

Normalisation of ties US vows to reciprocate if Iran takes step

WASHINGTON, June 19: The United States promised Thursday to reciprocate if Iran takes steps to improve relations as officials worked behind the scenes on measures to bring Tehran into a dialogue that would end 18 years of estrangement, reports AFP.

US president Bill Clinton endorsed a ground-breaking address by Secretary of State Madeleine Albright in which she offered Wednesday to discuss a "roadmap leading to normal relations" with Iran following a series of confidence-building steps.

"What we want is a genuine reconciliation with Iran based on mutual respect and reciprocity," Clinton said. "We believe Iran is changing and we want to support that."

It was the first time since its 1980 diplomatic break with Iran that the United States had held out the prospect of a return to normal ties with the Islamic republic.

Iran welcomed the US offer

but said it was awaiting a concrete gesture from Washington such as a lifting of the 1995 US embargo barring American companies from doing business in Iran and a share in the development of Caspian oil and gas.

Responding to that call, the State Department acknowledged that it was considering concrete proposals that could be presented to lay the groundwork for normalisation.

"We obviously have more than we are thinking about with respect to how to pursue government-to-government dialogue, if that takes place," State Department spokesman James Rubin said but he declined to elaborate.

In a shift, the State Department dropped its insistence that the three areas of concern — support for terrorism, development of weapons of mass destruction and peace with Israel — should be included in an agenda for possible talks with Tehran.

India, Pakistan set to lose \$4b in loans under US sanctions

WASHINGTON, June 19: India and Pakistan are expected to lose a combined total of 4 billion dollars in international bank loans each year as a result of sanctions imposed by the United States and other industrialised countries, the Clinton administration said Thursday, reports AP.

Officials offered details of the sanctions package the United States is imposing against the two countries in response to the nuclear tests they carried out last month.

"We hope the sanctions will induce India and Pakistan to step back from the brink," said Deputy Secretary of State Strobe Talbott. His review also covered other aspects of the impact of US sanctions but included no total cost estimate.

Meanwhile, the Indian Foreign Office issued a statement calling the measures "coercive" and said they would rebound on Washington.

Coercive measures such as these interfering with the free flow of trade, investment and

technology are unjustified and counterproductive," a Foreign Office spokesman said in a midnight statement.

Under US law, the administration is required to vote against loan requests for "non-basic human needs" projects in international financial institutions from countries that engage in nuclear testing.

A US analysis concluded that India on average borrows 2.5 billion dollars each year in that category and Pakistan 1.5 billion dollars.

The sanctions have already led to a postponement of 1.17 billion dollars in such lending to India. No loans have been presented by Pakistan for consideration but 25 million dollars in International Monetary Fund assistance had been postponed for reasons unrelated to its nuclear tests.

Seven other industrialised countries have joined the United States in applying that sanction against India and Pakistan, thus ruling out the possibility that the US negative

vote could be overridden by other countries in these institutions.

Talbott said he is hopeful that the penalties applied against India and Pakistan "will send a signal to the rest of the world" that nuclear testing carries a stiff price.

Loan requests for basic human needs will not be affected. These include projects in such areas as education, health, low income housing and water and sewage.

According to a fact sheet made available to reporters, the United States also:

- Terminated or suspended bilateral foreign assistance with the exception of humanitarian aid. Projects affected include 21 million dollars in economic development assistance and housing guarantee authority for India and 6 million dollars to combat greenhouse gases in India. Most assistance to Pakistan had already been prohibited years ago under separate legislation.

Halted foreign military sales and revoked licenses for the commercial sale of any item on the US munitions list and suspended delivery of previously approved defence articles and services to India.

Terminated any new commitments of US government credits and credit guarantees in the areas of export financing, investment guarantees and agricultural credits. India was one of the top five countries in terms of US investment guarantees, receiving an average of 300 million dollars annually in such support. The US programme to finance exports had recently reopened in Pakistan.

Will issue an executive order to prohibit US banks from extending loans or credits to the Indian and Pakistani governments. Private sector loans are not affected.

Will deny export of all dual use items controlled for nuclear or missile reasons. There will be a presumption of denial for all other dual use exports.

