



YEMEN TIMES



YEMEN'S ONLY ENGLISH - LANGUAGE NEWSPAPER

SANA'A; 15 - 21 JULY 1992; VOL II, NUMBER 29

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OUR VIEWPOINT



ALI ABDULLAH SALEH: The 2nd Longest Ruler in 20th Century Yemen

This week, the reign of Ali Abdullah Saleh will overtake that of Imam Ahmed who had ruled for fourteen years. This makes President Ali Abdullah Saleh the 2nd longest reigning person in the history of 20th century Yemen, whether in Sanaa or in Aden. Mr. Saleh is also the longest reigning Republican President of Yemen as the following table shows:

Ruler in Sanaa	Period of Rule
Abdullah As-Sallal	26/9/1962- 5/11/1967
Abdul-Rahman Al-Iryani	5/11/1967- 13/6/1974
Ibrahim M. Al-Hamdi	13/6/1974-11/10/1977
Mohammed H. Al-Ghashmi	12/10/1977-24/6/1978
Abdulkarim Al-Arashi	24/6/1978 - 17/7/1978
Ali Abdullah Saleh	since 17/7/1978

The only other 20th century ruler of Yemen who stayed longer in power is Imam Yahia whose rule started with a struggle against the Ottomans in the late 19th century, then from 1905, he ruled with partial Ottoman recognition, and between 1918 and 1948, with full sovereignty.

This week, President Ali Abdullah Saleh will start his fifteenth year in power. During the period of his rule, President Saleh has definitely left his imprint on Yemen more than any other ruler in this country's modern history.

The high points of his rule include his efforts in creating the relative stability that we have been enjoying over the last several years, his role in re-unifying Yemen, his acquiescence to a multi-party democratic system, and his energetic drive to exploit the country's oil and mineral resources. The low points include primarily the continuation of corruption and favoritism, and a tribo-military power base.

In any case, history will be the judge of how wise a ruler Ali Abdullah Saleh has been, and will continue to be.

On this occasion, hearty and warm congratulations from the Yemen Times, Mr. President.

The Publisher

Arab Human Rights Group Gives Yemen "Thumps up!"

"Yemen is one of the few Arab countries which has seen positive developments in human rights," writes the newly-released "1991 Human Rights Report in the Arab World" issued by the Arab Organisation for Human Rights.

The country-by-country survey, as well as the detailed analysis of conditions in various aspects of human rights (freedom of assembly, freedom of the press, judicial integrity, rights of prisoners, political participation, etc.), present a frustrating and bleak picture of the Arab World.

"While most of the world is moving towards political liberalization, the Arab World plunges deeper into political chaos due to rigid political regimes and religious extremism," the report states.

Although conditions in Yemen have improved, the report did point to the assassinations, and the general deterioration in the personal safety of citizens, especially those politically active. "The main targets have been the members of the Yemeni Socialist Party," it states.

The report, however, gives an overall positive assessment of Yemen. It emphasizes dramatic improvements; examples include the forming of popular associations and societies, freedom of the press, the judicial system, and conditions inside prisons. Overall, the Yemeni record is far superior to most other Arab countries.

Electoral Constituencies Defined

The Ministry of Local Administration is about to complete the geographic demarcations of the electoral constituencies for the upcoming elections. The system followed by the Ministry is simply to take the census results (1986 for the former YAR and 1988 for the former PDRY), and add to the numbers a 2.5% growth per annum. The results which the Ministry adopted led to distribution of constituencies as follows:

Governorate	No. of MPs
Taiz	41
Sanaa	40
Ibb	35
Hodeidah	31
Dhamar	20
Hadhramaut	20
Hajjah	20
Lahej	16
Sanaa City	15
Abyan	13
Aden	13
Saadah	9
Baidha	8
Mahweet	7
Shabwah	7
Mareb	3
Al-Maharah	2
Al-Jowf	1
TOTAL	301

One of the major difficulties facing the Ministry is how to justify this distribution if the election process will bring about a major population shift. Assume that Sanaa is assigned fifteen MPs on the basis of its current population. Assume again half

Continues on page 13

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YEMEN TIMES

YEMEN'S ONLY ENGLISH-LANGUAGE WEEKLY

An Independent Economic & Political Weekly
Published by: The Yemen TimesPublisher and Chief Editor
Abdulaziz Al-SaqqafAddress:
Telephone: 967-1-236435, Fax: 967-1-236-434
P. O. Box No. 2579, or 8399,
Sanaa, Republic of Yemen

PERSONAL VIEW

The Fate of the
Disabled in SocietyAbeid Salim Abeid
Member of the Physically
Handicapped Society, Yemen

It is unfortunate that there has been an attitude of treating the disabled people as infants. They are always viewed as people to be helped and taken care of, therefore they are perpetually made to be beggars.

It is a fact that some disabled in our community are more educated and intellegent than able-bodied individuals. One must wonder why handicapped persons are regarded as less than people, being discriminated against and frustrated, especially in cases of employment vacancies and promotions. The conception of the disabled is that they are to be "seen but not heard; yet these people constitute about 18% of the Yemeni population. The disabled suffer from high unemployment because they are viewed as seriously incapacitated. This discourages them from pursuing the policy of integration.

Unfortunately, the interests and problems of the disabled have not received any real attention or priority. The disabled are like spectators against their own will. They have no say even in the things that affect their own lives. Their entire fate lies in the hands of people who do not know or understand what it is like to be a disabled person.

One of the forms of discrimination which the disabled face, is that people ignore their academic qualifications. Whenever a handicapped person looks for employment, even with outstanding qualifications, he is quickly discarded and reduced to begging.

It is high time that the disabled are given a forum to change the negative and discriminative attitudes some foreigners and Yemenis have toward them. They must be given a chance to prove that they are capable of doing anything that able-bodied persons can do. Physical disability does not necessarily mean an inability to contribute to society.

LOCAL BRIEFS, LOCAL BRIEFS, LOCAL BRIEFS, LOCAL

PGC Expanded and Restructured

The People's General Congress plans to hold an exceptional session during which the Ali Nasser Mohammed group are expected to be fully merged with the PGC. Tentative arrangements to be completed in this session include naming Ali Abdullah Saleh as president of the PGC (with extensive executive powers), Mr. Ali Nasser Mohammed as Secretary-General, and Mr. Abdulaziz Abdulghani as Assistant Secretary-General.

Other actions include naming three new members of the Ali Nasser Mohammed group to the General Committee, highest ranking body of the PGC. These are Mohammed Ali Ahmed (former Abyan Governor), Ahmed Mussaid Husain (former Minister of State Security), and Abdulla Ali Alaiwah (former Vice Minister of Defence). In addition, Abdullah Ghanem and Riyadh Al-U'kburi of the Permanent Committee will be elevated to the General Committee. This will bring the total number of members of the Ali Nasser Mohammed group in the General Committee to eleven.

In addition, twenty members of the Ali Nasser Mohammed group will join the Permanent Committee.

The House Debates
the Education Bill

The House of Representatives is these days discussing the bill on education in Yemen. The Islah-led religious group, however, is trying to prevent the issuance of this bill because it calls for the abrogation of the religious and Quranic schools, and merging them with the regular government schools. The Islah has arranged for a group of clergymen to go to speak to President Ali Abdullah Saleh urging to intervene to stop the bill. The President wrote to the Speaker on this count accordingly. The Speaker displayed the President's message to the members who voted to simply ignore it, and continue with the debate.

The fight is really over political influence because the Islah group enjoys control over the religious and Quranic schools. It is bound to lose this control if the bill passes. The Islah calls for postponement of this law until the post-transitional period, when, presumably, it will have a larger say in the House of Representatives.

Competition over YEMENIA

With the passage of the late Mohammed Ahmed Al-Haimi, the post of chairman of Yemenia is vacant. Competing for this post are twelve candidates including such famous personalities as the international expert on administrative sciences, Dr. Abdulaziz Al-Tarib; the former minister Dr. Mohammed Al-Aadhi; Mr. Mohammed Al-Ra'adi; engineer Jamal Mohammed Abdo, and others.

Yemenia falls within the PGC share in the partition of posts within the government and its organisations.

As Dr. Al-Tarib told the Yemen Times, Yemenia needs a highly qualified person and a good administrator who can tackle its many ills. Therefore, "I hope the leadership will take this into consideration, in an objective way, when deciding on the choice."

Finalization of Preparations for
the National Conference

Preparations are almost complete for holding the National Conference. The tentative agreements call for a gathering of the selected elite, 296 persons representing the whole range of political parties, unions, associations, and public personalities. The political parties are going to send five-person delegations each to the conference, thus representing about half of the total attendants. The unions and associations are going to send about eighty persons. The balance will be represented by those who have been preparing for the conference, as well as by public personalities and figures. All the political parties, the major unions and associations, and key personalities are participating in this event, which is most probably going to be held in late July or early August.

At the insistence of the PGC, the name of the event may be changed, although this has yet to be agreed upon.

US Trade Exhibition

On the 13th and 14th of July, a catalog exhibition at the Sanaa Chamber of Commerce was displaying the products of some 140 American companies. These ranged from consumer goods to large machinery. David Katz, Commercial Officer at the US Embassy, explained that the potential for increased trade exchange between Yemen and the USA is substantial.

Following up on that theme, Mr. Jamal Al-Mutarrib, Secretary-General of the Yemen-American Friendship Society, pointed to two factors that are helpful. One, there is now a direct shipping service between the eastern US coast and Yemen. In the past, trans-shipment costs were an obstacle. Second, the depreciation of the US dollar vis-a-vis its trade competitors has rendered US goods less expensive. "We hope to be active in promoting exchange in the fields of trade, culture, tourism, etc., between Yemen and the USA," he concluded.

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Abdo-Rabo Mohammed Abdo-Rabo:

"Our Group has invested some US\$600 million in Yemen."

The Mohammed Abdo-Rabo Group of Companies is one of the largest family businesses of Yemen. It is also an integral part of the 'Food Security Plan' of Yemen, as its Red Sea Mill is responsible for meeting 85% of the country's flour needs.

Abdo-Rabo Mohammed Abdo-Rabo, the Chairman of the Group, is a second generation entrepreneur. The Manchester graduate is a young man in his early thirties. Yemen Times went to speak to him about their group, and the general economic conditions.

Excerpts of the interview:

Q: Could you give us some general idea of the size of your group?

A: First, let me start by saying that I am a regular reader of the Yemen Times. It is a source of our pride to present it to our visitors and foreign guests.

Now going back to our business. My late father started our businesses in the Sudan. Those were humble beginnings. That means we have investments in the Sudan as well as in Yemen.

Our investments in Sudan include a flour mill of 240 tons per day capacity, a tyre factory, and a textile factory.

Our investments in Yemen shall shortly reach around US\$600 million. The most important of these is the Red Sea Flour mill whose capacity is 2000 tons per day. This is the third largest flour mill in the world. It employs about 1000 persons, and its annual output is valued at YR.2.2 billion. This is a gigantic project, by any standard. Last year this mill imported wheat valued at US\$100 m. or over 600,000 tons.

Q: How does that relate to local demand, and food security?

A: In my opinion, there is a rising gap between total local production and consumption of grain. The shortfall is made up through imports. Local demand is constantly shifting from traditional grains, such as sorghum, which are locally produced, to imported grains, meaning wheat, which is basically imported.

Food security to me means three things:

First, it means encouraging local production as much as possible. I am happy to tell you that local production of wheat is rising, although it is still negligible in absolute quantities.

Second, we should expand our storage capacity very urgently. The situation as it exists today is precarious because our stocks can last for two and a half months only.

Third, we should continue to diversify our sources of supply. Yemen has moved from being a market for Australian wheat to a more diversified market. Today we import wheat from the USA, Europe, as well as Australia and Canada.

Those are the main factors in a food security policy for Yemen, in my opinion.

Q: Your imports of wheat are valued at US\$100 million annually. How do you go about it?

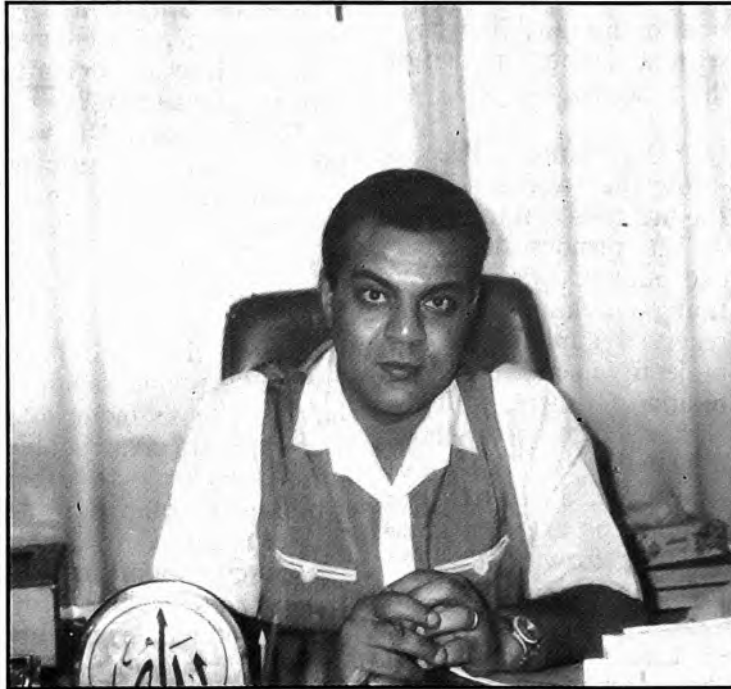
A: We work very closely with the government in this matter. We have, at the Red Sea Mill, an advanced price watch unit. That means we follow the world prices in the commodity markets, as well as in the futures markets. We choose the best price for the kind of wheat we are looking for and go to discuss the same with the Ministry of Supply and Trade. For example, we now have a substantial supply contract for wheat we purchased when prices were low. Our price trend analysis allows us to time our contract agreements such that we benefit from price trends. For example, we are now importing, and will continue over the next few months, wheat at prices 15% below the world average.

