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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 15, 1991

REMARKS BY THE PRESIDENT AND SHAIKH ISA, AMIR OF BAHRAIN IN ARRIVAL CEREMONY

The South Lawn

10:13 A.M. EDT

THE PRESIDENT: Your Highness, it is my great honor to welcome you to the White House today, and to have this opportunity to consult with you on the many challenges that face our two countries. And to convey my heartfelt thanks to you, a valued coalition partner. Bahrain has been a firm friend and a close ally for half a century, but never more than in this past year as we've stood together to turn back aggression.

Your Highness, we spoke together many times in the aftermath of August 2nd and at key moments during Desert Storm, and never once did you waver; always you stood strong and resolute. From its strategic position in the Gulf, Bahrain served as a key staging point in Desert Storm. Your air force, the Bahraini Air Force, helped the coalition secure the air superiority so decisive to victory. Bahrain endured Scud attacks, shook off Saddam's desperate attempt to sow terror and emerged each time more determined to prevail.

Your Highness, your country's conduct in this crisis is a credit to your leadership and to the courage of the people of Bahrain. Just as we joined forces to liberate Kuwait, common action remains a key to meeting the challenges we face today.

In a few minutes, we'll begin our meetings, building on the common ground we share. And let me focus now on our approach to Iraq, and let me state our position in the simplest possible terms. Saddam Hussein will not scorn the will of the world. Iraq must never again threaten its neighbors. We will keep the pressure on until we are satisfied that all of Saddam's weapons of mass destruction and the means to deliver them have been destroyed; until a new leadership in Iraq stands ready to live in peace with its neighbors.

Your Highness, as leader of a country that knows too well what it means to be menaced by Saddam, I know you join me in looking ahead to the day Iraq closes this sad chapter in its history and joins the cause of peace. I've said many times -- and I'll repeat it here -- that our quarrel has never been with the people of Iraq. The United States, in concert with the United Nations, has proposed a comprehensive program allowing Iraq to resume oil exports to fund the purchase of food and medicine. But the international community deserves to know with certainty that the food and medicine purchased under this plan reach the people of Iraq rather than Saddam's armed forces.

This program can go forward the instant Saddam Hussein accepts U.N. resolution 706 and 712 and puts in place a U.N.-supervised system to monitor oil exports and food distribution. History teaches that the consequences of war echo far beyond the battlefield. Our coalition in the Gulf war did more than defeat an

MORE

aggressor, our common effort created new opportunities for lasting peace throughout the Middle East. All Americans hope to see this region, so long driven by war, blessed by peace. In that spirit, the United States supports Bahrain's decision to participate along with its GCC partners in the upcoming peace conference. This readiness, this willingness to reach out strengthens the prospect for the only peace that can endure -- a fair and comprehensive peace acceptable to all parties in the region.

Your Highness, from the moment the first American engineers arrived in your country to help develop your oil resources some 60 years ago, our countries have worked together in many ways. Our discussions today will touch on all aspects of our relations, from investment opportunities to security cooperation; and, as always, we seek to build on common ground: on the goodwill of nations that have worked together in the past, the goodwill that gives us faith in a better future.

Once again, Your Highness, it is my pleasure to meet with you today for what I'm confident will be productive discussions.

Welcome to the White House and may God bless the people of Bahrain. (Applause.)

SHAIKH ISA: Mr. President, it is a pleasure for me to be visiting this great country at your kind invitation. And I sincerely appreciate the warmth and the friendship shown to myself and to my delegation. It's also given me great pleasure, Mr. President, to extend to you and to all the American people, my heartfelt greetings and the warm wishes of the people of Bahrain.

During my visit here, I'm looking forward to renewing our long-standing and mutual valued friendship, to exchanging views on matters of mutual interest to our two countries. The links between the United States and Bahrain have developed in many fields for well over half a century. The cooperation between our two countries first began in the 1940s, and has strengthened considerably since then; more particularly so during the last decade.

Through the Iran-Iraq war, we worked closely together to insure freedom of navigation in the Arabian Gulf, and more recently as a part of a multinational effort to reverse the Iraqi aggression against Kuwait. Our people and forces were united as never before. This experience will never be forgotten and has formed a deep bond between our two countries.

I take this opportunity to sincerely thank you, Mr. President, and the American people for your courageous stand against aggression and for your determination that right and justice should prevail. Your stand in the multinational effort is undoubtedly a major positive contribution to future international relations. The association between the United States and Bahrain stand as an example of what can be achieved irrespective of physical size, distance apart, or cultural differences.

When goodwill and cooperation exist on both sides, it is our duty to continue to work together and through the United Nations to insure that peace and stability prevails between all nations. Mr. President, the world is currently witnessing major political and ideological changes, and we must all assure that the rules of law and civilized conduct are not overshadowed during these transformations.

As a superpower, the United States has a major role to play in this respect. I would like to take this opportunity, Mr. President, to praise you and your administration for your commitment to reducing confrontation and to promoting peace and cooperation through the world. We have recently witnessed the end of the Cold War, following the rapid collapse of historic East-West confronation.

It is my belief that we are currently also on the verge of a major breakthrough in the peace process in the Middle East, based on United Nations Resolutions 242 and 338.

There is no doubt that the United States has been a major catalyst to what has been achieved in these events. Our strategic cooperation, however, should not be allowed to overshadow the many other closed links between Bahrain and the United States. These include: trade, commerce, education, science and technology. These links have brought the people of our two countries close together, and there now exists many strong personal relationships between the Americans and Bahrainis. These personal relationships are the true test of friendship between our two countries.

To this end, the American Bahrain Friendship Society was founded in Washington last year. And both the Society and all its members have my sincere good wishes and support for the future. It is my hope that my visit will further consolidate the many ties between our two countries. It is my wish and the wish of the Bahraini people that our close relationship with the United States will continue to flourish and prosper in the years ahead, and become even stronger in the 21st century.

On this occasion, I would like to take this opportunity, Mr. President, to renew my invitation to you and to Mrs. Bush to visit Bahrain. It would give me great pleasure to welcome you to Bahrain and enable the Bahraini people to show their friendship and appreciation to you and to the American people.

Finally, Mr. President, it is my pleasure to extend to you and to the American people my very best wishes for continued peace and progress and prosperity. Thank you very much, sir. (Applause.)

END

10:25 A.M. EDT

Woodfield / working lunch; 2 nights
No departure remarks (only arrival)

South Korea ceremony just like last time
all men / no females in delegation or guests

DRAFT

THE STATE VISIT

TO

WASHINGTON, D.C.

OF

HIS HIGHNESS

SHAIKH ISA BIN SALMAN AL-KHALIFA

THE AMIR

OF

THE STATE OF BAHRAIN

OCTOBER 14 TO 16, 1991

* * *

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MEMBERS OF THE OFFICIAL BAHRAINI DELEGATION

His Highness
Shaikh Isa bin Salman AL-KHALIFA
Amir of the State of Bahrain

His Excellency
Shaikh Mohammed bin Mubarak AL-KHALIFA
Minister of Foreign Affairs

His Excellency
Yousif Ahmed AL-SHIRAWI
Minister of Development and Industry

His Excellency
Tariq AbdulRahman ALMOAYYED
Minister of Information

His Excellency
Habib Ahmed KASSIM
Minister of Commerce and Agriculture

His Excellency
Yousif Rahma AL-DOSARI
Head of the Amiri Court

Mr. Mohamed Yousuf JALAL

Mr. Mubarak Jassim KANOO

His Excellency
Ghazi Mohamed ALGOSAIBI
Ambassador of the State of Bahrain
to the United States of America

Mr. Nabil Ibrahim QAMBER
Chief of Protocol

MEMBERS OF THE ACCOMPANYING BAHRAINI DELEGATION

Dr. Rayusan Homoud BADRAN
Personal Physcian to the Amir

Mr. Ahmed Shaikh Yousif BUBSHAIT
Personal Aide

Mr. Mohamed Ali HILAL
Personal Aide

Mr. Redha RAMADHAN
Personal Aide

Mr. Yousif Mohamed MAHOOD
Secretary to the Foreign Minister

Shaikh Mohamed bin Ali AL-KHALIFA
Protocol

Mr. Jameel A. Wahab A. SALAM
Protocol

Mr. Isa Mohamed KAMAL
First Secretary

Mr. Khalil Ebrahim AL-RAYES
Protocol

THE STATE VISIT
TO
WASHINGTON, D.C.
OF
HIS HIGHNESS
SHAIKH ISA BIN SALMAN AL-KHALIFA
THE AMIR
OF
THE STATE OF BAHRAIN

OCTOBER 14 TO 16, 1991

SUMMARY SCHEDULE

MONDAY
OCTOBER 14

5:00 pm- 5:05 pm	Greeted by Chief of Protocol Reed, Ambassador AlGosaibi, Welcoming Committee and the Arab Diplomatic Corps, Andrews Air Force Base, Maryland.
5:05 pm- 5:35 pm	Motorcade to Blair House, Washington, D.C.

SUMMARY SCHEDULE

MONDAY
OCTOBER 14
(Continued)

5:35 pm Arrive Blair House.

Private dinner, Blair House.

Overnight: Blair House.

SUMMARY SCHEDULE

TUESDAY
OCTOBER 15

Private breakfast, Blair House.

10:00 am- Arrival Ceremony with The
10:20 am President and Mrs. Bush, South Lawn, The White House.

10:25 am- Reception with The President and
10:30 am Mrs. Bush, State Floor, The White House.

10:30 am- Meeting with President Bush,
10:45 am Oval Office, The White House.
US notetaker Gen. Scowcroft
Bahraini notetaker FM

10:45 am- Expanded Meeting with President
11:45 am Bush, Cabinet Room, The White House.

12:00 pm- Working Luncheon with President
1:15 pm Bush, ~~Old Family Dining Room~~, State Dining Room
The White House.
depart (not statement) North Portico

3:30 pm- Meeting with Acting Secretary of
4:15 pm Defense Atwood, Blair House.

SUMMARY SCHEDULE

TUESDAY
OCTOBER 15
(Continued)

4:30 pm- Meeting with Acting Secretary of
5:15 pm State Eagleburger, Blair House.

Private dinner, Blair House.

Overnight: Blair House.

SUMMARY SCHEDULE

WEDNESDAY
OCTOBER 16

8:00 am- 9:00 am	Working Breakfast with Congressional Leaders, Blair House.
9:45 am- 10:15 am	Wreath-Laying Ceremony at the Tomb of the Unknown Soldier, Arlington National Cemetery.
10:30 am- 11:00 am	Meeting with Brahraini American Friendship Society, Blair House.
11:35 am- 11:40 am	Bid farewell to Blair House staff, Blair House.
11:40 am- 11:45 am	Acting Secretary of State Eagleburger bids Farewell, Blair House.
11:45 am- 12:15 pm	Motorcade to Andrews Air Force Base, Maryland.

WHEELS up

6-way bi-pass last November

SUMMARY SCHEDULE

WEDNESDAY
OCTOBER 16
(Continued)

12:20 pm	His Highness Isa bin Salman Al-Khalifa, Amir of the State of Bahrain, departs Andrews Air Force Base via Special Aircraft en route San Francisco, California and resumes a private schedule.

McGroarty/Bunton
October 9, 1991
8:30 am
[BAHRAIN]

PRESIDENTIAL REMARKS: ARRIVAL STATEMENT FOR THE VISIT OF
SHAIKH ISA OF BAHRAIN
THE SOUTH LAWN
OCTOBER 15, 1991
10:00 AM

Your highness: It is my great honor to welcome you to the White House -- to have this opportunity to consult you on the many challenges that confront our two countries, and to convey my heartfelt thanks to a valued Coalition partner.

Bahrain has long been a firm friend and close ally -- but never more than in this past year, as we stood together to turn back aggression. Your highness, we spoke together many times in the aftermath of August 2nd, and at key moments during Desert Storm. Never once did you waver; always, you stood strong and resolute. //

From its strategic position in the Gulf, Bahrain served as a key staging point in Desert Storm. The Bahraini Air Force helped the Coalition secure the air superiority so decisive to victory. Bahrain endured the Scud attacks -- shook off Saddam's desperate attempt to sow terror -- and emerged each time more determined to prevail. Your highness, your country's conduct in this crisis is a credit to your leadership -- and to the courage of the people of Bahrain. //

Just as we joined forces to liberate Kuwait, <u>common action</u> remains a key to meeting the challenges we face today. //

In a few moments, we will begin our meetings, building on the common ground we share. Let me focus now on our approach to Iraq -- and let me state our position in the simplest possible terms: Saddam Hussein will not scorn the will of the world. / Iraq must never again threaten its neighbors. We will keep the pressure on -- until we are satisfied that all of Saddam's weapons of mass destruction have been destroyed -- until a new leadership in Iraq stands ready to live in peace with its neighbors. // Your highness, as leader of a country that knows too well what it means to be menaced by Saddam, I know you join me in looking ahead to the day Iraq closes this sad chapter in its history, and joins the cause of peace. //

I have said many times: Our quarrel has never been with the people of Iraq. The United States -- in concert with the United Nations -- has proposed a comprehensive program allowing Iraq to resume oil exports to fund the purchase of food and medicine. But the international community deserves to know with certainty that the food and medicine purchased under this plan reach <u>the people of Iraq</u>, rather than Saddam's armed forces. This program can go forward the instant Saddam accepts UN Resolutions 706 and 712, and puts in place a U.N.-supervised system to monitor oil exports <u>and</u> food distribution. ///

History teaches that the consequences of war echo far beyond the battlefield. Our Coalition in the Gulf War did more than defeat an aggressor -- our common effort created <u>new opportunities for lasting peace throughout the Middle East</u>. / All Americans hope to see this region -- so long riven by war --

blessed by peace. In that spirit, the United States supports Bahrain's decision to participate in the upcoming peace conference. This readiness -- this willingness to reach out -- strengthens the prospect for the only peace that can endure: a peace acceptable to all parties in the region. //

We understand the magnitude of the challenges we face -- the wall of distrust that stands between us and the future we seek. But today's meetings remind us also of the common ground: the good will of nations that have worked together in the past -- the good will that gives us faith in a better future. //

Once again, your highness, it is my pleasure to welcome you to Washington and to the White House for what I trust will be productive discussions. // God bless you -- and may God bless the people of Bahrain.

# # #

Nov 15, 1989
Enviro Youth
Awards file
for "Tree Language/INFO"

McGroarty/Bunton
October 8, 1991
10:00 am
[BAHRAIN]

PRESIDENTIAL REMARKS: DEPARTURE STATEMENT FOR THE VISIT OF
SHAIKH ISA OF BAHRAIN
THE SOUTH LAWN
OCTOBER 15, 1991
1:15 PM

Your highness: It has been my great honor to welcome you to the White House -- to consult you on the many challenges that confront our two countries, and to convey my heartfelt thanks to a valued Coalition partner.

Bahrain has long been a firm friend and close ally -- but never more than in this past year, as we stood together to turn back aggression. Your highness, we spoke together many times in the aftermath of August 2nd, and at key moments during Desert Storm. Never once did you waver; always, you stood strong and resolute. //

From its strategic position in the Gulf, Bahrain served as a key staging point in Desert Storm. The Bahraini Air Force helped the Coalition secure the air superiority so decisive to victory. Bahrain endured the Scud attacks -- shook off Saddam's desperate attempt to sow terror -- and emerged each time more determined to prevail. Your highness, your country's conduct in this crisis is a credit to your leadership -- and to the courage of the people of Bahrain. //

Just as we joined forces to liberate Kuwait, so too <u>common action</u> remains key to meeting the challenges we face today. //

Let me begin with our approach to Iraq -- and let me state our position in the simplest possible terms: Saddam Hussein will not scorn the will of the world. / Iraq must never again threaten its neighbors. We will keep the pressure on -- until we are satisfied that all of Saddam's weapons of mass destruction have been destroyed -- until a new leadership in Iraq stands ready to live in peace with its neighbors. // Your highness, as leader of a country that knows too well what it means to be menaced by Saddam, I know you join me in looking ahead to the day Iraq closes this sad chapter in its history, and enlists itself in the cause of peace. //

I have said many times: Our quarrel has never been with the people of Iraq. The United States -- in concert with the United Nations -- has proposed a comprehensive program allowing Iraq to resume oil exports to fund the purchase of food and medicine. But the international community deserves to know with certainty that the food and medicine purchased under this plan reach the people of Iraq, rather than Saddam's armed forces. This program can go forward the instant Saddam accepts UN Resolutions 706 and 712, and puts in place a U.N.-supervised system to monitor both oil exports and food distribution. ///

History teaches that the consequences of war echo far beyond the battlefield. Our Coalition in the Gulf War did more than defeat an aggressor -- our common effort created new opportunities for lasting peace throughout the Middle East. / All Americans hope to see this region -- for so long riven by war -- blessed by peace. In that spirit, the United States supports

Bahrain's decision to participate in the upcoming peace conference. This readiness -- this willingness to reach out -- strengthens the prospect for the only peace that can endure: a peace acceptable to all parties in the region. //

We understand the magnitude of the challenges we face -- the wall of mistrust that stands between us and the future we seek. But today's meetings remind us also of the common ground: the good will of nations that have worked together in the past -- the good will that gives us faith in a better future. //

Once again, your highness, it has been my pleasure to welcome you to Washington and to the White House. God bless you -- and may God bless the people of Bahrain.

# # #

Don –
from
N.S.C.!
A.V. & J.B.

Rec'd
10/4/91
4 pm

DRAFT PRESIDENTIAL REMARKS
FOR THE WHITE HOUSE ARRIVAL CEREMONY
FOR STATE VISIT OF THE AMIR OF BAHRAIN

10:00 A.M., October 15, 1991

Your highness, it is with great pleasure that I welcome an old friend and close ally back to Washington. Bahrain and the United States have worked closely together since Bahrain began hosting the U.S. Navy's Mideast Force in the 1940s. The events of the past year have served to strengthen this friendship, and your advice and encouragement in our phone calls and letters during the crisis over Kuwait meant a great deal to me.

Our countries share a long tradition of economic cooperation as well, with American engineers helping to begin the oil industry on the island in the 1930s. I am confident that your visit will be productive as well as pleasant and will allow us to reinforce an already strong partnership in all areas.

Bahrain and the U.S. stood side by side with the rest of the world to repel Saddam Hussein's aggression against Kuwait and together our forces endured Saddam's Scud attacks. We will not allow Iraq to again threaten its neighbors. We and our coalition partners will keep the pressure on Saddam until all of his weapons of mass destruction are destroyed and a new leadership in Iraq is ready to live in peace with its neighbors.

Find another way to underline support to Bahrain

As I have often said, our quarrel has never been with the Iraqi people. Indeed we and the United Nations have proposed a comprehensive program for Iraq to resume oil exports to fund purchase of food and medicine. The challenge is for Saddam to accept Resolutions 706 and 712 and begin the process of carefully supervised exports and food distribution.

Should there be a change of leadership in Baghdad, we will be prepared to respond favorably. A leadership ready to live at peace with its neighbors -- including Bahrain -- and its own people, will find a favorable reception from us.

I also want to express our support for Bahrain's decision along with its Gulf Cooperation Council neighbors to join the Middle East peace process and participate in the forthcoming peace conference. This is a major step toward regional stability and a better future.

We realize there will be many challenges and opportunities in the days and years ahead of us. Your commitment to peace and security, your highness, matches ours. The leadership you have shown gives us confidence that new challenges will be met in the same spirit you have always shown, and that the people of Bahrain can face the future with optimism.

Finally, let me thank you for the generous hospitality Bahrain extended to our armed forces personnel. The thousands of U.S. service men and women whose duties took them to Bahrain during the crisis will bear witness to the warm welcome they received.

Once again, welcome. It is an honor to be your host in Washington today.

Remarks at the Welcoming Ceremony for Amir Isa bin Sulman Al Khalifa of Bahrain

July 19, 1983

The President. Your Highness, it is a pleasure for Nancy and me to welcome you to the United States as a guest of the American people. Your concern for your people is well known, particularly your commitment to the education and economic well-being of your citizens. Your personal involvement in the problems of even the humblest of your countrymen is legendary. For these reasons and others, I've looked forward to the day when we could meet.

