shehata to address the media to tell her story. She is said to have fled from her husband and converted to Islam, but was later brought back to church authorities by security services. The same sources said the pope believed that Shehata should personally explain her situation to the public, especially given that hundreds of Muslims had recently staged demonstrations demanding her appearance. Shehata is expected to appear on Egyptian television in a pre-recorded broadcast within days. The Sawasia Institute for Human Rights Studies, for its part, has called on the government and Al-Azhar to allow the media to interview Shehata. The institute has also condemned the Coptic Church for keeping her in custody. Meanwhile, lawyer Mamdouh Ismail has accused the government of “pandering” to the Coptic Church, calling on UN Secretary-General Ban Ki-Moon to intervene personally in the issue.

Remembering Edward Said in Islamophobic times

In an America which was prematurely described as post-racial, divisive expression and bigotry are reaching a deafening crescendo. From Arizona's anti-immigrant law to the craze surrounding an Islamic center in New York's financial district and Quran-burning ceremonies to commemorate the September 11th attacks, the New World's oft-embattled principles of religious tolerance and civil liberties are at threat. The latest salvo last weekend was the convergence of thousands of right-wing zealots on Washington, DC in a show of political strength on a most improbable anniversary--47 years after Rev. Martin Luther King Jr.'s iconic “I have a dream” speech at the height of the civil rights movement. Under the title “Restoring Honor,” they hijacked King’s legacy to justify their war against America’s first bi-racial president. On 11 September, 2001, Arabs, Middle Easterners and Muslims found themselves the target of the US security apparatus' suspicion and scrutiny. Profiling had become central to the intelligence community's information-gathering, law enforcement agencies' protective measures, and the media's representation of both. Yet, the profiling of Arabs, Middle Easterners and Muslims did not begin on that forsaken day; instead it has roots in a long-held association between traits and behaviors, and propagated by systems of dissemination that predate contemporary mass communication. With the rise of anti- and post-colonial politics in the Arab World during the mid-1950s came an interrogation not only of the imperial enterprise in the region, but also a counteracting critique of the way in which the Orient was represented to justify its control, subjugation and exploitation. In 1978, a substantive and encompassing analysis identified the institutionalization of prejudicial representations of the Orient both in scholarship on the region and popular literature, to the benefit of imperial enterprises. This study was the groundbreaking and paradigm-shifting *Orientalism* by late Palestinian-American literary critic Edward Said, who passed away seven years ago this month. Said tore open the Western literary canon to expose both its explicit and subliminal construction of the Orient as diametrically opposed to the Occident. He caused irreparable damage to orientalism as a system of knowledge production, heralding the beginning of a revisionist look at the politics, histories and cultures of the region beyond simple-minded, monolithic and often self-serving representations. Over the years, Said would publish numerous books which critiqued the

way the Middle East was discussed, particularly in American official and popular discourse, and carved out a space for self-representation, primarily for Palestinians. In the first decade of the 21st century, and despite concerted efforts by academics and reasoned specialists on the region to dispel the negative stereotypes of Arabs, Middle Easterners and Muslims, the resilience of these cultivated perceptions and their redundancy in the Western media has made them a mainstay in American public consciousness. Edward Said remained resilient in his critique of this dehumanization by addressing a growing cult of expertise in the United States media. In his 1997 book *Covering Islam*, Said argued that little progress had been made in halting the barrage of negative stereotypes of Muslims in Western society, especially in contrast to other publicly denigrated minority groups: "Malicious generalizations about Islam have become the last acceptable form of denigration of foreign culture in the West; what is said about the Muslim mind, or character, or religion, or culture as a whole cannot now be said in mainstream discussion about Africans, Jews, other Orientals, or Asians." Said's words were published in the period preceding the events of 9/11, a time many assume was free from Arab and Muslim vilification. Unfortunately this couldn't be farther from the truth; a numbingly repetitive discourse of demonization of Arabs and Muslims traversed all media from blockbuster Hollywood films to news and television programming prior to that day. It would be challenging to uncover any more than a handful of positive depictions of either an Arab or a Muslim in the hundreds US films produced in the last six decades. For a comprehensive treatise on this phenomenon, one need only resort to the encyclopedic work of Jack Shaheen in *The TV Arab and Reel Bad Arabs* or Jackie Salloum's short film *Planet of the Arabs*. While racialized imagery and stereotypical representations are endemic problems about which cultural studies have been highly critical, the last two decades have witnessed dramatic changes in the language of public debates about most minority groups--but not all. Instances where pejorative and derogatory terms are used to describe racial and ethnic minorities in the US are met with public outrage, a litany of apologetics, accusations of racism, threats of litigation, and other responses rendering such utterances unacceptable. However, Arabs and Muslims have not witnessed such a renaissance. Commentary in the popular media that might meet the conditions of hate speech if attributed to African Americans, Jews, Latinos, women, and members of the LGBTQ community often pass for genuine criticism towards Arabs and Muslims. The punditry of American news has also provided vocal anti-Arab sentiment a pedestal on which belittling and racist expressions can pass for free-wheeling First Amendment-sanctioned public expression. In one such example, the host of MSNBC's *Hardball* Chris Matthews entertains firebrand conservative commentator Ann Coulter's case for military attacks on Muslim society. Another example: In the 2008 elections, the opposition, in an effort to undermine Democratic presidential hopeful Barack Obama, helped spread a rumor that he is a Muslim. Obama's managers retaliated by stating it was a "false accusation," and describing the claim as part of an orchestrated "smear campaign." Obama dutifully denied any association with Islam and solemnly declared himself a Christian whenever the question was posed. Not once did he respond that his religion should be of no consequence or that being a Muslim is not an "accusation". So deeply entrenched is the animosity to all things Muslim in America, that to make amends with public and media alarm, Obama (and virtually every candidate in any US election) had to distance himself entirely from the "smearing" faith and all its adherents. Despite this, 24