What I am saying is that we are well in tune with the world market, and we try to maximize our benefits from it.

We also try to benefit from special export arrangements such as subsidies and credit facilities. You know, there are plenty of these.

Q: You say you work closely with the government. What does that mean?

A: It means many things. I have mentioned that we compare price quotations. Second, the government is in charge of quality control meaning that it is responsible for approving the quality of the wheat at the point



of origin as well as shipment.

Third, through the Central Bank, it provides the foreign exchange needs, at the official rate, of our wheat imports.

Fourth, we sell the whole quantity of flour to the government. We do not sell flour to the customers directly.

Q: Then how do you explain the periodic news that makes accusations about importing bad wheat?

A: Believe me, I don't think the reporters know what they are talking about. Many times they simply go for sensationalism. It is not in our interest to import bad wheat.

First of all, it is the govern-

ment that is responsible for quality, not us.

Second, we import in bulk. Then our machines clean the wheat, and whatever is not in good shape, it is discarded before it is ground. That means the quantities that we sell to the government, as flour, will be far less in quantity.

Third, I think that the recent news items referred to another merchant, and another commodity.

Finally, if anything does happen to the wheat, then it is in our interest to discard it in collaboration with the authorities. For example, due to a leakage in the pipes of the vessel, some 25 tons of our last shipment of 23,000 tons was spoiled. We immediately notified the relevant authorities, and we have together discarded this quantity.

I hope that the media behaves in a more responsible way in this matter.

Continues on page 7

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TAJ SHEBA HOTEL

Dr. M.S. Al-Attar:

"We have approved investment projects worth YR.4.9 b."

"Industrialization holds the hope for sustained growth of the Yemeni economy," according to Dr. Mohammed Said Al-Attar, Vice Prime Minister and Minister of Industry, and Chairman of the General Investment Board. Dr. Al-Attar is the former Under Secretary of the United Nations and Head of the ESCWA. Yemen Times interviewed him on the industrialization process of Yemen.

Excerpts of the interview:

Q: How different is the new investment law from the former law?

A: There are (5) differences that I can point out:

1- We have grouped all the bureaucratic paperwork in one place - here at the Board. That means that we prepare all the permits, labor importation and customs exemption documents, etc.

2- The Council of Directors of the Board is headed by the Prime Minister and includes the Ministers of the relevant ministries, such as Supply, Trade, Industry, Finance, Foreign Affairs, Oil, and Planning. This allows for a direct coordination of all efforts.

3- A new decentralized system has been introduced. For projects valued at less than YR. 5 million, they can be directly authorized by our offices in the smaller towns (capitals of governorates). For projects valued up to YR.15 million, decisions can be taken to the four larger cities (Aden, Taiz, Hodeidah, Mukallah). I am personally authorized to approve projects valued up to YR.40 million. Beyond that, it is up to the Council of Directors.

4- We have divided the country into two regions - A and B. Region A, which is made up of the larger cities, has less incentives. Region B, the small towns and the countryside offers more incentives. This is done in order to reduce urban pressure as well as for environmental considerations.

5- Finally, there is more flexibility and objectivity in this law. This is especially true in the volume of paperwork required. In any case, I would like to inform you that many international development organizations have expressed their support and apprecia-

tion for this law. They have written saying it is one of the better ones around.

Q: We would like to know the response from the business community.

A: The response has been exceptional. I can tell you that we have already received applications for projects valued over YR.15 billion. Of these, we have authorized projects whose total value is YR.4.9 billion. So I think the response is excellent, and we look forward to even bigger investments.

Q: Could you tell us who the major investors are?

A: Most of the investors are Yemenis - some of whom are in Yemen, and some are immigrants who are of Yemeni extract. At the same time, we have authorized many joint investments between Yemenis with partners from Europe, Japan, the USA, and other nations. The market is open for all.

Q: Let us talk about the public sector. How large is it, and how are privatization efforts going?

A: The Yemeni public sector, including government corporations, is really small. In total, we are talking about 235 factories and plants. So it is not a large sector.

But even then, we have invited the private sector to buy into these factories. Our idea is to create viable joint projects. In other words, the factories are to be evaluated in their present condition, and then the private sector will provide new money to upgrade and modernize the plants. So far this has not been going very well. One of the problems we face in this regard is the manpower employed in these plants.

Our approach is that the workers are the government's responsibility and we cannot simply discard them. Even if the plant structure and management are changed, we have to

find suitable alternatives to the workers. But the plants have to work on the basis of the market.

Q: What are the difficulties you face in this sector?

A: First, there is an attitudinal problem. People think that unless you produce heavy machinery, you are not really into industry. This is an unfortunate attitude because the former Soviet Union had some of the world's heaviest industries. Yet, you know what happened to its economy. Second, we have a coordination problem. For example, we are by law in charge of investment. But the Free Zone is also in charge of investments, albeit in a specified area. In any case, coordination is important to attain certain credibility.

Third, many industries have faced difficulties with the foreign exchange quota system. I am happy to tell that this has now been eased.

Fourth, a good management is an essential part of industrialization. Our mid-level skills and technicians are missing, as our educational system is oriented towards university education. We need more technicians and skilled people. Fifth we should not be afraid of foreign investors. We should overcome the stereotyping of foreign investors as exploiters. We need them, we have to make things easy for them to come to Yemen.

Finally, we need a strong PR (public relations) campaign. This requires coordinated efforts in using the media, as well as preparing leaflets and brochures.

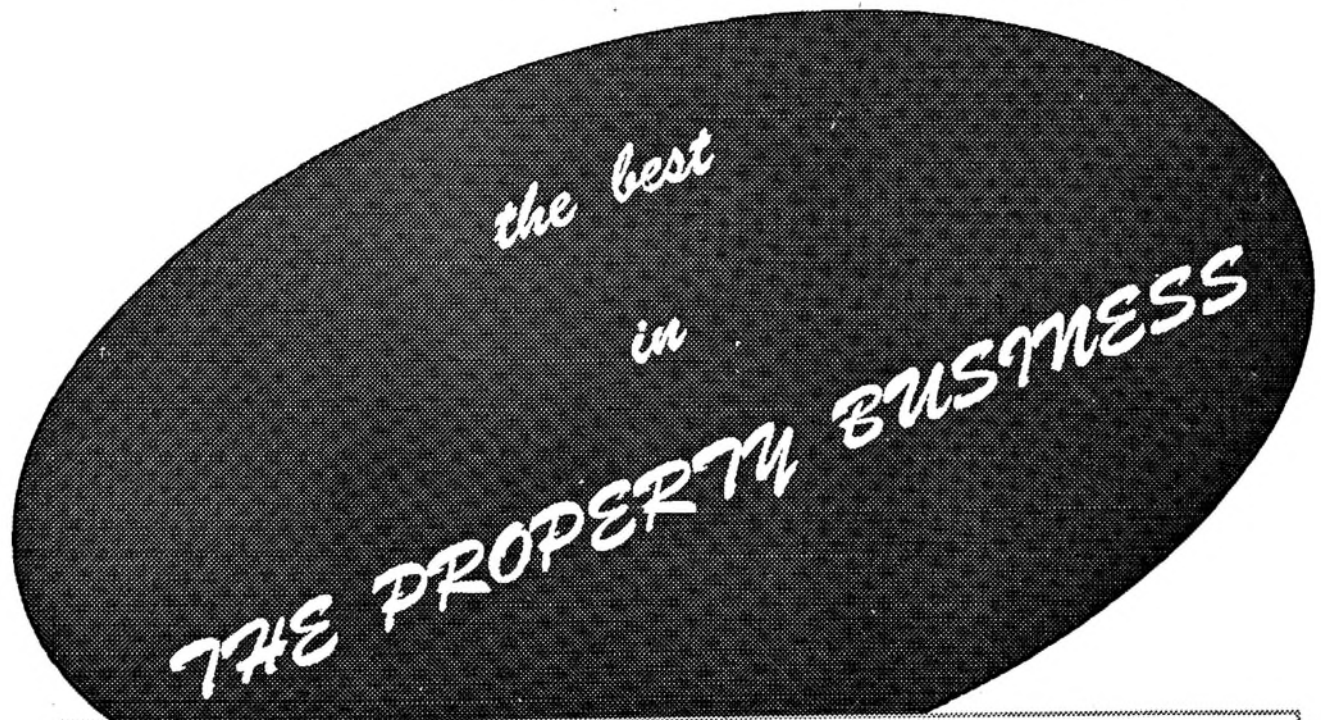
Q: What is your feeling of the future of industrialization in Yemen.

A: I am hopeful. Our location, natural resources, and large population base make Yemen a viable industrial country. We can also attract assembly industrial projects for marketing in the region.



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Continued from p. 9

The Text of the Investment Law, Part I:**Promoting Local Production and Increasing Exports****Chapter I
CUSTOMS DUTY EXEMPTION****Article (23):**

a. Fixed assets imported to establish a project shall be exempted from all types of customs duties and taxes, save for the service fees specified in Article 2 (19) of this Law subject to their being imported during the period specified in the license.

b. It shall suffice to present the project licence or its list of imported fixed assets requirements, issued by the Authority, to obtain exemption at the customs post without the need for any other approval or any other declaration provided for in any other laws or regulations.

c. The exemption provided for in paragraph (a) shall not be refused or limited in any of the following cases:

1. Should the total value of the exempted assets not exceed by more than 10 percent the delivered to port (CIF) value specified in the license denominated in foreign currency.

2. If time of arrival is delayed by less than six months after the date specified.

3. Should there be minor differences in the items or types indicated in the license according to the controls and standards indicated in the executive regulations.

d. Should there be differences in the value, timing, items or types that exceed the limits specified in the preceding paragraph, or should the project need new fixed assets, the Authority shall be responsible for issuing amended project licenses and lists of requirements, or changing them as it may deem appropriate in the light of convincing justifications presented to it.

e. The cost of spare parts and maintenance requirements exempted under paragraph (a) shall not exceed 10 percent of the total value of the imported fixed assets to be exempted.

f. When deciding on exemptions for imported fixed assets, the Authority shall take into consideration preference for local production, should such production satisfy the requirements of the project.

Article (24):

a. The import permits and customs exemptions provided for in Articles 21 and 23 shall be deemed to be relating to approved projects.

b. Imported fixed assets exempted from customs duty and taxes in accordance with Article 23 may not be disposed of before three years elapse following their importation, unless the project or the investor:

1. Notifies the Authority of the required disposition and justification therefore. Should the Authority have sufficiently convincing reasons, it may object to the disposition within 30 days following receipt of the notification. Its lack of response shall be deemed as approval.

2. Pays all customs duty and taxes on all exempted fixed assets as determined at the time of sale.

c. At the request of the parties concerned, the Authority may exempt a project from payment of that part it deems appropriate, according to circumstances, of customs duty and taxes on exempted fixed assets, and may exempt a project altogether from payment in case of disposal to another project entitled to benefit from the exemption of the same assets.

d. Projects shall maintain systematic records in which they shall specify the location and use of goods imported on behalf of the project pursuant to the provisions of this Law.

e. All projects and their records shall be subject to inspection at any time by the Authority, or whomsoever it may so designate, to verify that the use of disposal of goods has taken place in accordance with the purpose designated.

**Chapter II
Tax exemptions****Article (25):**

Without prejudice to any more advantageous tax exemption granted, or to be granted, under any other Law and taking into consideration the provisions of

Article 3 (d) all projects shall enjoy exemptions from taxes in the following manner:

1. Projects shall be exempted from profits tax for (5) years starting from the date on which they commence production or activity, as the case may be. The Authority shall be the body responsible for determining the date of commencement of production or activity.

The Council of Ministers, upon a submission by the Authority's Board of Directors, may specify certain projects of fields of activity that shall be entitled to benefit from the exemption provided for above for periods ranging from 7 to 10 years as the Council may deem fit in accordance with the exigencies of the public interest. To this end, the Authority shall issue periodic lists of projects subject to the provisions of this paragraph.

2. Projects shall be exempted from the proportionate stamp tax and then business practice tax imposed on establishments operating in the Republic and other taxes levied on capital.

3. Contracts establishing projects, and all project related contracts until implementation is complete, shall be exempted from the stamp tax and notarization fees, the Authority determining which of such contracts are project-related as well as the date implementation is complete.

4. Projects shall be exempted, as of the date of commencement of production or activity, as the case may be, from all taxes and fees specified under the provisions of Article 73 of this Law on the proceeds from licensing the use of imported technology utilized in the project.

5. Interest on loans granted to finance projects shall be exempted from 50 percent of taxes levied thereon. The taxation authorities concerned shall implement the foregoing exemptions promptly upon presentation of the project license without need for any other approvals or procedures.

Article (26):

1. The exemption referred to in paragraph (1) of the preceding Article shall be extended for an additional two years for each of the following project conditions which is realized:

a. Should the project be established in investment zone (b) referred to in Article 27 of this Law.

b. Should the project be owned by a public corporation in which public subscription is no less than 25 % of the paid in capital.

c. Should the proportion of the local component of fixed assets exceed 25% of the total value of the project's total fixed assets, the Authority being competent body to determine such proportion.

In all cases, the total period of exemption granted in accordance with the provisions of this article, shall not exceed fifteen years starting from the commencement of project production or activity.

