

ment of a Scottish Parliament in 1999, and the increasing internal tensions within the United Kingdom are showing themselves more and more.

For example, proposals to have a U.S.-style televised face-to-face between Blair and Conservative Party leader William Hague, had to be shelved, as the Scottish National Party has said it will go to the Scottish courts, in an attempt to get this blacked out in Scotland, where the fight is between Labour and the SNP, and not between Labour and the Tories.

‘Corporate Manslaughter’ on the Rails

Possibly most critical for Blair, is the continuing chaos on the railways and the concomitant danger that the electorate will turn and politically savage him on this issue alone. He has already taken steps to flank this possibility, and that is represented by the very real possibility that top railway executives are going to go to jail. It emerged in the last few days, for example, that rail chiefs may face prosecution over the Hatfield train wreck of October 2000. Sources close to the Prime Minister have made clear that it is a “distinct possibility” that corporate manslaughter charges could be brought by British Transport Police, against senior executives of Railtrack and of Balfour Beatty, the company carrying out maintenance work at Hatfield.

The statement, which was released on Jan. 22, said that “British Transport Police are interviewing Railtrack and Balfour Beatty staff and findings will be presented to the Crown Prosecution Service. The investigation has not finished but there is a distinct possibility of prosecutions.”

The Hatfield crash, involving a London-Leeds express train run by East Coast mainline operator GNER, was caused by a broken rail, which Railtrack has acknowledged should have been replaced earlier.

The company said immediately after the derailment, that the state of the track at Hatfield was “wholly unacceptable.” Previous attempts to gain convictions in prosecution of public transport accidents have failed, however, most notably in the case of the 1997 Southall rail crash which claimed seven lives, but the passenger train company involved in the Southall accident, Great Western, was fined \$2 million after admitting offenses under the Health and Safety at Work Act. The government refused to comment on suggestions that a lengthy public inquiry, possibly lasting two years or more, had been avoided, as it would delay possible criminal proceedings against Railtrack or Balfour Beatty.

Legislative proceedings are already under way to reform the law on corporate manslaughter, in order that railway executives, if not actually in jail, will be well on their way before the general election, and the Great British voter will be well aware that whoever is responsible for the continuing chaos on the railways, it is not Tony Blair. It will be well worth watching *EIR*’s updates on the unfolding drama of the British general election, in the weeks to come.

Economic Cooperation Outflanks Political Differences in Mideast

by Hussein Al-Nadeem

Political and economic relations among Arab states, and with Iran, have been going through a transformation recently, in anticipation of a war threat from the Israeli government expected to come to power after the Feb. 6 elections. Part of this process is also changing the geometry of the strategic relations among former enemies and new friends, shaping a new reality for whatever the U.S. Administration is intending to bring to the region.

Israeli officials, commentators, and mass media have been warning about a coming “regional war,” involving not only Israel and the Palestinians, but also Syria, Iraq, and Iran. The reaction from the Arab world generally has been that the Israelis are just “crying wolf.” However, Syria, for example, has put its Armed Forces on alert because of the repeated Israeli warnings. The nervousness in Israel, and also among Anglo-American establishment circles, is exacerbated by the fact that countries such as Iran and Iraq are making diplomatic moves in an attempt to break out of the Anglo-American “double-containment” policy, and to re-integrate themselves into the political-economic structure of the region. More emphatically, Iraq and Iran’s moves have been concentrated on Egypt, Jordan, Syria, Lebanon, Morocco, and Saudi Arabia. These countries, in different ways, were until recently, either members of the U.S.-British alliance in the Persian Gulf War against Iraq, or peace partners with, or sharing unstable borders with, Israel.

January witnessed a number of meetings involving the highest levels of leadership of these countries. Some of these meetings explicitly discussed the perspective for the coming U.S. policy toward the Middle East, which was taken up in meetings between Egyptian President Hosni Mubarak and Syrian President Bashar al-Assad, and Mubarak and Palestinian Authority President Yasser Arafat. These meetings are shaping a new reality in the region, with former enemies cooperating for economic development: The Lebanese Prime Minister visited Iran, during which visit Iranian leaders pledged to contribute to the economic reconstruction of southern Lebanon; Iraqi Vice President Taha Yassin Ramadan visited Egypt; Syria’s Bashar al-Assad visited Iran; and Morocco’s Prime Minister Abdelrahmane All-Youssoufi visited Iran, the first such high-level visit since the 1979 Islamic Revolution. Jordan’s King Abdullah is also scheduled to visit Iran, also

the first such visit since 1979.

Iraqi Vice President Ramadhan's visit to Cairo came on the anniversary of the outbreak of the Gulf War, in which Egypt joined the allies against Iraq. The late Jordanian King Hussein was an ally of Iraq against Iran in their 1980-88 war. Saudi Arabia, the United States' major ally in the Gulf, recently signed a joint security agreement with Iran, and the two established a joint economic commission. Iraq and Saudi Arabia reopened a major border-control point, and signed contracts allowing Saudi and Iraqi businessmen to trade across the border as part of the "oil-for-food" program.

