

## Gulf crisis

## Fertile Mesopotamia a war theatre for 5,000 years

NICOSIA, Jan 29: Mesopotamia, fertile region between the Tigris and Euphrates rivers that became the heart of modern Iraq, has been a battleground for more than 5,000 years, reports AP.

One empire replaced another as the fabled "land between the rivers" was gripped for centuries in a seemingly endless cycle of conquest and rebellion, reports AP.

The fates of civilizations turned on the high-tech weapons of their day: the chariot, bronze axe, the bow and arrow and iron-bladed spear. Now, Saddam Hussein battles sophisticated missiles and super-sonic jets carrying laser-guided "smart" bombs.

Mesopotamia was the proving ground for arms and tactics that dominated warfare for hundreds of years. Saddam's role models are its mighty kings, whose victories he invokes in claiming their mantle.

## Sumerians

The Sumerians, a non-Semitic race, founded a chain of city-states around 3,500 B.C. in what is now southern Iraq and united about 1,000 years later to become the first regional superpower.

They introduced bronze weapons and were using chariots long before the Egyptians perfected them as the fast-moving ancient equivalent of modern armor.

Sumerian chariots were cumbersome, four-wheeled vehicles drawn by four asses. Their top speed probably was about 15 miles (24 kilometers) an hour, and since no one had invented a swiveling front axle, they could turn only in very wide arcs.

Chariots were used primarily to crush through columns of infantry, carrying spearmen who stabbed holes in enemy ranks.

The Sumerians pioneered the phalanx, a tight column of infantrymen in goat-hair kilts who advanced, according to ancient carvings, in six files of 11 men each.

In about 2,350 B.C. the Sumerians met their match in an enemy that had developed a new long-range weapon—the bow and arrow, the equivalent in its day of "stand-off" missiles that warplanes launch

miles from their targets. Archers fighting for the Akkadians, whose empire centered on the city of Akkad somewhere north of present-day Baghdad, neutralized the Sumerian army's supremacy.

## Babylon

Babylon came to dominate the region in the 18th century B.C. King Hammurabi conquered most of Mesopotamia with an army of 50,000 men, a huge force for the time. It included Chaldeans from the desert and Elamites from what is now Khuzestan, Iran's oil-rich southwestern province.

Citizen soldiers made up most armies in those days, but like of Saddam with his elite Republican Guard, Hammurabi had a crack force of about 1,000 Royal Guards.

His army had cavalry, chariots and infantry. The cavalrymen, renowned as mounted

Contemporary accounts said the Babylonians, Chaldeans and Elamites lost 13,000 killed and 3,000 captured.

The Assyrians introduced iron weapons and heavy iron armor that was far more effective than the padded hides most soldiers used for protection. The empire was extended to the Mediterranean.

Shalmaneser III, with 120,000 men, defeated the Hittites in the battle of Qarqar in 853. The Assyrians fielded 1,100 chariots and 11,000 cavalrymen against the Hittites 700 chariots and 700 cavalry in a fast-moving forerunner of today's tank battles.

Not until the Battle of Khalule in 690 B.C. did the Assyrians finally crush the Babylonians. The victors claimed their enemies lost 150,000 killed.

## Assyrian power

Assyrian power, centered on Nineveh in what is now northern Iraq, ruled supreme until the resurgent Babylonians and their allies, the Medes of what is now Iran, sacked Nineveh in 612 B.C.

Babylon flourished again under king Nebuchadnezzar and his armies destroyed Jerusalem. That empire lasted until the Persian sacked Babylon in the next century.

Eventually, the Assyrians were virtually wiped out. So

ferce was the revenge of those they had brutally subjugated that most traces of the Assyrian civilization were destroyed.

Alexander the great and his Macedonians sacked Babylon in 331 B.C., then went on to India, forming a great empire stretching from Libya to the Punjab.