2. Should a project incur losses during exemption years, or any one year thereof, losses accumulated during such year/s in which they occurred, shall be deducted and carried forward, for no more than three years, with effect from the first year following the exemption years, subject to the authority approving the accounts for those years.

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YEMEN AND THE GULF WAR: THE ISSUES REVISITED

By: Abdulaziz Al-Saqqaf

A. The Background:

When Mr. Saddam Hussain decided to walk into Kuwait on August 2nd, 1990, the newly united Republic of Yemen was less than ten weeks old. The former Yemen Arab Republic (North Yemen) and the former People's Democratic Republic of Yemen (South Yemen) concluded their unification talks successfully on May 22nd, 1990; thus giving birth to the Republic of Yemen.

The country was busy attending to many reunification headaches, including such major issues as changing the laws, merging the bureaucracies, etc. There was no more room for additional headaches - yet the Gulf Crisis was at hand. Yemen had to address it.

Yemen's position was important for three reasons: 1) It was the only Arab country which was a member of the Security Council at the time.

2) It was one of four Arab countries associated with Iraq through the Arab Cooperation Council.

3) It was the only country on the Arabian Peninsula which was not (still is not) a member of the Gulf Cooperation Council, with which nevertheless, it enjoyed good relations.

B. Yemen's Position:

On the 3rd of August, 1990, the Republic of Yemen went on record as the first country in the world to denounce the Iraqi invasion and demanded the withdrawal of Iraq from Kuwait. Mr. Taha Yasseen Ramadhan arrived in Sanaa, on that same day, to "explain" Iraq's position and sway the Yemeni side to change its position; but this was to no avail.

Yemen stood fast by its position which was twofold - Iraq had to unconditionally withdraw from Kuwait immediately; and Iraq and Kuwait had to talk about their border and other differences - preferably with Arab mediation.

But, events quickly snowballed and went out of control of the countries in the region. The trumped-up Arab Summit and the UN Security Council resolutions made the Yemeni leadership and people wary of the intentions of the allied forces. Yemen

continued to call for its two-fold solution to the problem, and cautioned against the intervention of foreign nations, especially at the military level. This was the basis on which Yemen reacted to UN resolutions. It supported those resolutions which called on Iraq to withdraw from Kuwait; it opposed those resolutions which authorized the US to spearhead a military operation in Kuwait/Iraq; and it abstained from those resolutions which put sanctions on Iraq.

To the Yemeni side, its position was logical and consistent.

C. The Consequences for Yemen:

Yemen was immediately targeted as an adversary for not bowing to the allied decisions. It lost all US assistance. It lost all GCC assistance (from Saudi Arabia, Kuwait, the USA, and Qatar). The UK, although vowing to continue its aid program, found itself "unable" to disburse its aid commitments.

The total aid loss to Yemen is valued at around US\$ 500 million over the last two years.

In addition, some 22,000 Yemenis had to flee from Kuwait. Another 800,000 Yemeni workers were kicked out of Saudi Arabia with a one-month notice (later this was extended by another month). All these workers were legal residents of Saudi Arabia, and some of them had been there for over thirty years. By most standards, they are more Saudi than Yemeni, given the fact that they spent most of their adult years in Saudi Arabia, got married and raised their children there.

These Yemenis lost an estimated US\$7 billion of life-long savings and assets which, they either left behind, or had to sell at low prices given the deadline of their forced departure.

The returnees overwhelmed the country and added to its complications. The Saudis may have calculated that the returnees would bring chaos to Yemen, or at least the downfall of its leadership.

Slowly but steadily, the returnees were absorbed into the population, with the exception of some 80,000 (about 10%) who had been so disconnected

from Yemen that they have no village, kin or tribe to go back to. These are still stranded in a few camps scattered in the Tihama.

To add to this difficulty, the civil wars in the Horn of Africa (Ethiopia, Eritrea, Djibouti, Somalia) have resulted in the flow of refugees into Yemen; as all other countries in the Arabian Peninsula refused to take them in.

D. The Outlook:

The government of Yemen has embarked on a land reclamation scheme which aims to resettle the returnees on farms. To facilitate this process, the Agricultural Cooperative Credit Bank has introduced many credit facilities. In addition, basic services (such as roads, schools, health facilities, etc.) were expanded, partly financed by the US\$59.5 million emergency package set up under the UNDP auspices.

There is no doubt that the consequences of the Gulf Crisis have been catas-

trophic to Yemen, but there is a silver lining to these events. The main benefit from the events that followed the crisis is the cessation of Saudi meddling in Yemeni affairs. For once, Saudi involvement in Yemeni affairs has fallen to negligible levels. In the past, Yemeni rulers lived under the fear of, one day, having to deal with Saudi wrath. When it did happen, even with the blessing of the USA, at least for a while, it was not as fatal as it was believed to be.

Today, Yemen witnesses a healing process from the damages done to it by the crisis. It is believed to be the worst hit country in the region, even more than Jordan. The UN has yet to pay one single cent to Yemen in compensation, although other countries like Turkey, Egypt, and Syria have been collecting substantial compensations. This double-standard has become a basic element in the new world order.

In any case, Yemen is gradually picking up the pieces and moving on - with more vigor, more independence and more self-confidence.


Ironically, Yemen is the only country in the Arabian Peninsula which upholds the universal values which the West champions worldwide today. It is the only country in the region with a free press and a multi-party political system; it is the only country which opens the doors of its prisons for inspection by human rights watch groups; it is the only country with a viable and working parliament.

Yemen is planning to hold its next parliamentary elections in November 1992. If that is accomplished with reasonable success, it is bound to be the watershed which marks the country's cross-over beyond the effects of the Gulf Crisis.


Courtesy:

New Internationalist,
(July, 1992), London.

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letters to the editor, letters to the editor, letters to the

IN SEARCH OF CHRISTIAN/MUSLIM UNDERSTANDING AND SOLIDARITY

By: Mehsen Ahmed Omar Al-Amudi, Sanaa.

There are many problems encountered in the development of society which can be resolved if the solutions adopted take religious belief into consideration. In spite of all the differences between Muslims and Christians which may separate the two communities, there is need for the two religions to discover their common concerns.

Towards establishing a growing and steady cooperation, efforts should be aimed at joint discovery by Christians and Muslims of what Islam and Christianity share in terms of profound and everlasting value. It is understanding this commonality that would enable us to usher in a new era in which religions bring together rather than divide.

Seen from that perspective of solidarity, both Islam and Christianity have one and the same program ... how to realise the kingdom of God on Earth. On close examination, one would find that although the two religions may have different strategies, their final purpose and eventual goals and attitudes are the same. Muslims and Christians are therefore called upon not only to draw out knowledge from their

respective Holy Books, but also to apply them practically in all aspects of their daily lives.

Negative attitudes result in wars and conflicts which overwhelmed humanity from time immemorial. Even today, one can see horrible forms of religious competition. However, if the attitude is positive and favorable, it will allow people to get together. The real problem that we should all see is that the future of all of us is intertwined.

It would be appropriate to mention that a good example of the Muslim/Christian contact was initiated by Prophet Muhammad (Peace Be Upon Him) himself in his letter addressed to Negus, the Christian ruler of Abyssinia (Ethiopia today), and parts of which read as follows:

"From Muhammad, the Messenger of Allah to Najashi, ruler of Abyssinia. Peace be upon those who follow the Guidance of Allah.

I testify that Issa (Jesus), son of Mariam (Mary), is a spirit from Allah and his word that was sent to Mariam - clean, pure and chaste. Allah created him (Issa) from His spirit and breathed into him (in the same way) as Adam with his own hands.

The Prophet Muhammad advised his followers to seek refuge with the Abyssinian Najashi whose Christian justice shall encompass all.

INVITATION

A charity dinner will be held at the Sheraton Hotel - Sanaa under the auspices of the United Nations' High Commissioner for Refugees (UNHCR) Office Representative, Mr. Taoufik Ouanes, in support of the refugees in Yemen.

This dinner will be held on Wednesday, July 22nd, 1992 to raise funds which will be used to make their sufferings a little less. The evening will be a formal dinner held in the Nour Al-Negoum Super Club at the price of US\$100 per person.

Tickets are available at the food and beverages department of the Sheraton Hotel. Phone: 237-500, ext. 729 or 753.

Please forward your payment, latest, by Monday July 20th, 1992.

Your support will save lives.

تهنئة

يتقدم جميع الموظفين والعاملين في وزارة الإعلام بتهنئة زميلهم الأستاذ عبد

الملك السندي بمناسبة نجاح العملية التي أجريت له في ألمانيا، والجميع

يتمنى له الشفاء العاجل وندعوا الله له بالصحة والعافية.

عنهم:

د / محمد أحمد جرهوم

الأستاذ / عبد الرحمن الأكويع

الأستاذ / مطهر تقوي

وتشارك أسرة صحيفة «يمن تايمز» وزارة الإعلام في تمنياتها

للأستاذ عبد الملك السندي بدوام الصحة والعافية.

عن أسرة «يمن تايمز»

د / عبد العزيز السقاف

Continued from page 3:

Interview with Abdo-Rabo Mohammed Abdo-Rabo

Q: What are the difficulties you face?

A: We have discussed the disinformation or misinformation in the media. Another problem is the pricing method of the Ministry of Supply and Trade. They take into consideration the official conversion rate of the US dollar when they calculate the price of our product. This is okay only for the wheat. But we have many other inputs that go into the production process, and whose foreign exchange we cover through the black (free) market rate. A third problem is the long bureaucracy in getting paperwork completed.

In general, however, I must say that we are very happy and satisfied with the cooperation and encouragement we get from the leadership, government, and line ministries, especially the Ministry of Supply and Trade.

Q: What are your new plans for the future?

A: We have many projects we are looking into. First, we are planning to build two new projects, connected with the current flour mill. These two

projects are an attempt to benefit from the industrial linkage effects - forward and backward. The forward linkage activity is a plant which will produce the polypropylene sacks for the flour. The backward linkage activity is a plant that will produce animal feed from the chaff of the wheat.

We also have thought of establishing another flour mill at the Free Zone area in Aden, but the harbor facilities are very limited. For example, at the site we desire to unload, only vessels below 6000 tons can anchor. In any case, we are considering many options.

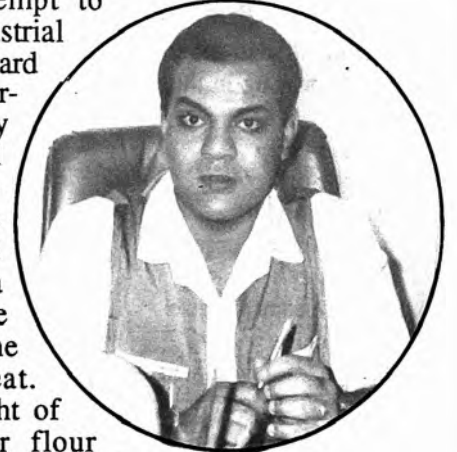
Q: What are your suggestions to the government in this field?

A: I feel that the government should stop the importation of wheat for distribution directly to the consumers. We should only distribute flour to the consumers. This would achieve many things. First, it frees local wheat production from foreign competition.

Second, it allows the government to better control stocking of grain. You know, people can stock-up wheat for over one year, whereas, you can only store flour for one month or so. This means that people will not be able to over-stock, and thus create unnecessary demand.

Q: Any last words in this regard?

A: I cannot overemphasize the importance of food policies. We should make sure that we do not face any bottlenecks in the supply of wheat and flour, because that will create panic, and the political implications are enormous. I am sure we can do a good job if we all cooperate.



ANNOUNCEMENT

Embassy of India, Sanaa, is preparing a panel of transporters, handling and forwarding agents for all its consignments (incoming / outgoing) belonging to the embassy personnel.

Interested parties may call 241980/82, in person

TEXT OF INVESTMENT LAW #22 OF 1991, Part 1

The Chairman of the Presidential Council, after reviewing the agreement proclaiming the Republic of Yemen, and Republican Decree No. 1 of 1990 constituting the Council of Ministers, and with the Approval of the Council of Ministers: Hereby decrees as follows:

SECTION I PRELIMINARY PROVISIONS

Article (1):

This law is designed to promote and regulate the investment of Yemeni, Arab and foreign capital, subject to provisions of this law, within the context of public state policy and the goals and priorities of the national economic and social development plan in the following sectors:

- Industry (excluding prospecting for and extracting oil, gas and minerals which are governed by special agreements).
- Agriculture and livestock resources including agriculture and fishing.
- Tourism.
- Health.
- Education and technical and vocational training.
- Transportation.
- Construction and housing.
- Any other economic activity specified by Decree of the Council of Ministers upon a proposal by the Board of Directors of the Authority.