Your Highness, you've guided Bahrain through a difficult first decade of independence with admirable skill, bringing economic progress with imaginative leadership. With far fewer oil resources than some of your neighbors, you've transformed Bahrain into a financial and industrial center with one of the most diversified economies in the region. Just as important, because of your progressive leadership, Bahrain also leads the area in health care and education. As it has been since ancient times, Bahrain continues to be a place where people of different cultures and religions live together in tolerance and peace. Your efforts to build a humane and diverse society provide an effective link in the exchange of technical skills and cultural values between East and West.

Under your leadership, Bahrain continues to be an inspiring example for all of the Middle East and the world. The American people are pleased to have been counted as supportive friends as you built this record of achievement. Our two peoples have been partners for progress and peace since the beginning of this century. We have found this relationship to be of great mutual benefit. Many of the 70 United States companies in Bahrain today continue to train Bahrainis in technology and other skills, whether they be modern banking techniques, setting up new industries, or preparing coaches and athletes for Bahrain's Olympic teams. Our long history of private sector cooperation is a shining example of what can be achieved in a partnership based on mutual trust and respect.

Your Highness, as you're keenly aware, continued prosperity for your people and those of the Gulf region depend on peace and security. It is no secret that the United States has a vital national interest in the Middle East. We and our allies depend on oil originating there, much of it produced in and nearby your country. Yet we also recognize the value of partnership and respect for the culture and aspirations of states like your own—unlike another world power which seeks to impose its system by encouraging and exploiting conflict and unrest. But the United States seeks peace and stability.

Together with other peace-loving nations in the Gulf region, we've made rapid progress in recent years, not only by helping our friends meet their own defense requirements but also by developing our own ability to come to their assistance should the need ever arise.

Many Americans who work in the region have experienced hospitality of the Bahraini people, and for this I am most appreciative. During his recent visit, Crown Prince Hamad deepened his friendship between our two countries.

Your Highness, I want to assure you that I share your concern about the conflict between Iraq and Iran. The loss of tens of thousands of young men on both sides and the destruction borne by both countries is tragic. I look forward to consulting with you about what more our countries might do to encourage a negotiated end to this conflict, which threatens the security and even the marine ecology of the entire area.

We've appreciated your government's understanding as we pursue our goal of seeking the withdrawal of all foreign forces from Lebanon and securing a settlement for the Palestinian people that is firmly rooted in the principles of security and justice embodied in the United Nations Security Council Resolutions 242 and 338.

As you know, Secretary Shultz returned

recently from the Middle East. We remain undaunted in our effort to prevent the forces of violence from exercising a veto over the rights of the Lebanese people. The people of Lebanon must have restored their basic human right to pursue their own destiny in an atmosphere of peace, security, and mutual trust.

I look forward to discussing our many common concerns with you today. I know our shared goals of peace and prosperity for the region can be met in the same spirit of good will and partnership that has characterized our friendship thus far.

On behalf of the American people it is my privilege to welcome you to the United States.

The Amir. Mr. President, I would like to offer my appreciation and thanks for the kind thoughts expressed in your address towards the State of Bahrain and for the welcome and hospitalities extended to us from the very beginning of our official visit to your friendly country. This indicates the strength of the friendly ties existing between our two countries. I offer my genuine good wishes to the friendly people of the United States of America for their well-being and prosperity.

I believe that this visit will succeed in developing the relations between our two countries, open up a new chapter in our fruitful cooperation, and support our efforts to help maintain peace, security, and justice for the world community. As you have referred, Mr. President, in your address, to some of the most important economic and political issues in the world, I should commend in this respect the positive role you play for the prosperity and security of the world. We, no doubt, support and uphold the great effort you make in this field; as we firmly believe that such issues are very important for the progress of the individual in the modern world and that without them clashes and war will break out. Clashes and war will break out and destroy all of the progress made over the years.

In the light of many common views we share in the political field, we believe, as you do, that the Middle East problem comes in the forefront of political issues in the world. It is one of the burning and explosive problems in the world, which passes now through a very dangerous stage that poses a serious threat to the world peace and security. This imposes upon us the duty to make every effort to save the region from this disastrous situation.

We hope that the sincere and good effort you make to find a suitable solution to this problem will result in establishing just and durable peace in the region, which has been exposed to five major wars within 35 years with disastrous effects to its people. The tragic events in Lebanon and the damage it has suffered are but some of many inevitable results of the explosive situation in the region. Lebanon deserves all the help and backing so that its government will exercise full control over its unified territories.

We believe that there will be no hope of stability in the Middle East without the application of the same universal principles upon the people of the region; and concluding, the Palestinian people, when they are dealing with their legitimate right to live in peace within secure national boundaries.

We are prepared to do our best and participate in every sincere, international effort to establish security in the Middle East region, within this framework, in order to put an end to this terrible conflict and enable the people of the region to live in peace.

Finally, it is my pleasure to conclude by wishing you, Mr. President, all the success in your efforts for the progress and advance of the friendly people of the United States of America, and to bring peace, justice, and prosperity to the people of the world.

Thank you.

Note: The President spoke at 10:09 a.m. on the South Lawn of the White House, where the Amir was accorded a formal welcome with full military honors.

Following the ceremony, the President and the Amir, together with U.S. and Bahraini officials, met in the Oval Office.

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July 19, 1983

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White House Announcement Following a Meeting of the President's National Security Telecommunications Advisory Committee
July 19, 1983

The second meeting of the President's National Security Telecommunications Advisory Committee (NSTAC) was held on July 19–20, 1983, at the Headquarters of the Strategic Air Command (SAC) at Offutt Air Force Base, Nebr.

All 29 NSTAC members are senior executives of major U.S. corporations in the telecommunications industry. During its business session, NSTAC finalized and voted to send recommendations to the President addressing enhancements in telecommunications capabilities to support national security requirements. Those recommendations will now be reviewed by the Secretary of Defense. That review is expected to be completed this summer with the President reviewing and acting upon NSTAC recommendations thereafter.

During the meeting, President Reagan, who addressed the members via videotape, expressed his appreciation for the efforts of NSTAC members and the substantial commitment of corporate resources each had made to the NSTAC process.

Toasts of the President and Amir Isa bin Sulman Al Khalifa of Bahrain at the State Dinner
July 19, 1983

The President. It's been a pleasure for Nancy and me to welcome to Washington today His Highness Shaykh Isa bin Sulman Al Khalifa, the Amir of Bahrain.

Your Highness, in view of the long history of technical cooperation our two countries have enjoyed, I can think of no more appropriate guests tonight than our five astronauts from the space shuttle *Challenger.* The members of that crew typify the highest American accomplishments, both in technical skill and teamwork, which benefit all of mankind. And the teamwork between our two countries, Your Highness, has led to growth, prosperity, and development of human and natural resources. We must draw on our foundation of partnership as we search for stability and peace with justice in the Middle East.

I'd like to restate the commitment of the American people to fulfilling our role as a loyal friend and cooperative partner to Bahrain. As an island country, Bahrain has prospered by reaching outward. You have been especially sensitive to the ebb and flow of international events while others were content to look inward. Your recent economic accomplishments have been the result of hard work and effective government, but they also reflect your personal imagination and leadership. That same vision has made you, Your Highness, a leader in the cooperative effort with your friends to strengthen the security of your region.

We in America understand the importance of maintaining steady economic growth in an uncertain world so that the lives of the Bahraini people can continue to improve. The United States stands ready to consult with you on whatever we can do to participate more fully in your remarkable economic and social progress. I'm particularly pleased that you'll be meeting with Secretary of Treasury Regan to discuss the world economic outlook.

As in the days when it was known as Dilman, Bahrain is a crossroad for the cultures of the globe. As a banking and financial center, an important ship-repair port and site of international petrochemical and metallurgic cooperative ventures, your country is an open and inviting land of growth and opportunity where Arabs and

Westerners can freely share their lives and views. As such, Bahrain contributes immeasurably to peace and mutual understanding.

Americans deeply respect your personal courage and vision, Your Highness. We've seen you guide your people with confidence through a turbulent period in the history of the Gulf, never sacrificing your personal commitment to a humane and just society.

Your Highness, I salute you. The American people are fortunate to have you as a friend and proud to stand side by side with the people of Bahrain in seeking stability, prosperity, and peace for us all. Thank you very much, and on behalf of the American people, it's been my pleasure to welcome you to Washington and to the White House.

The Amir. Mr. President, Mrs. Reagan, ladies and gentlemen:

Our initial delight in visiting this friendly country has been greatly increased during our useful meeting with you, Mr. President, this morning. Our discussions with Senator Charles Percy and his colleagues today were informative and positive. We are sure that two more happy days are awaiting us.

Thank you, Mr. President, for your invitation to us tonight and for the kind words you have spoken about Bahrain and its people. Needless to say, that we have always admired the enterprising spirit of the American people. Today, we in the Gulf are enjoying many of the fruits of their achievement in all field—notably in science and technology.

Mr. President, you will be pleased to know of two similarities between American past and the Gulf present. Firstly, two centuries ago, 13 British colonies succeeded in building a free and strong nucleus of future America. Two years ago, 6 Arab States of the Gulf decided to follow a similar path of cooperation and ultimate unity. If your 13 managed to survive and later increase, surely our 6 must have an equal chance.

Secondly, like your country—that's so an awaking of the American mind during and immediately following the Jacksonian era—the Arab States of the GCC [Gulf Cooperation Council] are the scene of growing activities in the field of economy, industry, social services, education, communication, and culture. We are confident that the help and understanding of our friends will make the aspiration of our people and the process of achieving those aspiration peaceful for all mankind.

However, Mr. President, there is one notable difference so far: We have not been offered to buy a Louisiana or an Alaska. [*Laughter*] The oil money seems unable to match the American gold. [*Laughter*]

We are, indeed, happy and proud that Astronaut Crippen and his colleagues are among us tonight. They surely deserve a decent, earthly meal. [*Laughter*] We hope that, while cruising in outer space, they noted an island that swam in a sea of spilled oil. For their information, that was Bahrain. [*Laughter*] We take this opportunity to salute their daring skill and achievement.

God bless you all. Thank you very much.

Note: The President spoke at 9:34 p.m. in the State Dining Room at the White House.

Statement on the Death of Frank Reynolds of ABC News
July 20, 1983

Frank Reynolds was one of America's foremost broadcast journalists, trusted and respected by millions of his fellow citizens, Nancy and I among them. To us he was also a warm, considerate friend who will be missed for his outstanding human qualities as well as for his many contributions as a newsman. Our prayers and sympathy are with Frank's family in their bereavement.

Appointment
National Bipa
July 20, 1983

The President t
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Mr. Shlaudema
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Statement by
Central Ame
July 20, 1983

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Central America.
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7 October 1991

MEMO FOR DAN MC G

FROM: JMB

SUBJECT: THE SHAIKH OF BAHRAIN

According to scheduling, POTUS has not met with ISA as POTUS, though they have spoken. NSC says they met when POTUS was VICE POTUS and they spoke on the phone during the Gulf Crisis.

Bahrain supplied some troops to Allied Coalition forces, the Shaikh Isa Air Base in southern part of island was a major base from which operations were launched, Bahrain was struck by several scuds, the Bahraini Air Force participated also.

BA-HA-RAIN (BAHRAIN)
EE-SA (LIKE LISA WITH NO L) (ISA)
SHAKE (SHAIKH)

7 OCTOBER 1991

MEMO TO DAN MC G

FROM: JMB

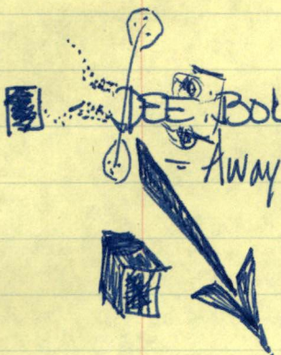
SUBJECT: FAMOUS ARABIC PROVERBS -- SOON TO BE ON DAVID LETTERMAN

- HE WHO HAS LONG LEGS TRAVELS FAST;
- THE JOYS OF LIFE: PORRIAGE, SOUP, A DONKEY AND WIFE TO DRIVE IT;
- SCRATCH MY BACK AND I'LL SCRATCH YOURS;
- TO AN APE'S EYE, HER CHILD IS A GAZELLE;
- OUT OF THE FRYING PAN, INTO THE FRIRE;
- AN INTELLIGENT ENEMY IS PREFERABLE TO AN IGNORANT FRIEND.

10/7/91 11 am.

Bahrain

[D of D public affairs DOD (703-545-6700) -(703-697-5737)- [DOD PUBLIC AFFAIRS]



DEE BOLDEN — LEAVE PACK.
= Away from office =

EMBASSY of Bahrain → (202-342-0741 → public affairs office

... didn't keep other country casualty figures

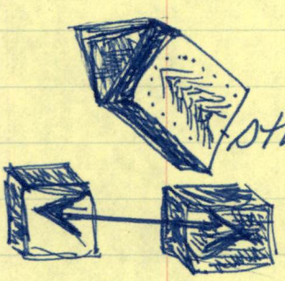
10/7/91

Kalid al Khalifa @ Bahrain Embassy

Scud attacks — one engaged in sky; one in desert

one died in kuwait after liberatn due to mine explosion — 2 w/ him injured

didn't lose any pilots — ~450 Sorties 13-15 fighter pilots all returned safely



still have some forces in kuwait

asked to fax to me

[Maria]

- BAHARAIN -

Jeannie PAUL WIGBERG 647-6572

Re Bahrain.

will need State Department [country report] -- current, if available. (library)

Also, Bio on Sheikh Isa -- could be classified.

• Has Isa visited before? Has Bush met with him --(at UN perhaps?)

NSC — Did Bahrain supply troops to Desert Storm? + Did they see action?

[that's all for now.... you can put in calls or wait til monday]

thanks dan mcg

Paul said he drafted both a's'd statements...
sending info over Monday — 10/7/91

10/7/91 / Bruce Rider —

supplied some troops to allied coalition
major base from which operation launched
Southern Italy & Sicily; struck by Scuds;
came under fire; Bahraini Airforce participated

EE SA (LISA n/No L)
air base is the SAME SHAIKE ESA AIR BASE

— vice pres met w/ him —
talked on phone during gulf crisis

used post Arabic transcription

" We're all in the air together"

— We're in flu together —

---

traditional farewell - well wishes

Though defense spending cuts are definitely in the offing, the Iraqis seem to have given one Star Wars program new life.

Missile rattling

By Howard Banks

THE LOWEST-TECH END of Star Wars, a program to produce reliable antiballistic missiles that would knock down intercontinental ballistic missiles, has been quietly and slowly moving forward for maybe as many as ten years. The program is cheap: Probably less than $1 billion has been spent since development began. And thanks to Iraq (FORBES, *Dec. 11, 1989*), which has suddenly acquired the frightening capability to lob ICBM warheads at anyone personality cult dictator Saddam Hussein decides he doesn't like, the pace looks to be picking up.

In early December, Iraq launched an ICBM test that intelligence people say "was capable of putting a satellite into orbit." That was a giant and chilling step along the road to proliferation of ICBMs. Judge William Webster, director of the Central Intelligence Agency, says, "By the year 2000, at least 15 developing nations will be producing their own ballistic missiles."

Some of these countries are already well known. Israel, for example, is unabashedly helping South Africa develop its nuke and missile programs. Iraq is working with Argentina. Iran and Syria already have medium-range regional ballistic missiles and can be assumed to be anxious to trade up to get longer-range ones. Libya, too, is on track to have ICBM capability. So are India, Brazil and Pakistan.

Don't ICBMs need nuclear warheads to be truly terrible weapons? Not necessarily. There are other repugnant payloads available. Iraq used chemical weapons against Iran, when the war between them was going Iran's way.

A new generation of fuel-air firebombs is said to be ideal for missile delivery. The new high-intensity fuel vaporizes into a cloud on impact and is then ignited—particularly effective against so-called soft targets like cities.

By today's technology standards, these weapons are not complicated. They can be fired directly at a target, as an ICBM, or first be put into orbit to home in on a city from space. Even modern monitoring is hard put to distinguish between a test launch and a weapon on its way to a target.

Tudor Banus



As a result of all this, the Bush Administration seems to have realized that with present systems the West's defenses against this missile-rattling are pretty inadequate—amounting to little more than diplomacy. We can explain that anybody who thinks of attacking the U.S. (or, maybe, our allies) will be exterminated. But the power of such deterrence on Iraqi lunatics or the Ayatollah's successors is difficult to gauge.

Here's the good news. The first of three tests of a second-generation ABM, called ERIS (the exoatmospheric reentry vehicle interceptor system, if you must know), is slated for February. This 32-foot test missile will try to kill an incoming ICBM by kinetic energy, that is, by hitting it in midair.

By military standards, the cost to complete the ERIS program is not outrageous—some $3.5 billion (in 1988 dollars) to be spent over five years. That's about the cost of a new aircraft carrier. The Administration will be asking for more money for this anti-terrorist ABM as part of the new, reordered-priorities defense budget due on Capitol Hill in mid-January.

ERIS is a part of the Reagan Administration's Strategic Defense Initiative program, and Congress has been disappointingly cool to Star Wars programs of late. But if any part of SDI remains appealing, this relatively low-tech end is it. Some key lawmakers are now privately saying that leadership from the White House, coupled with the Iraqi test firing, should shake things up.

Certainly, the Administration is making its views clear to some countries that could add to the ICBM proliferation problem. One of the less noticed messages delivered to the People's Republic of China by national security adviser Brent Scowcroft last month was this: If Beijing wants friendly relations with the Bush Administration, then Beijing had better not sell more missiles, especially longer-range ones, to Iran.

Won't the Russians object to a fast-forward ABM program that could be seen as violating anti-missile treaty agreements? In fact, Moscow seems to be downright sympathetic these days to a missile program that would give Third World nations second thoughts, and not cost the Kremlin a dime. Publicly at least, the Soviets are becoming more tolerant of national defensive systems, from ABMs to SDI.

"I think that you are seeing the start of a fairly fundamental change in the Soviet attitude toward defensive capability," says Air Force Chief of Staff Larry Welch. "They find it all much less threatening than they did five years ago." Now if only the U.S. Congress can see the light. ■

The Arab World Chooses Sides

A long Western stay could reshape the region



CRISIS IN THE GULF

Hafez Assad has always been a master of surprise. Early in the Persian Gulf crisis, the Syrian president promised a token military force for Saudi Arabia, but last week the size of his commitment became clear: Syria will dispatch as many as 20,000 soldiers, a fully mechanized division and some 270 tanks to help stop Saddam Hussein, NEWSWEEK learned. "Assad has put his tanks where his mouth is," marveled one Western official. And he quickly got his reward. Saudi Arabia last week approved $500 million for Damascus to shore up its battered economy.

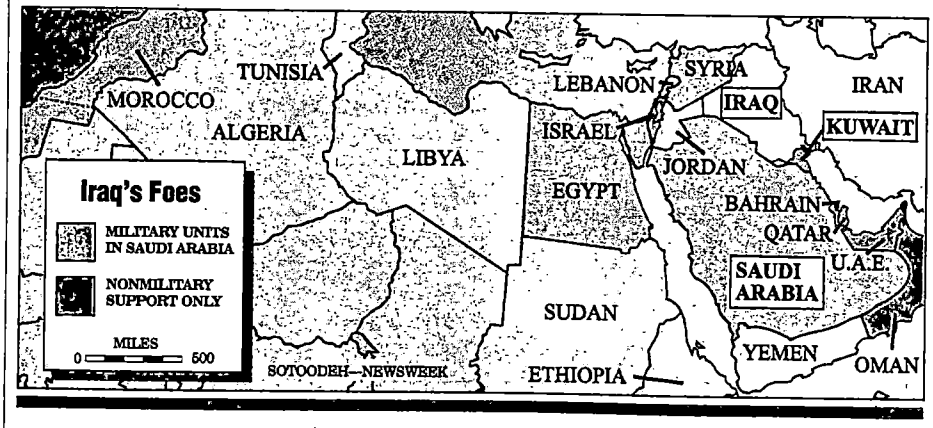
That a perennially anti-American regime was rushing so much help to a U.S.-backed monarchy underscored the political changes sweeping the Arab world. A new set of alliances is emerging. Normally skittish regimes are being forced to choose sides, and in public. "No more Mr. Nice Guy," said a Saudi official. "To hell with the Arabs and others who did not support us through this crisis." The new Arab order has left Egypt, Saudi Arabia, the gulf sheikdoms and, improbably, Syria aligned with the United States. The Palestine Liberation Organization is uneasily tied to Iraq. Jordan tries to placate everyone. Much of the rest of the Arab world remain divided, fearful of Saddam yet resentful of an American presence that is an unsettling reminder of the region's colonial past.