He returned to Babylon, planning to invade Arabia, but died of malaria in 323 B.C., at age 32. His empire collapsed, torn apart by feuding generals.

After Alexander, the Romans and the Byzantines tried to move in to Mesopotamia, but were held at bay by the Sassanids.



Masks and masks everywhere in the Gulf region — a cartoon in the Saudi Gazette.

## We don't seek destruction of Iraq: Bush

WASHINGTON, Jan 29: President George Bush Monday said the United States does not seek the destruction of Iraq and said the war in the Gulf is aimed solely at reversing the aggression of Iraqi leader Saddam Hussein, reports Reuter.

"It is a just war and it is a war in which good will prevail... we do not seek the destruction of Iraq. We have respect for the people of Iraq," Bush said.

"We don't want to see a country so destabilized that Iraq itself will become a target," Bush said in an address to the national religious broadcasters convention.

## Terrorist attacks feared All roads to Capitol Hill closed

WASHINGTON, Jan 29: Streets around the Capitol will be closed and security measures inside will be pervasive Tuesday when President George Bush delivers his State of the Union address amid concern about a possible terrorist attack, reports AP. Security is always tight for the President's annual address. But additional measures are planned this year because security officials believe the building could be a prime terrorist target during the Gulf war.

A number of heightened measures already are in place and will stay in effect at least for the duration of the threat. In one departure from the past, everyone entering the building is asked to remove overcoats, which are then checked by hand.

Rep. Bill Alexander said members of Congress have been briefed on how to protect themselves and recognize letter bombs. Staffers have been given advice on recognizing suspicious individuals and packages.

For the speech, scheduled at 0200 GMT Wednesday, the Capitol Police will close all streets within a four-block radius of the building from midnight GMT until Bush leaves.

Technicians installed additional devices that detect explosive materials by "sniffing" enzymes in the air.

As in previous years, the building will be closed to everyone but the news media, those with tickets to the speech and employees. The ticket holders will go through metal detectors twice, once when entering the building and again before going into the galleries.

Capitol security forces also are linked by radio hookup with key government agencies including the State Department and Defense Department.

House Sergeant At Arms Jack

Russ, in a letter detailing security precautions for Bush's address, wrote: "I recommend as a security precaution that all members of Congress park in underground garages and use the subways (the Capitol's underground tunnels)."

On Friday the Capitol Police Board, which sets policy for security, decided to curb visitor access to the Capitol. All visitors will be barred from the west Front Plaza, the side of the building that faces the Washington Monument.

Visitors will not be permitted on the sides steps on the East Front—the side of the Capitol that contains a paved plaza. And only visitors, but not protesters, will be allowed on the East Front's center steps, where the public enters for tours. Protesters have in the past been allowed to use the steps for demonstrations.

Political demonstrations will now be confined to the grassy areas on either side

of the Capitol. One congressional source, speaking only on condition of anonymity, said that for the past two years, security forces have been installing the devices that detect explosives.

The Capitol police for years have had tactical units to combat terrorism and demonstrations, and have them on alert. Days off have been cancelled for the entire force of nearly 1,400 officers.

House Sergeant at Arms Jack Russ and Senate Sergeant at Arms Martha Pope have briefed Capitol employees on the security threat.

The privately owned newspaper that circulates in the Capitol, Roll Call, reported that Russ told his meeting the Capitol is the "number one" target in the country for terrorist attacks. "We don't know how we're going to be hit. We just believe we are going to be hit," Russ said, according to Roll Call's account of the meeting.

## 50 Israeli planes join Allied raids?

NICOSIA, Jan 29: Allied warplanes have carried out 118 sorties against Iraq since Sunday, while 50 Israeli planes left for Saudi Arabia to join the raids, according to official Iraqi radio, reports AFP.

The Al-Sauds (Iraq's ruling family) have committed an unprecedented crime by placing their airports at the disposal of the Zionist (Israeli) entity to allow it to attack the Iraqi people," said Iraq's mother of battles radio.