percent of Americans still believe Obama is a closeted Muslim, as reported in a survey published last week by TIME magazine. Thirty-two years have passed since the publication of Said's Orientalism, which helped fracture the cast of immunity surrounding western scholarship on the region, shifted pedagogy on the Arab world and became a foundational bedrock for post-colonial studies. His arguments rang true for scholars and activists who perceived the most diabolical attributes associated with Arabs, their history, culture and social mores as remnants of a colonial lexicon about an Orient. The growing gulf between the representation of all things "Western" and "Muslim" (à la Samuel Huntington's "clash of civilizations") is cause for an intervention on all levels to counter the unending barrage of hate speech that threatens any genuine intercultural exchange. At a time when profiling is no longer perceived by the majority of US citizens as inherently un-American, but rather a favorable and imperative practice to ensure national security, there is an urgency to halt the wheels of bigotry from trouncing the rule of law enshrined in the US constitution. We must continue to learn from Said's unyielding resolve, his sound methodology, his reconciliatory posture, his secular criticism, and his adamant humanism to dislodge any and all prejudicial discourses which give sanction to ethnic, racial, and religious profiling.

Conversion row over missing Copt

Protests have erupted in Egypt over the mysterious disappearance of the wife of a Coptic priest that has sparked tension between the country's Muslim and Christian communities. Camellia Zakhir went missing in July from the city of al Minya, prompting the Coptic community to allege that she was kidnapped and forced to convert to Islam. Others say that "domestic problems" with her husband were behind her sudden disappearance. But the Muslim community says that Zakhir converted to Islam freely, and was then arrested by Egyptian police and returned to the custody of the Coptic church, where they say she is being held against her will. Photographs of Zakhir wearing a traditional Muslim headscarf appeared in Egyptian newspapers, fuelling both sides' accounts of what happened to her.

Parliament involved On Sunday Muslim worshippers took to the streets in protest against her treatment, calling for her to be allowed to appear and give her side of the story. "If she was forced, then okay, no problem if she is still a Christian," said Ahmed Abdel Rahman, one of the protestors. "She can just go on TV and on the news and say 'I'm a Christian'. They shouldn't abduct her and then say 'she was forced', by any logic. So let her appear and end the matter." But Coptic authorities have so far refused to let her speak in public. The church says that it plans to present a case to Egypt's parliament next month to prove its version of events. Meanwhile church lawyers are playing down the impact of the incident. "Many a time it's happened where a Christian will convert to Islam or vice versa," said Ramsees Naggar, a lawyer for the Coptic church. "In the end, this will have no impact on Coptic-Muslim relations." The case mirrors a similar incident in 2004, when the wife of another priest converted to Islam only to be taken by Egyptian police and returned to the Coptic church, who have kept her in hiding ever since. Tensions between Egypt's Copts and Muslim communities are nothing new. Copts complain of routine discrimination by the state. But Muslims argue that the Coptic church is above the state law, enjoying protections and safeguards not extended to society at

large. Occasionally ill-feeling between the communities spills over into violence. In January, six Copts and a Muslim guard were killed by Muslims in a drive-by shooting outside a church after attending Christmas Mass in the southern town of Naji Hammadim, sparking days of rioting and fears of wider unrest.

Mubarak warns of Qur'an burning

President Hosni Mubarak Thursday condemned a plan to burn Islam's Holy Quran as a despicable call of bigotry. "I am worried about what can this hateful call trigger of violent responses in the Arab and Muslim worlds," Mubarak told the official Middle East News Agency. Mubarak warned that the act could escalate terrorism and mutual violence across the world. A pastor of a small church in Florida, the US, has said he will go ahead with a plan to burn copies of the Qur'an on Saturday to mark the September 11 attacks.

Officials in the US administration condemned the plan and warned against a backlash against the American troops in Afghanistan.

Activists rally against defiant minister

Around 100 Egyptian activists have signed a petition against the continuation of Culture Minister Farouq Hosni in office, calling for changes that bring the Egyptian cultural movement back to its former self. The activists, who include academics, writers, and journalists, deplore the alleged deterioration of all aspects of Egypt's cultural life and say for Egypt to go culturally back on track Hosni and his ministry officials must pack up and leave. Hosni's policies have led to the extreme deterioration of Egypt's cultural movement," the activists said in their petition. "These policies lack a clear strategy for the future of Egypt," they added. Hosni reacted defiantly to their criticism. "I will not resign under pressure from those bogus intellectuals," said the official. "I'm the only one who can make such a decision." Among the signatories to the petition are such high-profile personalities as Alaa el-Aswany, an Egyptian novelist with international fame; Hassan Nafaa, a noted political science professor; and Mahmoud el-Khoderi, a judge who among others led the opposition against election vote-rigging in 2005. They gathered in Cairo at the weekend to discuss ways of doing what they called "salvaging Egyptian culture from its current decline". "The incumbent Culture Minister is a complete failure," said Gamal Fahmi, an Egyptian journalist and one of the signatories to the petition. Hosni has forced Egyptians into this cultural impoverishment for more than two decades now," he told The Egyptian Gazette in an interview. Hosni has been responsible for shaping the cultural policies of this country for 23 years now, his total tenure as Culture Minister. The 73-year-old minister has been through turbulent times, but seemed to survive every challenge to his presence in office quite masterfully. In 2005, a fire gutted a theatre in the southern Egyptian Governorate of Beni Suef and a large number of the audiences, actors, and critics were burnt to death. But Hosni got out of the whole catastrophe and the general anger that followed it unhurt. Two years later, Hosni also managed to emerge unscathed from a campaign of accusations levelled against him after a fire destroyed the downtown Cairo National Theatre. Signatories to the petition against Hosni say the Culture Minister is directly responsible for the perceived failure of all of Egypt's cultural institutions in making culture, books, and arts accessible to the majority of the people of Egypt. They said the Minister and his coterie helped make Egypt lose

its cultural leadership in the Arab world, having been a cultural hub in this region for decades. "I can forgive our economic planners for beggaring the people of this country and making their life hard, but I can never forgive our cultural planners who destroyed the minds of this people," Fahmi said. "It'll take us years to be able to redress this cultural balance," he added. Hosni was the Egyptian Cabinet Minister who in 2008 offered to burn Hebrew books, a pronouncement that, among other things, deprived him of leading UNESCO a year later. The latest campaign of anger against him is motivated by the robbery of a US\$55 million Vincent van Gogh painting from a museum in Cairo. Hours after the "Poppy Flowers" painting was stolen from the museum, Egyptians came to discover that museum security cameras were dysfunctional. "Egypt's cultural heritage is being robbed, while Hosni and his ministry officials are watching," the activists say in their statement. "This is espoused by corruption which has permeated every aspect of our cultural life," they add.

