

Pak police name prime suspects in Pearl's abduction
AFP, Karachi

Pakistani police on Tuesday named two prime suspects in the abduction of US journalist Daniel Pearl after arresting three others overnight in the eastern city of Lahore.

A senior police investigator told AFP that two Muslim militants, Mohammad Hashim Qadeer and Mohammad Bashir, were the "prime suspects so far" believed to have kidnapped Pearl in this southern city 13 days ago.

"We will only come to know the extent of their involvement once they are arrested. We hope to catch them," he said on condition of anonymity.

Three other men were arrested in Lahore late Monday for questioning, he added, declining to give further details.

Qadeer, also known as Arif, was identified by police on Monday as a crucial link in the abduction of the Wall Street Journal reporter.

Pearl was last seen heading off to meet Qadeer on the understanding that he would take him to Mubarak Ali Shah Gilani, leader of the little-known militant Muslim group Tanzee ul-Fuqra, another senior police investigator said.

7 killed in Kashmir
AFP, Srinagar

Seven people, including a three-year-old boy, were killed in separatist-linked violence in Indian Kashmir, where a one-day strike Tuesday disrupted life in the region's main city.

The strike, to mark Pakistan's Kashmir Solidarity Day, closed down shops, businesses and banks in Srinagar, the Kashmiri summer capital.

Australia vows tight security for C'wealth summit
AFP, Canberra

Security for the Commonwealth Heads of Government Meeting (CHOGM) next month has been upgraded following the September 11 attacks in the United States, the Australian government said Tuesday.

The summit of 50 world leaders including Britain's Queen Elizabeth II was postponed last year because of the attacks.

"The 2002 CHOGM meeting is a powerful sign that the work of the Commonwealth will not be derailed by the evils of terrorism," Attorney-General Daryl Williams said.

CHOGM 2001 was scheduled for Brisbane last October but was postponed following the US terror attacks amid security concerns and the withdrawal of many Commonwealth leaders.

Karzai meets Hoon in Kabul
AFP, Kabul

Interim Afghan leader Hamid Karzai met British Defence Secretary Geoff Hoon here Tuesday for talks expected to focus on security and international troop levels, officials said.

Colonel Richard Eaton, spokesman for the International Security Assistance Force (ISAF), told reporters Hoon had arrived in Kabul earlier Tuesday and would leave in the afternoon for Pakistan.

Karzai last week appealed to British Prime Minister Tony Blair in London for a more robust foreign troop presence amid persistent outbreaks of factional infighting and banditry.

Indian, US officials meet to boost ties
AFP, Jodhpur

Top-ranking US and Indian military officials were meeting across India Tuesday to firm up defence ties and prepare the ground for joint army, air force and naval exercises.

A US delegation of senior commanders from the three wings of the armed forces is in India for three days to follow-up on the Indo-US Defence Policy Group (DPG) meeting in December last year which agreed to boost cooperation on counter-terrorism initiatives.

Jakartans return home
AFP, Jakarta

Floods during which more than 80 people were killed nationwide receded in the Indonesian capital on Tuesday, leaving mountains of rubbish and about 51,000 people suffering from disease, officials said.

About 80 per cent of some 330,000 Jakartans who were forced to evacuate their inundated houses over the past week have returned home, said Raya Siahaan, an official at the flood relief centre.

"In general the floods have subsided," Siahaan told AFP, adding that water levels in the city's numerous rivers had returned to normal.

Delhi itself to be blamed for uprising in Kashmir

Musharraf renews talks offer to India

AFP, Islamabad

Pakistani President Pervez Musharraf on Tuesday reiterated his appeal for dialogue with nuclear rival India but said New Delhi had only itself to blame for the bloody uprising in Kashmir.

Musharraf said Muslim militants fighting to end Indian rule in Kashmir were rebels against brutal Indian military occupation, not terrorists as New Delhi has tried to portray them.

"If the people of Kashmir have been forced to take up arms against Indian occupation forces during the past decade or so, it is India which is to be blamed for this," he said in a message to mark Kashmir Day in Pakistan.