Off the Record



Rebecca King causes a blooming stir at Royal Ascot, near London on Ladies' Day, Thursday. The prestigious horse race is a showcase of fashion for women each year, with hats of every description vying for attention. — AP/UNB photo

Prince William's first

LONDON: Prince William, the 15-year-old heir to the British throne after his father Prince Charles, has made his first complaint over press intrusion, reports said Friday.

William, who turns 16 tomorrow, complained to the British press watchdog, the Press Complaints Commission, that a supplement devoted to him in the Mail on Sunday last week violated guidelines on privacy.

The supplement contained details on William's girlfriends and suggested they were "vetted" by royal officials, and reports said he had decided "enough is enough."

Despite self-imposed guidelines urging restraint in coverage of William and his 13-year-old brother Harry since the death of their mother Diana, Princess of Wales, the press has shown continual if non-intrusive interest in the pair.

William, a handsome, blonde future heir to the throne, looks strikingly reminiscent of his mother, has attracted particular attention.

Nevertheless, the decision by William to make his first complaint about press coverage can almost be seen as a rite of passage before becoming a fully adult member of the British royal family.



BRIEFLY



Eleven-year-old Dinesh Vatsya, the only surviving member of a family of 19 killed in a cyclone, looks into deep space and refuses to speak to anyone, in Kandla, 450 km north of Mumbai, India Tuesday. More than 1,000 people, most of them salt pan workers, were killed in the cyclone that hit western India's Gujarat state June 9. — AP/UNB photo

Aid appeal for Kosovo refugees

The United Nations appealed to wealthy Arabs in Gulf states Friday to donate 12.9 million dollars to help tens of thousands of ethnic Albanians driven from their homes by fighting in the Yugoslav province of Kosovo, AP reports from Cairo.

The funding is also intended to support local communities hosting the Muslim refugees, who are fleeing Serbia's crackdown against ethnic Albanians.

Abimael Guzman dead

Abimael Guzman, a philosophy professor who founded Peru's notorious Shining Path rebel group, has died in prison, red global television reported Thursday, AFP reports from Lima.

Guzman, 63, had been complaining of kidney pain and bronchial infections, red global reported. Peruvian officials would not immediately comment on Guzman's health.

Blast kills two in Beirut

Two people were killed overnight when a car was devastated by a bomb explosion in a northern Beirut suburb, police announced yesterday, AFP reports from Beirut.

The blast came shortly before 1:00 am (22:00 gm) Thursday when the car, a rented French-made Renault 19, was on its way to an unknown destination. The driver was killed immediately. It was not immediately clear whether the second victim was a passenger or a passer-by.

US envoy to UN warns Milosevic End crackdown on Kosovo or risk 'consequences'

WASHINGTON, June 19: Washington's Ambassador-designate to the United Nations on Thursday warned Yugoslav President Slobodan Milosevic to end his crackdown on Kosovo province or risk "serious consequences," reports AFP.

Richard Holbrooke, President Bill Clinton's nominee for the UN ambassadorship, cited two possible reprisals — tightening of existing sanctions or NATO intervention — if Milosevic does not curtail his operations against separatists in mainly ethnic Albanian Kosovo.

"If President Milosevic does not realise how dangerous the game that he and his military forces are playing is, the consequences will be very serious for him and his country," Holbrooke said.

Holbrooke said that while the fighting in Kosovo, where more than 300 people have died

since February is not as extreme as Bosnia civil war, "the lessons of Bosnia have not been lost."

Holbrooke was the chief architect of the 1995 Dayton peace accord that ended the two-year war in ex-Yugoslavia.

Meanwhile, the Pentagon said Serbian forces in Kosovo appear to be showing greater restraint since Russian President Boris Yeltsin's meeting with Milosevic Tuesday in Moscow.

Pentagon spokesman Kenneth Bacon, however, said there had been no dramatic changes in the disposition of the Serbian special police and army units in the southern province since the meeting.

"The Yugoslav forces consisting of the special police and the military forces have seemed to have been more restrained and less active. That's been going on for several days," Bacon said.