Article (2):

For the purposes of executing the provisions of this Law and unless the content shall otherwise imply, the following terms and expressions appearing in this Law shall have the meaning shown against each:

- 1. Republic:**
Republic of Yemen.
- 2. Government**
The Government of the Republic of Yemen.
- 3. Minister**
The competent Minister.
- 4. Authority**
The General Investment Authority established pursuant to this Law.
- 5. Board of Directors**
Board of Directors of the Authority
- 6. Chairman of the Board**
Chairman of the board of Directors of the Authority
- 7. Executive Administration**
The executive Administration of the Authority
- 8. Authority President**
President of the Authority's Executive Administration.
- 9. General Manager**
General Manager of the Authority.
- 10. Competent body**
The government agency concerned, or executive responsible for the matter in which a project is operating or is to be established or for any matters relating to a project.
- 11. The Regulations**
The Executive Regulations of this law comprising procedural provisions, directives and rules needed for the execution of this Law.
- 12. The Project**
Every activity, whatever its legal status, included in the areas of investment referred to in Article 1, and authorized pursuant to the rules and procedures provided for in this Law and the decrees issued in execution thereof.
- 13. License**
Authority approval to establish, expand or upgrade a project and includes amendment of the license, import permits and other licenses or certificates issued by the Authority.
- 14. Investor**
Every Yemeni, Arab or foreign natural person or juridical entity desirous of investing, owning or participating in a project pursuant to the provisions of this Law.
- 15. Investment Company**
A company established by investors to carry out a licensed project.
- 16. Fixed Assets**
Machinery, instruments, equipments, supplies, and spare parts needed to establish, expand or upgrade a project including buses especially designed to transport tourists, vessels for maritime transport and fishing and furniture and furnishings for hotels and hospitals whether imported, or locally manufactured or procured.
- 17. Invested Capital**
In application of this Law, invested, capital shall mean the estimated value of foreign or local capital invested in a project and shall be determined as follows:
 - 1. Foreign capital:**
 - Freely negotiable foreign exchange, transferred through banks

registered with the Central Bank of Yemen for investment in establishment, expansion or upgrading of projects, as well as freely convertible financial securities transferred to the Republic by an Arab or foreign person or persons for investment in a project.

b. Fixed assets imported from abroad for investment in a project.

c. Arab or foreign incorporeal rights such as licenses, patents and trade marks invested in a project and registered in the Republic or that are protected under an international or bilateral agreement to which the Republic is a party.

d. Profits and gains earned by investment of foreign funds in the Republic and which are converted to capital by reinvestment in a project

II. Local Capital:

- Local currency paid in Yemeni Rials by a Yemeni natural person or a juridical entity the majority of equity holders of which is Yemen.
- Local incorporeal rights and assets furnished for use in establishing, expanding or upgrading a project.
- Profits and gains by investment of local funds in the Republic and which are converted to capital by reinvestment in a project.

Evaluation of investment capital in part I (b) and (c) and in part II (b) shall be in accordance with the rules and procedures specified in the executive regulations.

18. a. Yemeni Capital
Invested capital, provided for in item 17, owned by a Yemeni natural person or a juridical entity the majority of equity holders of which is Yemeni.

b. Arab Capital
Invested capital, provided for in item 17 (I), owned by a natural person who is a national of an Arab state or a juridical entity the majority of equity holders of which are nationals of an Arab country.

c. Foreign Capital
Invested capital provided for in item 17 (I) owned by a natural person who is a national of a non-Arab foreign state or a juridical entity holders of which are nationals of a foreign country.

19. Service Fees
Fees charged for a service or a benefit such as port fees, storage fees and the like.

20. Free Zones
Republic land, established in accordance with the Law, beyond the zone of Customs control.

21. Expansion
Addition of new fixed assets serving to increase a project's production capacity of goods and services, or manufacture of goods previously imported, or for the purpose of producing and supplying new goods and services in accordance with the provision of this Law.

22. Upgrading
Full or partial replacement or exchange of the fixed assets of a project by installing other new or more sophisticated assets or updating existing fixed assets by adding new assets or parts thereof to improve the efficiency of operation and improve or upgrade the type of goods or services produced, or make them more advanced, as the case may be, in accordance with the standards and principles specified in the executive regulations of this Law.

23. Production Inputs
All materials needed to operate a project such as raw materials, intermediate commodities, spare parts and maintenance requirements appropriate to the nature of the project's activity.

24. Transfer of Technology

- Licensing, transfer, sale, use of patents, expertise, trade marks and other incorporeal rights.
- Furnishing expertise, technical know-how or other engineering services in any manner or form.
- Management and marketing services and the like.

25. a. Authorized Capital
Total capital needed by a company and estimated necessary to achieve its purposes for its duration.

b. Paid in Capital
That part of the capital paid in when a company is established.

c. Issued Capital
That part of the capital put up for public subscription whether paid in at the time of subscription or over a given number of years.

Article (3):

- Consistent with the provisions of paragraph (d) of this Article, the provisions of this Law shall be applicable to all projects licensed under its provisions.
- Yemeni, Arab or foreign capital may invest singly or in partnership in any project or areas subsumed under the sectors included in Article 1 of this Law; for considerations prompted by the public weal, the Prime Minister, upon a proposal by the Board of Directors may:
 - Specify particular projects or areas in which (either or both) Arab or foreign capital may not invest without the participation of Yemeni

capital in accordance with participation proportions that he shall determine.

2. Specify particular projects or areas in which investment shall be restricted to Yemeni capital.

3. Specify particular projects or areas in which private Yemeni, Arab, and foreign capital, singly or jointly, may not invest without participation of the public sector in accordance with participation proportions that he shall determine.

c. Non-Yemenis may not invest in a project using local funds; Yemenis may invest in any project using foreign and/or local funds in accordance with the definitions set forth in Article 2 (17) of this Law.

d. For considerations prompted by the public weal, the Prime Minister, upon a proposal by the Board of Directors, may specify particular projects or areas in any of the sectors listed in Article 1 that shall be fully or partially excluded from the exemptions and benefits provided for in this law.

The Authority shall release periodical lists of the projects and areas referred to in paragraphs (b) and (d) of this Article.

SECTION II GUARANTEES AND BENEFITS ACCORDED PROJECTS

Article (4):

The State shall guarantee Yemeni, Arab and foreign investors freedom to invest in investment projects in accordance with the provisions of this Law.

Article (5):

Arab and foreign capital and Arab and foreign investors shall be on a par with Yemeni capital and Yemeni investors without discrimination with respect to the rights, obligations, rules and procedures set forth in this Law and the decrees and regulations enacted in execution thereof.

Article (6):

Projects licensed in accordance with the provisions of this Law, whatever their legal status, shall be deemed to be private sector projects whatever the legal nature of Yemeni capital participating therein may be, and shall not be governed by laws and regulations pertaining to the public sector and the personnel thereof.

Article (7):

Investment projects and companies and Arab and foreign investors shall be entitled to purchase or lease land and buildings owned by the private sector or the State to be used for the purposes for which the project is licensed under this Law; such property may not be disposed of for other than project purposes without obtaining prior authorization of the Authority; all rights and dispositions devolving on land and buildings shall be recorded in accordance with the rules indicated by the executive regulations to this Law.

Article (8):

Industrial and agricultural projects may open commercial stores, either singly or in collaboration with other projects, from which to sell their products, subject to the business of such stores being restricted to marketing such products regardless of the nationality of those participating in the capital or management of such projects.

Article (9):

When making procurement for government or public establishment, a 15 percent maximum preference in the price of the production of local agricultural and industrial projects shall be accorded over comparable imports, subject to quality being consistent with that of imported products.

Article(10):

Investors shall be entitled to manage their projects in the light of their appraisal of economic conditions and the status of their businesses.

Article (11):

No additional financial or other burdens or obligations shall be imposed on projects in violation of the principal of parity with projects carrying out the same type of activity which are established outside the scope of this Law.

Article (12):

a. All project products shall be exempted from compulsory price regulation and profit limiting subject to the project not creating or indulging in monopolistic practices or trying to fix prices in overt or implicit agreement with other producers or vendors of similar products and services.

b. By way of exception to the preceding paragraph, the Council of Ministers, in cases of necessity, may subject to compulsory price regulation any of the following basic commodities, guided by the economical cost thereof:

- Flour and bread.
- Milk and infant food stuffs.
- Pharmaceuticals.

Article (13):

a. Projects may not be nationalized or seized. Moreover, their funds may not be blocked, confiscated, frozen, withheld, or sequestered by other than the courts of law.

b. All or part of project real estate may not be expropriated save for the public weal according to the law and against fair compensation on the basis of the market price of such real estate. In cases where the invested funds, subject of such action, are foreign funds, such compensations may be freely transferred abroad regardless of any law or decree providing otherwise.

Article (14):

a. Any licensed project shall have the right to open a bank account in foreign exchange in banks registered with the Central Bank of Yemen, promptly upon presenting its license to them. The project is obliged to present to the Authority at the end of each fiscal year a statement, endorsed by a chartered accountant, showing the movement of such account and such documents and details as may be required by the Authority to verify that usage has been in accordance with the purposes set forth in this Law.

b. A project's foreign exchange account resources shall be made up of the following:

- Freely convertible foreign currency transferred as the investor's capital in the project.
- Loans obtained by the project to finance project investment costs and operations, transferred in foreign currency.
- Proceeds from the project's tangible and intangible exports and those earned by sales in foreign currency on the local market.
- Amounts in foreign exchange resulting from liquidation or disposal of the project as may be authorized by the Authority.
- Foreign currency procured by the project through local or foreign banks from those having freely convertible accounts or from any other sources pursuant to policies determined by the Central Bank of Yemen.
- Amounts payable to the project as interest accruing to the project's account.
- Fines and reimbursements collected by the project in foreign exchange.

c. Project foreign exchange accounts shall be used for the following purposes:

- The cost of fixed assets and materials imported by the project.
- Financing the project's local investment costs and current expenditure required in foreign currency as operating capital or for operational purposes in the Republic.
- Installments and interest payable in foreign exchange on projects loans.
- Project profits that it is decided shall be transferred abroad and the retransfer abroad of invested foreign capital.
- Invisible expenditure payable by the project to parties resident abroad, to the extent determined by the Authority.
- Amounts sold through an approved local bank to cover project needs in local currency.
- Project expenditures and other payables in foreign exchange to the extent determined by the Authority.
- Wages and salaries of foreign personnel employed by the project and amounts payable and compensation paid to them at their request.
- Project foreign exchange accounts shall be entitled to interest payable on credit accounts in accordance with generally accepted international banking practice; project foreign exchange accounts shall be exempted from reserve contingencies established by any law or banking practice requiring otherwise.
- A project shall be entitled to withdraw any amount up to the full value of its credit balance at any time from its foreign exchange account.
- A project shall be entitled to close its foreign exchange accounts at any time, subject to notifying the Authority of such accounts in the annual statement provided for in paragraph (a) of this Article.

Article (15):

Without prejudice to a project's right to benefit from any monetary facilities made available by the relevant authorities, the government is under no obligation to provide the foreign exchange needed to carry out the project, cover its authorized foreign exchange transactions or fund its foreign exchange accounts. The project shall be entitled to obtain the foreign currency it requires at any time from its foreign exchange account.

Article (16):

a. Banks and specialized development finance institutions shall give preference to licensed projects in obtaining loans and credit facilities, without prejudice to the nature of the procedural rules under which such bank and institutions operate.

b. Any project creditor may create a mortgage on project assets or a part thereof to secure his loan, subject to a copy of the loan agreement and mortgage document being deposited with, and registered by, the Authority in accordance with the rules and procedures specified in the executive regulations.

c. Should a project fail to meet its obligations incorporated in the mortgage document in effect and registered with the Authority, the creditor shall have the right to exercise the lien on the mortgage article(s) before the competent court on an urgent basis. Interest shall continue to accrue on any proper loan or any other project obligation while the suite is being heard until the relevant final judgement is handed down and enforced.

Article (17):

Net profits earned by investment of foreign funds in a project may be transferred abroad to the extent of the foreign exchange credit balance available in the account and in accordance with the terms and conditions set forth in this Law and its executive regulations.

Article (18):

An investor shall be entitled to transfer his foreign exchange funds from abroad to the Republic for investment purposes through a bank working in Yemen. Should he decide otherwise, he may retransfer them abroad, with any interest accrued thereon, in the same or any other freely convertible currency.

Article (19):

a. When a project is implemented, the investors shall have the right to retransfer abroad the foreign capital invested in the project upon liquidation or disposal and Authority certification of the results of such liquidation or disposal, within the limits of the foreign exchange credit balance available in the project account and in accordance with the procedures described in the executive regulation.

b. Foreign capital invested in kind may be reexported in kind.

Article (20):

An investor may dispose of all or part of his capital invested in a project in free foreign exchange or local Yemeni currency after notifying the Authority, subject to three years having elapsed after the date of commencement of operations. The new owner shall replace the former owner in terms of rights and obligations set forth in accordance with the provisions of this Law, save those provisions governing transfer of profit and invested capital abroad if the disposal is in local Yemeni funds.

Article (21):

Projects may import directly or through some other party, subject to inspection, their requirements to establish, expand, upgrade or operate the project including fixed assets, means of transportation and production inputs appropriate to the nature of their activity to the extent of the foreign exchange credit balance available in the project account and the lists of its import requirements issued by the Authority, without having to be enrolled in the Importers Registry. The Authority shall be the competent body to approve and inspect project imported requirements. Customs authorities shall release such imports on arrival promptly upon presentation of the project license and lists of requirements issued by the Authority without need from any other documentation or procedures.

Article (22):

a. Projects shall recruit and train the maximum number of Yemenis possible. Projects may recruit non-Yemenis in accordance with the terms stated in its license and are entitled to obtain work permits and residence visas for such personnel for a three-year period, renewable upon the recommendation of the Authority. The executive regulations shall indicate all matters relating to advertising posts available, the issue and renewal of work and residence permits for foreigners, the procedures and timing to be observed in this regard, renewal fees and fines for delays as well as cases where exceptions may be made.

b. Non-Yemenis occupying management and technical positions in any project may transfer abroad 60 per cent of their net salaries, and full compensation at the end of their service to the extent of the credit balance in the project's foreign exchange account.

c. Project shall be at liberty to recruit, discipline and temporary lay-off personnel as may be deemed fit by project management, subject to adhering the terms of the contract of employment and fulfillment of all rights provided for in favor of the staff member.

d. The Authority shall draw up a list of basic labor rights that shall be incorporated in the contract of employment.