It is a volatile calculus. Months from now, if Iraq still occupies Kuwait and U.S. forces remain in the Saudi desert, Saddam will look like a genuine strongman. But if America and its allies succeed in ousting Saddam, there will be big losers: the PLO, certainly, and perhaps Jordan. Israel would face new pressure to resolve the Palestinian question. Even so, if Saddam's downfall is bought with heavy casualties, some analysts warn there could be dangerous repercussions—including an upsurge in terrorism or militant fundamentalism.

A look through the Arab kaleidoscope:

Egypt. If Saddam is toppled, Egypt would reclaim its role as leader of the Arab world. Cairo's initial caution on committing troops has vanished. Egypt is preparing to deploy two divisions—some 30,000 soldiers—to Saudi Arabia. In return, Riyadh has earmarked at least $800 million in economic aid, and Washington is considering forgiving Egypt's $7 billion military debt. Militant Arabs elsewhere say that Hosni Mubarak could pay a high price for his pro-American line, perhaps meeting the same fate as Anwar Sadat. "Nobody can govern under an American umbrella in the Arab world," warned a senior Jordanian official. But Egypt is the only Arab nation to have secured peace with Israel and, with his rival Saddam out of the way, Mubarak would be in a position to broker peace more broadly.

Saudi Arabia. Riyadh and Washington continue to insist that U.S. troops will depart as soon as the crisis ends or when King Fahd asks them to go. But officials privately concede there will be some U.S. military presence for years. And try as Fahd will, the Saudis can never again claim neutrality. "We have learned who our friends are and who our enemies are," said one Saudi official. "We will act accordingly and decisively." Few Arabs outside the kingdom think the situation in Saudi Arabia is as calm as it appears. Saddam keeps trying to fan fundamentalist fervor with accusations that the foreigners are defiling Islamic holy places. If the standoff with Iraq continues until next June, when millions of Muslims make their annual pilgrimage to Mecca, Saddam's hope of unrest could turn real.



Syria. The gulf crisis gave Assad just the opportunity he was seeking to lash out at his sworn enemy, Saddam, and win desperately needed financial help. And given his previous anti-West position, the Saudis think his commitment of troops enhances the credibility of their cause throughout the Arab world. Still, Syria's sudden shift to the Western camp is risky. Assad's own senior military staff is firmly opposed to a shooting war against a brother Arab nation. "If there is no war, if the blockade works, Syria wins on all



ATTAR—SYGMA

Loyalists of Saddam burning the American flag in Baghdad last week

sides," said one Syrian source. Otherwise, "Syria loses everything. The Syrian people . . . will never participate in the crushing of Iraq."

The Gulf States. For nearly 20 years, the tiny oil sheikdoms have walked a precarious tightrope between East and West, Arabs and outsiders, conservatives and revolutionaries, jealously guarding their wealth and independence. But when Iraq marched into Kuwait, the others quickly saw that the only way to counterbalance a hungry regional power is to align themselves with the remaining superpower. Every one of the gulf sheikdoms south of Kuwait now has at least some foreign forces, including U.S. warplanes, operating out of its territory. "They have really come out of the closet," said Sen. John Kerry of Massachusetts, touring the region last week. "We found not only a welcome, but an urgency to their plea that we be present." Remembering their old security under British rule until 1971, the ever vulnerable gulf states, virtually alone in the Arab world, could welcome a U.S. presence long after Saddam is neutralized.

Iran. The situation is ripe with opportunity for the fundamentalist Teheran regime. But Iranian President Hashemi Rafsanjani is more interested in economic reconstruction than theological purity. He wants better ties with the West. Still, he said last week, a Western victory would have to be followed by a Western evacuation of Saudi Arabia: "The Islamic world would not bear the United States building itself a base next to the divine shrines"—Islam's holy cities of Mecca and Medina.

North Africa. The Arab nations of Africa are divided. Morocco has sent 1,000 soldiers to Saudi Arabia, but Tunisia, which at first condemned the Iraqi invasion, is increasingly critical of the Western intervention. Libyan leader Muammar Kaddafi is reportedly defying the trade embargo with air shipments to Iraq, but otherwise has fallen into ineffectuality in the region.

Jordan. No one is in a tighter spot than King Hussein. His friendship with Iraq has strained old ties to the West, and his frantic efforts to achieve a diplomatic solution have so far produced nothing. As long as he opposes the invasion but not Saddam, his leadership seems safe at home, where the streets are electric with anti-American sentiment. Both Jordanians and Palestinians, who make up half the kingdom's population, are fiercely opposed to the U.S. military presence and angered by what they see as Washington's double standard toward Israel's occupation of Palestinian territories. And as they hear reports of how many billions Kuwait had invested in the West, some Jordanians wonder why more wasn't put back into Arab countries.

The PLO. On pay phones throughout Saudi Arabia, there are stickers with a number to call to make donations to the Palestinian cause. Those may soon disappear, along with Arab good will toward the PLO leadership. Like King Hussein, Yasir Arafat is facing one of the most dangerous moments in his career. His support of Saddam has strained ties with Cairo and Riyadh to the breaking point. Anti-PLO sentiment is also running strong in the gulf states, threatening his financial support. Internally, the movement is as fractured as ever. "They're finished—the leadership will be radicalized or disappear," said one Kuwaiti financier.

Israel. The U.S. troops, tanks and technology pouring into Saudi Arabia make Jerusalem nervous. Afraid of losing its military edge, the Shamir government has presented a shopping list of its own: it wants an extra $1 billion in sophisticated arms from Washington, including new F-15s, attack helicopters and two Patriot missile systems to ward off Iraqi missile strikes, forgiveness of $4.5 billion in loans and $400 million more in loan guarantees to build homes for Soviet Jews, some 88,000 of whom have arrived this year alone. Even if Washington delivers, Jerusalem will remain just as opposed to a long-term U.S. role in the gulf as many of its Arab enemies are. If the stalemate continues, or if U.S. troops remain as a peacekeeping force, George Bush could be forced to buy continued Arab tolerance of a U.S. presence with a promise to put real pressure on Israel to compromise on the West Bank and Gaza Strip.

Jerusalem has another fear, and the anti-Iraq Arab states another hope: that the gulf crisis will dispel the fundamental U.S. assumption that Israel is its only dependable ally in the region. In the Arab view, Egypt and Saudi Arabia have already proven their friendship, at least so far, and Israel could even become a strategic liability. "Israel is smaller than the crisis," said former Jordanian Foreign minister Taher al-Masri. "If I were an American strategist, I would think that America's interests lie in Egypt and the gulf." But U.S. support for Israel has always been more than a strategic interest—and its new Arab allies could yet prove fair-weather friends.

MELINDA BECK *with* RAY WILKINSON *in Jidda,* JEFFREY BARTHOLET *in Amman,* CHRISTOPHER DICKEY *in Dubai,* THEODORE STANGER *in Jerusalem,* CAROL BERGER *in Damascus and* TONY CLIFTON *in Cairo*

United States Department of State

Washington, D.C. 20520

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NEA TELEFAX COVER SHEET

DATE: 10/7/91

THIS PAGE PLUS 11 PAGE(S) TO FOLLOW

TO:

NAME: Jeannie Bunton

OFFICE The White House

FAX NO: 456-6218

FROM:

NAME: Paul Wickberg

OFFICE: NEA/ARP

PHONE NO: 647-6972

MESSAGE IF ANY: Per your request

NEA BUREAU TELEFAX NUMBER: (202) 647-7720

ISA bin Sulman Al Khalifa
(Phonetic: EEsa)

BAHRAIN

Amir (since 1961)

Addressed as: Your Highness



© *(1983)*

Shaykh Isa bin Sulman Al Khalifa has been both the secular and religious head of state since Bahrain attained independence from Great Britain in 1971. Since dissolving parliament in 1975, he and his brother, Prime Minister Khalifa bin Sulman Al Khalifa, have ruled by decree. Shaykh Isa is the 10th Khalifa to reign since the family established its rule in 1782.

Shaykh Isa was born in June 1933. He was educated by tutors. In 1953 he was appointed to the Regency Council. He later served as president of Manama Municipal Council, chairman of the Water Committee, and member of the Administration Council. The eldest of three sons, he was named heir apparent in January 1958 and succeeded to the throne upon his father's death.

The Amir has traveled extensively. He visited the United States in 1955, 1969, and 1983, and he regularly attends Arab and Islamic summit meetings. He speaks English. Married, he has nine children. He collects classic automobiles and enjoys breeding and racing horses.

4 April 1990

Did he meet w/ Pres. Reagan in 83?

July 1991

Official Name:
State of Bahrain

PROFILE

Geography
Area: 693.15 sq. km. (267.6 sq. mi.); about four times the size of Washington, DC. Bahrain is an archipelago consisting of 33 islands, only five of them inhabited. Cities: Capital--Manama (pop. 122,000 1985 est.). Other city--Al Muharraq. Terrain: Low interior plateau and hill on main island. Climate: Hot and humid from April-October, temperate from November-March.

People
Nationality: Noun and adjective--Bahraini(s). Population (1989 est.): 500,000 (66% indigenous). Ethnic groups: Arab 73%, Iranian 9%, Pakistani, Indian. Religions: Shi'a Muslim (over two-thirds--1984 est.--of the indigenous pop.; Sunni Muslim (approx. 30%). Languages: Arabic (official), English, Farsi, Urdu. Education: Attendance--73%. Literacy--about 74%. Work force (1987 est.): 197,000 (About 44% indigenous, 56% expatriate). Agriculture--4%. Industry and commerce--74%. Services--19%. Government--3%.

Government
Type: Traditional emirate (cabinet-executive system).
Independence: August 15, 1971. Constitution: May 26, 1973.
Branches: Executive--amir (chief of state), prime minister (head of government), Council of Ministers (cabinet). Judicial--independent judiciary with right of judicial review.
Subdivisions: 6 towns and cities.
Political parties: None. Suffrage: None.
Central government budget (1986-87): $2.6 billion.
Defense (1986): $134.4 million, or 9% of the published budget.
Flag: Three-fourths red field with serrated line separating white field on staff side.

Economy
GDP (1989 est.): $3.4 billion. Real growth (est.): 2.5%. Per capita income (1989 est.): $7,292. Avg. inflation rate (1988 est.): 1.5%
Natural resources: Oil, associated and nonassociated natural gas, fish.
Agriculture (1.0% of GDP): Products--eggs, vegetables, dates, fish.

Industry (36.3% of GDP): Types--manufacturing (18.6% of GDP), oil (15.5% of GDP), aluminum, ship repair, natural gas, fish.

Services (62.4% of GDP): Banking, real estate, insurance.

Trade (1989 est.): Exports--$2.7 billion: oil, aluminum, fish. Major markets--Saudi Arabia, US, Japan. Imports--$3.0 billion: machinery, industrial equipment, motor vehicles, foodstuffs, clothing. Major suppliers--US, UK, Japan.

Official exchange rate: 0.37695 Bahraini dinar=US$1.

Economic aid received: Significant budgetary support and project grants from Saudi Arabia, Kuwait, and the United Arab Emirates.

Membership in International Organizations
UN and most of its specialized agencies, Arab League, Organization of Arab Petroleum Exporting Countries (OAPEC), Gulf Cooperation Council (GCC).

GEOGRAPHY

Bahrain (bah-RAIN) is a group of islands in the Persian Gulf midway between the tip of the Qatar Peninsula and mainland Saudi Arabia. In addition to the main island of Bahrain, the most important islands in the archipelago are Al Muharraq, Umm Na'san, Sitrah, An Nabi Salih, and the Hawar Group.

The island of Bahrain has an interior plateau 30-60 meters (100-200 ft.) in elevation with a hill, Jabal Dukhan, rising to 135 meters (445 ft.) above sea level, the highest point on any of the islands. Bahrain is connected to Al Muharraq by a 2.8-kilometer (1.75 mi.) causeway and with Sitrah by another causeway.

The climate of Bahrain is hot and humid part of the year, with daytime temperatures regularly reaching 45 degrees centigrade (113 F) during the summer, with 70-80 percent humidity. The four winter months are generally mild and pleasant, with few chilly days. Rainfall averages less that 10.2 centimeters (4 inches) annually. Date palms, vegetables, and forage crops are grown on Bahrain and on some of the smaller islands.

PEOPLE

Most of the population of Bahrain is concentrated in the two principal cities, Manama and Al Muharraq. The indigenous people--66% of the population--are from the Arabian Peninsula and Persia. The most numerous minorities are Iranians, South and East Asians, and Europeans.

Islam is the major religion. Roman Catholic and Protestant churches exist in Bahrain as well as a tiny indigenous Jewish community.

In 1983, Bahrain claimed the highest literacy rate in the Arab world. Attendance at the primary school level is close to 100% and at the secondary level extremely high. Bahrain is developing several institutions of higher learning drawing on expatriate talent and the increasing pool of Bahrainis returning from abroad with advanced degrees. The Arabian Gulf University, a regional graduate school, operates in Bahrain. Gulf Polytechnic and the University College of Arts, Sciences, and Education have been combined to form Bahrain University. The College of Health Sciences, operating under the direction of the Ministry of Health, trains physicians, nurses, pharmacists, and paramedics.

HISTORY

Bahrain was the site of the ancient civilization of Dilman, which flourished as a trading center in the period 2000-1800 B.C. Since the late 18th century, Bahrain has been governed by the Khalifa family, originally of the Utayba clan of the large Anaiza tribal confederation of the Arabian Peninsula. The Khalifa family also claimed sovereignty over Qatar, and a member of that family habitually resided at Al Dawhah (Doha), the capital of Qatar. This political relationship persisted until 1868, when, at the request of Qatari nobles, the British negotiated the termination of the Bahraini claim, except for the payment of tribute. The tribute ended with the occupation of Qatar by the Ottoman Turks in 1872.

The ruler of Bahrain entered into relations with the United Kingdom, signing the 1820 General Treaty of Peace. A binding treaty of protection was concluded in 1861 and further revised in 1892 and 1951. This treaty was similar to those entered into by the British Government with other Persian Gulf principalities. It specified that the ruler could not dispose of any of his territory except to the United Kingdom and could not enter into relationships with any foreign government other than the United Kingdom without British consent. The British promised to protect Bahrain from all aggression by sea and to lend its good offices in case of land attack.

After World War II, Bahrain became the center for British administration of treaty obligations in the lower Persian Gulf area. When the British Government announced its decision in 1968 (reaffirmed in March 1971) to end the treaty relationships with the Persian Gulf sheikhdoms, Bahrain joined the other eight states (Qatar and the seven Trucial Sheikhdoms, the latter now called the United Arab Emirates) under British protection in an effort to form a union of Arab emirates. By mid-1971, however, the nine sheikhdoms still had not agreed on terms of union, and the termination date (end of 1971) of the British treaty relationship, was approaching. Accordingly,

Bahrain sought independence as a separate entity and became fully independent on August 15, 1971, as the State of Bahrain.

In May 1973, the Amir enacted a new constitution, setting up an experimental parliamentary system and protecting individual liberties. In August 1975, however, the government disbanded the National Assembly. No date has been announced for the reintroduction of representative institutions.

GOVERNMENT AND POLITICAL CONDITIONS

Bahrain is a constitutional emirate under the rule of the Al-Khalifa family. The Amir, Sheikh Isa bin Sulman Al-Khalifa, and his brother, Prime Minister Khalifa bin Sulman Al-Khalifa, govern Bahrain in consultation with a Council of Ministers.

Provisions of the 1973 constitution called for the Amir, upon consultations, to appoint a Council of Ministers headed by a prime minister. The Council of Ministers functioned as an executive and was responsible to the popularly elected National Assembly.

Bahrain was governed under this system until the summer of 1975, when the Amir exercised his constitutional authority to disband the Assembly. In doing so, he reported to the Bahraini people on the danger to national security stemming from several instances of alleged subversive activity of some Assembly members. He promised the Bahrainis prompt action on housing improvements and curbing inflation. Subsequently, he reorganized the government and established a Ministry of Housing.

Bahrain's six towns and cities are administered by one central Municipal Council, the members of which are appointed by the Amir. The courts administer the legal code and review the laws to ensure their constitutionality.

Principal Government Officials
Amir--Sheikh Isa bin Sulman Al Khalifa
Crown Prince and Commander in Chief of Bahrain Defense Force--Sheikh Hamad bin Isa Al Khalifa

Council of Ministers
Prime Minister--Sheikh Khalifa bin Sulman Al Khalifa
Commerce and Agriculture--Habib Kassim
Defense--Major General Sheikh Khalifa bin Ahmad Al Khalifa (also Deputy Commander in Chief of the Bahrain Defense Force)
Development and Industries--Yousuf Ahmad Al-Shirawi
Education--Dr. Ali Muhammad Fakhroo
Finance and National Economy--Ibrahim Abd Al-Karim
Foreign Affairs--Sheikh Mohammad bin Mubarak Al Khalifa
Health--Jawad Salim Al-'Urrayed

Housing--Shaikh Khalid bin Abdullah Al Khalifa
Information--Tariq 'Abd al-Rahman Almoayed
Interior--Sheikh Mohammad bin Khalifa bin Hamid Al Khalifa
Justice and Islamic Affairs--Sheikh Abdullah bin Khalid Al Khalifa
Labor and Social Affairs--Sheikh Khalifa bin Sulman bin Muhammad Al Khalifa
Public Works, Electricity, and Water--Majid Al-Jishi
Transportation and Communications--Ibrahim Mohammad Humaydan
Minister of State for Legal Affairs--Husayn Muhammad Al-Baharna
Minister of State for Cabinet Affairs (Acting)--Yousuf Ahmad Al-Shirawi

Ambassador to the United Nations--Hussein Al Sabbagh
Ambassador to the United States--Ghazi Muhammed Al-Gosaibi

Bahrain maintains an embassy in the United States at 3502 International Drive N.W., Washington, D.C. 20008 (tel. 202-342-0741). The Bahraini UN Mission is located at 747 Third Avenue, New York, N.Y. 10017 (tel. 212-751-6805).

DEFENSE

Under the Ministry of Defense, the Bahrain Defense Force (BDF) numbers about 9,000 personnel, and consists of army, navy, air force, and amiri guard units. Bahrain, in conjunction with its GCC partners (Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates), has moved to upgrade its defenses over the last ten years in response to the threat posed by the Iran-Iraq war and, morerecently, the Gulf crisis. Defense spending has increased by as much as 30 percent each year since 1980. In 1982, the GCC gave Bahrain $1.7 billion to help improve its defenses.

In recent years, Bahrain has purchased most of its military equipment from the United States, but it also has received equipment from the United Kingdom, France, the Federal Republic of Germany, and other countries. These U.S. purchases include jet fighters, helicopters, tanks, artillery, armored personnel carriers, anti-air and anti-tank missiles, with coastal patrol boats from Germany.

Separate from the BDF, the public security forces and the coast guard report to the Ministry of the Interior.

ECONOMY

Bahrain benefited from the region's economic boom in the late 1970s and 1980s. During that time, the government emphasized

infrastructural development and other projects to improve the standard of living; health, education, housing, electricity, water, and roads all received attention.

Petroleum and natural gas, the only significant natural resources in Bahrain, dominate the economy and provide about 60% of budget revenues. Bahrain was one of the first Arab gulf states to discover oil and was the first with a refinery. Because of limited reserves, Bahrain has worked to diversify its economy over the past decade. Bahrain has established itself as a regional service and financial center. More than 60 U.S. firms have offices in Bahrain, and many other foreign firms are located there as well. Bahrain has stabilized its oil production at about 40,000 barrels per day (b/d), but reserves are not expected to last more than 10-15 years. The Bahrain Oil Company refinery was built in 1935, has a capacity of about 250,000 b/d, and was the first in the gulf. After selling 60% of the refinery to the state-owned Bahrain National Oil Company in 1980, Caltex now owns 40%. Saudi Arabia provides most of the crude for refinery operation via pipeline. Bahrain also receives one-half of the net revenues from Saudi Arabia's Abu Saafa offshore oilfield.

