



PHOTO: AFP

File photo taken on November 10, 1999 in Baghdad shows British MP George Galloway flashing the victory sign next to a giant black and white picture of Iraqi President Saddam Hussein at a press conference. The US Senate's Permanent Subcommittee on Investigations said Thursday that Galloway and former top French minister Charles Pasqua received huge oil allocations in kickbacks from the ousted Saddam Hussein regime under the UN Oil-for-Food programme.

# US probe links ex-French minister, British MP to Iraq oil scandal

AFP, Washington

A controversial British MP and a French former cabinet minister took huge oil allocations in kickbacks from Saddam Hussein's ousted Iraqi regime under the UN oil-for-food programme, a US Senate committee charged yesterday.

The committee has "detailed evidence" that Britain's George Galloway and French former interior minister Charles Pasqua received "lucrative oil allocations" from Baghdad, said Republican Senator and panel chairman Norm Coleman in a report.

The report by the US Senate's Permanent Sub-committee on Investigations is based on what it says are Iraqi oil ministry documents and testimony of senior officials in Saddam's regime, ousted in the US-led invasion in March 2003.

Galloway furiously denied the allegations as "a big lie."

The MP, who formed his own political group after being kicked out

of Prime Minister Tony Blair's governing Labour Party for his virulent rhetoric against the Iraq war, won huge libel damages from a British newspaper last year after it made similar allegations.

"It doesn't matter how long you repeat a falsehood, it doesn't become other than a falsehood," Galloway told BBC radio.

"The big lie technique of telling a big lie often enough in the hope that people will believe it is clearly at work here."

Pasqua, who was twice France's interior minister, has in the past strongly denied the allegations. There was no immediate reaction Thursday from him.

However, one of his former diplomatic advisers, Bernard Guillet, was placed under investigation by a French magistrate two weeks ago on suspicion that he was involved in an oil-for-food fraud.

Coleman and Carl Levin, the ranking Democrat on the subcommittee, used the report to criticise the UN program, which itself is at the

centre of a major international corruption investigation.

The panel said it had found evidence that Galloway received some 20 million barrels of oil in allocations from Iraq and Pasqua 11 million barrels.

It also supported US government assertions that Saddam's regime awarded oil contracts to influential foreign officials in an effort to maximise Baghdad's influence.

"These allocation holders -- essentially gatekeepers to Iraqi oil -- would sell their right to buy under-priced Iraqi crude to traditional oil producers and in turn received a 'commission', which typically ranged from three to 30 cents per barrel," said a statement released by Coleman and Levin.

"The staff report presents numerous documents from the Hussein-era ministry of oil that expressly identify Charles Pasqua and George Galloway as allocation recipients," they said.

# EU sends warning letter to Iran

IAEA hopes talks will avert nuclear crisis

AFP, Vienna

Europe yesterday warned Iran of "consequences" if Tehran resumed nuclear activities it suspended under a deal with EU negotiators last year, as diplomats hurried into talks to avert a fresh crisis.

A European diplomat told AFP that Iran had received a letter from Britain, France and Germany warning of "consequences if they restart conversion activities".

The letter also "proposes a four-way meeting in the near future."

"We hope the Iranians will reconsider," one diplomat said, adding that the letter was delivered to Iran on Tuesday or Wednesday.

France urged Iran to think again and to maintain negotiations.

"We reaffirm our attachment to the Paris agreement of November 2004, which envisages the suspension of activities linked to the enrichment and treatment (of uranium) ... and we call for more discussions," the foreign ministry said in Paris.

A top Iranian nuclear official had said earlier Thursday the country could soon announce the resumption of "a noticeable part" of uranium conversion work, a precursor to

uranium enrichment.

And Iran's Isna agency quoted Hassan Rowhani, the Islamic republic's top nuclear negotiator, as saying Tehran would "no longer have any respect" for the nuclear Non-Proliferation Treaty (NPT) if it was prevented from using atomic technology and the full nuclear cycle for peaceful purposes.