SECTION III CUSTOMS DUTY & TAX EXEMPTIONS ACCORDED PROJECTS

Continued on page 5:

LE TEMPS DU YEMEN

Conseiller du Premier Ministre et membre du PSY

M. Anis Hassan Yahia échappe à un attentat à Aden

Un membre du bureau politique du Parti Socialiste Yéménite, M. Anis Hassan Yahia, a échappé à un attentat, le soir du mercredi 8 juillet, à Aden.

Des inconnus, à bord d'un véhicule tous terrains ont ouvert le feu sur lui, peu avant minuit, alors qu'il s'apprêtait à regagner son domicile, dans le quartier de Mansoura.

Alerté par les premiers coups de feu, M. Hassan Yahia s'est retranché derrière un véhicule en stationnement et n'a été atteint par aucun projectile.

M. Anis Hassan Yahia est

également conseiller du Premier Ministre M. Abou Bakr Al-Attas. Un attentat à la bombe avait été perpétré le 15 mai dernier contre le Premier ministre. La bombe avait explosé devant le mur de sa résidence à Sanaa, n'occasionnant que des dégâts matériels.

Depuis la réunification, au moins huit responsables du Parti Socialiste Yéménite, qui partage le pouvoir avec le Congrès Populaire Général du Président Ali Abdallah Saleh, ont été assassinés.

(D'après AFP).

Alors que des entretiens yéméno-saoudiens sont prévus à Genève le 20 juillet

Une seule compagnie pétrolière opère toujours près des frontières contestées par l'Arabie Saoudite

Seule la Petro-Canada, compagnie Canadienne, continue d'explorer les régions du nord du Yémen où la frontière avec l'Arabie Saoudite est l'objet de vives controverses depuis quelques mois. Même si les installations pétrolières ont été placées sous une surveillance renforcée de l'armée, les deux autres sociétés pétrolières menacées par voie de lettre par l'Arabie Saoudite, qui avait déclaré il y a deux mois qu'elles opéraient "sur le territoire saoudien", ont temporairement cessé leurs activités.

La British Petroleum, selon des sources diplomatiques, a plié bagage momentanément, invoquant, sans fournir de détails, des questions de "force majeure".

De son côté, la société française Elf-Aquitaine, a suspendu ses opérations momentanément dans le bloc de 43.000 mètres carrés attribués par le gouvernement.

Le 30 juin dernier, lors de la table ronde de Genève sur le Yémen, le Premier Ministre Abou Bakr Al-Attas a indiqué que des entretiens ministériels auraient lieu le 20 juillet à Genève.

Ces premiers contacts sont un pas important vers une possible résolution pacifique de ce différend. Les Saoudiens avaient jusqu'alors ignoré littéralement toute offre yéménite de négociations. Certes, les entretiens de Genève le 20 juillet se situent à un niveau relativement modeste: l'Arabie Saoudite sera représentée par le ministre de l'Education, M. Al-Khuwaiter, le Yémen par le secrétaire d'Etat aux Affaires Etrangères, M. Abdulaziz Ad-Dali.

(D'après AFP).

Alors que de petites embarcations de "boat people" continuent d'arriver sur les plages d'Aden

La situation humanitaire en Somalie est désespérée, selon le CICR

La guerre civile et la famine en Somalie menacent de mort des millions de gens et poussent hors des frontières du pays des milliers d'autres. Depuis deux semaines, nous relatons dans le Temps du Yémen l'arrivée dramatique des "boat people" somaliens (lire les deux précédentes éditions du Temps du Yémen).

Aujourd'hui encore, plusieurs petits bateaux arrivent encore sur les plages d'Aden et de gros gargos attendent à Mogadiscio pour embarquer des réfugiés par milliers, transformant cet exode en un véritable commerce: sur un cargo comme le *Gobwein* qui a échoué le 22 juin dernier sur une plage d'Aden, le prix de la traversée était de 100 dollars pour un adulte, 40 dollars pour un enfant... sans compter le prix en vies humaines pour des familles qui ont perdu plusieurs enfants au cours de la traversée ou lors du débarquement sur la plage d'Aden.

Ce flot de réfugiés ne risque pas de se tarir, comme le prouve la décision récente du Haut Commissariat aux Réfugiés au Yémen de construire un camp d'accueil de 50.000 places: la situation en Somalie empire de jour en jour. Le Yémen et le Kenya sont les deux seuls pays à accepter les réfugiés somaliens. Ils sont près de 500.000 au Kenya et plus de 50.000 au Yémen.

"Des milliers de personnes meurent chaque mois. Il s'agit de la pire situation que j'ai jamais vue", a déclaré jeudi à Nairobi M. Peter Fuchs, le directeur général du Comité International de la Croix Rouge (CICR). La situation humanitaire en Somalie est "totalement désespérée" n'a-t-il pas craint d'ajouter, et elle empire chaque jour en raison des effets conjugués de la guerre civile qui se poursuit entre clans rivaux et de la sécheresse. "Cette situation est comparable à celle qu'a connue l'Ethiopie en 1984-1985", a précisé M. Fuchs.

Trente mille habitants de Mogadiscio, la capitale, et de ses environs sont morts depuis novembre dernier, date de la reprise des violents combats entre les deux factions du Congrès de la Somalie

Unifiée (USC) du général Mohamed Farah Aidid et du président par intérim Ali Mahdi Mohamed, qui ont écarté du pouvoir l'ancien dictateur Siyad Barre.

Le CICR a installé quelques 370 cantines qui lui permettent de nourrir actuellement, deux fois par jour, 500.000 personnes. Mais 500.000 autres, dont le CICR ne peut s'occuper faute de moyens suffisants, sont en situation de malnutrition.

Ces personnes vont mourir si elles ne sont pas aidées. "Nous avons besoin de multiplier par deux notre action actuelle", a indiqué M. Peter Stocker, le responsable du CICR pour la Somalie, "tant pour la distribution de l'aide alimentaire que pour notre programme de cantines".

Le budget initial du CICR pour la Somalie en 1992 était de 104,5 millions de francs suisses (environ 143 millions de dollars), mais il devrait être augmenté de 91,5 millions de FS (125 millions de dollars) et devrait ainsi représenter plus de 20% du budget total couvrant les activités du CICR dans le monde entier.

Soixante-quatre mille tonnes d'aide alimentaire ont été transportées par l'organisation internationale en Somalie depuis janvier 1992. Le CICR, pour qui la Somalie représente la plus importante action dans le monde, développe également un programme de distribution de semences aux fermiers, même si beaucoup ont été déplacés par les combats.

Un cessez-le-feu continue d'être observé depuis le mois de mars dans la capitale somalienne, mais des affrontements armés éclatent toujours fréquemment et des éléments incontrôlés, souvent de jeunes adolescents armés, tuent, violent et pillent sans retenue, selon de nombreux témoignages de réfugiés à Aden. Le CICR a été obligé de recruter des hommes armés pour la protection du débarquement de l'aide et des convois humanitaires.

E.G. (D'après AFP).

Tribune libre

La coopération culturelle franco-yéménite doit être ambitieuse

Par Hamid Motea Alawadhi
Ministère de l'Enseignement Supérieur et de la Recherche Scientifique.

Les domaines de la coopération franco-yéménite sont multiples, il sera presque difficile de les cerner en quelques lignes. C'est pourquoi je me contenterai, à titre d'essai, de parler, d'une manière brève et schématique, des aspects exclusivement culturels de cette coopération, dans ses aspects pratiques, sans tomber dans le travers des arguties théoriques sur la question culturelle en général.

Lorsque l'on traite de la coopération culturelle entre la France et le Yémen, on peut, grosso modo, la voir à travers deux optiques, l'une engendrant l'autre: l'état actuel de la coopération et ses perspectives.

L'état actuel de la coopération résulte évidemment d'un processus historique dont les détails ne feront pas partie de notre propos ici. Il sera suffisant de noter quelques éléments qui sont, à mes yeux, représentatifs; et, selon toute vraisemblance, ce sont les éléments clés de la coopération, depuis les premiers contacts entre les deux pays.

En premier lieu, les échanges culturels au niveau des étudiants et des chercheurs. En effet, les étudiants yéménites effectuant leurs études en France et les chercheurs français conduisant leurs recherches au Yémen étaient, sont et resteront toujours l'élément de base de toute coopération. C'est par cet échange que les deux pays se comprennent mieux l'un et l'autre et que les domaines d'intérêts communs se multiplient et se diversifient.

Le deuxième élément clé est l'enseignement du français au

Yémen. Bien que l'anglais domine une bonne partie du *Mashreq* arabe, le Yémen est encore un des rares pays où l'anglais n'a pas encore gagné sa bonne place, au moins comparé aux autres pays de la péninsule arabique. Il y a donc une chance historique pour que le français puisse jouer un rôle capital, sinon comparable à celui de l'anglais, à condition que des efforts supplémentaires soient déployés. En fait, des démarches visant à enseigner le français aux Yéménites se multiplient d'un jour à l'autre; on peut citer, à titre d'exemple, l'installation d'un département de français à la Faculté de Lettres de l'Université de Sanaa, les cours au Centre Culturel Français et dans quelques écoles yéménites privées, spécialisées dans l'enseignement des langues; enfin, citons l'introduction du français dans certaines écoles publiques mais dont le nombre reste encore trop limité.

Troisième élément: l'installation de centres permanents de recherche dans différents domaines. Il existe actuellement un centre franco-yéménite pour les études et les recherches historiques, sans parler des missions de recherches qui visitent périodiquement le Yémen dans le cadre de programmes scientifiques et culturels. Les autorités des deux pays sont en train de mettre en place un Centre de poésie franco-arabe, le Centre Arthur Rimbaud à Aden. Un autre centre important est le Centre Culturel Yéménite à Paris, qui a comme objectif de promouvoir les échanges culturels entre les deux pays. On n'a malheureusement pas entre les mains les données statistiques pour pouvoir évaluer avec la plus grande certitude l'ampleur de cet échange et son importance pour le Yémen et la France, mais elle est considérable.

Les perspectives. Comment voit-on l'avenir de la coopération culturelle entre les deux pays? Elles sont liées aux bonnes intentions des responsables des deux pays qui doivent parier sur les vertus d'une telle coopération.

On peut schématiquement tracer l'avenir de cette coopération en revenant aux éléments cités plus haut, en les inspectant sous un autre angle.

L'échange d'étudiants et de chercheurs, bien qu'il soit aux yeux de tous d'une importance majeure, reste pourtant modeste. En effet, les cent étudiants yéménites effectuant actuellement leurs études en France sont la locomotive de la coopération entre les deux pays, même s'ils sont relativement peu nombreux et répartis dans des domaines très limités.

Cette limitation réduit, à long terme, le champ des intérêts communs à des domaines restreints et porte atteinte à l'ambition de ceux qui, dans les deux pays, désirent élargir et diversifier les domaines de la coopération culturelle.

Les efforts déployés mutuellement pour la diffusion du français au Yémen doivent aboutir, en aval, à des résultats positifs pour les deux pays. Mais il faut souligner que la France a, en plus, une responsabilité historique et de civilisation vis-à-vis des autres pays, y compris le Yémen qui mérite, d'ailleurs, d'avoir une distinction dans certains domaines, notamment économique et culturel.

En conclusion, les relations franco-yéménites dans leur essor actuel méritent d'être admirées. Mais elles ont besoin, aux yeux de ceux qui veulent en avoir plus, d'efforts supplémentaires pour qu'elle atteigne, au bout du compte, le niveau le plus souhaitable, à la fois pour les yéménophiles et les francophiles.

Dans un *Mémoire Economique Général*, le gouvernement analyse de façon lucide la situation économique du pays

Le Yémen s'engage à réformer son économie devant la communauté internationale

Le Yémen est en train de réfléchir sur son avenir économique avec un lucidité qui a surpris les membres des délégations des éventuels pays et organismes donateurs lors de la table ronde de Genève sur le Yémen, les 30 juin et 1er juillet dernier. A cette occasion, avec la collaboration de nombreuses équipes d'experts fournies par le Programme des Nations Unies pour le Développement, partenaire privilégié de Sanaa dans l'organisation de l'assistance internationale et l'un des principaux dispensateurs d'aide, le gouvernement avait dressé un mémorandum très volumineux sur l'état de l'économie, ses problèmes et ses besoins, les mesures de politique économique que le pays s'engageait à prendre ainsi que des perspectives qui couvrent la période 1992-1993.

L'objectif paraissait ambitieux pour un pays qui n'a pas encore les moyens d'établir des statistiques régulières et fiables, piliers essentiels de toute définition d'une politique économique pour l'avenir. Mais les spécialistes à Genève se sont unanimement déclarés "très impressionnés" par la qualité du document. Le gouvernement et ses collaborateurs experts de

tous les pays ont identifié très lucidement et sans fard les dysfonctionnements de cette économie déséquilibrée et proposé des mesures contraignantes pour y remédier dans un avenir proche.

En établissant deux scénarios, l'un optimiste, l'autre un peu plus réaliste, sur l'évolution des principaux indicateurs économiques à l'horizon 1996, les Yéménites se sont sans doute montrés un peu présomptueux mais, de leur propre aveu, il n'est pas question de deviner de quoi l'avenir sera fait mais de construire des hypothèses de développement pour guider un minimum leur action. Ces hypothèses sont basées sur des volumes de production future de pétrole qui peuvent paraître utopiques mais aussi, cela est plus intéressant, sur des mesures volontaristes de réformes de pans entiers de l'économie et une orientation très rapide vers une économie de marché favorisant l'entreprise privée et l'investissement. Or, cela ne fait de doute pour personne, aucune réforme théorique ne sera suivie d'effet si l'on ne remet pas en cause le fonctionnement administratif de ce pays, si l'on n'abat pas les barrières bureaucratiques et finan-

cières qui découragent les investisseurs locaux et étrangers, si l'on ne combat pas énergiquement toute forme de corruption qui ne permet pas de concevoir actuellement un quelconque projet sans "engraisser" d'un intermédiaire dans l'administration, à tous les niveaux.