Iraq

Political front

Conditions in Iraq have never been as worse as they are now

The latest bombings in Iraq, particularly in Baghdad, show that the government is losing control despite ostensible measures to boost security. One good indication of how fragile conditions have become is the daring attack last Sunday on a major army base and headquarters in the heart of Baghdad. Unidentified gunmen barged into the former Defense Ministry building and barricaded themselves, waging a ferocious battle for about three hours, killing at least 12, and injuring many others. It was a real battle scene in the heart of Baghdad. It shows that even the army and security forces cannot protect their bases. The question is: How do we expect them to protect Iraqi civilians. The aftermath of the attack shows chaos all over the government, both civilian and military ranks. Nobody for sure can tell whether the attackers were suicide bombers, used car bombs or simply foot rebels from al-Qaeda who wanted to show how intrepid they have become. Even our own newspaper which has reporters in almost every corner in Baghdad published two totally different reports about the battle. Our international edition said they were suicide bombers but the domestic edition said it was a coordinated attack by foot rebels who stormed the building and had backing from snipers in nearby houses and streets. The international edition's copy was based on a Reuters report which could not independently be confirmed. The local edition was based on stringers on the scene and eyewitnesses. Our local reporters on the ground say there were at least 20 attackers and no car or suicide bombs. It is always easy in Iraq to blame suicide bombers and the government is usually happy with the version. But to say that the attackers inflicted heavy losses on the army base and all managed to escape the scene unscathed is too big for the faltering government to swallow. That is exactly what happened. The attackers escaped. They failed to control the building but succeeded in waging a three-hour long and well-coordinated battle for which Iraqi security forces were not prepared. There were explosions, but they were not the result of suicide bombing, according to our domestic edition. The attackers had placed explosives as they tried to storm the building. This daring attack is a reminder that al-Qaeda is making a comeback and probably a powerful comeback.

No New Iraqi Government, Six Months After Elections

Six months have passed since Iraq held national elections, but reports say there still appears to be little concrete progress in talks toward forming a government. No political group won an outright majority in the March 7 election, as Iraqis split their votes between two main Shi'ite-led blocs, Kurdish parties, and a cross-sectarian secular alliance that won significant Sunni support. Former Prime Minister Iyad Allawi's Sunni-backed secular Al-Iraqiyah list won the most seats -- 91 -- but the group has been unable to secure a governing deal with incumbent Prime Minister Nuri al-Maliki's Shi'ite-led State of Law alliance, which finished second with 89 seats, or any other factions. As the impasse continues, reports quote ordinary Iraqis as being concerned that not enough government attention is being paid to security issues or the delivery of services.

Biden Says Iraq 'Close' To Forming New Government

Visiting U.S. Vice President Joe Biden has said he believes Iraqi leaders are "close" to forming a new government that will represent the "divided" outcome of the disputed March parliamentary elections. Biden is in Iraq with Defense Secretary Robert Gates to celebrate the start of Operation New Dawn, the U.S. military's new mission to assist and advise Iraqi forces. The visit is being widely seen as an opportunity for U.S. officials to press Iraq on the formation of a new government after six months of political deadlock. Biden urged Iraqi leaders to resolve their differences and form a new government. "It is not our place to tell the Iraqis who should lead, but I strongly urge them to match the courage that their citizens have shown by bringing this process to a close and forming a government," Biden said. "And I trust they will do so soon." The ceremony in Baghdad came after President Barack Obama on August 31 formally declared that the United States had ended combat operations in Iraq.

Geo strategic front

Iraqi President urges more enhanced ties with Iran

Iraqi President Jalal Talabani wants to see ties with Iran improved further and Iranian firms given even better chances to invest in the country. "Iran is urged to boost bilateral ties (with Iraq) and Iraq is urged to offer investment opportunities for Iranian firms," Talabani was quoted as saying in a statement faxed to the newspaper. Talabani's remarks come as trade exchange between the countries is mushrooming and is expected to be worth \$7 billion this year. The statement by the presidential office said Talabani made the remarks during a meeting he held with the Iranian ambassador in Baghdad, Hassan Danaie-far, at his resident in the Iraqi Kurdish city of Sulaimaniya. The president and the Iranian envoy "discussed ways of bolstering Iraqi-Iranian ties in all vital fields in a way that serves the interests of both sides. President Talabani called for strengthening ties especially in economic and trade spheres ... and in a manner that will give Iranian firms investment opportunities to develop the country," said the statement. The statement reported Danaie-far as saying that it "is of paramount importance to expand bilateral cooperation and take it to new levels." In the months since his appointment, Danaie-far has worked diligently to bolster economic ties between the two countries and increase

Tehran's influence in Iraq. He has promised to double trade volume by the end of the year.

Economic front

Malaysian firm training Iraqi engineers as it gears to develop Gharaf oilfield

Malaysian state oil firm Petronas has agreed to train 60 Iraqi oil engineers to help it develop Gharaf oilfield. The engineers will attend an intensive 6-month course in Malaysia and then sent back home to supervise the company's operations. Petronas and Japan Petroleum Exploration Co (Japex) have won a deal to develop the 900-million barrel field. They have agreed to invest about \$7 billion. Petronas has a 60 percent stake in the venture, and Japex the rest. The deal is a 20-year long term service contract. Iraq has signed several such contracts with foreign firms in the hope of doubling its current output of about 2.5 million barrels a day. But it is not yet known when the foreign majors winning the service contracts will start work in earnest. Security issues and instability are cited as among the main reasons for foreigners' reluctance to start investing. Under these contracts, the firms are entitled to get a remuneration fee ranging between \$1-2 per every barrel extracted. Petronas and Japex will get \$1.49 per barrel from Gharaf the development of which could churn out 230,000 barrels a day

