4 Hezbollah

militants killed

Four militants from Lebanon's Hezbollah movement were killed and 11 Israeli soldiers wounded as

violence flared on the volatile border

Monday amid political turmoil in

Israeli military sources said it was

the Shia militant group which had

sparked the fighting with an attack

on Israeli troops but Hezbollah

retorted that its fighters had only

attacked the Israeli patrol after it

strayed across the UN-demarcated

frontier into Lebanese territory.

in Israeli raid

INTERNATIONAL

Nepali parties, Maoists to work for democracy

Nepal's major political parties have agreed to work with Maoist rebels to abolish the monarchy and restore democracy if the insurgents first disarm, a former prime minister said

The agreement, announced by Girija Prasad Koirala, is the first between the rebels and an alliance of seven political parties since King Gyanendra sacked a coalition government in February and assumed power.

"The country's seven agitating party alliance and the Maoists have agreed to a 12-point agenda to establish full-fledged democracy and launch a movement to end the tyrannical monarchy and hold constituent

sion," Koirala told a press conference.

'However the two sides will not launch the joint movement until the Maoists surrender their arms," said Koirala, who leads the Nepali Congress, the largest party, and has been premier of the Himalayan kingdom four times.

Gyanendra has said he sacked the government for its failure to tackle the rebellion which has claimed more than 12,000 lives since 1996.

In response to pressure from India, Britain and the United State, Gvanendra offered last month to hold local elections in February 2006 and parliamentary elections in 2007.

But the political alliance rejected the gesture because of continued civil rights.

Maoist rebel leader Pushpa Kamal Dahal, alias Prachanda, also issued a statement Tuesday announcing the agreement but did not mention aban-

"The seven-party alliance and the Maoists have reached a 12-point agreement during various phases of talks," the emailed statement said.

Last week Koirala had appealed to the rebels to form an alliance with mainstream parties to restore democ-

The rebels have previously called for a constituent assembly to review the constitutional monarchy founded in 1990, although political parties had earlier rejected the idea.

newspaper last week said the Maoists were willing to disarm under United Nations auspices.

In September the rebels announced a three-month unilateral truce in what analysts saw as an attempt to win public support and work with mainstream political forces.

"The tie-up is a natural course of action because the king has not sought to reconcile with political parties," said senior human rights leader Padma Ratna Tuladhar, who has led government negotiations with the Maoists in the past.

"The political leaders are joining hands with the Maoists because the king has sidelined the parties."



Iraqi leaders call for US

putting in place an immediate national

Sunni leaders have been pressing

the Shia-majority government to agree

to a timetable for the withdrawal of all

foreign troops. The statement recog-

nized that goal, but did not lay down a

specific time reflecting instead the

The flare-up came on the eve of Lebanon's independence day and amid turmoil in Israel following Prime Minister Ariel Sharon's call for early elections he plans to contest at

the head of a new centrist party.

Sharon on course to win election

Ariel Sharon is on course to win Israel's coming election, opinion polls showed vesterday in an initial boost for the prime minister a day after he quit his rebellious right-wing Likud to form a

With an early election likely in February or March, the surveys gave Sharon 30-33 seats in the 120-member parliament, enough to make his stillunnamed party the biggest faction in a governing coalition and virtually ensure him a third term.

Sharon, in a move that could reshape Israeli politics for years to come, bolted the party he co-founded three decades ago, saying he could not push for peace with the Palestinians

while "wasting time" battling far-right rivals in the Likud.

However, he gave no ground in his bedrock demand, part of a US-backed peace "road map" whose terms both sides have failed to fulfil, that the Palestinian Authority disarm militants before talks on statehood can resume after five years of bloodshed.

"We will work to set the permanen border of the nation while insisting on the dismantling of terrorist groups, Sharon said.

Appearing to be in high spirits, the -year-old ex-general popularly known as "the Bulldozer" ruled our further unilateral Israeli withdrawals from occupied land following a Gaza pullout completed in September that

Bush plotted to bomb al-Jazeera

US President George W. Bush planned to bomb pan-Arab television broad caster al-Jazeera, British newspaper the Daily Mirror said vesterday, citing a Downing Street memo marked "Top Secret".

The five-page transcript of a conversation between Bush and British Prime Minister Tony Blair reveals that Blair talked Bush out of launching a military strike on the station, unnamed sources told the anti-war-in-Iraq daily.

The transcript of the pair's talks during Blair's April 16, 2004 visit to Washington allegedly shows Bush wanted to attack the satellite channel's

EUROPE TELLS US

Come clean on secret CIA prisons

The European Union wants the United States to clarify reports about the way its CIA spy agency handles suspected Islamic extremists as part of anti-terrorism activities, Danish Foreign Minister Per Stig Moeller said Monday.

"We say in all friendship to the United States, 'What is this? You can't be satisfied with all these rumours and neither are we," Moeller was quoted telling Danish news agency Ritzau after a

Washington has refused to confirm or deny press reports about the

Central Intelligence Agency's use of European airports to transfer suspected Islamic extremists around the globe, and so-called "black site" covert prisons in eastern Europe, Afghanistan Thailand and elsewhere.

"We say (to the Americans): A lot of countries have been named in relation to these overflights, and we can guess at a lot of others in connection with these prisons. So we would like you to tell us something about it," he said.