Dans tous les cas, l'effet d'annonce de mesures de politique économique très volontaristes (unification des taux de change, encouragements à l'investissement, réduction drastique des dépenses budgétaires, réduction générale des grands déficits, révision des méthodes de financement des déficits publics, etc.), n'a qu'un but: attirer les dispensateurs d'aide internationale en attendant le début du redressement du pays, et surtout le Fonds Monétaire International. Celui-ci reste encore de marbre devant les promesses du gouvernement et n'est pas disposé encore à mettre en œuvre pour le Yémen la batterie de prêts avantageux qu'il met à la disposition des pays les plus pauvres du monde à des conditions de mise en œuvre de politiques économiques de rigueur au détriment souvent de populations déjà durement éprouvées par un niveau de vie très faible.

Dans un premier scénario, dit "optimiste", le Mémoire Economique Général fait état d'une production pétrolière de 650.000 baril par jour en 1996 ! La production actuelle est de 200.000 bj... Dans le second scénario du gouvernement yéménite, dit "réaliste", le pays produirait 455.000 bj de pétrole en 1996, ce qui paraît encore beaucoup à nombre d'experts. Mais le document avertit aussitôt le lecteur: il n'est pas question de prévoir quoi que ce soit mais simplement de dresser des hypothèses auxquelles le gouvernement est susceptible d'avoir à faire face dans les quatre années qui viennent, afin d'ajuster sa politique économique au mieux. Le second objet de telles perspectives est de montrer à la communauté internationale que, même avec de telles hypothèses de production pétrolière, le Yémen ne sortira pas la tête de l'eau avant 1994 pour le second scénario, 1996, et encore, pour le premier. Et qu'il est nécessaire donc, de continuer à fournir une aide à ce pays pauvre, pendant quelques années encore pour qu'il puisse tirer un jour bénéfice de ses propres ressources. Ce message est, d'après de nombreux témoignages, bien passé à Genève, les délégations ont été très impressionnées par le sérieux et la lucidité de l'analyse de sa situation économique par le Yémen.

Après avoir fait état des handicaps qu'il a dû affronter récemment (guerre du Golfe, retour des rapatriés d'Arabie Saoudite, fermeture du robinet à financer le déficit commercial que constituaient les capitaux rapatriés chaque année, abandon de l'aide des pays du Golfe, baisse de celle des occidentaux, le coût de l'unification, les conditions climatiques défavorables, etc.), le gouvernement propose des solutions concrètes (mais dont on ne sait si elles sont réalisables en l'état actuel du fonctionnement du pays) pour remédier aux grands déséquilibres, susceptibles de coller aux exigences classiques du FMI.

Le Yémen a été identifié par les Nations Unies comme le second pays le plus touché par la crise du Golfe, après le Royaume Jordanien (et l'Irak ?). Le coût a été estimé par les mêmes Nations Unies à plus de 2 milliards de dollars soit un point de taux de croissance du Yémen. Les rapatriés d'Arabie Saoudite et du Koweït forment aujourd'hui plus de 15% de la population active et plus de 36% des chômeurs. Les pertes des revenus rapatriés au Yémen par ces travailleurs à l'étranger représente une perte inestimable dans la mesure où il s'agissait de la principale source de financement de l'énorme déficit du commerce extérieur yéménite, sans compter les effets dépressifs sur

la consommation interne.

Les solutions proposées par le mémorandum enfoncent à priori des portes ouvertes: renforcer la croissance dont le taux de progression en 1991 est inférieur de 4 points à celui de 1990, renforcer le rôle du secteur privé et fonder une économie de marché (il s'agit là du leitmotiv de ce document), combler le plus vite possible les déséquilibres fondamentaux, balance des paiements et finances publiques, mettre en chantier une gigantesque réforme de la gestion de la population pour remédier au chômage.

Le plan de réforme vers l'économie de marché, pilier de cette nouvelle stratégie qui ne pourra pas déplaire au FMI, est en revanche plus concret et propose huit priorités pour la politique économique à venir:

1- L'unification des taux de change. - Le gouvernement reconnaît que le système dual du taux de change n'est pas satisfaisant et a pour but prioritaire de l'unifier dans un sens réaliste, c'est à dire proche du taux parallèle actuel, de 30 ryals pour un dollar. Des pas importants ont été faits dans cette direction après l'accès des importateurs au taux parallèle pour régler leurs échanges, la baisse à quatre produits seulement (blé, farine, riz et médicaments) de la liste des importations

entrant au taux officiel de 12 ryals pour un dollar. Aujourd'hui, on estime que 85% des importations se font au taux libre. Pour le gouvernement, l'unification des taux est réalisable à court terme dès lors que le déficit commercial et des paiements courants sera comblé, ce qui ne paraît pas très réaliste avant longtemps. Le gouvernement prévoit, lui, l'unification pour dans deux ou trois ans, à un taux de 25 ryals pour un dollar.

2- La liberté totale d'importer. - Selon le gouvernement, l'obtention des licences d'importation a été simplifiée. Ceci est un pas nouveau vers un marché plus libre. Mais dans la réalité, les contraintes bureaucratiques sont encore trop pesantes.

3- Une politique budgétaire plus restrictive. - En raison des très forts déficits chaque année, des mesures de réduction des dépenses ont été prises dans les budgets 1991 et 1992. Mesure la plus sensible parmi celles annoncées: une réduction de 14% des dépenses militaires dans le budget 1992.

4- Inciter l'investissement privé et réduire le nombre des entreprises publiques et l'intervention de l'Etat en général. - En privatisant celles du sud, on a réduit jusqu'ici considérablement le fardeau budgétaire qu'elles représentaient, selon le mémorandum. Des ac-

tions ont été entreprises pour favoriser l'investissement privé.

5- Une planification et une gestion plus rationnelle de l'économie. - Le Programme National de Réformes voit la naissance d'un système nouveau de planification économique basé non plus sur le dirigisme mais sur l'économie de marché et un système d'incitations. Mais auparavant les priorités sont d'unifier les systèmes statistique et comptable peu satisfaisants ici et de promouvoir les techniques de coopération interministérielle alors que jusqu'à présent, chaque ministère est un bastion qui prend ses propres décisions sans se soucier des autres.

6- Développer les ressources humaines. - Sous ce terme barbare on trouve l'une des plus grandes priorités du gouvernement: dans un pays où l'essentiel de la main d'oeuvre n'est pas qualifiée, il est important de mener une politique offensive d'éducation. Le gouvernement veut donc accroître la scolarisation dans le primaire et le secondaire et favoriser l'accès des femmes aux études. La santé est également un volet important de cette future stratégie.

7- Inciter au développement de l'industrie pétrolière. - Tout doit être mis en place pour qu'il n'y ait aucune barrière aux investisse-

ment étrangers dans ce domaine.

8- Autres mesures immédiates. - Il s'agit essentiellement de promouvoir le secteur agricole et industriel pour éviter une trop forte dépendance du pétrole. Le secteur agricole représente un quart du Produit Intérieur Brut (PIB, soit la richesse produite par le pays), un tiers des exportations non-pétrolières et deux tiers de la population active. L'objectif du gouvernement est d'améliorer les services, développer les infrastructures et promouvoir une utilisation plus rationnelle des ressources rares, eau et terres. Le tourisme bénéficie également d'une attention particulière du gouvernement: il s'agit d'une des perspectives les plus attractives pour les investisseurs privés locaux ou étrangers. Mais un effort considérable doit être accompli par le gouvernement pour les infrastructures et les services (télécommunications, transports, etc.).

Mais à ce point des constats, le pays, qui n'est pas encore en mesure de produire suffisamment de richesses dans l'immédiat, reste très dépendant de l'aide extérieure. Dans la période qui précède l'unification, les ressources provenant des donateurs extérieurs avaient connu une progression conséquente: de 423, 2 millions de dollars en 1986 pour les deux ex-Yémen, à 537 en 1988, 560 en 1989. A cause de la crise du Golfe, cette aide est tombée à 294, 2 millions de dollars en 1990! Dès lors, l'assistance extérieure n'est plus suffisante pour garantir une prochaine correction des déséquilibres économiques du Yémen en attendant que le pays puisse produire suffisamment de richesses. Le Yémen a besoin d'une hausse de cette assistance internationale dans les années à venir pour lui donner la marge sociale suffisante pour entreprendre ses réformes économiques (une politique restrictive sans compensations aurait des répercussions politiques très graves sur une population déjà très pauvre, certaines expériences précédentes sous les conseils du FMI ont montré ce danger). Pour cela, et voici franchi un pas important pour peu que de telles résolutions puissent être effectivement suivies d'effet, le gouvernement s'engage dans ce mémorandum à "corriger les pratiques qui ont gouverné l'administration de l'aide extérieure jusqu'à présent".

Cette aide extérieure est rendue d'autant plus nécessaire que, sur la base des informations disponibles, il est plus que probable que la phase de crise économique que connaît le Yémen durera au moins jusqu'en 1994 dans le scénario optimiste et jusqu'en 1996 ou plus, dans le scénario plus réaliste (lire notre encadré) !

Emmanuel GIROUD

Chiffres et perspectives

Les seuls chiffres et statistiques disponibles datent de 1989 et 1990. Ceux de 1991 doivent être calculés en fonction des performances des deux ex-Yémen. Dans l'ancien Yémen du sud, la croissance était négative les cinq années qui ont précédé l'unification, à une moyenne annuelle de -4%. Pendant la même période, le nord connaissait une croissance positive seulement grâce à la découverte de pétrole depuis 1987.

Les taux d'épargne dans les deux pays étaient nuls, les gens consommaient 100% des revenus annuels, ce qui faisait stagner l'investissement et ne permettait pas de financer les déficits publics en dehors de la création de monnaie, technique fortement inflationniste.

Pour le budget 1991, le déficit est estimé à 11% du PIB, chiffre raisonnable par rapport à ceux d'avant l'unification (17% en 1989, les deux pays confondus). Ces trous financiers annuels ont conduit les deux pays à s'endetter fortement: la dette extérieure totale des deux pays était estimée à 7 milliards de dollars en 1990 !

En ce qui concerne les équilibres de la balance des paiements, les échanges courants sont également fortement déficitaires,

en particulier à cause des échanges commerciaux. Les très mauvaises performances du Yémen à l'exportation conjuguées à une forte demande interne qui pèse sur les importations aboutit à un déficit du commerce extérieur structurel qu'il sera bien difficile d'inverser dans les prochaines années, malgré les prétentions du gouvernement dans le mémorandum.

En ce qui concerne les prix, le pays ne connaît pas les grandes catastrophes qu'ont pu vivre certains pays d'Amérique Latine ou d'Afrique avec une inflation à trois ou quatre chiffres. Mais le Yémen est une économie très liquide dans la mesure où les gigantesques déficits publics ont toujours été éponges, au nord comme au sud, en faisant fonctionner la planche à billets. La hausse des prix a été très modérée comparée à des situations identiques dans d'autres pays, depuis la réunification. Les effets les plus graves de l'abandon du contrôle des prix s'étant fait sentir plus durement dans le sud: l'inflation aurait été de 34% en 1990, mais on parle à Aden de véritable explosion de certains prix (200, 300%) notamment des produits alimentaires, comme le poisson.

Dans le scénario un du mémo-

randum, dit optimiste (production pétrolière de 650.000 bj en 1996), la balance des paiements serait équilibrée dès 1995, le déficit budgétaire resterait assez élevé jusqu'en 1993 (9,3% du PIB) les recettes supplémentaires du pétrole étant affectées à des dépenses pour alléger les conséquences d'une politique économique rigoureuse sur la population. En 1994, le déficit budgétaire tomberait à 1,6% du PIB, hypothèse qui paraît fantaisiste. Le chômage persisterait à un niveau élevé car la croissance toucherait des secteurs à faible main-d'oeuvre dans un premier temps.

Dans le second scénario, plus réaliste mais encore peu probable (avec une production de pétrole de 455.000 bj en 1996), la crise économique persisterait au moins jusqu'en 1994, voire au delà. La principale différence avec le scénario un, c'est que la balance des paiements resterait déficitaire même en 1996. Il faut noter que pour les deux scénarios, les autorités yéménites ont anticipé une hausse de l'aide internationale aux niveaux d'avant la réunification, à savoir environ 500 millions de dollars...

