

Corruption 'mars Iraq rebuilding'

8 million Iraqis need emergency aid

BBC ONLINE, AP, London

The US agency overseeing reconstruction in Iraq has told the BBC that economic mismanagement and corruption there is equivalent to a "second insurgency".

The chief auditor assigned by Congress, Stuart Bowen, said the Iraqi government was failing to take responsibility for projects worth billions of dollars.

Bowen also said his agency was investigating more than 50 fraud cases.

Meanwhile, nearly a third of Iraq's population is in need of emergency aid, a report by Oxfam and Iraqi NGOs says.

About 8 million Iraqis, nearly a third of the population, need immediate emergency aid because of the

humanitarian crisis caused by the war, relief agencies said Monday.

Those Iraqis are in urgent need of water, sanitation, food and shelter, said the report by Oxfam and the NGO Coordination Committee network in Iraq.

The report said 15 percent of Iraqis cannot regularly afford to eat, and 70 percent are without adequate water supplies, up from 50 percent in 2003. It also said 28 percent of children are malnourished, compared with 19 percent before the 2003 invasion.

The report said the Iraqi government was failing to provide basic essentials such as water, food, sanitation and shelter for up to eight million people.

It warned that the continuing

violence was masking a humanitarian crisis that had escalated since the US-led invasion in 2003.

US Special Inspector General for Iraq Reconstruction Stuart Bowen was appointed to audit \$44bn (£22bn) allocated since 2003, after reports of widespread fraud and waste.

The agency publishes quarterly reports on the situation, most of which have complained about a serious lack of progress. Monday's report was no different.

In an interview with the BBC, Bowen said corruption was endemic and described it as "an enemy of democracy".

He added: "We have performed 95 audits that have found instances of programmatic weakness and

waste, and we've got 57 ongoing cases right now, criminal cases, looking at fraud."

Mr Bowen said the transfer of projects to Iraqi government control was "troubling", and expressed concern about delays and cost overruns. He also said Iraqi ministries were struggling to administer funds.

Last year, Prime Minister Nouri Maliki's government only spent 22 percent of its budget on vital rebuilding projects, while spending 99 percent of the allocation for salaries, he said.

He said "a pathway towards potential prosperity" could be found only if oil production was brought up to optimal levels, and security and corruption effectively managed.



Supporters of the Communist Party of India (Marxist) (CPIM) shout slogans from inside a police vehicle after arrest during a demonstration in New Delhi yesterday against the killing of eight during a land protest in southern India.

PHOTO: AFP



PHOTO: AFP
Indian doctor Mohamed Haneef (R) hugs his mother Qurrath-ul-Ain after his arrival in Bangalore Sunday. The Indian doctor cleared of involvement in failed British car bombings left Australia for his homeland after authorities handed back his passport.

Taliban attack kills 13 Afghan guards

AFP, Kandahar

Taliban militants attacked a convoy of logistics material for international troops in southern Afghanistan and killed 13 Afghan guards from a private security group, police said Monday.

The convoy was on its way from Kabul to a military base in the troubled southern province of Kandahar when it came under attack late Sunday, a highway police chief said.

"Thirteen guards of the convoy were killed and eight were wounded," said Ghulam Jallani, highway police chief for Zabul province where the convoy was ambushed.

He said the material was destined for the US military but this was not confirmed.

In an exchange of fire that followed, five militants were also killed and two wounded, Jallani

said. Two trucks were also destroyed.

The interior ministry in Kabul confirmed the attack but said 10 men from the private Afghan security company that had been guarding the convoy were killed and three wounded.

It said in a statement the convoy of 16 vehicles was attacked by the "enemies of peace and stability," a term Afghan officials use to refer to Taliban militants. It did not mention rebel casualties.

Private Afghan security companies, a new phenomenon in post-Taliban Afghanistan, are often contracted to guard supply convoys for international military forces helping the government to defeat a Taliban insurgency.

The Kabul to Kandahar highway, one of the most important roads in the country, has become increasingly unsafe as the Taliban rebellion has gained pace.

Fate of Korean hostages hangs in balance

Taliban to make new decision on captives

AFP, Ghazni

The fate of 22 South Koreans held by Afghanistan's extremist Taliban militia hung in the balance yesterday after a rebel deadline passed without the hostages being killed.

The insurgent group said it had extended the noon deadline by four hours at the request of government negotiators who asked for more time to end an impasse apparently centred on the rebels' demands for Taliban prisoners to be freed.