Iran's enrichment program is the focus of international fears that the clerical regime is seeking to develop nuclear weapons. Iran insists it only wants to make atomic energy reactor fuel.

But the watchdog International Atomic Energy Agency (IAEA) said it hoped intense last-minute talks with Iran would dissuade Tehran.

"I know there was a lot of a diplomacy last night," a Western diplomat said on customary condition of anonymity.

Top Iranian negotiator Cyrus Nasseiri told AFP by telephone from Vienna that "discussions" were ongoing.

Iran agreed in the November deal with European Union members Britain, France and Germany to suspend its uranium enrichment work, including conversion, as a "confidence building" gesture.

# Car bomb kills 15 in Baghdad

## Two US Marines, Iraqi general, police colonel slain

REUTERS, AFP, Baghdad

A car bomb blast in a market in a mainly Shia district of eastern Baghdad killed at least 15 people and wounded more than 20 yesterday, police said.

Medics at Kindi hospital said they had received the bodies of 12 dead, three of them women, along with 76 wounded, including 10 women. Another three dead and eight wounded, three of them women, were taken to Ibn-Anafees hospital.

The blast, in a busy mixed neighbourhood, was caused by a suicide bomber, he said.

At least eight cars and a bus were caught in the blast at 10:55 am (0655 GMT), while a number of storefronts were blown in and stalls operated by street vendors were sent flying.

The blast followed a series of suicide bomb attacks on Wednesday that killed at least 76

people.

Meanwhile, two US Marines were killed on Wednesday when their armoured vehicle drove over a mine in northwest Iraq during an offensive against insurgents, the US military said yesterday.

The military said 14 Marines were wounded in the blast.

A general in Iraq's newly-formed army and a police colonel were shot dead in separate incidents Thursday morning in Baghdad, an interior ministry official said.

"Staff General lyad Imad Mehdi was seriously wounded by gunmen at 07:15 am (03H15 GMT) on leaving his home in the western Jihad district," the official said.

One hour later, police Colonel Jamal Ahmed Hussein, who worked at the interior ministry, was gunned down on leaving his home in the Al-Amin district, in the southeast of the capital, the official said.

# Anti-Muslim hate crimes on the rise in US: Study

AFP, Washington

Hate crimes against Muslims soared in the United States last year, according to a report by the Council on American-Islamic Relations (CAIR) released Wednesday.

The number of hate crimes against members of the Muslim community jumped 52 percent last year, from 93 incidents in 2003 to 141 in 2004. And the number of violent acts, discriminatory incidents and cases of harassment against Muslims rose 49 percent between 2003 and 2004, to 1,522.

CAIR Executive Director Nihad Awad called the figures alarming and urged President George W. Bush -- "whose statements after the (September 11, 2001) attacks were so important in helping to protect the well-being of the American Muslim community -- to once again speak out against Islamophobic attitudes."

The annual report noted that workplace discrimination against Muslims was less prevalent, while incidents involving police were on the rise, in the form of unjustified arrests and searches and abusive interrogations.

# Plane scare shows edgy face of US

INDO-ASIAN NEWS SERVICE, Washington

The 15 minutes of frantic evacuations of the White House and Capitol Hill -- after a small plane entered the restricted airspace -- has again brought into a sharp focus how nervy the US remains nearly four years after 9/11.

Between 11.59 am and 12.14 pm on Wednesday the world's most guarded capital erupted into chaos as a two-seater Cessna plane with a student pilot came within five kilometres of the White House.

According to a detailed account given by White House press secretary Scot McClellan, during those 15 minutes the alert rapidly rose to red even as President George W Bush was jogging at an "off-site" location not too far from the White House.

First Lady Laura Bush was in the White House along with former First Lady Nancy Reagan and both were taken to a "secure location", a euphemism for a maximum security bunker, which is insulated from nuclear fallout.