The radio, citing Iraq's 27th military communique since the Gulf war erupted on January 17, said "50 Zionist planes left the airspace of occupied Palestine at dawn Monday and headed for Saudi Arabia to join the armies of aggressions."

Baghdad recently charged that 84 Israeli warplanes were in Saudi Arabia and that some of them had joined in air attacks against Iraq target.

Israel and the U.S.-led coalition denied the charges. The community, also reported 118 Allied sorties against Iraqi residential and military zones since Saturday.

Iraq's anti-aircraft defense shot down three additional air targets during that period, the statement said. It gave no further details nor did it report any Iraqi casualties.

Iraq has said it has destroyed 272 Allied warplanes or missiles since the Gulf war started, while the U.S.-led coalition has acknowledged the loss of 23 aircraft.

## FLASHBACK

archers, were the most effective.

For much of their ascendancy, the Babylonians were threatened by the Assyrians from the north, whose soldiers wore heavy armor.

In 818 B.C., the Assyrians triumphed at Dur-Papsukal.

## US military planes allowed to refuel in India

NEW DELHI, Jan 29: New Delhi is allowing US military cargo planes to refuel in India in a move which Indian officials said Monday could be seen as a tilt against Iraq, reports Reuter.

In Indian Foreign Minister spokesman told reporters that US transport planes had allowed to refuel in Bombay on their way to and from the Gulf.

These facilities were granted for the purpose of conveying non-lethal supplies and for evacuation of personnel on medical, humanitarian and emergency grounds, the spokesman said.

Asked if Indian officials had

inspected any cargo the planes were carrying, he said, "It is not in my position to comment."

Revealing the arrangement, the Times of India newspaper said Monday that 38 transport planes shuttling between the Gulf and Philippines had refueled at Bombay since January 9.

The spokesman said he did not know how long the refueling arrangement would last. He said he did not know why it had not been made public before the Times report.

The spokesman insisted the arrangement was not a sign India was moving closer to the

US-led coalition against Iraq. Senior Indian officials, however, said it may be seen as a tilt against Iraq when India is trying to play a role in a Non-aligned movement (NAM) initiative to bring about a ceasefire in the Gulf war.

Peace formula Foreign Minister Viadva Charan Shukla returned to India on Sunday from Tehran saying ministers from five NAM nations would meet in Belgrade next month to work out a peace formula.

Fresh unrest feared One official said he feared the refueling decision could

trigger renewed demonstrations against the United States in India, which has 100 million Muslims in a population of 850 million.

At least five people were killed and 23 injured when a Muslim demonstration against US attacks on Iraq sparked Hindu-Muslim riots in Ghaziabad town near Delhi on Saturday.

Several major political parties criticised the refueling decision.

"It is a matter of shame that the government of India, abandoning all commitment to the principles of Non-align-

ment... is collaborating with US imperialism, the four main leftist parties said in a joint statement.

## Feature

## Banking and Finance

## Investment Cowers as FE Reserve Falls

by Reza Jewel

ANY pragmatic policy decisions of Bangladesh have been faltering largely due to corruptions including favouritism over the last nine years. Labour unrest, irresponsible patronage and prolonged civil unrest caused by the opposition's struggle for democracy were also responsible for the current state of economic disorder.

According to a financial expert, the government should take far-reaching austerity measures with regard to government expenditure, in the interest of penury alleviation and national development. Huge unproductive expenditures in the private sector were destroying the atmosphere of savings, he pointed out.

The Gulf crisis had the first depressive effect on the Bangladesh foreign exchange reserve position when the Bangladeshis employed in Kuwait and Iraq started coming back home jobless and empty-handed in August, 1990.