The Bahrain National Gas Company operates a gas liquefication plant that utilizes associated gas piped directly from Bahrain's oilfields. Gas reserves should last about 50 years at present rates of consumption. Bahrain also has ample supplies of Khuff gas.

The Gulf Petrochemical Industries Company is a joint venture of the petrochemical industries of Kuwait, the Saudi Basic Industries Corporation, and the government of Bahrain. The plant, completed in 1985, produces ammonia and methanol for export.

Bahrain's other industries include Aluminum Bahrain, which operates an aluminum smelter with an annual production of about 176,000 metric tons (MT), and downstream factories, such as Aluminum Extrusion Company and the Gulf Aluminum Rolling Mill that opened in 1986 with a the capacity of 40,000 MT. Other plants include the Arab Iron and Steel Company iron ore pelletizing plant with a capacity of 4 million tons per year and the OAPEC (Organization of Arab Petroleum Exporting Countries)-owned Arab Shipbuilding and Repair Yard.

The Arabian Gulf University, funded by the members of the GCC, should be completed in 1990, despite financial setbacks and project delays. Currently, plans call for enrollment to reach 5,000 students throughout the gulf.

Bahrain's development as a major financial center has been the most widely heralded aspect of its diversification effort. Since 1983, the regional economic climate in which these institutions operate has become more difficult because of the region's economic downturn. Banks, including some from the

United States, have reacted by scaling back their operations or leaving the area. Nevertheless, more than 100 offshore banking units and representative offices are located in Bahrain. Off-shore banking units assets totalled $68 billion at the end of June 1989.

A 25-kilometer causeway linking Bahrain with Saudi Arabia was opened in November 1986.

The government follows a policy of replacing expatriate workers with Bahrainis who made up 44% of the work force in 1981 compared to 36% in 1978.

FOREIGN RELATIONS

Bahrain plays a modest, moderate role in regional politics and adheres to the views of the Arab League on Middle East peace and Palestinian rights. Bahrain is a member of the GCC, established in May 1981 with five other gulf states. The country has fully complied with steps taken by the GCC to coordinate economic development and defense and security planning.

Because of its small size and limited wealth, Bahrain has not taken a leading role in regional or international affairs. Rather, it pursues a policy of close consultation with neighboring states and works to narrow areas of disagreement. Since achieving independence in 1971, Bahrain has maintained friendly relations with its neighbors and the world community. Relations between Iran and Bahrain have been strained since the outbreak of the gulf war and a planned coup discovered in Bahrain in December 1981.

U.S.-BAHRAINI RELATIONS

When Bahrain became independent, the traditionally excellent U.S.-Bahraini relationship was formalized with the establishment of diplomatic relations. The U.S. Embassy at Manama was opened September 21, 1971, and a resident ambassador was sent in 1974. The Bahraini Embassy in Washington, D.C. opened in 1977.

In 1977, the agreement establishing Bahrain as the home port for the U.S. Navy's Middle East Force (MIDEASTFOR) was terminated. Arrangements have been made that allow the MIDEASTFOR ships to call at Bahrain. The U.S. Department of Defense-sponsored Bahrain School remains, along with a small, administrative support unit. The United States is currently aiding Bahrain in its efforts to improve its defense capabilities.

U.S.-Bahraini economic ties have grown steadily since 1932, when Americans helped develop Bahrain's oil industry. Currently, many American banks and firms use Bahrain as a base

for regional operations. In 1986, the United States displaced Japan to capture first place among exporters to Bahrain.

Principal U.S. Officials
Ambassador--Charles W. Hostler
Deputy Chief of Mission--~~Jay P. Freres~~ David Robins
Economic/Commercial Officer--Steven M. Brattain
Political Officer--Thomas Williams
Consular Officer--Stephanie Kronenburg
Public Affairs Officer--Rick Roberts
Agricultural Trade Officer--Philip A. Letarte
Administrative Officer--Lyle A. Dittmer

The U.S. Embassy in Bahrain is located off Sheikh Isa Highway, Building 979, Road 3119, Block 331, Zinj, Manama, Bahrain. The mailing address is P.O. Box 26431, Manama, Bahrain, or FPO New York 09526-6210. Telephone (973) 273300 (after hours 715126); telex 9398 USATO BN); fax (973) 272594. The Embassy's hours are 8:00 a.m. to 4:00 p.m., Saturdays-Wednesdays.

Travel Notes

Climate and clothing: Wear summer clothes from May to mid-October and spring and fall attire from mid-October through April. Always dress conservatively in public.

Customs: A visa is required for entry. US citizens may purchase transit visas with 72-hour validity at Bahrain's international airport. A 7-day visa is also available. Single women travelling to Bahrain sometimes encounter difficulty obtaining airport visas; they are strongly advised to secure their visas before travelling. Travellers with Israeli visas and/or entry/exit stamps in their passports will be barred from entry.

Health: No immunizations are required for entry, but malaria suppressants are recommended. Health requirements change; check latest information. Tapwater is potable but highly saline in most areas; persons with sodium restrictions should drink bottled water. No unusual precautions regarding food and drink are necessary. Modern health services are provided in several hospitals and health centers.

Telecommunications: Telephone connections are excellent because international calls enter the satellite communications system from Bahrain. Bahrain is 8 hours ahead of eastern standard time. Cable and telex connections to leading hotels and

businesses are good. Bahraini television features Arabic- and English-language programs.

Transportation: Gulf Air serves India, Saudi Arabia, other gulf states, and several European cities. Many other major airlines serve Bahrain's modern international airport. Taxis and rental cars are available in Manama.

National holidays: Businesses and shops may be closed on the following holidays. Actual dates depend on lunar calendar.

Prophet's Birthday	November 3
Eid al-Fitr	May 29-30
Eid al-Adha	August 5-7
Islamic New Year	August 25
Ashura	September 3-6
National Day	December 16 (fixed date)

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have not met
have spoke
Keri Douglas

[10/1/91]

10/4/91

SHAIKH ISA OF BAHRAIN 10/15/91

- RICHARD HAAS 6900
MID. EAST DIRECTOR

↓

- BRUCE RIDDEL (3552) — WAITING ON INFO FROM STATE (TRYING TO GET TODAY)

Kathy

SCHED

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dep. sometime after lunch

[contact @ states dept. → ?]

KERI DOUGLAS DIARIST 9560 HAS VISITED BEFORE

Staff mtg. 10/4/91

News of the day - plug

[- ideas for pol. thing of the day -] → campaign

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- NATO summit at. after Library

647-2453 State Dept. Eastern Europe

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Excerpts of a Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

August 11, 1990

President Bush called President Mubarak of Egypt at 5:45 a.m. this morning to congratulate him on the successful outcome of the Arab League meeting. President Bush praised President Mubarak's constructive role in securing passage of the resolution to send Arab troops to participate in a multinational force. The President said the Arab League action was very favorable and gives us significant optimism for the future of the mission.

President Bush this morning also telephoned Amir 'Isa bin Salman Al Khalifa of Bahrain to thank him for his efforts on behalf of the resolution and to discuss the situation generally. President Bush plans to call Amir Khalifa bin Hamad Al Thani of Qatar.

The United States welcomes the participation of forces from so many countries in our joint efforts to fight the aggression of Saddam Hussein [President of Iraq]. Military participation by Canada, Australia, West Germany, France, Belgium, and the United Kingdom signal a high degree of unity. We expect others to join this group as well. The NATO pledge of support was also important with so many individual countries bringing their resources to bear on the situation.

We are pleased to confirm that 11 Americans, including Penelope Nabokov, have been able to leave Iraq and cross the border into Jordan. We do not have details on their departure, but it is encouraging that this group has been able to join other Americans in leaving Iraq and Kuwait. Our Embassy is in contact almost hourly with Iraqi officials concerning the safety of U.S. citizens.

There are news reports this morning in three different publications showing three different levels of eventual troop strength in Saudi Arabia. We will not comment on these stories nor provide any numbers on troop strength for obvious national security reasons. Similarly, we will have no comment on the stories today about a possible blockade. We have said in the past that planning for a blockade is underway, should it be necessary.

Right now the United Nations sanctions are being widely implemented, and there is no Iraqi oil leaving Turkey or Saudi Arabia. The embargo appears to be having a considerable effect. We are pleased that Venezuela, Iran, and other countries have indicated ability to make up for oil shortfalls. Fortunately, oil stocks in the United States are quite high, and the surge capacity around the world is also high. America is in a very positive situation in terms of its ability to withstand existing oil disruptions.

Note: The statement referred to Penelope Nabokov, a 10-year-old girl from Albany, CA, who was taken into custody by Iraqi troops on August 2, when her commercial air flight was grounded in Kuwait City during the Iraqi invasion of Kuwait.

Material from the statement that pertained to the President's stay at his home in Kennebunkport, ME, has been included in the Digest of Other White House Announcements.

Remarks and an Exchange With Reporters on the Persian Gulf Crisis

August 11, 1990

The President. Well, let me just say that we've had a very good briefing, update, from the Secretary of State. I thanked him for the success of his diplomatic mission, a very important trip to our good friend President Özal of Turkey. And Jim filled me in on the details of the Turkish leg. And then, of course, I'm so pleased that the

NATO alliance is together and that we're in accord on how to look at the problems in the Middle East; and I think every single member of NATO is in accord with our economic plan. And so, it was a good trip, and I'm very grateful to Secretary Baker, just on the heels of this long swing, to come back up here and brief us.

I filled him in on four phone calls I had today: President Mubarak [of Egypt], King Fahd [of Saudi Arabia], and then two other countries. And I think things are moving in the right direction, and we're pleased so far with the solidarity, cohesiveness of the economic actions that have been taken.

So, I'll be glad to take one or two questions. And then I know the Secretary would, too. Yes?

Q. Mr. President, did President Mubarak say that Egyptian troops would stand shoulder to shoulder with American troops in Saudi Arabia?

The President. Well, he—did who say that?

Q. Did President Mubarak tell you Egyptian troops will be on the ground next to ours in Saudi Arabia?

The President. Well, he made clear that they're willing to do their share and, yes, that they will be there.

Q. When will they be there?

The President. I don't have the exact time on that. But they will do their share, and so will other Arab countries. And I think we've been saying all along, or indicating all along, that, indeed, this would be a multilateral force and it would be a multilateral force with some Arab components. And that's exactly the way it's working out, and I think that sends a very good signal.

Q. Mr. President, did you—or can you tell us, please, the state of play on the thinking of an international naval quarantine of Iraq at this time?

The President. The good news is that no shipping from Iraq is coming through the Strait of Hormuz. And we are in consultation—active consultation—with other powers who have naval vessels there or underway to be sure that no oil goes out. But we aren't prepared to announce anything more than that. But I think, in terms of the world market and in terms of the effectiveness of the sanctions, I can tell you that, with the exception of one small tanker, I believe it was, no vessels from Iraq or Kuwaiti ports are trying to get out of there with cargo, with oil cargo.

Q. Sir, if I may follow up: Haven't you made the decision in principle anyway to impose this kind of quarantine?

The President. I've made the decision in principle—and I think most other leaders have—that the sanctions will be fully enforced and that exports from Iraq will not get into the market.

Q. Let me ask you, at this point, with all of the diplomatic efforts that you've constructed, what exactly is your strategy now? If not simply just patience—is that it?

The President. No. Well, the goal is to get Iraq out, obviously, of Kuwait and have the legitimate rulers return. That is the goal. And the strategy is to use economic sanctions, fully effective, to see that that happens. And there's another part of our strategy, and that is to show a willingness on the part of the United States and other countries to tell Saddam Hussein [President of Iraq] that aggression will not be successful and that friends will be protected.

Q. Is it part of your thinking, sir, that with all of these sanctions in place and the effective encirclement that you have going, that there will be forces inside Iraq who will rise up against Hussein?

The President. That sometimes happens when leaders get so out of touch with reality that they commit their country to outrageous acts. That does happen. And I know that some countries around the world are hoping that that will happen in this situation. But we'll wait and see.

Q. Is the United States one of them?

The President. My feeling is that whatever it takes to have our objectives met is what should take place.

Q. Mr. President, who is in command of the mulitinational force that is on the ground in Saudi Arabia now? And who will take the lead——

The President. Well, General Schwarzkopf is in command of the United States forces, and then arrangements are being worked out as these other countries send components to have a more detailed structure. And clearly, we're in Saudi Arabia at the invitation of the King. The Saudis have forces on the ground, so we will be very



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Q. But is it the Saudis who are actually in control of——

The President. Well, as I say, the arrangements—I don't believe—you could ask General Scowcroft——

General Scowcroft. Still working on it.

The President. Still being worked out.

Q. Mr. President, yesterday you said that maybe, just maybe, somebody could talk some sense into Saddam so he'll retreat and back off. But you said you weren't optimistic. Following the events of the past 24 hours with the Arab League and whatnot, are you any more optimistic that——

The President. Well, I don't know about being optimistic or pessimistic, but I must say that the forthright position taken by the Arab summit is very, very positive, and it must make Saddam Hussein realize how isolated he is in terms of world opinion. There have been many manifestations of that before the Arab summit; but now with the Arab countries weighing in, in spite of Saddam's outrageous rhetoric and outrageous military action against Kuwait, I'd say that's very promising.

Q. Mr. President, you just said a moment ago you supported doing whatever it takes to meet your objective. Does that include overthrowing Saddam Hussein?

The President. I'll just leave it sit out there, and everybody can figure it out. And they can see the mobilization of forces and they can see the determination on the part of the whole world to make these economic sanctions be successful.

Q. Mr. President, can you give us any optimistic report on efforts to get out nondiplomatic citizens who are trapped there?

The President. Well, I might ask Secretary Baker to comment on that. But some Americans have come out today. But, Jim, can you add anything to that?

Secretary Baker. Simply repeat what I said yesterday in Brussels, and that is that we are still discussing this matter with representatives of the Government of Iraq. We're hopeful that we'll be able to resolve the situation, because it does, after all, run against all international norms—the fact that American citizens and other foreign nationals as well are not permitted to leave Iraq or to leave Kuwait.

Q. Why do you not believe this constitutes a hostage situation, since they are, in fact, detained there?

Secretary Baker. Well, nothing has been demanded or asked in connection with permitting them to leave the country, for one thing. And we think it would be a mistake to characterize it as a hostage situation and to use a word like that since we are in discussion with respect to the matter. And as far as we know, no American citizens have as yet been mistreated.

Q. Will you keep the Kuwaiti Embassy open, Mr. Secretary, unless the Iraqis force it closed? Is that what it would take to close the Embassy in Kuwait City?

Secretary Baker. That's a matter that, frankly, we are discussing today; and we will continue to discuss it. The European Community, the ASEAN [Association of Southeast Asian Nations] nations, and others have all told Iraq that they are going to maintain their Embassies because they do not want to give credence to the suggestion that Iraq has somehow annexed Kuwait. I think it's important to remember that not only do we have these loyal government officials there, but we have 3,800 American citizens in Kuwait as well.

Q. Mr. President, there are now reports there may be as many as a quarter million American troops going to Saudi Arabia——

The President. Again, I'm not prepared to comment on troop numbers. I've tried to make that clear. I believe that [Secretary of Defense] Cheney and Powell [Chairman of the Joint Chiefs of Staff] have taken that same position, and as long as forces are moving, we're just going to leave it there.

Q. But, sir, is a quarter million out of the realm of possibility?

The President. You must have misunderstood me. I said I'm not going to comment.

Q. Mr. President, did you talk to King Hussein [of Jordan]?

Q. Mr. President, on the subject of—why don't you go over there. I'll come back.

The President. Okay. No, I did not speak to King Hussein. The two other Arab leaders that I talked to today were the rulers of Qatar and Bahrain [Amir Khalifa bin Hamad Al Thani and Amir 'Isa bin Salman Al Khalifa, respectively].

Q. There seems to be some concern that Jordan is something of a back door for Iraq, both in terms of being able to provide a supply line and also perhaps further military exercises. What are you saying or trying to do to convince Hussein that he should perhaps go along with the rest of his Arab neighbors?

The President. Well, you know, it was interesting at the Arab summit that Jordan did not vote against the resolution. I believe they abstained. But in any event, they were not against. We all recognize the difficult position that King Hussein is in; there's no question to that. And in my view, he has been a friend of the United States for a long time, and I'd like to see that friendship be reinstated or be reinvigorated in the future. He's in a difficult position, and I was pleased that he did not vote against that resolution yesterday. But let's face it, we have had some differences with Jordan over what initially appeared to be a little bit of a strong backing for Saddam Hussein.

So, we respect the territorial integrity of Jordan. We respect its sovereignty. And I will not—not inclined to go into hypothetical situations as what might happen to Jordan. But it is a relationship that Presidents for years have valued; and it's one that I hope we can restore, through a lot of contact, to its vitality in the future. I think I spoke quite candidly the other day when I said there was a certain disappointment factor there. But now, with what the King was able to do yesterday, perhaps we can find ways to move forward—and would like to do that when all of this calms down.

Q. What's your next step, Mr. President, now?

The President. My next step is to stay in touch with the situation over there and to implement the plan that is already in effect. And that is to do what we can to guarantee the total effectiveness of the chapter VII sanctions and then take further steps—that I'm not prepared to discuss in detail—that will guarantee the integrity of Saudi Arabia for openers and, by being there, offer some moral support at least for countries in the area who could be threatened in the future from this Saddam Hussein.

Q. Mr. President, some said yesterday's Arab summit effectively exhausted the diplomatic solution. Do you feel that as well? Is the next step military?

The President. No, I think we've still got plenty of diplomacy ahead of us with lots of countries and in lots of different avenues. So, I wouldn't say that.

Q. How do you get to Saddam Hussein? He's not listening to anybody, it would seem, right——

The President. Well, we have these economic sanctions. They haven't been in effect very long. Already, as I've indicated, there are some signs that they are going to have an effect; and we'll just have to wait and see. These kinds of actions cannot be judged 48 hours after they're put into place—or 72 or whatever. I think we've just got to wait and see how all of this develops.

But I think he does see today more clearly than he saw yesterday at this time that the world is united against him. And by that I mean the action of the Arab summit was very, very important in this regard. So, these things are happening as we go along now—different countries taking strong positions. And so, I'd say there's still room for more diplomacy, but we'll just have to wait and see whether it makes an impact on him.

Q. Mr. President, would you like to see a United Nations military force? And can you tell us specifically what other countries you expect to put troops on the ground in Saudi Arabia?

The President. No, I can't tell you what others. But I think you'll see others and—I know you'll see others. And I cannot prematurely say who they will be. And in terms of the United Nations, I think that there could be a role in the naval side for some U.N. role. But I don't think that our plans are contingent upon a U.N. flag flying over the effort, as was the case in Korea, for example.

Q. How critical is it that there be other troops besides Americans? So that this does not look just like an American effort?

The President. Well, they are there, and that's very important.

Q. Mr. President, is the United States prepared in any way to support the overthrow of Saddam?

The President. No, we're not prepared to support the overthrow. But I hope that



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these actions that have been taken result in an Iraq that is prepared to live peacefully in the community of nations. And if that means Saddam Hussein changes his spots, so be it. And if he doesn't, I hope the Iraqi people do something about it so that their leader will live by the norms of international behavior that will be acceptable to other nations.

This is the last one.

Q. Mr. President, we all noticed yesterday that you didn't want to use the word "blockade." Is that because, in your own mind right now, you consider that the chapter VII sanctions enable you legally to stop an Iraqi ship at sea?

The President. I think we have the authority to stop a ship at sea under chapter VII. There may be some difference of opinion on that. But there's no use using words that may have different connotations in different countries, and this one does in terms of legality. And so, why do that? What we want to do is see that no oil comes out through the Strait of Hormuz. And if it requires naval vessels to see that that happens, fine. But I just am not one who flamboyantly believes in throwing a lot of words around. I'm more interested in action. And so far I've been very pleased that the Iraqis recognize that the export of oil is almost an impossibility now. But we've got some more diplomacy to make sure that it's a total impossibility.