This diplomacy has been paralleled by an active Russian and Chinese presence in the region. The Russian Foreign Minister recently toured the Middle East, and the Russian Defense Minister paid a highly publicized visit to Iran. The Iranian President is scheduled to visit Moscow in March.

Peace Through Development and Trade

This diplomacy yielded a number of economic cooperation and trade agreements. In Cairo, a free-trade agreement was signed on Jan. 16 by Iraqi Vice President Ramadan and Egyptian Prime Minister Atef Ebeid. Under the agreement, Baghdad will lift all customs duties on Egyptian goods entering the country, and Egypt is expected to become Iraq's biggest trade partner, with almost \$3 billion in exchange. The agreement will also open the way for strengthening Egyptian-Iraqi economic cooperation, especially in the oil, agriculture, and transport sectors, according to Cairo Radio.

Iraqi officials told reporters that their discussions tackled possibilities for Arab reconciliation. Ramadan said that Baghdad had reestablished relations with all Arab countries except for Kuwait and Saudi Arabia.

Shortly after his talks with Ramadan, Mubarak also met with Kuwaiti Parliament Speaker Jassem Al-Kharafi. (Al-Kharafi denied that his visit had anything to do with Ramadan's presence in Cairo.) The Iraqi government later announced that an agreement similar to that with Egypt is to be signed with Syria soon.

Emphasizing the importance of mutual cooperation, the Egyptian government said that it is moving to establish an Arab economic axis. Minister of Information Safwat Al-Sherif said that Egypt moves in accordance with the resolutions of the (October 2000) Arab Summit and the Arab League. Commenting on current Egyptian-Iraqi talks in Cairo, Al-Sherif said that Egypt, under the leadership of Mubarak, strongly believes in the importance of Arab solidarity, and in building Arab attitudes on sound foundations, to face the challenges encountered by the Arab nation.

Al-Sherif pointed out that President Mubarak has consistently called for the establishment of an Arab Common Market. He stressed that Egypt acts on the basis that every step toward economic cooperation represents a link in the Arab market and, consequently, a step which expresses the aspirations of Arab peoples in the face of big international chal-

lenges. Al-Sherif expressed confidence that economic rapprochement with Iraq will form an important element in Arab relations necessary to face these challenges.

The importance of the establishment of an Arab economic bloc in the context of the Eurasian Land-Bridge, or "the New Silk Road" strategy, as a step toward the establishment of a new, just international financial order, has been emphasized by American economist Lyndon LaRouche, in interviews and discussions with Arabs. LaRouche has also emphasized that the way to peace and reconciliation should be through economic development.

An interesting such development is emerging around the Jordanian-Iranian normalization of relations. In preparation for King Abdullah II of Jordan's visit to Iran in March, Iranian Speaker of Parliament Mahdi Karroubi and Iran's Trade Minister visited Jordan in mid-January. Their discussions with Jordanian officials revolved not only around normalization of political relations, but mainly around trade and economic cooperation. The two sides are currently discussing Iran's role in a \$600 million water project, designed to annually draw 100 million cubic meters of water from the Disi aquifer in southern Jordan up to Amman and nearby areas. This project, which *EIR* had earlier identified as one of the many vital water projects needed for a viable Mideast peace, is being seriously considered, and a Jordanian technical team is expected to travel to Tehran in late January to explore Iranian partial funding of the project. According to an Iranian proposal, Tehran would supply Jordan with pipes needed for the project in return for potash and phosphate, Jordan's leading mineral exports. Libya has promised to provide a major part of the financing.

In similar developments, Kuwait has pledged a \$600 million loan for water and infrastructure projects for Lebanon, including for diversion and transport of water from the Litani River.

In general, a large number of infrastructure and transport projects have been moved from the drawing board to the feasibility study or implementation phase. These include completion of the integrated electricity network among Egypt, Jordan, Iraq, Syria, Lebanon, and Turkey; rebuilding rail lines among the same group of nations and Iran; reopening oil pipelines, such as the Iraq-Syria pipeline, and the planning of a new Iraq-Jordan pipeline.

All these, and many other projects, are the only viable basis for lasting peace in the region. Lifting the Iraqi sanctions and reintegrating Iraq and Iran into the Middle East economic structure are not only important, but also key to a stable future. Political differences can be solved gradually when the interests of the nations are served in an equal and just manner. One of the main reasons for the failure of the peace process has been the old mantra, "First we solve our political differences, and then we will think about the economy," which one hears so often from officials from both sides. Today, the issue is still the same; however, reality has changed dramatically.