Lebanon

Political front

Hariri stresses Tribunal should not be used for political means

Prime Minister Saad Hariri on Thursday voiced trust in Lebanon's capability to challenge looming internal and foreign threats under the current regional circumstances. Hariri spoke from Saudi Arabia where he was performing the Umrah rituals. "The Lebanese are capable of surmounting all looming dangers – whether internal or foreign – by holding on to the principles of truth, justice and national coexistence and strengthening their national unity by overlooking narrow tensions and joining hands to face attempts to stir strife," Hariri said. Lebanon is expected to witness a flurry of diplomacy following the end of the Eid al-Fitr holiday as media reports said assistant US Secretary of State for Middle Eastern Affairs, Jack Wallace, and French Special Envoy for Lebanese Affairs, Jean Claude Cousseran, are expected to land in Beirut next week. Their visit comes as part of a tour of the region to follow up on Israeli-Palestinian direct peace negotiations, in which they will hold talks with the Syrian leadership in Damascus in an attempt to revive Syrian-Israeli peace talks. While Hariri, along with the leadership of the March 14 camp, stresses that the failure of US-sponsored Israeli-Palestinian peace talks would help fuel extremism in the region, Hizbullah and opposition parties have condemned the negotiations as a renouncement of Palestinian rights and sentenced talks to failure. Media reports said Thursday that the Lebanese scene is expected to witness heated debate over the issue next week as Lebanese parties continue to deliberate over the Special Tribunal for Lebanon (STL) and the issue of false witnesses. Hizbullah's Loyalty to Resistance bloc leader MP Mohammad Raad reiterated Thursday the need to put false witnesses on trial while Lebanese Forces MP Antoine Zahra stressed that the issue of "false witnesses

was tied to a legal study being prepared by the justice minister.” “We heard in the last few days stances which we will not rush to comment on until we see how these stances would be made practical,” Raad said in reference to Hariri’s remarks to Saudi pan-Arab daily Ash-Sharq al-Awsat. Hariri said Monday he made a mistake when he accused Syria of involvement in his father’s murder and condemned false witnesses for misleading probes and “politicizing the murder.” Minister of State Adnan al-Sayyed Hussein said Thursday that “no dates or time commitments were set for the justice minister to finish the task delegated to him by the Cabinet regarding false witnesses.” Commenting on the relation between Lebanese Forces leader Samir Geagea and Hariri, following the premier’s remarks to Asharq al-Awsat, Zahra said no divergence in stances existed between Hariri and Geagea. “What concerns us is Hariri’s continued support to the STL,” Zahra said. Though he condemned false witnesses, Hariri continued to distance the course of the UN-backed tribunal from political accusations. “I do not want to talk much about the STL but I will only say that the court has its course – one that is not related to previous hasty political accusations,” Hariri told Ash-Sharq al-Awsat, in reference to previous accusations against Damascus.

Hariri, Hizbullah try to restore calm after war of words

Contacts intensified over the weekend in a bid to ease tense relations between Hizbullah and the Future Movement, amid reports the two parties were interested in restoring calm following the war of words that broke out between them on Friday. No heated rhetoric was exchanged between the two sides on Sunday, with expectations that the calm atmosphere will be enhanced during the Eid al-Fitr holiday expected to kick off on Thursday. Prime Minister Saad Hariri reiterated Sunday his call for restoring calm in the country. “Since the beginning of the holy month [of Ramadan], we have been calling for restoring calm because the country is not in need of additional tensions that drive some political factions or individuals to take extreme positions at certain times” he said. Hariri addressed participants in an iftar he held in honor of families and figures from the northern villages of Minnieh, Dinnyeh, Koura and Zghorta. “We have to learn in this country how to all live within the state and to adhere to our Constitution, the Taif Constitution that calls for parity between Muslims and Christians,” he added. “Muslims and Christians are in need of each other and also need coexistence, moderation, education, modernity and knowledge,” said Hariri. The prime minister promised that his Cabinet insisted on launching projects to improve water and electricity supplies along with roads in the north, saying all obstacles hindering such projects were removed. Meanwhile, media outlets affiliated with Parliament Speaker Nabih Berri and Hariri indicated over the weekend that contacts were ongoing in preparation for a meeting to be held soon between Hariri and Hizbullah leader Sayyed Hassan Nasrallah. According to the information, Berri will hold talks next week with Hizbullah’s command to pave the way for the meeting and to reduce tensions and strengthen calm. Also over the weekend, the prime minister telephoned Berri to discuss the 2010 draft budget that is being examined by Parliament’s Finance and Budget committee. Addressing crowds that gathered in Beirut southern suburbs to mark Al-Quds (Arabic for Jerusalem) Day on Friday, Nasrallah lashed out at Hariri and the March 14 Forces over their reaction regarding an armed clash that pitted Hizbullah and a pro-Syrian faction in Beirut in late

August. Three men were killed in the shootout that occurred between Hizbullah fighters and others from the Association of Islamic Charitable Projects, known as Al-Ahbash in the Burj Abi Haidar neighborhood. Hariri and the March 14 Forces have criticized the incident, with some issuing calls for a weapons-free Beirut. Also, Hariri paid a visit to Burj Abi Haidar where he inspected the damage inflicted by the clashes. “You stabbed us with your knife in our heart ... it is not in this way that sensitive matters are addressed in the country, leaders do not behave in this way,” Nasrallah said Friday, adding that disarming the capital was complicated, and required “time and wisdom.”