Thank you all very much. I'm glad it's cleared up.

Q. Have the oil companies stopped gouging?

The President. Well, I think there's been a lightening up on the pricing. And there's a lot of efforts underway to see that there's plenty of supply in the international market. For those who are familiar with the availability of production that isn't on the market, one would conclude that other countries can be helpful in making up the loss in Kuwait and loss from Iraq.

So, to the American people I would say: We are using every diplomatic channel we can to be sure that there are no shortages and there is no gouging and there isn't some profit windfall out of these most unfortunate events.

But I'm confident that there can be stability in the international oil market because there is excess capacity around the world. And some countries have stepped up and said they want to help, and we salute them for that. And I'm encouraged by how the diplomacy is working there. And yet we still have more to do to guarantee that there not be a lot of hardship for countries around the world.

Thank you all very, very much. Thank you.

Note: The President spoke at 1:35 p.m. at Walker's Point, his home in Kennebunkport, ME. In his remarks, he referred to Gen. H. Norman Schwarzkopf, USA, Commander-in-Chief of the U.S. Central Command, who is in charge of the Persian Gulf deployment. A tape was not available for verification of the content of these remarks.

Statement by Press Secretary Fitzwater on the Persian Gulf Crisis

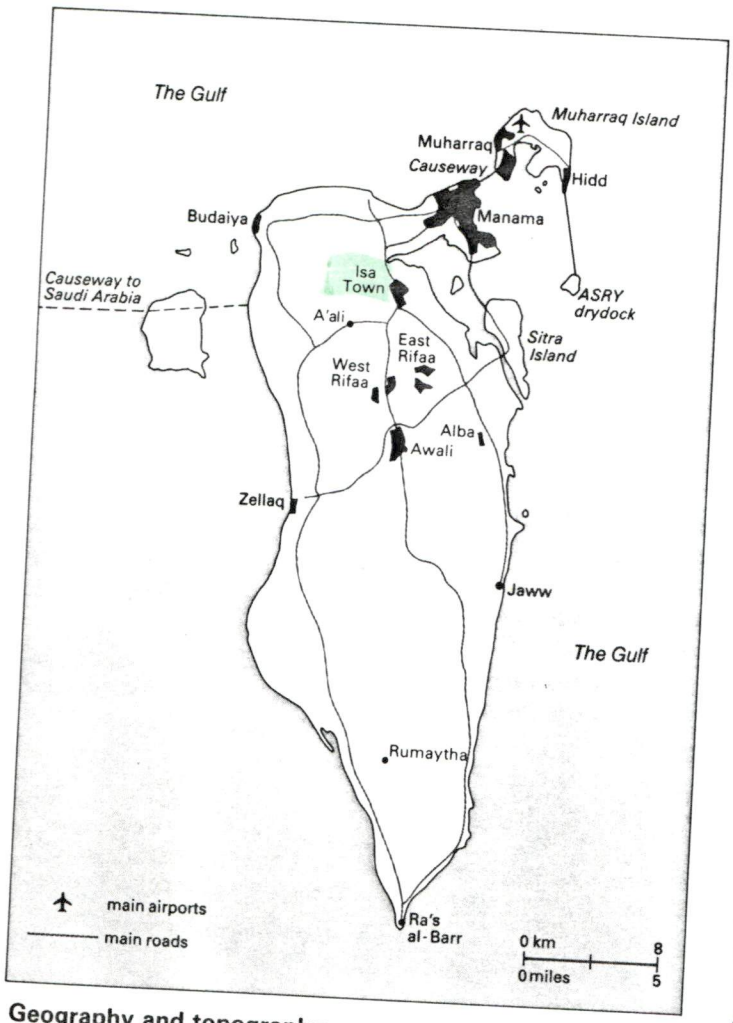
August 12, 1990

This morning the President received a letter from His Highness, Sheikh Jabir al-Ahmad al-Jabir Al Sabah, the Amir of Kuwait, requesting on behalf of the Government of Kuwait and in accordance with article 51 of the U.N. Charter and the right of individual and collective self-defense that the United States Government take appropriate steps as necessary to ensure that the U.N.-mandated economic sanctions against Iraq and Kuwait are immediately and effectively implemented.

In view of the Amir's request, the President has decided that the United States will do whatever is necessary to see that relevant U.N. sanctions are enforced. The President stressed that these efforts will complement, not substitute, for individual and collective compliance that has been highly successful thus far. The United States will coordinate its efforts with the Governments of other nations to whom the Kuwaiti Government has made similar requests.

Regarding Saddam Hussein's [President of Iraq] proposals announced today, the United States categorically rejects them. We join the rest of the U.N. Security Council in unanimously calling for the immediate,

Bahrain



Official title	The State of Bahrain
Area	677.9 sq. km
Population	350,798 (1981 census)
Government and constitution	The Head of State, who appoints the cabinet, is the Amir. A National Assembly provided for by the 1973 constitution was dissolved by Amiri decree in August 1975
Currency	1 Bahrain dinar = 1000 fils; exchange rate fixed at US $1 = 376.0 fils since November 1980
Languages	Arabic (official), but English is widely spoken
Religion	Islam is the official religion of the state. The ruling family is Sunni although some 60 per cent of the population is Shi'i
Climate	Summer temperatures are hot, reaching 49°C in the shade, while the coldest winter month, January, sees temperatures ranging between 2.8°C and 28.3°C. Humidity can be extreme

Geography and topography

The state of Bahrain consists of an archipelago of thirty-three islands covering 678 km^2, of which only three, with a surface area of 539 km^2, are inhabited. For all practical purposes, however, Bahrain consists of the main island, Bahrain Island, which houses the major population concentration at Manama and which is linked to the second largest island of Muharraq by a causeway.

Bahrain is formed from a small limestone dome, rather like the neighbouring peninsula of Qatar. Erosion has formed a series of low-lying basins in the southern part of the island, separated by low limestone outcrops running either side of the limestone crest line. The northern section of the main island is dominated by its access to the sea through the coral reefs between Bahrain and Qatar. There are good artesian water supplies which have ensured the location of main population settlement in this part of the island.

Indeed, the relatively good access to underground water supplies – which are generated on the Arab peninsula and which pass through aquifer systems under the sea into the 'freshwater lens' system under the island – has traditionally made Bahrain one of the most fertile regions in the Gulf. The system breaks the surface in the northern part of the island, with one spring being as much as 10 m across. This access to underground water has compensated for the annual minimal rainfall of 70 mm.

Peoples

In 1983, the population* of Bahrain was estimated to be 400,000, with an annual growth rate of about 4.6 per cent – a growth level that it has maintained since 1978. As a result, 41 per cent of the Bahrain population is under 15 years of age. Of this overall population, about 67 per cent are native Bahrainis, while the rest are expatriates, mainly from the Indian subcontinent, Iran, Oman and the Far East.

According to the 1981 census, the economically active element of the population totalled 146,133 – 56 per cent of it being expatriate; the economically active expatriate male labour force totalled 74,348 – 51 per cent of the total. The total employed population was 137,892, including 123,221 males, of whom 73,917 were not Bahraini.

Religions

The majority of Bahrainis are Shi'i* Muslims, while the ruling groups are Sunni*. The concentration of Shi'is in Bahrain is the highest of any of the Arab Gulf states. In the overall population in 1981, 85 per cent were Muslim, 7.3 per cent Christian and the balance was made up from Asian religions.

History up to 1939

Within two years of the Prophet Muhammad's* death, Bahrain became a part of the Muslim world and has remained as such ever since. Given its closeness to Iran, it has always been open to influences from across the Gulf and, from 1603, was actually ruled by an Iranian Shi'i dynasty. In 1783, the dynasty's Arab governor of the island was overthrown by a local Sunni group from the 'Anaza tribal federation of the Najd – the same region and federation from which the Al Sa'ud* family, now the rulers of Saudi Arabia, originate. The conquerors of Bahrain, the al-Khalifa family of the 'Utab tribe, which had formed part of the 'Anaza federation, have remained in power ever since, although the sectarian difference between them and the majority of their subjects has always been a source of political weakness. A further problem, particularly in recent times, has been the long tradition of suzerainty or direct control exercised by Iran over the archipelago.

Treaties with Britain

Khalifa independence in Bahrain was short-lived, however. Partly because of piracy in and around the mouth of the Gulf and partly because of growing anxieties over its imperial role in India and over regional communications, Britain began to take an increasing interest in local affairs. In 1816, the British resident in Bushehr, just across the Gulf, paid an official visit to Bahrain and an initial treaty of friendship was signed between Britain and the ruler, Shaykh 'Abd Allah ibn Ahmad al-Khalifa. British influence intensified after the initial treaty was followed up by a peace treaty in 1820 – also signed by the ruler of Ras al-Khayma – which brought piracy from Bahrain to an end. Further treaties were signed in 1856 and 1861 which progressively limited the freedom of action of the Khalifa rulers of the island.

Two further treaties, in 1880 and 1892, virtually turned Bahrain into a British protectorate, since the Khalifa rulers abdicated the right to an independent foreign policy in 1880 and accepted British tutelage in 1892. The final stage in the institution of British control over Bahrain occurred in 1923, when the ruler, Shaykh 'Isa al-Khalifa, was deposed and Sir Charles Belgrave was appointed as adviser to the new ruler.

This situation persisted until 1971, although serious tensions had begun to appear long before. During the 1930s, oil revenue* began to produce major changes in Bahrain, as industrial and oil-industry-related activities began to create an industrial working class and as literacy began to improve. These developments also helped to spare Bahrain from the most extreme consequences of the collapse of its pearling industry, in the face of competition from Japanese cultured pearls which began to dominate world markets at the same time. Unsatisfied demands for a legislative assembly and for the removal of Sir Charles Belgrave were paralleled by the development of a trade union movement* which unsuccessfully attempted to organize strikes in 1938.

History since the Second World War

With the end of the Second World War and the growth of Arab nationalist sentiment throughout the Middle East – particularly after the Egyptian Revolution in 1952 – the situation in Bahrain became more acute. In the wake of sectarian riots in 1953, a Council for National Unity was formed which attempted to canalize Bahraini sentiment for independence and identity into the growing tide of Nasserist Arab nationalism*.

Civil strife

Massive demonstrations met the Franco-British intervention in the Suez War in November 1956 and, in their wake, the council was suppressed and the opposition dispersed. However, despite

Manama's commercial centre



attempts by the government to woo various commercial groups in the population and a change in ruler – with Shaykh 'Isa ibn Salman coming to power in 1961 – the 1960s were punctuated by further disruption with a school-teachers' strike in 1962 and an oil-industry strike in 1965. The latter escalated into a general strike which, through the leftist-dominated Progressive Forces Front, began to articulate political demands – an end to the state of emergency instituted nine years before, the grant of trade union rights and the institution of a legislative assembly.

Under Saudi pressure, these demonstrations of dissatisfaction with the political dispensation in Bahrain were met with severe repression and widespread arrests. In the late 1960s, as South Yemen (the PDRY) achieved independence, the British regional military headquarters was moved from Aden* to Bahrain, although in 1968 Britain warned that it would pull out from the Gulf region. Bahrain's local reputation as a centre of radicalism led to it being excluded from the proposed Gulf federation that eventually became the UAE (United Arab Emirates)* and, as a result, the ruler began to consider compromise, with the appointment of a twelve-member advisory Council of State in 1970.

Independence

With the announcement that Britain would depart from Bahrain in August, the Council of State was transformed into a Council of Ministers, and plans were proposed for a new constitution which would permit a limited degree of popular participation. However, political tensions began to rise immediately after Britain left – largely as a result of the growing power of the left, now linked to the Popular Front for the Liberation of Oman and the Arab Gulf (PFLOAG), as well as to the nationalist Bahrain National Liberation Front (BNLF). General strikes in March and September 1972 forced an acceleration of the proposed constitutional changes and elections were held in December 1973, just six months after the draft constitution had been approved by Shaykh 'Issa.

The elections were held on a restricted franchise of 30,000 for 30 seats in the proposed 42-member assembly and, while the PFLOAG decided to boycott the elections, the BNLF fought them in conjunction with the Bahrain Nationalist Movement as a single party – the Popular Bloc. It won 70 per cent of the vote and became the most powerful element in the assembly, where it called for radical change.

Tensions between the ruler – who was under considerable pressure from Riyadh to limit the growing radicalism of Bahraini politics – and the left, with its powerful base amongst oil-industry workers, came to a head in October 1974, when a new law on state security was promulgated. The assembly, under Popular Bloc pressure, refused to endorse the law and, in August 1975, the assembly was dissolved, as thirty leaders of the Popular Bloc and the PFLOAG were arrested.

The result of this action was to drive political opposition in Bahrain underground until the Iranian revolution in early 1979. Events in Iran soon found an echo in Bahrain, with its Shi'i majority, even though the government attempted to suppress news of developments there. On 15 May 1979 there were massive demonstrations in Bahrain which were broken up by troops and 900 were arrested. Shi'i leaders then issued a demand for Bahrain to be proclaimed an Islamic Republic, for the state security law to be reviewed, for the assembly to be reinstated and for measures to be taken to ease economic hardship. Despite assurances – which still have not been honoured – that the assembly would be reinstated, the government responded by suppressing all demonstrations in connection with the demands and by expelling a Shi'i leader, Sa'id Hadi al-Mudarrisi. The tension had been worsened, not only by the growing alliance between the Bahraini secular left and Shi'i militants, but also because it had become clear that military links with the USA – supposedly broken off in 1973 – had been intensified after 1977. During the early years of the Iranian Revolution, particularly in 1979–80, during the US embassy hostage crisis in Tehran, Bahrain became a major US staging point and this exacerbated tensions there.

Politics today

Since the Iranian Revolution, the political scene in Bahrain has been galvanized by new-found Shi'i radicalism, in place of the radicalism of the secular left. There were rumours of an unsuccessful Shi'i coup attempt in 1981, and in 1984 arms caches were found that were assumed to be part of yet another Shi'i coup attempt. This sense of insecurity has been exacerbated by renewed Iranian hints over its long standing claim on the archipelago – even though this was formally abandoned in 1970. Bahrain has also been seriously concerned over the implications of the Gulf War. As a result, in 1981 it signed a formal defence agreement with Saudi Arabia – which has always made it clear that it would not tolerate radical political change in Bahrain – and became a founder member of the Gulf Cooperation Council* in the same year.

The economy and society today

Traditionally, Bahrain was one of the richest places in the Gulf, with a major pearling industry, boatbuilding, weaving and fishing. It was also a crucial entrepôt point for Saudi Arabia and Iran. These activities have either disappeared or been severely downgraded in recent years, although entrepôt trade is still important.

The modern Bahraini economy depends on its location as a communications and banking centre, with the additional benefit of a



Shaykh Isa ibn Khalifa of Bahrain

well-developed oil sector on which development has been based. Bahrain was the first Arab state to exploit oil after its discovery in the archipelago in 1932. However, given its very limited oil reserves – production has declined by 5–6 per cent per year since the 1970 peak of 76,000 barrels per day (b/d) from the Awali field and there seems little prospect of major new discoveries, despite a large-scale exploration programme in recent years – Bahrain depends on the export of refined petroleum products from the 250,000 b/d capacity Sitra refinery. Only 16 per cent of the input originates in Bahrain, the balance being imported from Saudi Arabia. Until 1984, this processing role meant that Bahrain managed to avoid the serious declines in its revenues that had typified other oil producers from 1981 onwards. Bahrain also has access to non-associated gas from the Khuff formation in the Gulf and this is used for industrial fuel purposes, petrochemical production and reinjection into the ageing oilfields. The oil and gas sectors are nationalized.

Manufacturing and industry in Bahrain are dominated by the Alba smelter, which produces aluminium from bauxite imported from Australia by utilizing Bahrain's cheap energy supplies. The smelter began operation in 1972 and is owned by the government (as the majority shareholder), Saudi Arabia, Kaiser Aluminium and a West German company, Beton. It has stimulated a series of processing industries which form part of Bahrain's diversified secondary industrial sector. This includes food processing, plastics, consumer durables and light engineering.

Bahrain is also a centre for integrated Gulf and Arab industry, with a methanol plant, an iron pelletizing plant (Aisoc) and the dry dock and ship repair yard (Asry). Asry began operations in 1977 and, after an initial period of success, has now seen its business go into decline as a result of the Gulf War. However, economic activity has been sustained by construction, which has avoided the decline that has faced this sector in other Gulf states. This is partly because of the massive causeway project now being built to link Saudi Arabia to the island, and due to open at the end of 1986. In addition, however, there are still several major housing schemes under way, including Madinat Hamad and a major new reclamation scheme which is due to start in 1987.

The most important aspect of Bahrain's economy is its role as a major Gulf telecommunications centre and banking* centre. Bahrain has an active offshore banking sector, with 77 units involved in 1984 and assets around the $63 billion mark. Five large banks dominate the domestic sector, controlling 80 per cent of local assets and the financial sector operates under the control of the Bahrain Monetary Authority. However, the sector now faces competition from increasing banking activity elsewhere in the Gulf and in Saudi Arabia, together with the growing depression in Arab financial sectors as a result of the downturn in oil prices. Nonetheless, even though Arab oil economies now face a difficult future, Bahrain's high degree of diversification means that it will probably survive the stresses ahead far better than other states in the region.

G.J.

Further reading

C. Belgrave, *The Pirate Coast* (London, 1966)
F. I. Khuri, *Tribe and State in Bahrain: the transformation of social and political authority in an Arab state* (Chicago, 1980)

Opposition Parties:

Free National Movement (FNM). The FNM was founded in 1972 by amalgamation of the United Bahamian Party (UBP) and a number of anti-independence dissidents from the PLP. In 1979 it was reconstituted as the Free National Democratic Movement (FNDM) by merger with the Bahamian Democratic Party (BDP), which had been organized in late 1976 when five FNM parliamentary deputies withdrew from the parent group. Prior to the 1982 election, which it contested under its original name, it was joined by the two remaining representatives of the Social Democratic Party (SDP), which had been founded by BDP dissidents in late 1979 and had been recognized thereafter as the official opposition. Following the 1987 balloting, Kendall G.L. Isaacs resigned as parliamentary leader, the party's chairman (and founder), Sir Cecil Wallace-Whitfield being designated his successor; Sir Cecil, who died in May 1990, was in turn succeeded by Hubert Ingraham, a former independent MP who had joined the party only a month before.

Leaders: Hubert INGRAHAM (Parliamentary Leader), Orville TURNQUEST (Deputy Leader), John Henry BOSTWICK (Senate Leader), Arthur FOULKES, Kendall G.L. ISAACS.

Vanguard Socialist Party (VSP). Founded in 1971 and committed to establishment of a socialist state, the VSP contested 18 seats in the 1982 Assembly election, winning none with only 173 votes (0.2 percent of the total).

Leader: Lionel CAREY (Chairman).

People's Democratic Force (PDF). The PDF is a new party, launched in 1989.

Leader: Fred MITCHELL.

LEGISLATURE

The **Parliament** consists of an appointed Senate with limited powers and a directly elected House of Assembly.

Senate. The upper house consists of 16 members, 9 of whom are appointed on the advice of the prime minister, 4 on the advice of the leader of the opposition, and 3 on the advice of the prime minister and others whom the governor general may wish to consult.

President: Edwin COLEBY.

House of Assembly. The lower house presently consists of 49 members directly elected on the basis of universal suffrage for five-year terms (subject to dissolution). The most recent election was held on June 19, 1987, when the Progressive Liberal Party won 31 seats; the Free National Movement, 16; and independents, 2.

Speaker: Sir Clifford DARLING.

CABINET

Prime Minister	Lynden O. Pindling
Deputy Prime Minister	Clement T. Maynard
Ministers	
Agriculture, Trade, and Industry	Ervin Knowles
Consumer Affairs	Dr. Bernard J. Nottage
Education	Paul L. Adderley
Employment and Immigration	Alfred T. Maycock
Finance	Lynden O. Pindling
Foreign Affairs	Dr. Charles Carter
Health	Dr. Norman Gay
Housing and National Insurance	George W. Mackey
Tourism	Clement T. Maynard
Transport and Local Government	Philip M. Bethel
Works and Utilities	Darrell Rolle
Youth, Sports and Community Affairs	Peter Bethel
Attorney General	Sean G.A. McWeeney
Governor, Central Bank	James H. Smith

NEWS MEDIA

Press. The following are published daily at Nassau, unless otherwise noted: *The Tribune* (12,000); *Nassau Guardian* (11,000); *Freeport News* (Freeport, 5,000); *Official Gazette,* weekly government publication.