"If by four o'clock today (1130 GMT) our demands were not met, the leading council of the Taliban will reconsider its decision," spokesman Youssaf Ahmadi told AFP, adding he referred to "the deadline and the fate of the hostages."

Then, "we will see," he said.

The hardline rebel group said Sunday it would start killing the 22 Christians abducted July 19 unless the government agreed to release the prisoners, a demand negotiators have rejected.

They shot dead the leader of the group, a 42-year-old pastor, last week. His bullet-riddled body returned home Monday but his family said it would not hold a funeral until the other captives were freed.

Ahmadi said earlier Monday his group stood firm in its decision to begin killing hostages. "We have become tired of all this, the government is deceiving us," he said.

Negotiators said the Taliban, who have set four other deadlines for the South Koreans, were inflexible. "The negotiations are stuck,"

one of the leading members of the negotiating team, Mahmood Gailani, told AFP.

"We are ready to negotiate. It's up to the Taliban," he said.

Asked about the hostages, he said: "The Taliban said that they are well kept and alive."

Another member of the team, Waheedullah Mujadidi, said officials had asked for 48 hours "to be able to pave the ground for an acceptable solution."

The rebels had also refused a government demand to release the 16 female captives on the grounds that it was against Islamic and Afghan custom to take women as prisoners and hostages, Gailani said.



Palestinian leader Mahmud Abbas and Russian Foreign Minister Sergei Lavrov arrive for a meeting in Moscow yesterday. Lavrov pledged his support for Abbas on Monday as "the lawful leader of all Palestinians" at the start of talks in Moscow.

PHOTO: AFP

Bush and Brown seek to establish rapport

AP, Camp David

With little relationship of their own yet, President Bush and British Prime Minister Gordon Brown point instead to how much their nations have in common.

The alliance of the United States and Britain, though, has long been shaped by personalities Roosevelt and Churchill, Reagan and Thatcher, Bush and Blair. Now Bush and Brown will find out how much they can do in a short time.

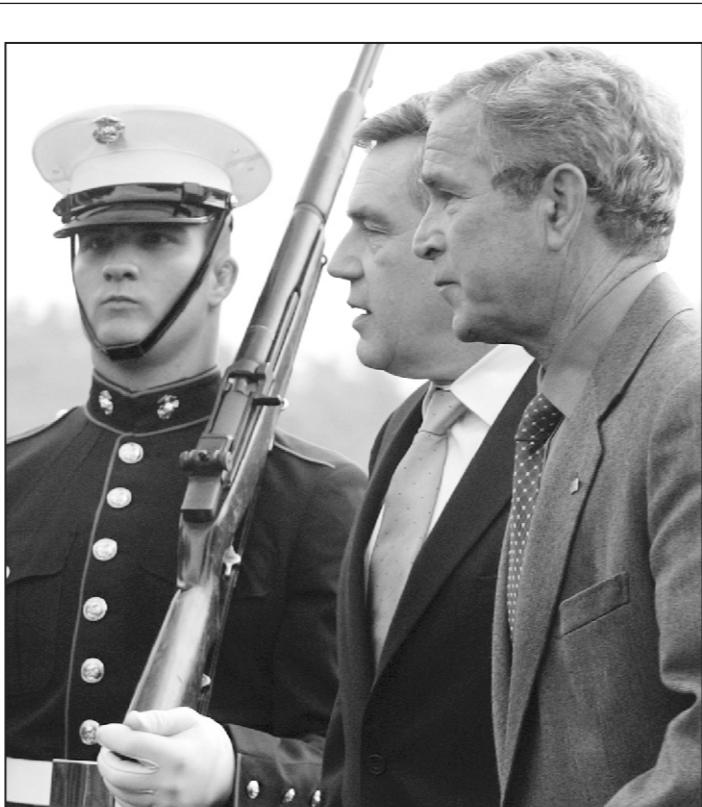
Brown arrived Sunday at Camp David, the presidential mountain retreat 70 miles north of Washington. It is their first official sit-down, although they have met before.

During a private dinner Sunday and more meetings Monday morning, the two leaders were talking strategy on the war in Iraq, killing in Darfur and stalled global trade.

The timing comes as the two men head in different political directions.

"Do you come here a good bit?" Brown said Sunday.

"I do," Bush said. Then the president whisked the prime minister away on a golf cart with a flourish a 360-degree spin for fun.