Nasrallah said that the Burj Abi Haidar incident resulted from a personal dispute, but was exaggerated by media and exploited by some parties to instigate sectarian tensions. Later on Friday, Hariri hit back during an iftar at his residence in Qoreitem. “It is not me carrying a knife ... I hold a pen, give a book and educate people,” he said. However, reports over the weekend indicated that Hariri and Hizbullah were interested in toning down their heated rhetoric. Press reports said that following his speech on Friday, Hariri contacted Berri and Chouf MP Walid Jumblatt, stressing matters were not heading toward escalation, saying his address was only a response to Nasrallah’s speech. Meanwhile, President Michel Sleiman contacted Saturday his Syrian counterpart Bashar Assad, during which the two discussed regional developments and bilateral issues. Lebanese newspaper Ad-Diyar reported Sunday that Sleiman would launch a number of contacts and efforts in a bid to calm the situation in Lebanon. Also on Saturday, Hariri stressed during an iftar at his residence his commitment to calm and stability in the country. “We did not want to go into the political rhetoric that occurred yesterday [Friday] night. Some thought that the political discussions returned to point zero and that the war of words will resume between political factions,” said Hariri. “For our part, we neither plan nor want to return to point zero in discussions. We will continue to work for a calm dialogue, and to promote political rhetoric to a level that goes in line with democratic life and enhances stability in the country,” added Hariri. An-Nahar newspaper on Sunday quoted Hizbullah’s political council member Mahmoud Qmati as saying that Hizbullah would not break its relations with the Future Movement. “What should be discussed in the country now is how to preserve stability,” he said during a television intervention. “Anyone is free to continue provocations but this is not in the interest of the country,” he added. Separately, head of the Free Patriotic Movement Kesrouan MP Michel Aoun questioned calls for a weapons-free Lebanon while a state (Israel) “close to us wants to naturalize the Palestinians [in Lebanon].” “I read in a newspaper today that a Metn MP is calling for a weapons-free Lebanon. Why? Is it to surrender to their [Israel’s] conditions?” he asked. “It is the intention to kill rather than weapons that kills,” Aoun added. “Following our approval of some rights of Palestinian refugees, Israel said this is a step toward naturalization,” he said on Sunday, addressing a mass celebrating Saint Michel day in Saint Michel church in the Metn village of Nabey. “Lebanon cannot accommodate 500,000 Palestinians ... our land and resources are limited,” he added. Aoun asked what President Michel Sleiman had done “other than crying,” when dealing with Aoun’s repetitive demands that the Finance Ministry provide a breakdown of all the spending that took place over the previous five years.

Geo strategic front

Lebanon PM retracts Syria charge

Hariri, left, has sought to mend relations with Damascus, visiting al-Assad, right, several times in the last year [AFP] Lebanon's prime minister has said he was wrong to accuse Syria of killing Rafik al-Hariri, his father, in 2005 and said the charge against Damascus had been politically motivated. Saad al-Hariri's comments to Asharq al-Awsat, a London-based newspaper, published on Monday, repudiate his earlier accusation that Syria was behind the Beirut bombing which killed his father and 22 others five years ago. Syria had repeatedly denied the charge, which was supported by an initial United Nations report in 2005, which implicated Syrian security forces in the attack. Damascus rejected the UN report, saying it was "100 per cent politically biased". The assassination provoked a domestic and international outcry which forced Bashar al-Assad, the Syrian president, to withdraw troops from Lebanon, ending nearly three decades of military presence in its smaller neighbour. Rafik al-Hariri had called for such a withdrawal for years. Hariri has since attempted to mend relations with Damascus, visiting al-Assad several times in the last year and stressing Lebanon's need for strong ties with Syria. "We assessed the mistakes that we made with Syria, that harmed the Syrian people and relations between the two countries," Hariri told Asharq al-Awsat. "At a certain stage we made mistakes and accused Syria of assassinating the martyred premier. This was a political accusation, and this political accusation has finished."

Tribunal backed Rula Amin, AL Jazeera's correspondent in Beirut, said: "We have to remember this is not a very surprising turnaround. "He [Hariri] has been reaching out to Syria and the Syrian president in the past years since he took office and became Lebanon's prime minister. "He [Hariri] went to Damascus about four times, he met with the Syrian president who drove him around Damascus in his own car, had dinner together, hosted him in his own palace. "We have to also remember the political picture here has changed in the region. When he [Hariri] accused Syria, Syria was isolated, the US was trying to isolate it, trying even to change the regime there. "Now Syria has emerged from its isolation as a very strong player in the region ... and so he [Hariri] has to adjust." Rafik al-Hariri's killing remains a highly charged issue in Lebanon, with a UN tribunal continuing investigations into the assassination. In July, Sayyed Hassan Nasrallah, the leader of Hezbollah, the Lebanese Shia movement, said he expected the tribunal to indict members of his movement for involvement in the killing. Nasrallah has dismissed the tribunal as an Israeli project, but Hariri, who leads Lebanon's fragile national unity government, which includes Hezbollah ministers, has defended the tribunal's independence. "The tribunal is not linked to the political accusations, which were hasty ... The tribunal will only look at evidence," Hariri was quoted as saying by newspaper.

Gemayel: Critics part of 'orchestra' from Syrian occupation era

Metn MP Sami Gemayel slammed his critics as part of "the same orchestra we got used to during the Syrian occupation," reiterating that the Phalange party was not ashamed of Israeli assistance it received "when the knife was on our neck." "No one should blame us because we received arms from the devil to defend ourselves, this issue was over when the war ended in 1990," Gemayel told a news conference he called at his residence in the Metn village of Bekfaya on Wednesday. The young MP said anyone collaborating with