Radio and television. The government-owned Broadcasting Corporation of the Bahamas, which operates two commercial radio stations at Nassau and one at Freeport, transmitted to approximately 134,000 receivers in 1989. Bahamas Television began broadcasting from Nassau in 1977; the nation's 60,000 sets also receive American television direct from Florida.

INTERGOVERNMENTAL REPRESENTATION

Ambassador to the US: Margaret Evangeline McDONALD.

US Ambassador to the Bahamas: Chic HECHT.

Permanent Representative to the UN: James B. MOULTRIE.

IGO Memberships (Non-UN): Caricom, CCC, CDB, CWTH, EEC(L), *EIB,* IADB, Interpol, OAS, OPANAL.

BAHRAIN

State of Bahrain
Dawlat al-Bahrayn

Political Status: Independent emirate proclaimed August 15, 1971; under constitution adopted December 6, 1973.

Area: 240 sq. mi. (622 sq. km.).

Population: 350,798 (1981C), 467,000 (1990E). Both figures include non-nationals (approximately 180,000 in 1987).

Major Urban Centers (1981C): MANAMA (121,986); Muharraq (61,853).

Official Language: Arabic.

Monetary Unit: Dinar (market rate April 1, 1990, 1 dinar = $2.66US).

Sovereign (Emir): Sheikh 'Isa ibn Salman AL KHALIFA, descendant of a ruling dynasty which dates from 1782; succeeded to the throne November 2, 1961; assumed title of Emir on the death of his father, Sheikh Salman ibn Hamad AL KHALIFA, on December 16, 1961.

Heir Apparent: Sheikh Hamad ibn 'Isa AL KHALIFA, son of the Emir.

Prime Minister: Sheikh Khalifa ibn Salman AL KHALIFA, eldest brother of the Emir; appointed January 19, 1970, continuing in office upon independence.

THE COUNTRY

An archipelago of 35 largely desert islands situated between the Qatar peninsula and Saudi Arabia, the State of

Bahrain consists primarily of the main island of Bahrain plus the smaller Muharraq, Sitra, and Umm-Nassan. Summer temperatures often exceed 100 degrees (F) and annual rainfall averages only about four inches, but natural springs provide sufficient water. The predominantly Arab population is about two-thirds indigenous Bahraini, with small groups of Saudi Arabians, Omanis, Iranians, Asians, and Europeans. At the 1981 census, 60 percent consisted of Shi'ite Muslims, while most of the remainder, including the royal family, adhere to the Sunni sect.

Oil, produced commercially since 1936, and natural gas now account for some 65 percent of the government's income, although recoverable petroleum reserves may be exhausted by the year 2000. Additional revenue is derived from operation of the Aluminum Bahrain smelter, which is the largest nonextractive enterprise in the Gulf area, and from one of the Middle East's largest oil refineries, devoted largely to processing crude from Saudi Arabia. In recent years Bahrain's long-time preeminence as a regional banking and business center has declined, with several of its many offshore banks closing down and a number of international companies shifting their headquarters operations to the United Arab Emirates.

Aided by fiscal support from Saudi Arabia, Kuwait, and the United Arab Emirates, the government has established an extensive network of social services, including free education and medical care, and in 1982 mounted an ambitious program for infrastructure development and improvements in agriculture and education. An economic downturn in the mid-1980's, caused by declining foreign aid and marked by budget deficits and rising unemployment, appeared to have been reversed by 1989 as a result of an industrial diversification program.

GOVERNMENT AND POLITICS

Political background. Long ruled as a traditional monarchy, Bahrain became a British protectorate in 1861 when Britain concluded a treaty of friendship with the emir as part of a larger effort to secure communication lines with its Asian colonies. The treaty was modified in 1892, but little evolution in domestic politics occurred prior to the interwar period. In 1926 Sir Charles BELGRAVE was appointed adviser to the emir, providing guidance in reform of the administrative system – an especially important step in light of accelerated social change following the discovery of oil in 1932. Belgrave continued to have a direct and personal effect on Bahraini policy until 1957, his departure coming as the result of Arab nationalist agitation that began in 1954 and reached a peak during the 1956 Anglo-French action in Egypt. Incipient nationalists also provoked disturbances in 1965 and in 1967, following the second Arab-Israeli conflict.

In 1968 Britain announced that it would withdraw most of its forces east of Suez by 1971, and steps were taken to prepare for the independence of all of the British-protected emirates on the Persian Gulf. Initially, a federation composed of Bahrain, Qatar, and the seven components of the present United Arab Emirates was envisaged. Bahrain, however, failed to secure what it considered an appropriate allocation of seats in the proposed federation's ruling body and declared for separate independence on August 15, 1971.

Despite nominal efforts at modernization, such as the creation of an Administrative Council following the 1956 disturbances, virtually absolute power remained in the hands of the emir until the adoption of the country's first constitution in 1973. Even today, nearly all advisory bodies are controlled by members of the royal family.

Although less intense than in other regional countries, rebellious sentiments among some of the majority Shi'ites, resentful of Sunni rule, precipitated conflict following the Iranian revolution of 1979 and the accompanying spread of Islamic fundamentalism. In December 1981 the government declared that it had thwarted a conspiracy involving the Iranian-backed Bahraini National Liberation Front, while the plot and the discovery in February 1984 of a rebel arms cache resulted in numerous arrests, the banning of a Shi'ite religious organization (the Islamic Enlightenment Society), and the issuance of compulsory identity cards to nationals and resident aliens. In May 1986 the Labor and Social Affairs Ministry announced that all expatriates would be required to leave the country upon expiry of their contracts, unless they were to be rehired.

Constitution and government. In December 1972 the emir convened a Constituent Council to consider a draft constitution that provided for a National Assembly composed of the cabinet (which replaced the Council of State in 1971) and 30 members elected by popular vote. The constitution was approved in June 1973 and became effective December 6, 1973, with an election being held the following day. However, the Assembly was dissolved in August 1975, with the emir suspending the constitutional provision for an elected legislative body.

The legal system is based on *shari'a* (canonical Muslim law); the judiciary includes separate courts for members of the Sunni and Shi'ite sects. The six main towns serve as bases of administrative divisions that are governed by partly elected municipal councils.

Foreign relations. Since independence, Bahrain has closely followed Saudi Arabia's lead in foreign policy but has been more moderate than most other Arab states in its support of the Palestine Liberation Organization and in condemning the Israeli-Egyptian peace treaty of 1979.

Generally regarded as the most vulnerable of the Gulf sheikhdoms, Bahrain has been a target of Iranian agitation and territorial claims since the overthrow of the late shah. Although Manama adopted a posture of noncommitment at the outbreak in 1980 of the Iran-Iraq war, it subsequently joined the other five members of the Gulf Cooperation Council (GCC), established in March 1981, in voicing support for Iraq. A security treaty with Saudi Arabia was concluded in December 1981 and in February 1982 the foreign ministers of the GCC states announced that they would actively oppose "Iranian sabotage acts aimed at wrecking the stability of the Gulf region". To this end, Bahrain has joined with the other GCC states in annual joint military maneuvers. The spirit of cooperation was jolted in April 1986, however, by conflict with Qatar over a small uninhabited island, Fasht al-Dibal, that had been reclaimed from an underlying coral reef for use as a

Bahraini coastguard station. Following a brief takeover by Qatari armed forces, an agreement was reached to return the site to its original condition. In January 1989 the two countries agreed to a six-month mediation pact aimed at resolving further territorial disputes, including Bahrain's claim to Zabara, a town on the Qatar mainland.

Relations with Washington have long been cordial and the US administration assisted in the construction of a major air base on Bahrain's southern coast. As a result, Bahraini officials were dismayed by US Senate action in late 1987 in blocking the planned purchase of a number of stringer anti-aircraft missiles because similar weapons supplied to the Afghan guerrillas had fallen into Iranian hands. Eventually a compromise was reached, whereby the shipment was approved under an 18-month lease arrangement.

In the country's first official contact with the Soviet Union, Sheikh 'Isa held talks with a visiting Moscow envoy on June 21, 1988, reports subsequently being circulated that the two governments had agreed to move toward the establishment of diplomatic relations. In April 1989 ambassadorial relations were established with China and in December the government signed a security agreement with Iraq, which was reportedly challenged by Iranian efforts to improve relations with GCC members.

Current issues. As slumping oil prices and the effects of the recently concluded Gulf war forced even the banking industry into recession, officials have concentrated on efforts to revive the Bahraini economy. In support of its policy of promoting industrial diversity while maintaining a high level of social services, Manama continued the practice, initiated in late 1986, of issuing treasury bonds to help counter budgetary deficits. Additional revenue has been derived from completion of a $900 million causeway linking Manama with Saudi Arabia. In the year following the November 1986 opening to private travel of the 20-mile combination of bridges and embankments, more than 1,000,000 individuals—largely vacationing Saudis—used the facility.

After a sluggish 1988, the economy surged in 1989 as result of escalating non-oil revenues, continued industrial expansion, and increased infrastructure expenditures.

POLITICAL PARTIES

Political parties are proscribed in Bahrain. At the first National Assembly election in 1973, however, voters elected ten candidates of a loosely organized Popular Bloc of the Left, while such small clandestine groups as a Bahraini branch of the **Popular Front for the Liberation of Oman and the Arab Gulf,** apparently consisting mainly of leftist students, have continued to engage in limited activity. Among the proscribed political groups, the most militant is the **Bahraini National Liberation Front** (BNLF), whose adherents are largely Shi'ites aligned with the Iranian regime. In 1988 20 Bahrainian Shi'ites were arrested for allegedly planning attacks on US Gulf interests; however, alleged ties between the group and Lebanese Shi'ite *Hezbollah* (Party of God) or the clandestine *Da'wah* (Islamic Call) party of Iraq could not be substantiated.

LEGISLATURE

The first election to fill 30 nonnominated seats in the National Assembly was held December 7, 1973. In addition to the elected members, who were to serve four-year terms, the Assembly contained 14 cabinet members (including 2 ministers of state). The Assembly was dissolved on August 26, 1975, on the ground that it had indulged in debates "dominated by ideas alien to the society and values of Bahrain".

CABINET

Prime Minister	Khalifa ibn Salman Al Khalifa
Ministers	
Commerce and Agriculture	Habib Qasim
Defense	Khalifa ibn Ahmad Al Khalifa
Development and Industry	Yusuf Ahmad al-Shirawi
Education	Dr. 'Ali Muhammad Fakhru
Finance and National Economy	Ibrahim 'Abd al-Karim
Foreign Affairs	Muhammad ibn Mubarak Al Khalifa
Health	Jawad Salim al-'Urayid
Housing	Khalid ibn 'Abdallah Al Khalifa
Information	Tariq 'Abd al-Rahman al-Mu'ayyid
Interior	Muhammad ibn Khalifa ibn Hamid Al Khalifa
Justice and Islamic Affairs	'Abdallah ibn Khalid Al Khalifa
Labor and Social Affairs	Khalifa ibn Salman ibn Muhammad Al Khalifa
Public Works, Electricity and Water	Majid al-Jishi
Transportation and Communication	Ibrahim Muhammad Hasan Humaydan
Ministers of State	
Cabinet Affairs (Acting)	Yusuf Ahmad al-Shirawi
Legal Affairs	Husayn Muhammad al-Baharna
Chairman, Central Bank	Sheikh Khalifa ibn Salman al-Khalifa

NEWS MEDIA

Press. The following newspapers are published at Manama unless otherwise noted: *Akhbar al-Khalij* (22,000), first Arabic daily, founded 1976; *Gulf Daily News* (12,000), in English; *Sada al-Usbu* (9,000 domestic, 16,000 foreign), Arabic weekly; *al-Adhwaa* (7,000), Arab weekly; *al-Bahrain al-Yawm* (3,000), Arabic weekly, published by the Ministry of Information; *Akhbar al-Bahrain,* daily Arabic news sheet, published by the Ministry of Information.

News agencies. There is no domestic facility; *Agence France-Presse,* the AP, the Gulf News Agency, and Reuters maintain offices at Manama.

Radio and television. The Bahrain Broadcasting Station, a government facility that transmits in Arabic and English, and Radio Bahrain, an English-language commercial station, are the principal sources of radio programs and were received by 277,000 sets in 1989. The government-operated Bahrain Television, which has provided commercial programming in Arabic since 1973, added an English-language channel in 1981. In addition, broadcasts by the Arabian-American Oil Company (Aramco) and the US Air Force at Dhahran can be monitored. Approximately 218,000 television sets were in use during 1989.

INTERGOVERNMENTAL REPRESENTATION

Ambassador to the US: Ghazi Muhammad AL GOSAIBI.

US Ambassador to Bahrain: Charles Warren HOSTLER.

Permanent Representative to the UN: Karim Ebrahim al-SHAKAR.

IGO Memberships (Non-UN): AFESD, AMF, BADEA, GCC, IC, IDB, Inmarsat, Interpol, LAS, NAM, OAPEC.

BANGLADESH

People's Republic of Bangladesh
Ganaprojatantri Bangladesh

Political Status: Independent state proclaimed March 26, 1971; de facto independence achieved December 16, 1971; admitted to the Commonwealth April 18, 1972; republican constitution of December 16, 1972, most recently suspended following coup of March 24, 1982, restored on November 10, 1986.

Area: 55,598 sq. mi. (143,999 sq. km.).

Population: 89,912,000 (1981C), 110,091,000 (1990E).

Major Urban Centers (urban areas, 1981C): DHAKA (Dacca; 3,458,602); Chittagong (1,388,476); Khulna (623,184).

Official Language: Bengali. English is still widely spoken in urban areas.

Monetary Unit: Taka (market rate April 1, 1990, 33.88 takas = $1US).

President: Lt. Gen. (Ret.) Hossain Mohammad ERSHAD (National Party); assumed office of Chief Martial Law Administrator following military coup of March 24, 1982; assumed title of President on December 11, 1983, following the resignation of Abul Fazal Mohammad Ahsanuddin CHOWDHURY; confirmed by referendum of March 21, 1986; reelected on October 15 and sworn in for a five-year term on October 23, 1986.

Vice President: Moudud AHMED (National Party); appointed by the President on August 13, 1989, succeeding A.K.M. Nurul ISLAM (National Party).

Prime Minister: Kazi ZAFAR Ahmed (National Party); named by the President on August 13, 1989, to succeed Moudud AHMED (National Party).

THE COUNTRY

Located in the east of the Indian subcontinent, Bangladesh comprises a portion of the historic province of Bengal (including Chittagong) in addition to the Sylhet district of Assam. Except for a short boundary with Burma in the extreme southeast, the country's land frontier borders on India, while its southern coast on the Bay of Bengal exposes it to periodic cyclones. Endowed with a tropical monsoon climate and rich alluvial plains dominated by the Ganges and Brahmaputra, Bangladesh has one of the world's highest population densities. The country is ethnically quite homogeneous, since 98 percent of the people are Bengali and speak a common language. Urdu-speaking, non-Bengali Muslim immigrants from India, largely Bihari, comprise 1 percent; the remaining 1 percent includes assorted tribal groups. Bangladesh contains more Muslim inhabitants than any other country except Indonesia, 85 percent of its people professing Islam; Hindus constitute most of the remainder. Although an estimated 50 percent of the food crops are produced by rural women, little more than 7 percent of the official labor force is female and is concentrated in domestic service. Traditionally unrepresented in Bangladesh politics, a number of women have nonetheless become influential within groups opposed to the present regime (see Political Parties, below).

With a GNP per capita of only $170 in 1988, Bangladesh has been characterized by the World Bank as one of the world's poorest countries. Its economy is particularly vulnerable to natural disasters, as evidenced by severe monsoon flooding in August-September 1987 and devastating cyclones in both 1985 and 1988, although its soil is quite fertile with a growing season that extends throughout the year. About three-fourths of the labor force is engaged in agriculture; rice is the principal food crop and jute (of which Bangladesh produces half the world's supply) the leading export. Although significant hydrocarbon reserves exist, the country is deficient in most other natural resources. The present government has moved to divest itself of a large number of industries that were nationalized in 1972.

GOVERNMENT AND POLITICS

Political background. When British India was partitioned into independent India and Pakistan in August 1947, Bengal was divided along communal lines. Predominantly Hindu West Bengal was incorporated into India, while predominantly Muslim East Bengal was joined with the Sylhet district of Assam as the Eastern Province of Pakistan.

In the postindependence period a comparative lack of economic progress in East Pakistan accentuated political problems caused by cultural and linguistic differences between the two provinces. In the early 1950s Bengalis successfully agitated for the equality of Bengali and Urdu as official languages. During the next decade, however, Bengali resentment over major disparities in development expenditure and representation in the public services intensified, and in 1966 Sheikh Mujibur RAHMAN, president of the East Pakistan branch of the Awami League, called for a constitutional reallocation of powers between the central government and the provinces. The sheikh's subsequent arrest helped coalesce Bengali opinion against Pakistani President Ayub Khan, who was forced from office in March 1969.

Ayub's successor, Gen. Yahya Khan, endorsed a return to democratic rule, and during the 1970 electoral campaign Mujib and his party won 167 of 169 seats allotted to East Pakistan in a proposed National Assembly of 313 mem-

BAHRAIN

Introductory Survey

Location, Climate, Language, Religion, Flag, Capital

The State of Bahrain consists of a group of about 35 islands, situated midway along the Persian (Arabian) Gulf, about 24 km (15 miles) from the east coast of Saudi Arabia (to which it is linked by a causeway), and 28 km (17 miles) from the west coast of Qatar. There are six principal islands in the archipelago, and the largest of these is Bahrain itself, which is about 50 km (30 miles) long and between 13 km and 25 km (8 to 15 miles) wide. To the north-east of Bahrain island, and linked to it by a causeway and motor-road, lies Muharraq island, which is approximately 6 km (4 miles) long. Another causeway links Bahrain with Sitra island. The climate is temperate from December to the end of March, with temperatures ranging between 19°C (66°F) and 25°C (77°F), but becomes very hot and humid during the summer months. In August and September temperatures can rise to 40°C (104°F). The official language is Arabic, but English is also widely spoken. Almost all Bahraini citizens are Muslims, divided into two sects: Shi'ites (almost 60%) and Sunnis (over 40%). Non-Bahrainis, who comprise more than 30% of the total population, include Muslims, Christians and adherents of other religions. The national flag (proportions 5 by 3) is scarlet, with a vertical white stripe at the hoist, the two colours being separated by a serrated line. The capital is Manama.

Recent History

Bahrain, a traditional Arab monarchy, became a British Protected State in the 19th century. Under this arrangement, government was shared between the ruling sheikh and his British adviser. Following a series of territorial disputes in the 19th century, Persia (now Iran) made renewed claims to Bahrain in 1928. This disagreement remained unresolved until May 1970, when Iran accepted the findings of a report, commissioned by the UN, which showed that the inhabitants of Bahrain overwhelmingly favoured complete independence, rather than union with Iran.

During the reign of Sheikh Sulman bin Hamad al-Khalifa, who became ruler of Bahrain in 1942, social services and public works were considerably expanded. Sheikh Sulman died in November 1961 and was succeeded by his eldest son, Sheikh Isa bin Sulman al-Khalifa. Extensive administrative and political reforms came into effect in January 1970, when a 12-member Council of State was established. The formation of this new body, which became Bahrain's supreme executive authority, represented the first formal derogation of the ruler's powers. Sheikh Khalifa bin Sulman al-Khalifa, the ruler's eldest brother, became President of the Council.