Vice-President Dick Cheney,

who was also in the White House, was evacuated and taken to another "secure location". Under security guidelines the president and the vice-president do not stay together in case there is any eventuality.

Whether the government came close to ordering to shoot down the plane was something that never became clear but considering the proximity of the plane it was conceivable that such an eventuality did cross many minds.

"It never came to that point, I don't believe. I don't have any more details in terms of what occurred, in terms of that," McClellan said when pressed by reporters on whether shooting down the plane was contemplated.

If the plane was travelling at 125 miles an hour (200 kph) it could have reached the White House in two minutes, according to The New York Times.

During the briefing, McClellan was asked if it was fair to say terrorists had demonstrated that the US could be rattled by a Cessna.

# Thailand moves to end martial law

## Violence erupts in south

AFP, Bangkok

Thailand moved yesterday toward ending martial law in southern provinces wracked by an Islamic insurgency, as three bomb attacks and a shooting left a former village chief dead and eight police officers wounded.

Martial law has been enforced in most districts of the southern provinces of Songkhla, Yala, Narathiwat and Pattani since January 5, 2004, one day after a raid on an army depot triggered 16 months of unrest that has claimed more than 670 lives.

"At today's meeting, we agreed that the use of martial law would end in those three southern provinces, on condition that a new law to give more powers to civilian officials is approved," Deputy Prime Minister Wissanu Krea-Ngam told reporters.

The new law would allow the prime minister, with the consent of the cabinet, to invoke special pow-

ers for civilian authorities anywhere in the country to respond to outbreaks of unrest, Wissanu said.

"The new law will authorise government officials to order evacuations, to restrict movements in certain areas, to declare curfews and to search without a warrant.

"If the situation deteriorates out of control, then the prime minister could also give authorities the power to detain people without a warrant," he said.

The draft law would also allow authorities to restrict the purchase and sale of bomb-making devices, including SIM cards for mobile phones which security forces believe are used by militants to detonate bombs.

"I have asked security agencies to come up with an English translation, because if we declare a state of emergency, it will scare foreigners who think that means martial law," he said.

# Japan considering Iraq exit strategy

AP, Tokyo

After kissing their babies and hugging their wives, 200 Japanese soldiers in combat fatigues lined up at a base in central Japan last weekend under the "Rising Sun" flag for what has become a familiar ritual: the send-off for troops on their way to Iraq.

But this batch of soldiers may be among the last.

Nearly 18 months into its most ambitious overseas military operation since World War II, Japan is now considering whether to join a growing list of countries pulling out or scaling back their operations in Iraq in the coming months.

A pullout by Japan would be a blow for President Bush, who is struggling to keep such coalition supporters as Italy and Poland on board. Like many coalition partners, however, the troops' fate has presented Tokyo with a difficult dilemma.

Despite the strong backing of the deployment by popular Prime Minister Junichiro Koizumi, public

opinion remains deeply divided over whether the troops should have gone at all. Washington, meanwhile, is pushing hard for Japan's tightly restrained military to assume a more aggressive role overseas, meaning the Iraq mission's legacy will likely loom large for years to come.

Officials stressed on Tuesday that the future of the deployment would not be influenced by the suspected kidnapping of a Japanese security contractor a former paratrooper with Japan's army outside a US military base near Baghdad the day before.

"At the moment, it won't affect the activities of Self-Defence Forces in Samawah," the southern Iraq city where the troops are based, defence chief Yoshinori Ono said.

Still, Tokyo seems to be leaning toward a speedy withdrawal.

Ono told a news conference last week that the end of the year was being considered as a pullout date because that would coincide with the end of the UN mandate.



PHOTO: AFP

A woman uses a cell phone after being evacuated from the US Capitol on Wednesday in Washington, DC. The Capitol and White House were evacuated after an apparent threat from a small aircraft.