another friendly or aggressive state against the interests of his country was an agent. “Anyone who arrested a Lebanese, who was defending his country’s sovereignty and handed him to Syria is an agent; anyone who considers himself loyal to [Iran’s supreme leader] is an agent, and anyone who dealt with Israel against the interests of Lebanon is an agent,” he said. A number of figures from the March 8 alliance criticized comments made by Gemayel regarding the Phalange party’s relations with Israel during the 1975-90 Civil War. In remarks published by Al-Balad newspaper on Monday, Gemayel said that the Phalange party was not ashamed of the Israeli assistance it received in countering the Syrian presence. The early years of the Civil War pitted the Lebanese Front, which comprised a number of right-wing Christian militia chiefs, among them the Phalange party, against a coalition of Lebanese and Palestinian leftist forces under the name of the National Movement. Syria sent its army to Lebanon in June 1976 in support of the Lebanese Front after it had previously been a major backer of the National Movement, only to shift alliances again and clash with the Phalange party and its allies. Syria withdrew its troops from Lebanon in April 2005. MP Gemayel, a Phalange party official, is the grandson of Pierre Gemayel, the founder of the party. Tyre MP Nawwaf Moussawi, a Hizbullah official, considered “Gemayel’s pride over collaborating with Israeli a sin, and the fact that he is not ashamed is a cover to existing collaboration [with Israel] or a potential one.” Speaking to a news conference he held at his office in Tyre on Tuesday, Moussawi called upon the Lebanese judiciary to sue Gemayel. Gemayel questioned on Wednesday reasons behind what he called “a [criticism] campaign that kicked off more than three days ago.” “We consider that they want to divert attention from [their] use of arms inside Lebanon,” Gemayel said in reference to a recent armed clash in Beirut that pitted Hizbullah elements against supporters of of Al-Ahbash. Gemayel went back to the early years of the Civil War, saying the Phalange party was forced to receive arms from Israel to defend itself. “We did not like to carry arms but we were forced to do so to defend ourselves and our homes and when [encountering] arms that surpassed our capabilities, when the Syrian Army and the Palestinians were on one side and the Lebanese resistance were on the other side,” he said. “No one will make us feel ashamed that we defended ourselves when the knife was on our neck,” said Gemayel. The lawmaker called for setting up criteria based on which people are classified as [foreign] agents. Gemayel said he would file a lawsuit against his critics on charges of attempts to tarnish the reputation of a group and incite the public opinion against it. Responding to Moussawi, Gemayel said he did not accuse the Shiite sect of constituting an “embracing atmosphere” for collaboration with Israel despite the fact that 70 percent of Israeli agents arrested recently in Lebanon were Shiites. – The Daily Star

Lebanese president denounces Florida Koran burning

Lebanese President Michel Sleiman denounced on Wednesday plans by the leader of a small Florida church to publicly burn Korans, saying it contradicted Christian teachings. The leader of the US church that espouses anti-Islam philosophy said Wednesday he was determined to go through with his plan to burn copies of the Koran on September 11, despite pressure from the White House, religious leaders and others to call it off. “We are still determined to do it, yes,” the Reverend Terry Jones told the CBS Early Show. The plan has drawn widespread condemnation in the United States and abroad. “The president condemns the announcement of a religious group in the US of its intention to openly burn

copies of the Koran,” said a statement from the office of Lebanon’s Christian president. Burning Islam’s holiest book “is a clear contradiction of the teachings of the three Abrahamic religions and of dialogue among the three faiths,” Christianity, Islam and Judaism, the statement said. Sleiman insisted that Christianity teaches “love and respect for one another” and said people should reflect on that. Arab League chief Amr Mussa dubbed the Florida pastor a “fanatic” and urged Americans to oppose his plans. Mussa, who heads the 22-member pan-Arab body based in Cairo, said: “There is an increasing majority in the United States against this fanatic. “We want to see the reaction of the educated in the US against this fanatic’s destructive approach,” he told AFP. General David Petraeus, the top US and NATO commander in Kabul, took the rare step of a military leader taking a position on a domestic matter when he warned in an email to The Associated Press that “images of the burning of a Koran would undoubtedly be used by extremists in Afghanistan – and around the world – to inflame public opinion and incite violence.” Secretary of State Hillary Clinton said the past r’s plans were outrageous and urged Jones to cancel the event. Jones has responded to critics by saying that he is also concerned but is “wondering, ‘When do we stop?’” He refused to cancel the protest at his Dove World Outreach Center but said he was still praying about it. The Vatican on Wednesday denounced the planned burning of Korans as “outrageous and grave.” David Axelrod, senior adviser to President Barack Obama told CNN Wednesday morning: “The reverend may have the right to do what he’s doing but it’s not right. It’s not consistent with our values.” “On behalf of the UN and the whole international community present in Afghanistan, I would like to express in the strongest possible terms our concern and indeed outrage at the announcement,” UN envoy Staffan de Mastura said in a statement issued in Kabul. A spokeswoman for EU Foreign Affairs chief Catherine Ashton said on Wednesday the European Union roundly “condemns” the plans, while in Pakistan, actress Angelina Jolie said she “hardly had the words” to express her opposition. At least two dozen Christian churches, Jewish temples and Muslim organizations in the city have mobilized to plan inclusive events – some will read from the Koran at their own weekend services. A student group is organizing a protest across the street from the church on Saturday. Jones’ actions likely would be protected by the First Amendment’s right to free speech. The US Supreme Court has made clear that speech deemed offensive to many people, even the majority of people, cannot be suppressed by the government unless it is clearly directed to intimidate someone or amounts to an incitement to violence, legal experts said. – Agencies

Economic front

Real GDP witnesses 9 percent increase in first six months

In its latest report on the Lebanese economy, the Institute of International Finance (IIF) projected economic growth in Lebanon at 7 percent in 2010 and 6.5 percent in 2011, slightly down from 8.6 percent in 2009, as reported by Lebanon This Week, the economic publication of the Byblos Bank Group. It estimated that real GDP grew by 9 percent in the first half of 2010 driven by strong activity, as the value of cleared checks grew by 26 percent in real terms; tax revenues rose by 12 percent in real terms; credit to the private sector increased by 16 percent in real terms; the number of tourists increased by 22 percent; construction permits rose by 33 percent; and exports and imports of goods