Meanwhile, in January 1968 the United Kingdom had announced its intention to withdraw British military forces from the area by 1971. In March 1968 Bahrain joined the nearby territories of Qatar and the Trucial States (now the United Arab Emirates), which were also under British protection, in a Federation of Arab Emirates. It was intended that the Federation should become fully independent, but the interests of Bahrain and Qatar proved to be incompatible with those of the smaller sheikhdoms, and both seceded from the Federation. Bahrain thus became a separate independent state on 15 August 1971, when a new treaty of friendship was signed with the United Kingdom. Sheikh Isa took the title of Amir, while the Council of State became the Cabinet, with Sheikh Khalifa as Prime Minister. A Constituent Assembly, convened in December 1972, produced a new constitution, providing for a National Assembly which would contain cabinet ministers and 30 elected members. On 6 December 1973 the Constitution came into force, and on the following day elections were held for the new Assembly. In the absence of political parties, candidates stood in an individual capacity. In August 1975 the Prime Minister submitted his resignation, complaining of obstruction by the National Assembly. However, Sheikh Khalifa was reappointed and, at his request, the Assembly was dissolved by Amiri decree. New elections were promised, but by late 1990 there were no signs that the National Assembly would be reconvened. Without the Assembly, the ruling family has almost absolute powers.

Although major international territorial claims were brought to an end by the 1970 agreement with Iran, the Iranian revolution of 1979 led to uncertainty about possible future claims to Bahrain. There has also been evidence of tension between Shi'ite Muslims, who form a slender majority in Bahrain, and the dominant Sunni Muslims, the sect to which the ruling family belongs. In December 1981 more than 70 people, mainly Bahrainis, were arrested when a supposedly Iranian-backed plot to overthrow the Government was thwarted. In 1984 there were renewed fears of Iranian attempts to disrupt the country's stability when a cache of weapons was discovered in a Bahraini village, and in June 1986 six men were deported from the United Kingdom, following the discovery of a planned coup against the Bahraini Government.

In March 1981 Bahrain was one of the six founder-members of the Gulf Co-operation Council (GCC, see p. 123), which was established in order to co-ordinate defence strategy and to promote freer trading and co-operative economic protection among Gulf states. A number of joint industrial projects were initiated in the early 1980s. In 1986 the King Fahd Causeway between Bahrain and Saudi Arabia was opened, indicating Bahrain's commitment to closer links with other Gulf states.

In April 1986 the then US Vice-President, George Bush, visited Bahrain to reaffirm the USA's readiness to preserve Gulf security in the event of an escalation of the Iran-Iraq war, which began in September 1980. In January 1987 the USA announced its intention to sell 12 F-16 fighter aircraft to Bahrain as part of a contract, valued at US $400m., to provide military equipment. Bahrain would thereby become the first Gulf nation to receive any of these aircraft. Work began on the construction of an air-force base, in the south of the island, to accommodate the F-16 aircraft. Bahrain already provides an onshore 'facility' for the US forces, and there is a large US navy presence. In September the US Secretary of Defense, Caspar Weinberger, presented Sheikh Isa with a letter from President Reagan, expressing his gratitude to Bahrain for its assistance in enabling US warships to escort 'reflagged' Kuwaiti merchant vessels in Gulf waters. In December a controversial sale of 70 Stinger anti-aircraft missiles and 16 launchers, worth $7m., was agreed between Bahrain and the USA. The weapons were to be delivered as soon as possible. Conditions of sale included the stipulation that Bahrain send back the weapons either when another US air defence system could be found for the country, or after 18 months.

In July 1987, as a result of the escalation of tension in the Gulf (exacerbated by the presence of US and Soviet naval forces), the UN Security Council adopted Resolution 598, urging an immediate cease-fire. Iraq agreed to observe a cease-fire if Iran would reciprocate, but Iran prevaricated, attaching conditions to its acceptance of the Resolution. In November 1987, at an extraordinary meeting of the League of Arab States in Amman, Jordan, representatives of the member states, including Bahrain, unanimously condemned Iran for prolonging the Gulf War, deplored its occupation of Arab (i.e. Iraqi) territory, and urged it to accept Resolution 598 without preconditions. (For more detailed coverage of the Gulf War and of the events that led to the cease-fire in August 1988, see the chapters on Iran and Iraq.) In February 1988 three Bahrainis were convicted by the security court for their involvement in an Iranian-supported plot, revealed in December 1987, to sabotage Bahrain's petroleum refinery.

In August 1990 Bahrain, in common with the whole Gulf area, seemed likely to be drawn into a conflict as a result of Iraq's invasion and forced annexation of Kuwait. Following the annexation, Bahrain firmly supported the implementation of UN economic sanctions against Iraq and permitted the stationing of US combat aircraft in Bahrain in support of US marine positions in the eastern part of Saudi Arabia.

In recent years Bahrain has acquired focal importance in the Gulf region. Its international airport is the centre of Gulf aviation, and the Arabian Gulf University is situated in Bah

...e. A stock exchange opened in Bahrain in June 1989, trading ...e shares of 29 local and joint-venture companies.

In April 1986 Qatari military forces raided the island of Fasht ad-Dibal, a coral reef situated midway between Bahrain and Qatar, over which both claim sovereignty. During the raid Qatar seized 29 foreign workers (most of whom were subsequently released), who were constructing a Bahraini coastguard station on the island. Officials of the GCC met representatives from both states in an attempt to reconcile them and avoid a split within the Council. Fasht ad-Dibal became the third area of dispute between the two countries, the others being Zubara, on mainland Qatar, and Hawar island. The dispute was referred to the GCC for settlement in early 1990.

In June 1988 Bahrain held its first official talks with the USSR, when the Amir of Bahrain met the Soviet Ambassador to Kuwait, to discuss ways of developing links between the two countries. In April 1989 Bahrain established diplomatic relations with the People's Republic of China. In December 1989 Bahrain and Iraq signed an agreement pledging non-interference in each other's internal affairs.

In October 1990 Bahrain established diplomatic relations with the USSR, a move which precipitated the establishing of diplomatic relations with Czechoslovakia shortly afterwards. In the same month the Minister of Foreign Affairs, Muhammad bin Mubarak bin Hamad al-Khalifa, visited Tehran, (the first such visit for a decade) to discuss the Gulf crisis and in an attempt to improve relations with Iran.

Government

Bahrain is ruled by an Amir through an appointed Cabinet. In August 1975 the National Assembly was dissolved.

Defence

Military service is voluntary. In June 1990 the Bahrain Defence Force consisted of 6,050 men (5,000 army, 600 navy, 450 air force). The defence budget for 1990 was BD 75.9m. In 1982 the GCC states pledged defence aid of some US $1,000m. for the modernization of equipment, and in 1984 this was followed by a further grant, for the same amount, to be shared between Bahrain and Oman.

Economic Affairs

In 1987, according to estimates by the World Bank, Bahrain's gross national product (GNP), measured at average 1985–87 prices, was US $3,027m., equivalent to $6,610 per head. During 1980–86, according to UN estimates, overall gross domestic product (GDP) increased at an average rate of 2.5% annually. GDP per head, however, decreased at an average annual rate of 0.3% over the same period. In 1988, according to the IMF, GDP, at current prices, totalled BD 1,262.9m. During 1981–88 the population increased by an annual average of 4.2%.

Agriculture and fishing employed 2.7% of the labour force in 1981 and contributed an estimated 1.5% of GDP in 1986. The principal crops are dates, tomatoes and melons. In 1988 the total production of vegetables and melons was an estimated 12,000 metric tons. Poultry production is also important, satisfying 51% of local demand by 1986. At mid-1989 about 75% of the country's fish resources remained unexploited. The total catch was 7,842 tons in 1987.

Industry (comprising mining, manufacturing, construction and utilities) employed 34.9% of the labour force in 1981 and provided an estimated 39.7% of GDP in 1986.

Mining and quarrying employed 3.5% of the labour force in 1981 and contributed an estimated 16.5% of GDP in 1986. The major mining activities are the exploitation of petroleum and natural gas. There are sufficient reserves of natural gas to maintain 1987 output levels (an average of 20m. cu m per day) until the year 2018.

Manufacturing employed 8.2% of the labour force in 1981 and provided an estimated 12.4% of GDP in 1986. Important industries include the petroleum refinery at Sitra, aluminium and aluminium-related enterprises, shipbuilding, iron and steel and chemicals. Light industries were being developed in the mid-1980s.

Total energy demand in 1987 was 630 MW, and this was expected to increase to 1,110 MW by 1997.

Banking is a major source of Bahrain's prosperity. In 1975 the Government decided to license 'offshore' banking units (OBUs) in Bahrain. OBUs are not involved in local banking, but serve to channel money from the petroleum-producing region back into world markets. In late 1990 there were 61 OBUs in Bahrain. In 1988 they announced record results, owing partly to a return to stability in the region, following the cease-fire in the Gulf War. However, in August 1990 Bahrain's role as an 'offshore' banking centre came under threat as a result of the crisis in the Gulf (see Recent History). A number of foreign institutions severed their lines of credit to the OBUs in Bahrain, and it was expected that some of the smaller units would be unable to maintain enough business to remain in operation.

In 1988 Bahrain recorded a visible trade surplus of US $77.4m., and there was a surplus of $189.9m. on the current account of the balance of payments. In that year the principal source of non-oil imports was the United Kingdom, while Saudi Arabia provided most of Bahrain's oil imports. Saudi Arabia and the United Arab Emirates were important markets for Bahraini exports. The principal exports in 1988 were petroleum, petroleum products and aluminium. Export revenues from petroleum and petroleum products represented 75.9% of total export earnings in 1988. The principal import was crude petroleum.

The 1990 budget envisaged a deficit of BD 100m., the same as that projected for 1989. Transfers and loan repayments were expected to decline by 41% in 1990, as a result of increased aid from Arab development funds. During 1980–88 consumer prices declined by an average annual rate of 1.3%. The annual rate of inflation averaged 1.5% in 1989, and was 1.0% in the year to July 1990.

Bahrain is a member of the Gulf Co-operation Council (GCC, see p. 123), which seeks to co-ordinate defence strategy and to promote freer trading and co-operative economic protection among Gulf states.

The opening of the King Fahd Causeway, linking Bahrain with Saudi Arabia, in 1986 and the cease-fire in the Gulf War in 1988 generated an economic recovery in the late 1980s (including the stabilization of oil prices by September 1989). However, the threat of open warfare in the Gulf, following Iraq's invasion and annexation of Kuwait in August 1990, disrupted the continued stability of Bahrain's economy. The immediate set-backs were, nevertheless, mostly overcome, owing to encouraging signs of economic strength in the first half of 1990, but the long-term effects could prove to be a detrimental factor in the future development of Bahrain's economy. It was projected that few foreign or private investors would be likely to embark on new projects in Bahrain until the crisis had been resolved, thus severely restricting the country's plans to diversify its industrial base.

Social Welfare

The state-administered medical service provides comprehensive treatment for all residents, including expatriates. There are also physicians, dentists and opticians in private practice. In 1983 Bahrain had six hospitals, 27 health centres and 16 child welfare centres. A Social Security Law covers pensions, industrial accidents, sickness, unemployment, maternity and family allowances. In 1982 there were 397 physicians working in the country. Of total projected expenditure (recurrent and development) by the central Government in 1990, BD 43.3m. (8%) was for health services.

Education

Education is not compulsory, but state education is available free of charge. Private and religious education are also available. There are five different types of schooling: primary and religious schooling (for children aged six to 11 years), intermediate (12–14 years), secondary or commercial streaming (15–17 years). The University of Bahrain, whose creation was proclaimed by Amiri decree in 1986, comprises four colleges: the College of Engineering, the College of Arts and Science, the College of Education and the College of Management and Business Administration. The first phase in the construction of the Arabian Gulf University (AGU) was completed in 1982, but lack of funding from the six Arab Governments sponsoring the project has delayed its completion. In 1989 there were only 58 students attending the AGU. In 1985 an estimated 94% of children aged six to 11 years (94.6% of boys; 93.8% of girls) attended primary schools, 52.4% of those aged 12 to 14 were enrolled at intermediate schools, and 41% of those aged 15–17 were enrolled at secondary schools. In 1986 there were 85,867 students attending the 139 primary, intermediate and secondary schools. In early 1988, according to the Ministry of

Education, more than 65% of teachers were native Bahrainis. The Government's 1990 budget (recurrent and development) allocated 10.1% of total expenditure (BD 54.8m.), to education. Plans have been formulated for the construction of 18 new schools, at a cost of BD 14.4m., by 1990. The 1989 building programme included BD 4m. for the construction of four new schools and a teacher-training complex. In 1981 the average rate of adult illiteracy among the indigenous Bahraini population was 31.3% (males 21.2%; females 41.4%). In 1985, according to UNESCO estimates, the illiteracy rate among all adults was 27.3% (males 20.7%; females 35.9%).

Public Holidays

1991: 1 January (New Year's Day), 12 February* (Leilat al-Meiraj, Ascension of the Prophet), 17 March* (Ramadan begins), 16 April* (Id al-Fitr, end of Ramadan), 23 June* (Id al-Adha, Feast of the Sacrifice), 13 July* (Muharram, Islamic New Year), 22 July* (Ashoura), 21 September* (Mouloud, Birth of the Prophet), 16 December (National Day).

1992: 1 January (New Year's Day), 1 February* (Leilat al-Meiraj, Ascension of the Prophet), 5 March* (Ramadan begins), 4 April* (Id al-Fitr, end of Ramadan), 11 June* (Id al-Adha, Feast of the Sacrifice), 2 July* (Muharram, Islamic New Year), 11 July* (Ashoura), 10 September* (Mouloud, Birth of the Prophet), 16 December (National Day).

* These holidays are dependent on the Islamic lunar calendar and may vary by one or two days from the dates given.

Weights and Measures

The metric system is being introduced.

Statistical Survey

Source (unless otherwise stated): Central Statistics Organization, POB 5835, Manama; tel. 242353; telex 8853.

AREA AND POPULATION

Area: 691.2 sq km (266.9 sq miles).

Population: 350,798 (males 204,793, females 146,005), comprising 238,420 Bahraini citizens (males 119,924, females 118,496) and 112,378 aliens (males 84,869, females 27,509), at census of 5 April 1981; 503,000: Bahraini citizens 336,000, aliens 167,000 (official estimate for May 1990).

Principal Towns (population at 1981 census): Manama (capital) 121,986; Muharraq Town 61,853.

Births and Deaths (UN estimates, 1985–90): Average annual birth rate 28.2 per 1,000; Death rate 3.8 per 1,000; Life expectancy at birth (1981): males 65.9 years, females 68.9 years.

Economically Active Population (1981 census): Agriculture, hunting, forestry and fishing 3,709; Mining and quarrying 4,778; Manufacturing 11,387; Electricity, gas and water 2,854; Construction 29,261; Trade, restaurants and hotels 18,507; Transport, storage and communications 13,181; Financing, insurance, real estate and business services 4,624; Community, social and personal services 47,608; Activities not adequately defined 2,244; *Total labour force* 138,153 (males 123,462; females 14,691). Figures exclude persons seeking work for the first time, totalling 4,231 (males 2,717; females 1,514), but include other unemployed persons, totalling 261 (males 241; females 20). Source: International Labour Office, *Year Book of Labour Statistics.*

AGRICULTURE, ETC.

Principal Crops (FAO estimates, '000 metric tons, 1988): Tomatoes 5; Other vegetables and melons 7; Dates 45 (Source: FAO, *Production Yearbook*).

Livestock (FAO estimates, '000 head, year ending September 1988): Cattle 6; Sheep 8; Goats 16 (Source: FAO, *Production Yearbook*).

Livestock Products (FAO estimates, '000 metric tons, 1988): Poultry meat 3; Cows' milk 6; Hen eggs 4.0 (Source: FAO, *Production Yearbook*).

Fishing ('000 metric tons, live weight): Total catch 7.8 in 1985; 8.1 in 1986; 7.8 in 1987 (Source: FAO, *Yearbook of Fishery Statistics*).

MINING

Production (1987): Crude petroleum 15,216,000 barrels; Natural gas 5,843 million cu metres.

INDUSTRY

Production ('000 barrels, 1987): Liquefied petroleum gas 296; Naphtha 12,785; Motor spirit (petrol) and aviation gasoline 19,418; Kerosene 2,681; Fuel oil 21,225; Diesel oil 42; Gas oil 28,029; Heavy lubricant distillate 1,161; Petroleum bitumen (asphalt) 967; Electric energy 2,996 million kWh; Aluminium (unwrought, '000 metric tons) 180.3.

FINANCE

Currency and Exchange Rates: 1,000 fils = 1 Bahrain dinar (BD). *Coins:* 1, 5, 10, 25, 50 and 100 fils. *Notes:* 500 fils; 1, 5, 10 and 20 dinars. *Sterling and Dollar Equivalents* (30 September 1990): £1 sterling = 704.4 fils; US $1 = 376.0 fils; 100 Bahrain dinars = £141.96 = $265.96. *Exchange Rate:* Fixed at US $1 = 376.0 fils (BD 1 = $2.6596) since November 1980.

Budget (estimates, BD million, 1990): Revenue 440 (Petroleum receipts 250, Fees and charges 146, Grants and loans 44); Expenditure 540 (Recurrent: Education 50.8, Health 36.9, Public works, power and water 44.9, Defence 72.9, Interior 67.4, Transfer and loan repayments 37.9, *Total* 415.0; Development: Power and water 37.0, Roads and sewage 27.0, Housing 20.0, Airport 8.0, Health 6.4, Education 4.0, Other 22.6, *Total* 125.0) (Source: Ministry of Finance and National Economy).

Development Plan (proposed expenditure, BD million, 1982–87): Infrastructure 768 (Electricity 260, Water and Sewerage 196, Housing 182, Roads 72, Ports and Airport 37, Other 25); Social Services 86 (Education 37, Health 12, Other 37); Economic Services 34 (Agriculture 21, Industry 11, Other 2); Administrative Services 93 (Defence and Security 80, Other 13); Other sectors 41; Total 1,022 (Source: Statistical Bureau, Ministry of Finance and National Economy).

* In May 1983 the Five-Year Plan was extended for a further year.

International Reserves (US $ million at 31 December 1989): Gold (valued at cost of acquisition) 6.6; IMF special drawing rights 20.9; Reserve position in IMF 38.9; Foreign exchange 990.3; Total 1,056.7 (Source: IMF, *International Financial Statistics*).

Money Supply (BD million at 31 December 1989): Currency outside banks 84.77; Demand deposits at commercial banks 149.91; Total money 234.67 (Source: IMF, *International Financial Statistics*).

Cost of Living (Consumer Price Index for Bahraini nationals; base: 1985 = 100): 96.0 in 1987; 96.3 in 1988; 97.7 in 1989 (Source: IMF, *International Financial Statistics*).

Gross Domestic Product (BD million at current prices): 1,192.8 in 1986; 1,191.8 in 1987; 1,262.9 in 1988 (Source: IMF, *International Financial Statistics*).

Balance of Payments (US $ million, 1988): Merchandise exports f.o.b. 2,411.4; Merchandise imports f.o.b. −2,334.0; *Trade balance* 77.4; Exports of services 1,162.5; Imports of services −1,227.6; *Balance on goods and services* 16.5; Private unrequited transfers (net) −193.1; Government unrequited transfers (net) 366.5; *Current balance* 189.9; Long-term capital (net) 205.1; Short-term capital (net) −419.7; Net errors and omissions 112.8; *Total* (net monetary movements) 88.0; Valuation changes (net) 15.2; *Changes in reserves* 103.2 (Source: IMF, *International Financial Statistics*).

EXTERNAL TRADE

Principal Commodities (BD million, 1989): *Imports c.i.f.:* Crude petroleum 466.7; Total (incl. others) 1,054.0. *Exports f.o.b.:* Petroleum and petroleum products 800.5; Aluminium 76.5; Total (incl. others) 1,009.6 (Source: IMF, *International Financial Statistics*).

Principal Trading Partners (US $ million, 1982): *Imports c.i.f.:* Australia 196.7; Federal Republic of Germany 117.6; Japan 253.8; Republic of Korea 70.2; United Kingdom 253.3; USA 353.8; Total (incl. others) 1,774.7 (excl. crude petroleum 1,840.7, mainly from

in 1982, and it didn't have that kind of an adverse effect.