Indonesia offers new proposals on East Timor

UNITED NATIONS, June 19: Indonesia's foreign minister met with Secretary-General Kofi Annan and offered new proposals on East Timor which a UN spokesman said could mark an important development in resolving the dispute over the former Portuguese colony, reports AP.

The United Nations refused Thursday to disclose details over the proposals presented by Foreign Minister Ali Alatas.

But UN spokesman Fred Eckhard said they marked "an important development" in negotiations over East Timor, which Indonesia invaded in 1975 and annexed the following year.

Eckhard said the UN special envoy on East Timor, James D. Baker, would visit Portugal this month and Indonesia in July to follow up on the new Jakarta proposals.

The UN General Assembly never recognised Indonesia's annexation of the territory. The United Nations has been trying since 1983 to help find a solution.



Yeltsin's 'double'?

MOSCOW, June 19: A Communist Party parliament deputy has formally asked Russia's general procurator to investigate whether President Boris Yeltsin has been replaced by a "double," a newspaper reported, reports AP.

In an interview with the daily Moskovsky Komsomolets published Thursday, deputy Alexander Saly said he has found the president's appearance and actions suspicious ever since his 1996 re-election.

"The difference between the pre-election Yeltsin and the post-election Yeltsin simply jumps out at you," Saly said, according to the paper.

He gave the following examples. Since his second inauguration, the president has thrown out most of his old cronies and installed new staffers, Saly said. He used to hide his left hand, which his missing two fingers, but now he displays freely.

And finally, Yeltsin's daughter has become the president's official "image" maker to advise the "new" Yeltsin on how to walk and talk like the original, Saly suggested.

India won't carry out further N-tests

MOSCOW, June 19: India believes its recent series of nuclear weapons tests will contribute to "stability" in the region but it will carry out no further tests, Indian Deputy Defence Minister Adjit Kumar said Thursday, reports AFP.

Kumar, who began an official visit to Russia on Monday, was speaking in Saint Petersburg where he held talks with the regional military commander Valentin Bobryshev, he also visited a naval shipyard.

Kumar said there were "good prospects" for military cooperation with Russia and he added that India would continue to buy arms from Moscow.

His visit was organised within the framework of a bilateral military agreement signed in January 1993.

Joint Indian-Russian naval exercises are scheduled to take place in the autumn.

Russian President Boris Yeltsin has announced plans to visit New Delhi in December.

Kumar is scheduled to leave St Petersburg on Saturday for France.

Earlier Thursday, Pakistan, India's neighbour and traditional rival — said it reserved the right to conduct further nuclear tests despite its declaration last week of a moratorium on more tests.

"If at any stage we feel that we need to take actions which are necessary in our supreme national interest, we reserve the right to take such actions," a foreign office spokesman in Islamabad said.

Pakistan conducted five nuclear tests on May 28 and another on May 30 after India exploded three devices on May 11 and two more on May 13.

6 more killed in Karachi, dozens of suspects held

KARACHI, June 19: Police detained dozens of suspects today a six people were killed in Pakistan's largest city Karachi, plagued by violence which has claimed 35 lives this week, police and political sources said, reports AFP.

Police said they seized "criminals" from their hideouts and recovered some weapons during raids in the troubled areas.

Two people were shot dead overnight in the eastern Landhi district and Jamshed quarters.

Police found two bullet-riddled bodies today in an abandoned car in central Nazimabad area, the victims were blindfolded and bound with rope. Two other men were killed elsewhere in the port city.

US won't sign 'no-first-use' pact on N-arms with China

WASHINGTON, June 19: The United States will not sign a "no-first-use" pledge on nuclear weapons with China, a White House official said Thursday, reports AFP.

Washington wants to pursue talks on a nuclear detargeting agreement with Beijing, but a promise not to be the first to use nuclear weapons "is contrary to United States strategic doctrine," the official said.

A Chinese Foreign Minister spokesman said earlier Thursday that Beijing believes a pledge not to be the first to use nuclear weapons must precede the signing of any nuclear detargeting agreement.

Negotiations between Beijing and Washington on the matter were underway in preparation for US President Bill Clinton's upcoming visit to China starting June 25.