In 1977-78, the foreign exchange reserve stood at US\$

269 million, but in 1989-90 the reserve rose to an estimated US\$ 720 million. Unfortunately, about 20 percent of more than 5,00,000 Bangladeshis working abroad, lived in Kuwait and Iraq contributing more than US\$ 800 million a year of remittances have returned home. As a result, the country will suffer a loss of estimated US\$ 500 million annually for the Gulf crisis, taking into account the loss in remittances and the increased fuel import bill. In the fiscal year 1989-90, imported over 2 million tonnes of crude oil and petroleum products. But the bill fell from 20 per cent to 8 per cent last year.

Another factor that has contributed to decline in foreign exchange reserve is the imposition of restrictions on imports during 1987-90. The imposed trade policy has widened the trade gap during fiscal year 1989-90 wherein exports were at US\$ 1.3 billion and imports US\$ 3.4 billion which had been covered by remittances and foreign assistance. Lately, however, many of the restrictions on imports have been relaxed by the Car-

taker Government. The country also faced shortage of foreign exchange due to payment of interest of about US\$ 19.6 billion on foreign loans.

The US\$ 175 million of the first instalment of the energy sector credit raised the foreign exchange reserve of Bangladesh to 550 million US dollars by September 1990, but drawing down the fund in November 1990 has brought the reserve to 500 million US dollars.

The World Bank is yet to release the second instalment of the credit, but negotiations are going on between the government and the Bank. Official sources said decision on the fund release will be finalised shortly.

The past government took a number of measures to get the energy sector credit in fulfilment of the conditionalities of the World Bank. As a step, currency has been devalued by 10 per cent recently.

About US\$ 34.1 million from the commercial banks was borrowed by the Government to meet the budget deficit for 1990-91. The Nationalised Commercial Banks

(NCB) find it difficult to continue lending money to the Government for the banks' liquidity crisis.

In recent years, the investment climate is deteriorating rapidly owing to shortage of foreign exchange. In the promotion of modernization process, foreign direct investment (FDI) can play a very useful role in our country. The Government has now geared up revenue collection to avoid borrowing from the nationalised banks.

Our fiscal policy makers must take necessary steps to solve the decline in remittances from abroad without delay. The Secondary Exchange Rate market has shown a downward trend in keeping with realistic rate of exchange over the years since its inception. Considering the present level of foreign exchange reserve, it may be necessary to re-examine our fiscal policies to be absolutely certain that we are following the correct path. The excess gold which is hoarded by the rich may be permitted to be used for the investment programme of our country.

One is the inclusion of Canada in any future deal since Canada inked a separate free trade has shuttered hundreds of businesses there, costing some 200,000 jobs and nudging unemployment up to eight per cent.

Opponents of the deal were also angered that it guaranteed an uninterrupted flow of oil and natural gas from the north, even if Canada was faced with shortages.

Some Canadians are angry that after making concessions to the US in exchange for guaranteed special access to the huge US market, the Americans are now offering the same package to the Mexicans.

Observers of the Canada-US negotiations now expect the Americans to seek out special access to the Mexico's energy resources.

Indeed, the inclusion of

European Economic Community and the Pacific Basin nucleus clustered around Japan.

In the vision of the Bush administration, economic integration of all Latin America into one free trade bloc will follow thereafter.

But there are a number of thorny issues in the way of negotiations.

## BUSH TREADS A TRICKY PATH TO MEXICO

Free trade talks between the US and Mexico are a top item on the US New Year political agenda — so important, in fact, that President George Bush took time out from Persian Gulf pressures in late 1990 to focus attentions on his closest neighbour to the south.

The apparent objective of Bush's 27-hour foray into northern Mexico was to pump up support for a free trade agreement between the two nations and pave the way for his "initiative for the Americas." In Bush's own words, Mexico is "a bridge to all of Latin America."