US President George W Bush (R) escorts Britain's Prime Minister Gordon Brown (C) past a member of the military cordon after Brown arrived by helicopter at Camp David, Maryland Sunday. Bush greeted Britain's new prime minister for their first official meeting with Iraq, Darfur and stalled global trade talks expected to top the agenda.

Russian FM pledges support for Abbas

Palestinian president visits Moscow

AFP, Moscow

Russian Foreign Minister Sergei Lavrov pledged his support for president Mahmud Abbas yesterday as "the lawful leader of all Palestinians" as key talks aimed at narrowing differences began in Moscow.

Abbas arrived Sunday for three days of negotiations he hopes will win the support of Russia in a bitter dispute between his Fatah party, which controls the West Bank, and rival Hamas, which controls the Gaza strip.

"We firmly support you as the lawful leader of all Palestinians and support all your efforts directed at... the achievement of unity among Palestinians," Lavrov said.

"We are discussing the question of providing support to the Palestinian people and to your administration," he said.

Putin has worked steadily to boost Russia's presence in the Middle East, though Russia's ties with Hamas -- including a Moscow visit by the group's chief Khaled Meshal in February -- have been criticised in the West.

PHOTO: AFP

Asean favours US pullout from Iraq

AFP, Manila

Southeast Asian nations yesterday called on the United States and other nations to pull their forces out of Iraq, saying the move would help bring the war-torn country back to normal.

Foreign ministers from the Association of Southeast Asian Nations (Asean) issued the call in a final statement after a day of talks at their annual meeting ahead of a regional security summit that includes the United States.

"We believe that the phased and calibrated withdrawal of foreign forces in Iraq, taking into account the conditions on the ground, will contribute towards bringing normalcy," the statement said.

Philippine Foreign Secretary Alberto Romulo, the host of Monday's meeting, declined to be drawn into any wider intent behind the statement ahead of this week's security talks.

"There is no (time) period here. It's a statement. I think it's a universal desire of all -- and, I might say, including the United States and the allies," he said.

ing Meghalaya states, while another 50 people have been killed in northern Bihar and Uttar Pradesh states, according to official figures.

In Bangladesh, where about 675,000 villagers have fled their homes, the flood watch centre said the situation could worsen, with the country's central regions at risk of major flooding in the next two days.

A team of doctors and paramedics was sent to the flood-hit areas by boat and raft to treat people suffering from water-borne diseases.

"We have also sent veterinarians along with adequate cattle and poultry feed in several areas," Barman said.

The worst-hit part of Assam was eastern Dhemaji district, where an estimated 250,000 people had taken refuge in makeshift shelters on raised embankments, in government schools and offices.

In the past week, 20 people have died in Assam and neighbour-

Abe to reshuffle Cabinet

AP, Tokyo

A day after a devastating election defeat in Japan's parliament, Prime Minister Shinzo Abe on Monday rejected calls for his resignation, saying the country couldn't afford the resulting "power vacuum."

In a vote for half of the seats in the upper house of parliament, voters voiced their outrage over a series of political scandals and the loss of millions of pension records, stripping Abe's Liberal Democratic Party of its majority in the 242-seat body.

Abe, regardless, said he wasn't giving up his post.

"I cannot walk away even though the situation is extremely difficult. I decided (to stay) because we cannot afford to create a political vacuum," Abe said. "My responsibility is to fulfil the duty to fully achieve economic recovery."

The leader also shot down suggestions that he should call snap elections in parliament's lower house where his party has firm control to re-establish his political mandate. Instead, he announced plans to shuffle his Cabinet and the party leadership, possibly as early as September.

"Above all, Abbas is trying to convince Moscow to make a final decision on whom to conduct its dialogue with," the Komsersant daily said on Monday.

"From all indications, a disappointment is waiting Mahmud Abbas in Moscow, since the line will be continued" of Russia maintaining contacts with all sides, Komsersant added.

Moscow hopes it can play a key role as mediator while the ongoing battle for influence between Abbas' party and Hamas keeps Middle East peace efforts at crisis point, the official Rossiiskaya Gazeta newspaper wrote.

"It's obvious that no agreement between Abbas and (Israeli Prime Minister Ehud) Olmert can be fully carried out without including Hamas leaders in the negotiation process," the paper wrote.

"Now, it's Russia's turn to speak.... Bringing Hamas back to the negotiating table is entirely within Moscow's power."