"We have an interest in a detargeting agreement with China," said the official, who spoke on condition of anonymity.

"We have talked to them in the past about those discussions continue. The hesitancy in the past has been on the Chinese side."

The renewed call for a non-first-use pledge "is a condition that the Chinese have placed on a detargeting agreement," the

official said, adding: "That is not a condition that we favour."

The difference between Washington and Beijing on the issue diminished chances of a nuclear detargeting agreement being ready to sign in time for Clinton's summit with Chinese President Jiang Zemin next week.

Asked whether such an agreement would be ready for signing during the summit, the Chinese foreign ministry spokesman, Zhu Bangzao, said: "We believe it is more important for China and the United States to first sign the no-first-use pact."

Koreas may celebrate liberation day jointly

SEOUL, June 19: South Korea accepted "in principle" Friday a North Korean proposal to jointly celebrate their liberation from Japan's colonialism in 1945, reports AP.

The Korean peninsula was divided into the communist North and the capitalist South right after the liberation on August 15. Both sides mark the day with celebrations.

On Wednesday, North Korea proposed marking its year's Independence Day with a grand festival for national reconciliation, unity and reunification.

"We believe it is more important for China and the United States to first sign the no-first-use pact."

the border village of Panmunjon inside the 4 kilometer (2.5-mile)-wide demilitarized zone separating the two Koreas.

North Korea said letters containing the proposal were sent to about 85 South Korean political, social, cultural, religious and student leaders.

On Friday, South Korea's Unification Minister Kang In-duk said his government would accept the North's proposal "in principle" and that a formal South Korean reply would be sent next week.

He said South Korea would propose that the festival be expanded to include a music concert, soccer matches and joint religious services.

SE Asia threatened by fresh forest fires

SINGAPORE, June 19: Southeast Asia is threatened by fresh forest fires and smog with the onset of the dry season and firm counter-measures must be implemented, Singapore's Environment Minister Yeo Cheow Tong warned today, reports AFP.

Yeo, opening a meeting of environment ministers from the Association of Southeast Asian Nations (ASEAN), said widespread bush fires and smoky haze "will surely aggravate the already bad regional economic situation."

Heavy rains in the past two months have doused forest fires largely raging in Kalimantan, the Indonesian part of Borneo Island.

However, with the onset of the dry season from this month, we are faced with a renewed threat of fires and haze. In fact over the past few days, fires have already been detected in some parts of Sumatra," he said.

Sumatra is a large Indonesian island near Singapore, which coordinates satellite monitoring of forest fires.

"It is important that we take firm and decisive measures to put out these fires and prevent new ones from developing," Yeo said.

"We must therefore continue to press on with all our regional and sub-regional initiatives, and ensure that southeast Asia will not be engulfed by a blanket of smoke haze in the months ahead," he said.

Yeo urged donor countries to contribute to a 10-million dollar firefighting assistance package being raised by the United Nations Environment Programme.

Millions of people were affected by severe pollution and at least three billion dollars in economic damage was caused by the fires and thick haze which spread across the region in late 1997, according to environmental groups.

'Sanctions may compel Pakistan to trade in N-technology'

WASHINGTON, June 19: US intelligence analysts, stung by their failure to anticipate nuclear tests in South Asia, are reassessing their conclusion that Pakistan is unlikely to share its capability with other Muslim countries, raising the specter of an "Islamic bomb," reports AP.

Although they do not yet view these scenarios as likely, US analysts are watching for signs that economic sanctions imposed on Pakistan may be compelling the Islamabad government to gain scarce cash by trading on its nuclear technology, according to US intelligence officials.

A congressional aide familiar with intelligence issues said the Central Intelligence Agency's counterproliferation centre also was concerned that individual Pakistanis might sell their knowledge abroad.

"While it might not be Pakistani policy to proliferate, there might be an individual willing to do so," the aide said in explaining the CIA analysts' thinking.

These developments come a month after India and Pakistan surprised US analysts with an exchange of underground nuclear blasts. Once burned, the intelligence community is anxious not to be caught off guard again. A critique of the episode ordered by CIA Director George Tenet found that the agency failed to give sufficient weight to contrary opinions.