and services expanded by 17 percent and 4 percent, respectively, in volume terms. It expected real GDP growth to moderate in the second half of the year to 5 percent due to the rise in political tensions related to the findings of the UN tribunal probing the assassination of Premier Rafik Hariri, a possible decline in consumer confidence, and the slowdown of the global economy. The IIF said its baseline scenario assumes that political tensions will be contained and the relatively stable political environment will continue throughout the forecast period, which would keep at very low levels the risks to the stability of the exchange rate and the banking system. It expected growth to remain strong over the medium-term under the baseline scenario of political stability and some progress on structural reforms. It said industry, energy, and construction will drive growth on the production side, while investment and exports of goods and services will boost activity on the expenditures side. It considered that reforming the energy sector, and specifically Electricité du Liban (EdL), would result in a large rise in investment and would raise annual economic growth by at least 2 percentage points on average over the medium-term. In turn, this could offset the expected slowdown in the growth of private consumption, and sustain an annual growth rate of at least 6.5 percent. In parallel, the IIF indicated that the continued strong growth in tax revenues and delays in the execution of the 2010 budget are expected to result in a narrower overall deficit and a larger primary surplus than originally forecast. Delays in budget execution, particularly in capital spending, combined with the expected further decline in transfers to EdL, may result in an increase in spending of less than 10 percent instead of the 16 percent forecast in the 2010 draft budget. It added that slightly less than 40 percent of the budgeted expenditures have been executed in the first half of 2010, as total expenditures decreased by 9.7 percent from the same period last year. Further, actual tax revenues increased by 16.2 percent in the first half of the year, and non-tax revenues rose by 14 percent from the same period last year when including the estimated \$600 million in telecom profits, as has been the practice in previous years. Consequently, it expected the overall fiscal deficit, excluding grants, to reach 7.5 percent of GDP in 2010 compared to 10.7 percent of GDP in the 2010 budget and down from 8.7 percent of GDP in 2009; and for the primary surplus to reach 3 percent of GDP this year relative to zero percent of GDP in the 2010 budget and down from 8.7 percent of GDP at end-2009. It also forecast the public debt to reach 136 percent of GDP at the end of 2010 compared to 146.4 percent of GDP in the 2010 budget and down from 150 percent of GDP at end-2009. The IIF warned that the government's pressing fiscal and debt burdens remain Lebanon's most important economic challenges. It noted that simply meeting the interest payments on the public debt consumes more than 40 percent of state revenues, leaving the fiscal position vulnerable to political or economic shocks, and imposing considerable opportunity costs. Macroeconomic risks from the exceptionally high debt ratio are somewhat alleviated by the fact that the financing needs of the government are supported by a highly profitable and liquid banking system, as well as by the large foreign assets of the Central Bank, it said. – The Daily Star

Social front

Nearly all Lebanese satisfied with quality of education received

Nearly all respondents in Lebanon (95 percent) said they were satisfied with the quality of college education they have received or are receiving according to the latest “Where are the Middle East’s Fresh Graduates Heading?” research survey. The survey, conducted by the Middle East’s number one job site Bayt.com in conjunction with research specialists YouGov Siraj, found that 38 percent of Lebanon’s respondents were very satisfied, 44 percent satisfied, 13 percent somewhat satisfied. Only 4 percent were dissatisfied and 1 percent were very dissatisfied. Overall in the region, 27 percent of respondents were very satisfied, 40 percent satisfied, 24 percent somewhat satisfied, 7 percent dissatisfied and 2 percent very dissatisfied with the quality of their college education. Respondents in Tunisia reported the highest satisfaction with their education with 39 percent saying they were very satisfied. Egypt and Morocco reported the largest number of “very dissatisfied” respondents with each country reaching levels of 4 percent. When asked about the impact of their education on their career development, 22 percent of Lebanon’s respondents said that their educational background has completely prepared them to target their industry of choice, 28 percent said to a large extent, 29 percent said only to some extent. Only 8 percent said their educational background hardly prepared them and only 4 percent said not at all. Overall in the MENA region, 21 percent of respondents said that their educational background has completely prepared them to target their industry of choice, 22 percent said to a large extent, 33 percent said only to some extent, 9 percent hardly and 6 percent said not at all. Among the countries surveyed, Qatar had the highest level of satisfaction with 29 percent of respondents saying that their educational background has completely prepared them to target their industry of choice and 26 percent saying to a large extent. “The figures are interesting because they show that against the current backdrop of challenging economic conditions, respondents are still very satisfied with the education they are receiving. This can be an indication of many things including higher quality education systems, increased alignment of the region’s higher education institutions with the needs of the local workplace and a sharper focus by students on studies that directly correlate with the local workplace” said Rabea Ataya, CEO of Bayt.com. According to the report, the most appealing industries to respondents from a career point of view were Banking/Finance (20 percent), IT (20 percent) and Engineering (16 percent) followed by Business Management (14 percent), Telecommunications (14 percent), Education (13 percent), Oil, Gas & petrochemicals (13 percent). Human resources (10 percent), Electronics (10 percent) and Airline (9 percent) were also listed. In Lebanon, the most appealing were Banking/Finance (24 percent) and IT (21 percent). The least appealing were Oil, Gas & Petrochemicals and Airline, both at 5 percent. The top three industries hiring were Banking/Finance (27 percent), IT (18 percent), and Education Institutions (15 percent). The least was the Business Management Consultancy sector (10 percent).

In Lebanon, the top recruiting industries were Banking/ Finance (37 percent) and Business Management Consultancy (21 percent). The least recruiting was the Oil, Gas & Petrochemicals sector (1 percent). The report also found that 4 out of 10 respondents (currently employed) found a job within three months of completing their education. Of those surveyed, 65 percent were considering setting up their own business in the future. Higher consideration was seen among respondents in Syria (81 percent) followed by Oman (78 percent). Of those considering setting up their own business, overall the preferred sectors were IT (13 percent), Engineering/Design (9 percent), and Business/

Management Consultancy (8 percent). In Lebanon, 70 percent of respondents were considering setting up their own business. Respondents in the UAE and Qatar expected a much higher salary in comparison to others, with 24 percent and 27 percent respectively expecting \$2,001 to \$3,000 salaries as opposed to only 10 percent of countries expecting that range overall. Egypt and Jordan had the lowest expectations with both countries indicating only 3 percent of respondents expecting salaries in that range. – The Daily Star