Negotiations on a bilateral free trade deal between the two countries are expected to open formally in the first three months of 1991 and should take less than two years to complete if US congressional does not knock them off

The US may be looking to a free trade agreement with Mexico as a gateway to establishing a trading bloc of the Americas, but already a number of obstacles have arisen. Canada, which thought it had secured special access to the US market through its own free trade deal with Washington in 1988, has expressed reservations about having a similar deal extended to Mexico. And many Mexicans are unwilling to see oil needed at home go north to the US. By JOHN ROSS

the fast track.

When — and if — a free trade agreement is concluded, it will create a US-dominated North American market stretching from the Yukon to Yucatan with access to 362 million consumers and a trading bloc doing \$225 billion a year in business. It will be an integrated economy to rival the

## The South Finds New Markets in the North

IT might be thought strange for a tiny African country to try to sell canned asparagus to countries 5,000 miles away in Europe that are expert in vegetable production.

Yet that is exactly what Lesotho in southern Africa is doing with increasing success. It is all a matter of good marketing.

Graham Dixie, the man behind the Lesotho project, says the fields of Africa are "packed full of intriguing things" for niche markets in the West which are "expanding and will continue to expand in the next years." The same goes for developing countries in other parts of the world.

Says Dixie: "There is no

Third World produce has found its way into First World markets with the help of good marketing. As Gemini News Service reports there have been successful efforts in Swaziland and Lesotho to secure European and South African markets for their produce. Graham Dixie, a specialist in high-value crops, who has been involved with some of these success stories, believes the best way to sell is to bring the product right to the buyer. by Mercedes Silva

substitute for being able to take some samples and place them in the hands of buyers for them to say "Yes, that's a good product, but you need to improve it in such an such way, and this is the price at which we would like to buy it."

Dixie believes his Lesotho project would not have succeeded without showing the buyers the type of produce that could be achieved. Some 1,200 farmers in Lesotho are now growing asparagus on quarter-hectare plots. The total output is about 800 tonnes and increasing. They produce white asparagus which is peeled, trimmed and canned locally, by the Lesotho National Development Corporation.

Waste products from horticulture in the developing world can often be resold commercially to Western countries at comparatively high profits though opportunities are often missed for lack of information.

A pilot spin-off from the asparagus project is close to establishing a Western market for powder recycled from the 45 per cent of the crop that is wasted. This can be dried, pulverised and sold at \$6,000 a ton.

Samples were sent to specially chosen potential cus-

tomers. The European market demands high biological standards — initially, more finely milled, whiter and drier powder was requested, but the basic product was accepted.

The European market for white asparagus powder is mainly Britain. The rest of Europe is more accustomed to green asparagus. Yet, Europe may soon turn to the white variety now that it is becoming available.

Another example of the use of what would otherwise be waste is the sale in Europe of Swazi cotton seeds to Europe, the Swazi-flower, as dried flower for floral ornaments.

The Rome-based U.N. Food and Agriculture Organisation

financial returns by about ten times compared to growing wheat, according to Dixie. In this case the local market was big enough to absorb all the farmers' produce. At last count, there were between 800 and 1,200 hectares of mint crops. The crop is cut four times a year. Small local businesses run the oil production process.

Once the product proves attractive to buyers, whether in the domestic or the foreign market, the next step is to establish a business link. When the links are established, the process tends to run without a hitch.

For example, farmers in Swaziland planted tomatoes in

the hope that a single buyer from Durban, South Africa, would purchase the whole crop.

Working with small farmers in a USAID project, Dixie and his group followed the track of tomato consumption to South Africa and found that during the winter there is no local crop because of the frost.

Forty farmers in Swaziland joined forces and, that winter, sold the whole 180-ton local tomato crop to South Africa for an equivalent of about \$20,000. This year the network is already set to repeat the process.

Ghana is another horticultural success story benefiting from a good local product and smart marketing.

Pineapple farmers took advantage of the near-empty planes flying overhead from Nigeria on the return journey to Europe. Using them for distribution to Europe, Ghanaian produces is now able to compete with pineapples from Ivory Coast and Kenya. GEMINI NEWS

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