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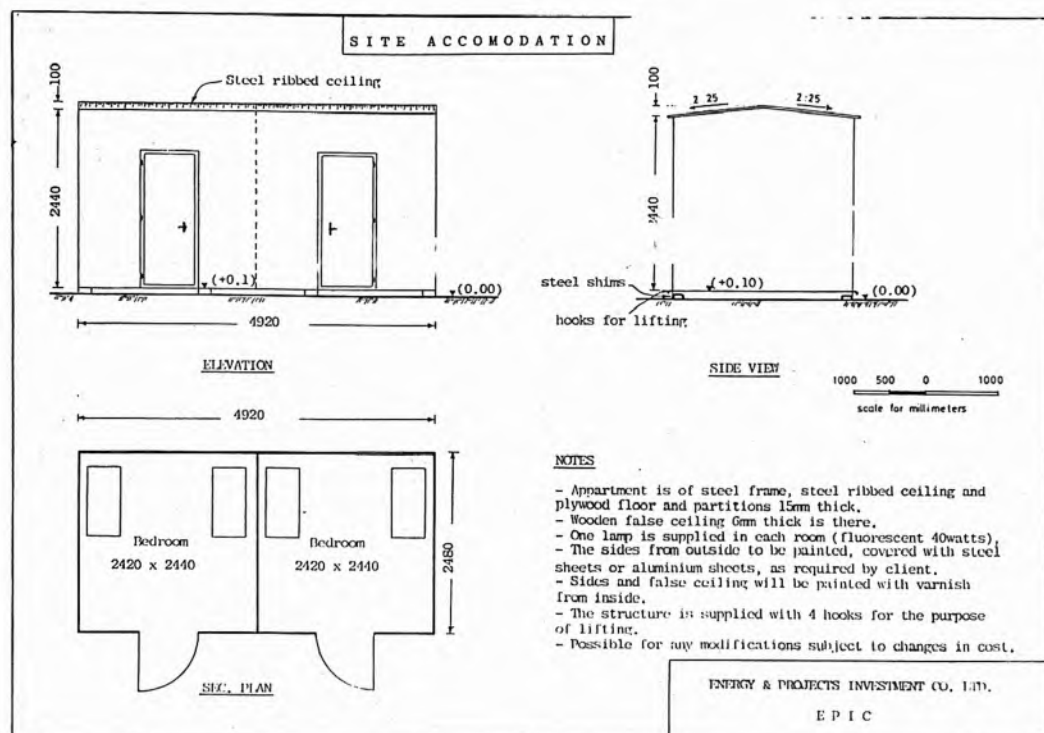
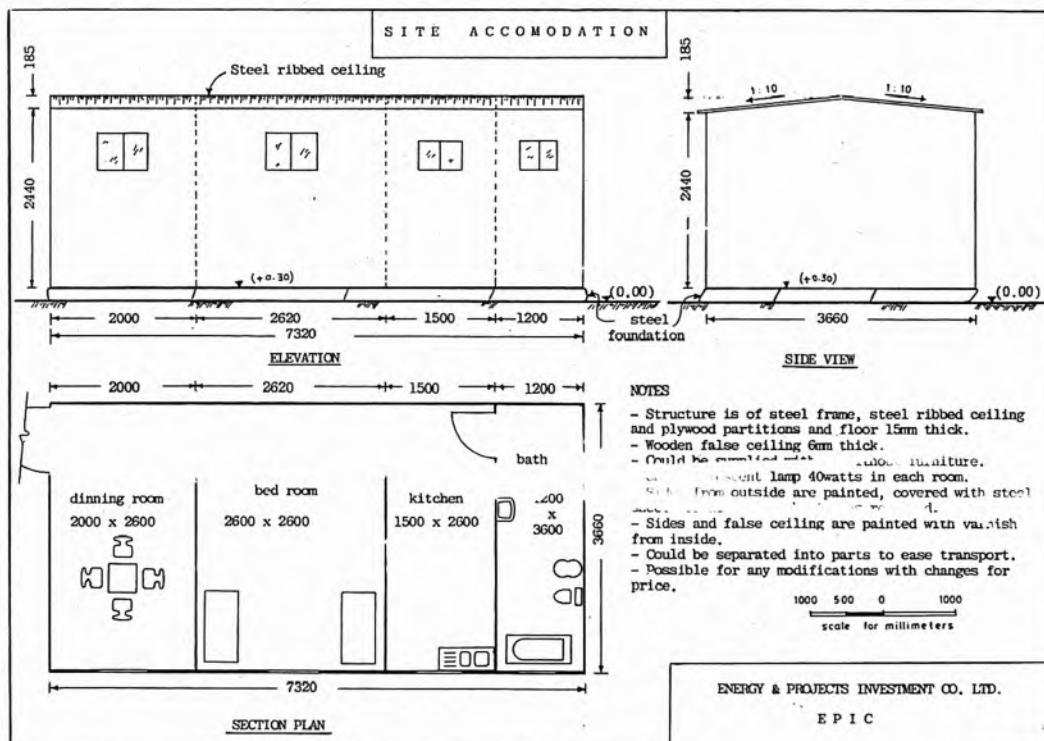
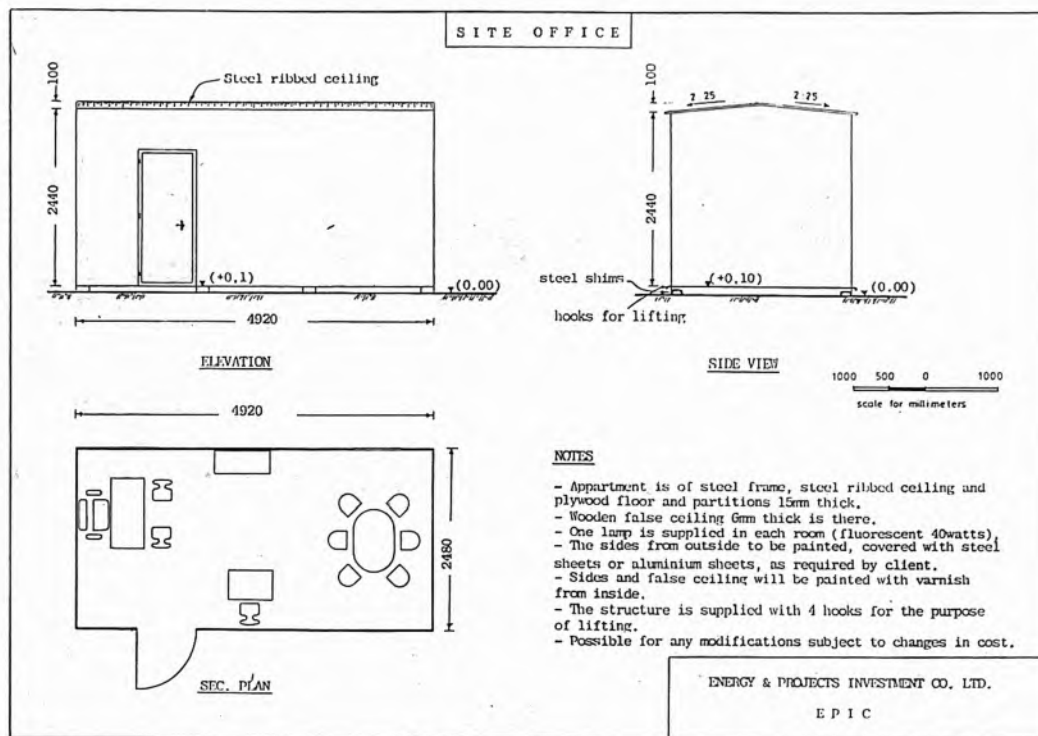
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17,000 New Applicants to Sanaa University

Over the last three weeks, Sanaa University has been receiving applications for admission to its various colleges for the academic year 1992/93. Although the university has stiffened its requirements for admission, it has been engulfed by 15,000 applicants, so far. "We expect the final number to rise beyond 17,000," said Dr. Abubakar Al-Qirby, Vice President (Provost) of the university. The university is admitting only those students who have a high school graduation score of better than 65%. In some cases, as with the College of Medicine, the required score is 90%. "Don't let this requirement fool you," exclaimed one of the students who is trying to get into the College of Economics, which requires

a minimum score of 70%. "There are too many exceptions applied to the rule, tailored to oblige influential people. The rules are made to screen out those applicants who do not have wasita (people who intervene on one's behalf)," he clarified. Approached on this point Al-Qirby acknowledged there is a petition committee which is authorized to waive this, or any other requirement, on a case by case basis for certain applicants. He confirmed that the system is porous enough to let in too many exceptions. Sanaa University already has over 60,000 students. The absence of long-term policies and clarity of vision as to the future have dramatically lowered its educational standards.

Continued from p. 1

Electoral Constituencies

that the Sanaa population votes in the villages and not in Sanaa. That means the Sanaa voters will each exercise double the rights exercised by other voters in the Republic. This example is true of all Yemeni cities whose residents will decide to vote in their respective villages; but it is especially acute in Sanaa.

One of the answers to this problem is to re-adjust the number of MPs to each governorate and city on the basis of the number of voters registered to vote. This indexation process will allow a more fair distribution of MPs. At another level, the House of Representatives is still discussing the list of candidates (fifteen names). The two ruling parties will name three persons each, and the nine persons that remain will be named by the various parties and associations. The House is working with list number four as each list is vetoed by this or that group. The House is also looking into amending the law on the Supreme Elections Committee which calls on its members to withdraw from their parties. The House is looking into waiving this requirement. The House is expected to agree on the list by early next week. The fifteen names will be the base from which the Presidential Council will form a five-or-seven person committee. It is understood that the Committee enjoys wide-ranging authorities in organizing and running the elections.



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Weekly English lessons:

By: Li sa Ciardulli and Jeanna Stroble

Lesson #2:

The verb "to be"

PRETEST

Read the following groups of sentences. Choose the incorrect sentence from each group (there is only one for each group).

- I study.
 - I am study
 - I am a student.
- My family comes from Sana'a.
 - My family is from Sana'a.
 - My family from Sana'a.
- Ali and Mahmoud are friends.
 - Ali and Mahmoud are friendly.
 - Ali and Mahmoud are a friend.

One of the first problems encountered by Arabic learners of English is the troublesome verb *be*. Because this verb does not have an Arabic counterpart in the present tense, it is often incorrectly left out of English sentences when it should not be. This lesson will review the present tense forms of *be* and discuss its usage.

FORM

Be is the only verb in English with three different forms in the present tense.

I	am	you	are	he	is
		we		she	
		they		it	

Practice A

Fill in the blanks with the correct forms of *be*.

- Ahmed Ali _____ a doctor.
- Mona and I _____ students.
- I _____ busy today.
- The book _____ on the table.
- You _____ hungry.
- My friends _____ from Taiz.
- The shirt _____ green.
- My teacher _____ Egyptian.
- I _____ in the classroom.
- We _____ shopkeepers.

USAGE

Unlike most other verbs, *be* is not an action word. Instead, *be* connects the subject with words that tell something about the subject. For example, in the sentence, **The lesson is easy**, *is* connects the word **easy** to **lesson** to make a statement. For this reason, *be* is often called a **linking verb**.

There are three patterns using *be* as a linking verb.

Pattern 1: subject + *be* + a noun*
examples: We *are* engineers.

The baby *is* a boy.

* A noun is a word that names a person, place or thing, such as teacher, engineer, boy, house, hospital, school, book, car, door, etc.
A noun that comes after *be* must agree with the subject (if the subject is plural, the noun must also be plural).

Pattern 2: subject + *be* + an adjective*
examples: The door *is* open.

I *am* rich.

* An adjective is a word that describes someone or something, such as open, rich, closed, poor, black, white, big, little, etc.

Pattern 3: subject + *be* + a prepositional phrase*
examples: Amat *is* in the car.

They *are* from Aden.

* A prepositional phrase is a group of words beginning with a preposition (words like on, in, at, from, with, to, of, before, after) that tell when, where, or how something is.

Note: *Be* cannot be followed by another present tense verb.

Practice B

Look at the sentences in Practice A. Decide which sentences follow Pattern 1, 2, or 3. List the sentences below.

Pattern 1 Pattern 2 Pattern 3

Practice C

Look at the Pretest. Are your choices still the same? Tell why you think the sentences you've chosen are incorrect.

WEEKLY IDIOM

a piece of cake--an expression used to say that something is very easy. For example: Abdulatif is going to have an exam. He studied a great deal and knows the material very well. While he is taking the exam, his teacher asks, "How is the exam?" He answers, "It's a piece of cake!"
Sometimes this phrase is shortened to just "cake."

Answers to Practice A:
1. is 2. are 3. am 4. is 5. are 6. are 7. is 8. is 9. am 10. are.
Answers to Pretest and Practice C: B--cannot be followed by another present tense verb (study), C--no verb; every English sentence must have some kind of a verb, C--singular noun (friend) does not agree with the plural subject (Ali and Mahmoud).

WORLD BANK LOAN TO CAIRO DELAYED

The World Bank has delayed paying out part of a structural adjustment loan to Egypt because it is unhappy with delays in economic reforms, a Western economist said early this month.

The delay in disbursing the second part of a \$300 million structural adjustment loan (SAL), originally due by 30th of June, is the first concrete sign of rising frustration among Cairo's creditors at the slow pace of reforms.

Egypt agreed to a wide-ranging 3-year economic reform program last May in return for loans from the World Bank and the International Monetary Fund and over US\$10 billion of loan forgiveness from Western creditors.

"There was no set deadline for the payout and they're not in breach in a legal sense," said the economist, who is close to negotiations. "But it was initially understood that the second tranche would be paid by the end of June and that has not happened."

"There are lots of conditions they haven't been fulfilled," he added. He pointed to delays in privatisation of Egypt's huge state sector and liberalisation of trade as two areas with which the World Bank is unhappy.

Egypt's recent economic performance has been better than expected and Western economists say the government is taking advantage of record foreign exchange reserves and a positive balance of payments to postpone painful but crucial reforms.

The IMF is concerned that the government has gone back on earlier promises by still lending money to uneconomical state companies, economists say.

EXPAT WOMEN IN NAIROBI ATTACKED

Men wielding machetes raped two Western women walking their dogs near a Nairobi race course in the latest violent attack against a jittery expatriate community. Diplomats said the two women, one British and the other American, were attacked and raped by a group of thugs near the track at the end of June.