That finding by a panel headed by retired Adm. David Jeremiah is now driving a close examination of whether Pakistan might sell bomb-making material to fellow Muslim nations such as Iran, according to administration officials and congressional aides.

However, the prevailing view, both among intelligence analysts and outside experts, remains that Pakistan developed its nuclear capability at great expense after decades of toil and is unlikely to give it away lightly.

They say that the sole purpose of its programme was to

counter rival India's nuclear capability, not to challenge Israel.

The Islamic faith shared by Pakistan and Mideast states does not automatically lead to friendly relations.

"Pakistan's relations with Iran, for instance, are very testy at this time," said Geoffrey Kemp, a national security aide during the Reagan administration and now with the Nixon Centre for Peace and Freedom.

US intelligence closely has watched tensions between Iran and Pakistan over the minority Shi'ite Muslim population, seen in Shiite Iran as the victim of Pakistani oppression. A number of Iranians have been killed in Pakistan in recent years, adding to the tension.

Proliferation worries come at a time when the Clinton administration is offering to begin a new relationship with Iran if it abides by international standards of conduct — including rules barring the spread of weapons of mass destruction.

Mideast analyst Anthony Cordesman of the Centre for Strategic and International Studies says the United States is "grossly over-dramatising the whole thing, acting like we've suddenly discovered India and Pakistan are nuclear powers."

Calling Pakistan's weapon the Islamic bomb, Cordesman said, "is a little like calling the weapon the United States dropped on Hiroshima a Christian bomb."

Moreover, Pakistan has little to spare from its own bare bones nuclear programme.

David Albright of the Institute for Science and International Security estimated in The Bulletin of the Atomic Scientists that Pakistan has enough enriched uranium for 16 to 20 nuclear weapons. Having depleted that stockpile by its recent underground tests, regional experts say, Pakistan would be in no position to sell its precious fissile material.

The concept of an Islamic bomb dates back to the late 1970s when ousted Pakistani Prime Minister Zulfikar Ali

Bhutto mused on the idea from his jail cell.

"We know that Israel and South Africa have full nuclear capability — a Christian, Jewish and Hindu civilisation have this capability... the Islamic civilisation is without it, but the situation (is) about to change," he wrote in 1978.

Far from hailing Pakistan's achievement, the Muslim world's main international group, the Organisation of the Islamic Conference (OIC), issued a statement last month expressing "deep concern over this serious development."

But Sheikh Ahmed Yassin, the spiritual leader of the militant Palestinian movement, Hamas, said, "Pakistan's possession of nuclear power is to be considered an asset to the Arab and Muslim nations."

Iranian Foreign Minister Kamal Kharrazi caused a stir when he said Muslims in the Mideast had long worried about Israel's nuclear capability and could now feel confident that a fellow Islamic nation possessed

Palestinians ask UN to block Israeli building in east Jerusalem

GAZA CITY, Gaza Strip, June 19: The Palestinians have complained to the United Nations about the construction of Jewish neighbourhoods in traditionally Arab east Jerusalem, a Palestinian official said Friday, reports AP.

The PLO representative to the United Nations asked UN Secretary-General Kofi Annan in a letter to pressure Israel to stop the building, said Zakaria Agha, a member of the PLO Executive Committee.

Israel and the Palestinians are to negotiate the future of Jerusalem in talks on a permanent peace agreement. The negotiations have not yet begun, but are to conclude by May 1999.

The Palestinians want to establish a future capital in east Jerusalem, the sector captured by Israel from Jordan in the

1967 Mideast war, but Israel says it will never relinquish sovereignty over all of the city of 420,000 Jews and 180,000 Arabs.

The Palestinians complain that by building in east Jerusalem, Israel is preempting the outcome of the negotiations. Israel says it is the sovereign in the city, and will not restrict its building activities.

Since 1967, Israel has built large Jewish neighborhoods in east Jerusalem, and the number of Jews and Arabs living in the eastern sector is roughly the same.

When Israel broke ground last March for a new housing project in east Jerusalem — 6,500 apartments in an area known in Hebrew as Har Homa and in Arabic as Jabal Abu Ghneim — the Palestinians suspended peace talks.