The general said Islamabad would never end its diplomatic, political and moral support to the Kashmiri uprising, which has raged in the Indian side of the divided state since 1989.

At least 35,000 people have died in Indian-controlled Kashmir since the separatist insurgency began in response to India's refusal to recognise the election victories of certain Muslim parties in 1987 polls.

Pakistan and the militants say more than 70,000 people have died in the fighting and thousands of women have been raped by occupying Indian

troops.

Muslim-majority Kashmir was divided between India and Pakistan in 1947 and has sparked two wars between them. Pakistan denies Indian allegations that it foments the Muslim rebellion.

The South Asian rivals have come to the brink of another war since India accused two Pakistan-based militant groups of launching a surprise attack on the parliament in New Delhi on December 13.

Musharraf has banned the two groups and arrested some 2,000 suspected religious extremists across Pakistan since mid-January. Islamabad says the ball is now in New Delhi's court.

"We have said repeatedly that Pakistan wants tension-free relations with India and for that purpose desires to resolve the Jammu and Kashmir dispute and all other outstanding issues through peaceful means," Musharraf said.

"I take this opportunity to once again urge the Indian leadership to sit with us at the negotiating table."

Some 800,000 troops are massed along the Indo-Pakistani border but India has refused to order its military to stand down despite international appeals for dialogue and restraint, saying Pakistan must first end the "cross-border terrorism" in Kashmir.



PHOTO: AFP
US Deputy Secretary of the Treasury Kenneth Dam (r) meets Pakistani President General Pervez Musharraf (l) in Rawalpindi, some 25 km from Islamabad on Monday for talks on efforts to sever terrorist financing. He discussed Pakistan's economic reforms and offered the United States' continued support.



Iraq for talks with UN without precondition

REUTERS, United Nations

With threats from Washington mounting, Iraq has offered a "dialogue" with UN Secretary-General Kofi Annan without preconditions, the United Nations announced on Monday.

No details were given on what the talks would entail or whether Iraq was ready to allow UN arms inspectors back into the country unconditionally, after a three-year hiatus.

The Iraqi offer was made to Annan by Amr Mousa, secretary-general of the Arab League, who was carrying a message from President Saddam Hussein.

Annan in turn said he was prepared to receive a delegation "to discuss implementation of relevant Security Council resolutions" at a mutually convenient date, a UN statement said. Iraq has been under UN sanctions since it invaded Kuwait in August 1990.

Some diplomats said the Iraqi

offer was encouraging while another said "there is less there than meets the eye."

Iraq and Annan have held previous talks, the last ones in February 2001. But the secretary-general declined to hold a follow up round last year because key UN Security Council members had no common policy. The council, rather than Annan, has the final say on Iraqi policies.

Since then the split between the five permanent council members the United States, Britain, Russia, France and China -- is less noticeable but they still disagree on what steps Iraq has to take to get the sanctions suspended. The arms inspectors left Iraq in December 1998 after a US-British bombing campaign, and have not been allowed to return since.

Iraqi government officials have been travelling throughout the world, seeing council members, such as Russia and China as well as Arab leaders.

district officer of Kabhre, Homnath Duwadi, told state-run radio.

The home ministry spokesman said the incident had left more policemen dead than any other single attack since the emergency was declared on November 26.

Seven guerrillas also died in the three-hour battle after the Maoists attacked a police post at Bhakundabesi in Kabhre district, 120 kilometres (75 miles) east of Kathmandu, on Monday night.

"Sixteen policemen died while five others were injured and taken to Kathmandu for hospital treatment," a home ministry spokesman said.

The chief of the armed police force, Krishna Mohan Shrestha, said: "The police guards fought very bravely for three hours and managed in the end to foil the Maoist plan to capture the police post."

In the exchange of fire seven

Maoists died and many more may have been wounded, the chief

agency needed to be extended by three months to crush the Maoists.

"If the state of emergency is extended for three more months, I am confident of solving 75 percent of the terrorism problem," he told reporters.