The incident capped a violent month during which a British tourist was hacked to death on the beach, an American woman was murdered by car thieves in a Nairobi suburb and a Finnish youth was shot in the spine while returning from a Nairobi dance.

"The situation is getting out of hand," commented a foreign envoy. Diplomats say the United Nations, which has several regional offices in Nairobi, has protested to the government about the armed theft of 14 of its vehicles in Nairobi in recent months. At least another 20 private cars were stolen at gun-point.

Kenyan foreign ministry spokesman James Simani said his office asked police to "act firmly and apprehend those involved because it is damaging Kenya's tourist industry."

Tourism is Kenya's main foreign exchange earner. But police said the women had not reported the rape and were therefore not investigating it, and sought to down-play fears among the foreign community.

"There are 24,000 murders in America every year and about 120 in Kenya. These things get blown out of all proportion," Kenyan police spokesman Jeremiah Matigaro said. Kenyan officials accuse the foreign media of tarnishing the country's image and tourism potential by giving unwarranted publicity to attacks on foreigners.

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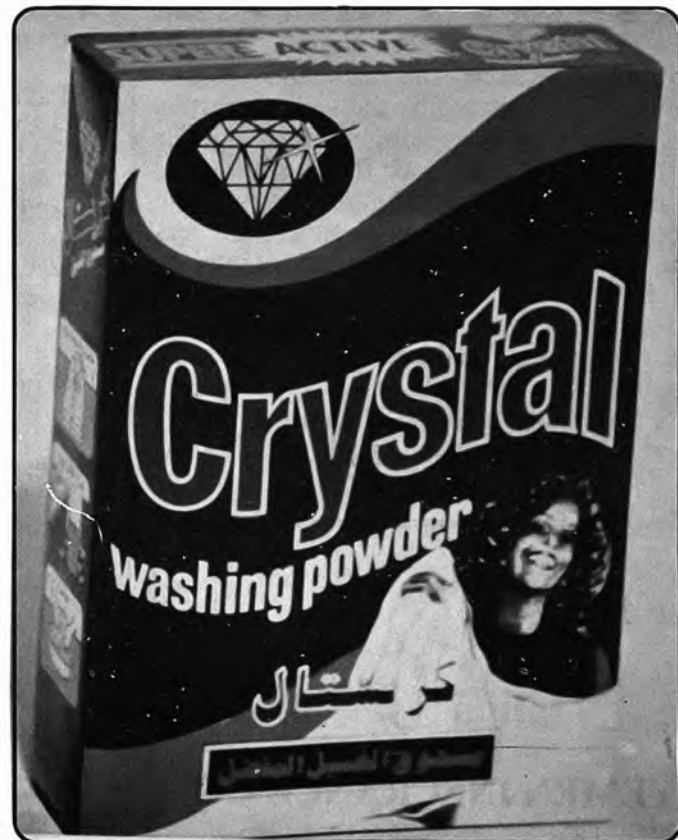
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AUSTRIA DEFENDS WALDHEIM PRESIDENCY

Supporters of Austria's outgoing President Kurt Waldheim, including actor Peter Ustinov and a former US ambassador to Vienna, defended his six years in office in a book published last month.

Waldheim, 73, stepped down as president last week ending a six-year term blighted by Israeli charges that he covered up his role in Hitler's army during World War two. He denies any wrongdoing. "As far as the accusations which were raised against him are concerned, not a single one was ever proved, simply because nothing could be proved," Ustinov wrote in a foreword entitled "My friend Kurt Waldheim."

Austrians chose Waldheim, a former United Nations secretary general, as their president in 1986 despite the controversy. But the United States, bowing to special interest groups put him on a "watch list" of undesirable aliens.

The 45 contributors to the book titled "Our Thoughts On Waldheim" include Austrian Foreign Minister Alois Mock and former US ambassador to Vienna, Helene Von Damm, who said she opposed the watch list policy. "The election results for President Waldheim showed Austria's majority is sticking up for something which its citizens believe to be correct," Von Damm wrote. "Today I treasure and respect Mr. Waldheim more than ever before," she added.

The 200-page book was published by former foreign minister Karl Gruber, high school teacher Robert Krapfenbauer and a medical doctor and Waldheim campaigner, Walter Lammel. Lammel said Waldheim's supporters felt it was necessary to document their opinions in book-form so that they could be considered in future evaluations of Waldheim. "Waldheim will stand as a gleaming example before the judgment of history," he wrote.

"These authors are Austria's university professors, lawyers, diplomats and intellectuals. They are bringing out young Austrians who are worse than they are," said Israeli journalist Rita Koch commenting on the book's authors.

"They are the ones who are creating a mentality, an Austria of which Waldheim is a symbol."

Russia Ends Bond with Pyongyang

Russian President Boris Yeltsin has made good on his pledge to end "ideological bonds" between his country and North Korea. The Russian President who had made that promise to the visiting South Korean Foreign Minister two weeks ago, delivered by suspending all Russian support for Pyongyang this week.

Russia had started efforts some time ago to distance itself from Pyongyang, one of the last strongholds of communism. Russia had earlier issued a joint call with the United States urging early inter-Korea nuclear inspections.

The Russian President was quoted as saying that there could be no Russian support, financial or military, unless Pyongyang allowed inspection of its nuclear facilities, suspected of being used to produce weapons. Russia had also suspended similar support to Havana, Cuba. Meanwhile, it is urging Mongolia towards greater reform.

CALIFORNIANS LEARN TO LIVE WITH QUAKES

Being swallowed up by the ground is a fear many Californians overcome by pointing to the beauty of their state and the open life style.

After all, their state has for a long time represented the "American Dream" for many foreigners and most Americans, and perhaps there should be a price to pay for the almost endless sunshine, warm winters, ocean breezes and amazing cultural diversity.

"I knew there would be an earthquake, but I was never afraid," said Tom Dolar, whose desert home and self-made paradise lay right on the fault line of last month's violent 7.4 earthquake. His house was demolished, but Dolar is determined to build again.

"I built it to retire with a view of this desert scenery and beautiful mountains," said Dolar, who immigrated from Yugoslavia to the United States in the 1950s. "This is the American Dream, to buy a piece of property and build your own home."

Dolar's wife, Patricia, said that wherever you go in the United States; people face natural disasters, ranging from snow storms to tornadoes to hurricanes. "If you didn't have this, you would have something else," she said.

Cleo Dillon lives a few doors down from the Dolars in a house that was upended along the same fault line. He's now sleeping in a trailer with his family in this small desert community of Lander, which has a population of about 6,000 residents.

Shari Salyers, whose home was also on the fault line and is severely damaged, said earthquakes still "scare the hell" out of her, but she has decided to stay.

"I guess wherever you go you are going to face some possible type of disaster," she said. "I guess the worse thing that could happen is the ground could open and swallow me up. I accept that risk"

Asked whether she was ready for the "Big One" that is due to strike sometime along the San Andreas Fault, Salyers responded: "If there are ones much bigger than this, there won't be a lot of people left around."

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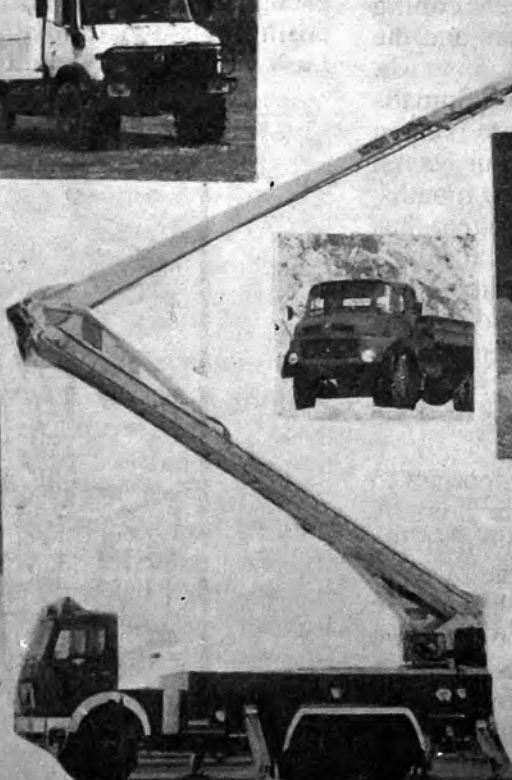
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الشركة المتحدة للهندسة والسيارات المحدودة

Yemen shares its limited resources with its Somali neighbors.

Mr. Abd Allah Mohamed Ahmed is a founding member of the Somali National Congress and its official representative in Yemen since its establishment in 1989. Last week, Yemen Times talked to him about the conditions in Somalia, and the Yemeni-Somali relations.

Q: How is the situation in Somalia evolving?

A: It is really unfortunate that United Somali Congress (USC) was split into two factions and cause all this bloodshed in the city of Mogadisho. We had expected trouble, but not in the proportions of these conflicts or early timing. Our people now know what be a hard nut General Aided is.

Even then, there now are political and diplomatic efforts within the U.S.C. to intermediate and find a solution in a peaceful way. Although the bloodshed continues, we are hopeful about a solution. Once we solve this problem within the U.S.C., resolving the civil war in the whole country would be easy.

Q: What was the main reason within the party (USC) to cause the split into two?

A: Nothing objective or philosophical - it is a fight over power. General Aided wants to be the president of Somalia, and the problem is that he doesn't want to share anything with any one or group. He does not want democracy. He wants to re-establish a dictatorship, like Siad Barre's rule. He thinks he can do much more and better through his own clan.

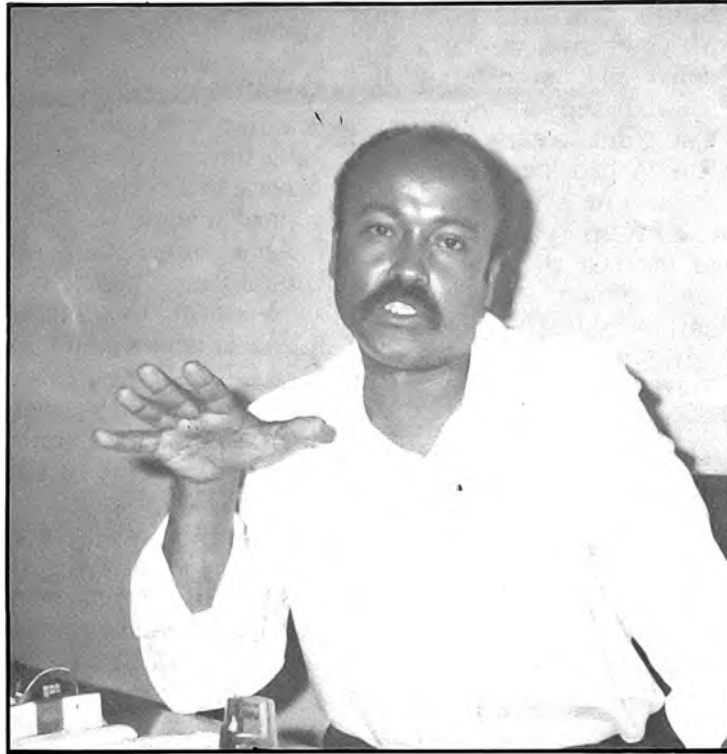
Q: How do you evaluate the UN efforts?

A: The UN is helping in some ways but not enough is being done. Its priorities are with the countries of the former Soviet Union and eastern Europe. That is why upto now, we have not received UN help in a meaningful way. We need UN help to save hundreds of innocent lives. People are needlessly dying everyday. I call upon them (UN) and the influential countries such as the United States and Europe to consider a more comprehensive and meaningful aid to Somalia.

I'm also addressing this same request to the OAU, the Conference of Islamic Countries and the Arab League, none of which is doing anything practical to help the situation.

Q: What do you plan to do in terms of raising world awareness of this problem?

A: Later this month, I am going to Rome, London, and the USA to meet with



Q: What is the purpose of your recent meetings with Yemeni officials?

A: First, let me start by thanking the fraternal Yemen for its role in alleviating the sufferings of our people. With its limited resources, Yemen has done more than the rich countries of the region. Yemen accepted Somali refugees since 1988 without any strings or conditions.

I am myself one of these refugees. Since 1988, Yemen has been coping with this problem and the world was oblivious to it. More than 70,000 Somalis have trickled into Yemen over the last four years. Over the last two months, the flow of refugees has become acute, and now I think there are almost one hundred thousand Somali refugees in Yemen.

We know Yemen cannot meet all the needs of these Somali refugees.

It is also very important to mention that the Somalis can freely move within the country and some of them are even working. We know the value of this in a country that itself has a substantial unemployment problem. This is because the Yemeni people and authorities see the Somalis as their brothers, so they share the limited resources with them.

some of the relief organisations, as well as our compatriots who are outside of Somalia. I will urge for more support and understanding for Somalia.

So now, I want what the whole world practises to be applied inside my country. That is why I will go on a tour to the main countries in world politics today, and come back to Sana'a and then finally go to Somalia.

Q: Any last comments?

A: Let me say that we are encouraged by the Yemeni position vis-a-vis Somalia. I ask you not to give up on

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us. I also appreciate the continued interest of the Yemen Times in reporting on Somalia and its people. I notice many of our own people write to this paper. Please continue, and some day soon, I hope there will be a solution of which the whole Somali people will be proud of.

I consider these days as the dark ages of Somalia, and there are certain individuals and events that are responsible for the continua-

tion of these dark ages of Somalia. But sooner or later, hopefully sooner, light will come.

The Somali people will never forget the peoples and countries that have stood by it in its dark hours. First and foremost among these are our brothers from Yemen. It is out of the ashes that the phoenix rises to full life, one more time.



SAC
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