NGO presses government to respect rights of refugees

The government is being urged to introduce stronger legal safeguards to protect the rights of refugees who cross the country's borders but are branded as illegal immigrants and subjected to abuse, detention and deportation under the current system. "These arrested people are put in danger if they are returned to their countries where they might be tortured," Lebanese human rights NGO, Frontiers Ruwad, said last week in a public letter. "[It] should be noted that international law requests [us] not to criminalize refugees for entering a country illegally." "The association also fears that the committed violations are no longer limited to the rights of refugees the arrests are now linked to the use of force and abuse and this contradicts arresting procedures in Lebanese and international laws," Frontiers Ruwad said. The calls themselves may be nothing new, but they have taken on a new urgency in light of the September 1 mass arrest of Sudanese refugee, in which some 23 Sudanese citizens were detained, and reportedly mistreated, by Lebanese authorities. A further man is thought to have evaded apprehension in the same string of raids across the Bekaa. "[We are] worried because this is not the first incident, incidents of arresting people entering Lebanon illegally are continuous," the organization said. "Some of these immigrants are refugees as it is known the security situation and human rights situation in Sudan drives thousands of Sudanese to seek refuge in different countries." Current "vacuums" in legislation do not specifically discriminate against Sudanese refugees, and hit all those who try cross the border, but frequent reports of open racism by Lebanese security forces toward black immigrants mean that potential refugees from certain countries are more likely to be at risk of abuse. While the NGO deems the arrests to be in line with Lebanese law, it believes that "all refugees should be given a chance to seek refuge and ask for international protection if they are escaping from prosecution." This right is guaranteed by Article 14 of the Universal Declaration of Human Rights (UDHR) which reads that "everyone has the right to seek and enjoy in other countries asylum from persecution." Lebanon is a signatory of the UDHR but it has as yet not ratified the world's preeminent refugee treaty, the 1951 UN Convention relating to the Status of Refugees, which clearly defines who constitutes a refugee and outlines the responsibility of states toward asylum seekers on their territory. "The long-term ambition is to ratify the UN treaty but we are being realistic and asking for practical steps which can be taken now to make sure that those who are genuine refugees are awarded protection," a co-founder of Frontiers Ruwad, Samira Trad, told The Daily Star. Presently NGOs have the right to intervene in asylum cases and sometimes succeed in reversing court rulings that have sentence people to deportation or long-term imprisonment in Lebanese jails, but without an institutionalized policy many cases slip through their fingers, Trad explained. Lebanon economic growth at 7 percent in 2010 despite expected second-half slowdown

Lebanon's wine-makers keeping Bacchus alive

In the heart of the Bekaa Valley, a few miles from a temple dedicated to Bacchus, the Roman god of wine, Lebanon's vineyards are in full bloom as the country edges into the global wine market. "After European wine and new world wine, the wine of the so-called old world is emerging" as a market favourite, explains Ramzi Ghosn of the Massaya winery. "And Lebanon, with its culinary and viticulture traditions, is playing an avant-garde role in the region." Along with his brother, Ghosn is leading a new wave of Lebanese wines, using French grape varieties Merlot, Cabernet-Sauvignon, Syrah and Chardonnay, into the world market. From a mere five wineries in 1998, he says, the tiny Mediterranean country now boasts more than 30 labels. Most of them are small or medium-sized establishments banking on quality to set them apart, and some have already landed awards in international fairs and are now featured on the wine lists of Paris and London. "Lebanese wine is in fashion," Frederic Bernard, CEO of French trading company Bordeaux Tradition, told AFP. "Lebanese wines are less standardised than those of the new world," Bernard added, referring to wines produced outside Europe in countries such as the US, Chile and Argentina. "There is real variety in local wines." While the local market is still dominated by Ksara and Kefraya, which account for two-thirds of sales, names like Marsyas and Domaine de Baal are gaining popularity. "It's a niche market, so small that it piques people's curiosity," according to brothers Karim and Sandro Saade, who launched the Marsyas line in 2005 with the help of world-renowned wine guru Stephane Deroncourt, a consultant for several prominent clients including film and winemaker Francis Ford Coppola. "The future of Lebanon's wine lies in small wineries," Sandro Saade said. "The fact that a country is famed for having produced wine since antiquity ... is attractive to consumers and that is a major factor in relaunching these projects," Deroncourt told AFP. The Bekaa Valley, a fertile region in eastern Lebanon, is blessed with the ideal climate for wine production. At 900 meters (2,952 feet) above sea level, it is rich in chalky soil, rain, and long, hot summers. "There is an exotic aspect to Lebanese wine that many find appealing," says Sebastien Khoury, who owns Domaine de Baal. The Saade brothers, for example, aim to highlight the "flavor of Lebanon's Bekaa" through their Marsyas wines. "The taste of the land should overpower that of a standard Merlot or Syrah," Sandro said. Khoury stands apart with his "organic" cellars which are located on a hill overlooking the city of Zahle, where legend has it that Noah, named in the Bible as the first winemaker, is buried. Educated at Saint-Emilion, a famed wine-producing region in France, Khoury launched his winery in 2006, a mere two weeks before Israel's devastating 34-day war on Lebanon that summer. "It was hard," Khoury told AFP. "But today we export 40 percent of our production." Around 15 percent of Lebanon's wine – which brings in annual revenues estimated at around \$30 million (23.4 million euros) – is exported, mainly to France and England. But the drink of Bacchus, is also gaining popularity among the Lebanese, who view it as a source of national pride. In 2003, Nicholas Abi Khater founded Les Coteaux du Liban in the Bekaa. When he passed away six years later, his wife and son decided to keep the name alive. "I didn't even know how to uncork a bottle of wine," jokes Rula Abi Khater, who now runs the vineyard with her 15-year-old son and three employees. "But today, we export 50,000 bottles of wine a year and hope to enter the Lebanese market soon," she told AFP. Carlos Ghosn, the French CEO of carmakers Nissan and Renault who is of Lebanese origin, this spring launched his Ixsir wine, the latest label from his Wines of

Lebanon winery. The success of Bekaa wine has also encouraged investors to turn to other areas of the fertile Mediterranean country. In the hilly terrains of Batroun in north Lebanon, Jean Massoud hopes to see his Atibaia wines hit the market next year. “This will be a premium wine, a boutique wine,” Massoud told AFP. Back in the Bekaa, tourists are increasingly stopping by local cellars for a wine-tasting tryst. And 5,000 years after the Phoenician civilization domesticated wine along the coast, Abi Khater is happy that an age-old tradition is back. “This paints a beautiful picture of our country,” she said.