British Foreign Minister Jack Straw, whose country currently holds the rotating EU presidency, did not mention any formal demand to the United States about the matter, the

President Mahinda Rajapakse, who was sworn in Saturday after his victory at Thursday's election, was due to prorogue parliament later Monday and summon the assembly

"After parliament holds its ceremonial sitting with an address by the new president, the assembly will meet again that afternoon to ratify the state of emergency," the official said.

The current emergency laws were declared by former president Chandrika Kumaratunga on August 13, a day after foreign minister Lakshman Kadirgamar was assassinated by suspected Tamil **Figerrebels**

periods without warrants.

due to debate the national budget Sarath Amunugama earlier this month, but Rajapakse said he would election promises.

pullout timetable government's stance that Iraqi security forces must be built up first.

On Monday, Iraqi Interior Minister program to rebuild the armed forces ... Bayan Jabr suggested US-led forces control the borders and the security situation" and end terror attacks should be able to leave Iraq by the end of

next year, saying the one-year extension The preparatory reconciliation conference, held under the auspices of of the mandate for the multinational the Arab League, was attended by Iraqi force in Iraq by the UN Security Council this month could be the last. President Jalal Talabani and Iraqi Shia and Kurdish lawmakers as well as "By the middle of next year we will eading Sunni politicians.

be 75 percent done in building our forces and by the end of next year it will be fully ready," he told the Arab satellite station Al-Jazeera.

Germany's Merkel sworn in as chancellor

Angela Merkel was sworn in as Germany's first woman chancellor before the Bundestag lower house of parliament following her formal election by the chamber vesterday

The pastor's daughter became Germany's eighth postwar leader and the first person from the former communist east to take the helm of the reunited

Merkel, 51, added the optional phrase "so help me God" at the end of the formal oath. Her predecessor Gerhard Schroeder had omitted it during his swearing-in as chancellor in 1998 and after his reelection in 2002. Lawmakers voted 397 to 202 with 12

abstentions to make Merkel Germany's eighth leader since World War II, succeeding Gerhard Schroeder, whose seven-vear government of Social Democrats and Greens was ousted by voters Sept. 18. Schroeder was the first to walk over

and congratulate a smiling Merkel after the vote was announced.

"Dear Mrs. Merkel, you are the first democratically elected female head of government in Germany," parliament $president\,Norbert\,Lammert\,said.\,"That\,is$ a strong signal for women and certainly for some men, too. I wish you strength, God's blessing and also some enjoyment in your high office.'



Outgoing German Chancellor Gerhard Schroeder (bottom) walks away after congratulating his successor Angela Merkel after she was elected new

chancellor during a session of parliament in Berlin yesterday.

US, Europe won't push for UN move on Iran

Washington and its European allies will forgo pushing for Iran's referral to the UN Security Council later this week, giving Russia more time in persuading Tehran to give up technology that could make nuclear arms, diplomats and officials told The Associated Press on Monday. For the Americans and the

European Union, the plan holds the promise of success even if Iran continues to reject the proposal that would move its uranium enrichment program to Russia The acceptance of that plan, in

theory, would deprive the Iranians of the chance to enrich uranium to weapons grade, suitable for use in the core of nuclear warheads.

But if the Russians fail to win over the Iranians, Washington and the Europeans hope Moscow and other kev board members of the International Atomic Energy Agency now opposed to Security Council referral will moderate their opposi-

The comments by the diplomats and US and European government officials came three days before the IAEA board meets to ponder options on Iran that at least formally still included a decision on Security Council action.

But the diplomats and officials, who spoke on condition of anonymity because the strategy on Iran is confidential, said referral was now off the table at the meeting.

Instead, they said Washington as well as Britain, France and Germany representing the European Union would probably settle for a statement critical of recent IAEA findings showing the Iranians in possession of what appeared to be drawings of the core of an atomic warhead and of other worrying nuclear activities.

In Washington, State Department spokesman Sean McCormack also suggested the focus had shifted from an all-out push for referral, saying: "We're encouraging Iran to get back to the negotiating table with the EU-3 at this point."

New Lanka govt to go on with emergency rule

Rajapakse to keep finance, defence portfolios

AFP, REUTERS, Colombo

Sri Lanka's new government will maintain a state of emergency and the national parliament will be asked to ratify the tough laws, officials said.

Reaching out to the Sunni Arab com-

munity, Iraqi leaders called for a

timetable for the withdrawal of US-led

forces and said Iraq's opposition had a

The communique finalised by

Shia, Kurdish and Sunni leaders

Monday condemned terrorism but

was a clear acknowledgment of the

Sunni position that insurgents should

not be labelled as terrorists if their

operations do not target innocent

civilians or institutions designed to

provide for the welfare of Iraqi citizens.

the withdrawal of foreign troops

The leaders agreed on "calling for

"legitimate right" of resistance.

Emergency laws give sweeping powers to police and security forces to arrest and detain suspects for lengthy

The parliament was on Tuesday unveiled by former finance minister unveil a new budget incorporating his

Meanwhile, Sri Lanka's new president, Mahinda Rajapakse, will keep the finance and defence portfolios for himself when he unveils his cabinet later on Tuesday, his media secretary told Reuters

Rajapakse, the island's former prime minister, has previously held the labour, fisheries and highways portfolios in cabinet, but has never held the post of Finance Minister.

"It is only two posts (he is keeping) One is defence, the other one is finance," said media secretary Chandrapala Liyanage. The swearing in ceremony of the cabinet ministers will be this evening.'