The emergency has to be approved by lawmakers within three months of its imposition and the government needs to win at least a two-thirds majority in the 205-member lower house of representatives to extend it.

This could be difficult as opposition parties have said they want to see it lifted, but the latest attack could strengthen the government's case.

Of the main parties, the ruling Nepali Congress has 113 seats in the lower house, the main opposition Nepal Communist Party-United Marxist and Leninist has 68 and the rightist National Democratic Party 11.

US anti-terror allies big winners in Bush's foreign aid budget

AFP, Washington

US allies in its war on terrorism came out big winners Monday as President George W. Bush presented his 25.4-billion-dollar fiscal 2003 foreign aid and international affairs budget.

Nations like Jordan, India, Pakistan, Yemen and Oman won significant increases in the amount of military assistance and economic support. Washington hopes to provide next year, the State Department said.

In addition, Colombia, which is fighting a long-running insurgency in addition to battling coca production, sees a boost of almost 100 million dollars to help it protect its infrastructure from rebels, it said.

"This budget is predicated in many ways on support for countries that are assisting the United States in its global war on terrorism," said Joseph Bowab, a senior department budget official.

Jordan is slotted to receive nearly 250 million dollars more in US military and economic assistance than it did last year for a total of 448 million dollars.

India and Pakistan also see massive increases in US assistance.

Pakistan, which last year received 9.5 million dollars in US economic support is slated to receive 200 million in fiscal 2003. Military aid to Pakistan rockets from nothing last year to 50 million in fiscal 2003.

In fiscal 2002, the United States gave India only seven million dollars in economic support and nothing in military aid. This year those figures rise to 25 and 50 million dollars respectively.

In the new budget, Yemen's aid jumps from five to 12 million in military and economic aid while Oman sees a jump from zero to 20 million dollars in military assistance, it said.

Iran threatens severe retaliation if attacked

AFP, Dubai

Bushehr nuclear power station in southern Iran.

"If Israel undertakes military action against Iran, it will face a response that would not have crossed the mind of any Israeli politician," the minister said, stressing that response would not be nuclear.

Shamkhan told Asharq Al-Awsat that Iran was content to develop its ballistic capabilities to defend itself, notably with the Shihab 3 missile, which has a range of 1,300 kilometres (810 miles).

"We want to increase the precision of this missile and its explosive force in the limits allowed by international norms and laws," he said, adding it was sufficient to uphold Iran's "defensive policy".

Asked about the presence of US troops in Afghanistan, Shamkhan said Iran was "strongly opposed to the presence of foreign military

Poverty must be tackled to keep China stable: Jiang

AFP, Beijing

"Only by solving the problem can we further spur social and economic expansion of China in a world where many changes have taken place," he said, quoted by the People's Daily.

The president's remarks follow widely-voiced concerns that increasing deprivation in China, in particular following its accession to the World Trade Organisation (WTO), could be the biggest social challenge facing Communist rule in coming years.

Jiang highlighted the problem of

rural poverty and the plight of laid-off workers, areas considered by some observers to be potential social flashpoints.

The comments come a week before China's Lunar New Year, when an army of up to 120 million migrant workers return from urban areas to their rural home towns for family reunions.

There are 30 million people still living in absolute poverty in rural China as well as a "significant number" of laid-off workers from state-owned companies in urban areas, Jiang said.

The two soldiers, armed with automatic weapons, had deserted their barracks near the town of Ulyanovsk on Monday, opening fire from a stolen car as they approached a roadblock, killing a policeman and two other people.

Militants kill 24 in Algeria

AFP, Algiers

Islamic extremists killed 24 people overnight in three attacks in northern Algeria, the official APS news agency reported Tuesday.

Nine people were shot dead on the road linking the capital Algiers to Oran in the far northwest, while another 13 people were shot or hacked to death with knives in the same area, APS said.



PHOTO: AFP
Indonesian residents take shelter under a flyover in Jakarta on Tuesday after their houses were swept by floods. About 80 per cent of some 330,000 residents who were forced to evacuate their inundated houses and take shelter in safer areas have returned home after floodwaters began to recede.