Sarah [Sarah McClendon, McClendon News Service]? Sarah, you thought I'd never——

U.S. Support of NATO Allies

Q. Here's a way, sir, I think you can solve your problems. [*Laughter*] Research shows—you're going to NATO, and you're going to try to reform it—research shows that you could save a $150 billion to $160 billion by cutting out the support that we give to other foreign countries by paying for their defense of Europe. Now, why, in the name of God, don't you cut down the spending that you're putting on NATO when we're really paying this for other countries that are going to the summit with you?

The President. Because I believe that a strong NATO is in the national security interest of the United States. I think it is in our interest that Europe has kept the peace for 40-some years, that it is going more and more the democratic route. And we have a stake in it. Every taxpayer in the United States has a stake in world peace. And that's why I feel as I do about it.

Last one.

Neil Bush

Q. Mr. President, going back to the S&L scandal, your son Neil has been involved in one of those failed S&L's in Colorado. And I'm wondering if you've discussed this issue with him. Are you convinced that he is not guilty of any wrongdoing? And are you convinced, also, that a government that you head will be able to fairly investigate his role?

The President. Yes, to your last question. And I have—what dad wouldn't—full confidence in the integrity and honor of my son. And I will stay out of anything to do with the investigation, but this is a fine young man. Everyone that knows him and saw him testify feels he's a fine young man. But yet the system's got to go forward, and I'm convinced that if he has done something wrong the system will so state. And if he hasn't, I hope it's fair enough to say, Hey, the boy did nothing wrong.

Q. Have you discussed this issue with him?

The President. Only in that broad parental way. But making clear—and he would be the last to ask me, in any way, to get involved in any side or the other. I do think that those that allege misconduct ought to speak up and say what it is. But it's not been easy for him. He's probably the most sensitive of our four boys, maybe second most sensitive—I can't quantify this for you with all four of them—but he's a good kid. And it's not easy. He's held his head up. He, too, has taken a few shots on this. But he's had some good defenders from both sides of the aisle. And the system is going to work, whether it's the President's son or somebody else. And to suggest that it doesn't undermines the basic integrity of the American process, the American system. But it's not easy for him, but he'll do okay.

Mayor Marion Barry of the District of Columbia

Q. Mr. President, have you seen the Marion Barry tape, and what's your reaction?

The President. I thought I'd get asked that, and I am simply not going to get into that matter. It is not appropriate. It's a matter for in the courts. Please forgive me for not commenting on that one.

Thank you all very much.

Note: The President's 52d news conference began at 9:32 a.m. in the Briefing Room at the White House.

Proclamation 6152—To Modify Duty-Free Treatment Under the Generalized System of Preferences and for Other Purposes

June 29, 1990

By the President of the United States of America

A Proclamation

1. Pursuant to Title V of the Trade Act of 1974, as amended (the 1974 Act) (19 U.S.C. 2461 *et seq.*), the President may designate specified articles provided for in the Harmonized Tariff Schedule of the United States (HTS) as eligible for preferential tariff treatment under th
Preferences (GSP)
ignated beneficiary

2. Pursuant to se
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*t's 52d news conference
in the Briefing Room at*

**52—To Modify Duty-
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treatment under the Generalized System of Preferences (GSP) when imported from designated beneficiary developing countries.

2. Pursuant to section 504(c) of the 1974 Act (19 U.S.C. 2464(c)), beneficiary developing countries, except those designated as least-developed beneficiary developing countries pursuant to section 504(c)(6) of the 1974 Act, are subject to limitations on the preferential treatment afforded under the GSP. Pursuant to section 504(c)(5) of the 1974 Act, a country that is no longer treated as a beneficiary developing country with respect to an eligible article may be redesignated as a beneficiary developing country with respect to such article if imports of such article from such country did not exceed the limitations in section 504(c)(1) (after application of paragraph (c)(2)) during the preceding calendar year.

3. Pursuant to section 504(c)(5) of the 1974 Act, I have determined that Brazil should be redesignated as a beneficiary developing country with respect to specified previously designated eligible articles. Brazil has been previously excluded from benefits of the GSP with respect to such eligible articles pursuant to section 504(c)(1) of the 1974 Act.

4. Section 503(c)(1) of the 1974 Act (19 U.S.C. 2463(c)(1)) provides that the President may not designate certain specified categories of import-sensitive articles as eligible articles under the GSP. Section 503(c)(1)(A) of the 1974 Act provides that textile and apparel articles that are subject to textile agreements are import-sensitive. Pursuant to sections 504(a) and 604 of the 1974 Act (19 U.S.C. 2464(a) and 2483), I am acting to modify the HTS to remove from eligibility under the GSP those articles that have become subject to textile agreements and to make certain conforming changes in the HTS.

5. Pursuant to section 504(f) of the 1974 Act (19 U.S.C. 2464(f)), in Proclamation No. 5805 of April 29, 1988 (53 FR 15785), the President terminated the preferential tariff treatment under the GSP for articles eligible for such treatment that are imported from Bahrain. In light of revised statistics provided by the World Bank on the per capita gross national product of Bahrain for calendar year 1985, I have determined that the previous determination in Proclamation No. 5805 that the per capita gross national product of Bahrain for calendar year 1985 exceeded the applicable limit under section 504(f) of the 1974 Act was erroneous, and the restrictions of section 504(f)(1) of the 1974 Act are therefore inapplicable to Bahrain. I have further determined, pursuant to sections 502(a) and (c) of the 1974 Act (19 U.S.C. 2462(a) and (c)), and having due regard for the eligibility criteria set forth therein, that it is appropriate to designate Bahrain as a beneficiary developing country for purposes of the GSP. Pursuant to section 502(a)(1) of the 1974 Act (19 U.S.C. 2462(a)(1)), I have notified the House of Representatives and the Senate of this designation.

6. Pursuant to section 201(b) of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (the Implementation Act) (Public Law 100–449, 102 Stat. 1851, 1855), the President in Proclamation No. 6142 of May 25, 1990 (55 FR 21835), implemented an accelerated schedule of duty elimination under the United States-Canada Free-Trade Agreement. I have determined that it is necessary to modify the HTS to correct a typographical error in Proclamation No. 6142.

7. Section 1204(b)(1)(C) of the Omnibus Trade and Competitiveness Act of 1988 (the 1988 Act) (19 U.S.C. 3004(b)(1)(C)) authorizes the President to proclaim such modifications to the HTS as are necessary or appropriate to implement such technical rectifications to the HTS as the President considers necessary. Pursuant to section 1204(b)(1)(C) of the 1988 Act, I have determined that certain technical rectifications to the HTS are necessary.

8. Section 604 of the 1974 Act (19 U.S.C. 2483) authorizes the President to embody in the HTS the substance of the provisions of that Act, and of other acts affecting import treatment, and actions thereunder.

Now, Therefore, I, George Bush, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to Title V and section 604 of the 1974 Act, section 201 (b) of the Implementation Act, and section 1204(b)(1)(C) of the 1988 Act, do proclaim that:

(1) In order to remove from eligibility under the GSP an article that has become subject to textile agreements, and to make certain conforming changes in the HTS, the HTS is modified as provided in Annex I to this proclamation.

(2)(a) In order to terminate preferential tariff treatment under the GSP for an article imported from all designated beneficiary developing countries that has become subject to textile agreements, the Rates of Duty 1-Special subcolumn for the HTS subheading enumerated in Annex II(a) is modified by deleting the symbol "A," in the parentheses.

(b) In order to provide preferential tariff treatment under the GSP to Brazil, which has been excluded from the benefits of the GSP for certain eligible articles imported from Brazil, and following my determination that a country not previously receiving such benefits should again be treated as a beneficiary developing country with respect to such articles, the Rates of Duty 1-Special subcolumn for each of the HTS provisions enumerated in Annex II(b) to this proclamation is modified: (i) by deleting from such subcolumn for such HTS provisions the symbol "A*" in parentheses, and (ii) by inserting in such subcolumn the symbol "A" in lieu thereof.

(3) In order to provide that Bahrain is treated as a designated beneficiary developing country and to provide that Brazil, which has not been treated as a beneficiary developing country with respect to specified eligible articles, should be redesignated as a beneficiary developing country with respect to such articles for purposes of the GSP, general note 3(c)(ii) to the HTS is modified as provided in Annex III to this proclamation.

(4) Effective with respect to goods originating in the territory of Canada which are entered, or withdrawn from warehouse for consumption, on or after May 1, 1990, for HTS subheading 1102.90.60, in the Rates of Duty 1-Special subcolumn, strike the symbol "(CA)" and the duty rate preceding it, and in lieu thereof insert in the parentheses following the "Free" rate of duty the symbol "CA," in alphabetical order.

(5) In order to provide for the continuation of previously proclaimed staged reductions on Canadian goods in the HTS provisions modified in Annex I to this proclamation, effective with respect to goods originating in the territory of Canada which are entered, or withdrawn from warehouse for consumption, on or after the dates specified in Annex IV to this proclamation, the rate of duty in the HTS that is followed by the symbol "CA" in parentheses set forth in the Rates of Duty 1-Special subcolumn for each of the HTS subheadings enumerated in such Annex shall be deleted and the rate of duty provided in such Annex inserted in lieu thereof.

(6) In order to make technical rectifications in particular provisions, the HTS is modified as set forth in Annex V to this proclamation.

(7) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(8) Except as provided for in paragraphs (4), (5), and (6) of this proclamation, the amendments made by this proclamation shall be effective with respect to articles both: (i) imported on or after January 1, 1976, and (ii) entered, or withdrawn from warehouse for consumption, on or after July 1, 1990.

In Witness Whereof, I have hereunto set my hand this twenty-ninth day of June, in the year of our Lord nineteen hundred and ninety, and of the Independence of the United States of America the two hundred and fourteenth.

George Bush

[*Filed with the Office of the Federal Register, 12:26 p.m., June 29, 1990*]

***Note:** The annexes to the proclamation were printed in the "Federal Register" of July 3.*

Letter to the Speaker of the House and the President of the Senate on the Designation of Bahrain as a Beneficiary Developing Country

June 29, 1990

Dear Mr. Speaker: (Dear Mr. President:)

I am writing to inform you of my intent to add Bahrain to the list of beneficiary developing countries System of Preferen gram is authorize 1974, as amended (

Bahrain was a G inception of the pr 1988. Proclamatio 1988, terminated beneficiary develo GSP pursuant to s Act. Section 504(President determi gross national pro basis of the best a cluding that of th beneficiary country sequent to 1984 limit for the deter such country shall ficiary developing after the close of a the best available i mined that Bahrai tional product for had exceeded the in section 504(f).

The World Bank capita GNP statisti that Bahrain did n tory limit for 1985 the basis of these determined that th in Proclamation capita gross nation calendar year 198 limit under sectio was erroneous, an tion 504(f)(1) of th inapplicable to Ba termined, pursuan (c) of the 1974 Ac for the eligibility that it is appropri as a beneficiary de poses of the GSP.

This notice is with section 502(1974, as amended.

Sincerely,

***Note:** Identical let S. Foley, Speaker o*

disabled Americans. This will be landmark legislation not only for the 37 million Americans with some form of disability but for all Americans, demonstrating, as the President said in his Inaugural Address, that "this is the age of the offered hand."

The President endorses this legislation as the vehicle to fulfill the challenge he offered in his February 9 address to the Nation: "Disabled Americans must become full partners in America's opportunity society." The President has pursued a commonsense approach, seeking a practical bill that will help the disabled reach their full potential. He is committed to producing a bill that can be signed this year.

The discussions have resulted in an agreement we expect to be reflected in today's markup in the Senate Labor and Human Resources Committee of the Americans with Disabilities Act. The agreement provides for:

—Federal protection for the disabled against discrimination in the workplace, paralleling existing protections that apply to entities that receive Federal funds. The requirement would initially apply to employers of 25 or more and phase down to employers of 15 or more. Covered employers would have to make reasonable accommodation to disabled persons.

—Prohibition of discrimination against the disabled in public accommodations. The agreement adopts a broad definition of public accommodations, including restaurants, stores, and health care providers. Public accommodations would be required to make readily achievable alterations to existing facilities to accommodate the disabled. This legislation is designed to achieve access for the disabled in the most efficient manner, with emphasis on making new buildings accessible.

—Enforcement of the new protections through the Equal Employment Opportunity Commission, and suits seeking injunctive relief.

The President is committed to bringing persons with disabilities into the mainstream, including full participation and access to all aspects of society. He wants to do this through a framework that allows for maximum flexibility to implement effective solutions, builds on existing law to avoid unnecessary confusion and litigation, and attains these goals without imposing undue burdens. The President believes this can be accomplished by using reasonable measures, phased over time, as this legislation does.

We are pleased that substantial progress has been made. We will continue to analyze the full ramifications of the legislation and look forward to working with the Senate and the House to complete the legislative process this year.

Question-and-Answer Session With Reporters on the Hostage Situation in Lebanon

August 2, 1989

Q. Mr. President, are you going to discuss the hostage crisis? Do you think that there is—any other hostage is in danger?

The President. Well, we're considering that that might well be the case, given statements that we've seen. And yes, indeed, my old friend—we have started to discuss it, and I'm not going to put words in his mouth, but he expressed his concern. You're free to say something if you want to. You're our guest, sir.

The Foreign Minister. Mr. President, I would like to express our condemnation for such a terrorist act which we think is not aimed against the United States, but against all humans everywhere. And this man, Colonel Higgins, is an international figure. He represented the United Nations. He's American citizen, but he is a world citizen. And the attack on him is really against us all. And we think, worldwide, not only condemnation but action should be taken to stop such acts.

Q. What action are you going to take, Mr. President, or are you

The President. Well, sured that we're going a—I'd say, a prudent heart, obviously, becau the Minister expresse whole world, but the f so personally about wh nel Higgins. But I woul [Helen Thomas, United that—please assume w dently about this matte ble.

We have exercised channel that I can thin some through our Sec our national security ad touch—I have, pers world leaders; and ou has fleshed this out, s stone unturned. But know, sir, we're dealing deck when it comes t very hard when you'r kind of cowardice and t act to get all the inform to make a decision.

Q. Mr. President, do ceived assurances fro countries that you've will be able to help there anything you ca you feel—have some ne

The President. I fee have talked to—and i guished guests here—w they can to try to help the same problems th comes to information a exactly what happened. with all the facts. But after assurance from w

Nomination of Ste of the United Stat

August 2, 1989

The President today tion to nominate Steph to be Deputy Director

President, or are you considering taking?

The President. Well, you can just rest assured that we're going about our business in a—I'd say, a prudent way—with a heavy heart, obviously, because of the feeling that the Minister expressed on behalf of the whole world, but the feeling that I feel just so personally about what happened to Colonel Higgins. But I would just leave it, Helen [Helen Thomas, United Press International], that—please assume we are thinking prudently about this matter in every way possible.

We have exercised every diplomatic channel that I can think of—some personal, some through our Secretary of State and our national security adviser. We've been in touch—I have, personally—with many world leaders; and our State Department has fleshed this out, so we're leaving no stone unturned. But regrettably, as you know, sir, we're dealing with less than a full deck when it comes to information. It is very hard when you're dealing with this kind of cowardice and this kind of dastardly act to get all the information that you need to make a decision.

Q. Mr. President, do you feel you've received assurances from any of the other countries that you've contacted that they will be able to help in the situation? Is there anything you can tell us today that you feel—have some new confidence at all?

The President. I feel that everybody I have talked to—and including my distinguished guests here—would do everything they can to try to help. And yet, they face the same problems that we face when it comes to information and trying to find out exactly what happened. We are not dealing with all the facts. But I've had assurance after assurance from world leaders that they want to help. I'm sure you know, I was very recently on the phone with Margaret Thatcher and many others—several others—today and quite a few yesterday, and so it transcends religion, it transcends alliances.

It gets in, as the Minister said, to a matter that concerns the entire civilized world, and so we will keep on trying. And in the meantime, we've got to go about our business, and I'm doing that. But I don't want anyone in this country or around the world to think that it is anything of other than tremendous concern. But we must prudently move on with the business of our country.

Q. Mr. President, would it help if the Israelis release Sheik Obeid?

The President. I have made clear the position of the United States that I think—or, at least of everyone held against their will, would be a good thing.

Q. How about the ship movements, Mr. President? Are you planning any kind of military action?

The President. We're prudently planning.

Q. Like what?

The President. Like that's all I've got to say about it. [*Laughter*]

Q. Thank you.

The President. You see Helen hasn't changed. [*Laughter*]

Note: The President spoke at 1:31 p.m. in the Oval Office at the White House following discussions with Foreign Minister Muhammad bin Mubarak Al Khalifa of Bahrain. Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989.

Nomination of Stephen Read Hanmer, Jr., To Be Deputy Director of the United States Arms Control and Disarmament Agency

August 2, 1989

The President today announced his intention to nominate Stephen Read Hanmer, Jr., to be Deputy Director of the United States Arms Control and Disarmament Agency. He would succeed George F. Murphy, Jr.

Ambassador Hanmer is the Chief U.S. Ne-

eras and their families get their hopes up. My heart is still with Mrs. Higgins. We can't tell her with any definition what—of her husband's fate. And I have made appeal after appeal for the return of Colonel Higgins's remains if, indeed, he has been killed.

And so you deal with what you have out there, and what is foremost on my mind are the families and the hostages themselves. And I don't want to raise hopes beyond fulfillment, but there's reason to be somewhat encouraged. But I think of the brutality of the process: a man condemned to die at 11 and then it's moved to 3 in the afternoon. Put yourself in the position of these families. Think of the hurt that just that 4 hours of experience causes somebody. And I would just appeal to the civilized world or any country anywhere in the world to lay aside this holding of people against their will—hostages—and do what is right and decent and honorable in terms of the release of those hostages that are still held, and a full accounting in the case of Colonel Higgins, a distinguished officer who was wearing the uniform of the United Nations.

As the Foreign Minister of Bahrain [Muhammad bin Mubarak Al Khalifa] said in this office yesterday or the day before, this is the business of the whole world. Sitting at this desk—you ask what I feel about it? I feel for the families and for those that are held.

Q. Mr. President, this hostage, Mr. Cicippio, was among those who stayed on in Beirut after the United States had warned him to get out—had warned all Americans to get out or stay at their own risk. What kind of a claim should such a person have on the diplomatic resources of this country when they act against the wishes of the Government?

The President. We have put people—in the past, people in that part of the world on notice. But that doesn't fulfill my obligation as President if a person is held against his will, in the case of Mr. Cicippio. That doesn't mean we wash our hands of it. He's an American, and he is entitled to the concern of the President and every one of these Senators and everybody in our administration. And he's got a great, big, wonderful family up there that are eating their hearts out in Norristown, Pennsylvania——

Q. Did you call them?

The President. ——and we're very much concerned about it. I've not talked to Mr. Cicippio, and the State Department has been in daily contact with them—daily.

All right, thank you all. Anybody got any questions on the line-item veto legislation? I would like to speak up once again for that.

Note: The President spoke at 10:34 a.m. in the Oval Office at the White House. Lt. Col. William R. Higgins, USMC, chief of the U.N. peacekeeping force in southern Lebanon, was kidnaped on February 17, 1988, and executed by pro-Iranian terrorists on July 31, 1989. Joseph J. Cicippio, acting comptroller at the American University of Beirut, was abducted from the campus on September 12, 1986.

Statement by Press Secretary Fitzwater on the Proposed Line-Item Veto Legislation

August 4, 1989

The President today endorsed legislation providing legislative line-item veto authority which would enable the President to rescind appropriations deemed to be wasteful or unnecessary. This legislation will provide needed reforms in the budget procedure known as rescission. Present law allows for cancellation of an appropriation only through the rescission process. Congress, however, can thwart a Presidential proposal for rescission simply by inaction. In fact, the vast majority of rescission proposals submitted by three Presidents since passage of the present law in 1974 were never acted upon.

The legislation the President has en-

Cheney, who will take some questions. And then he will go over to the Pentagon for more of an in-depth briefing.

On August 6th, in response to the unprovoked Iraqi invasion of Kuwait, I ordered the deployment of U.S. military forces to Saudi Arabia and the Persian Gulf to deter further Iraqi aggression and to protect our interests in the region. What we've done is right, and I'm happy to say that most Members of Congress and the majority of Americans agree.

Before the invasion in August, we had succeeded in the struggle for freedom in Eastern Europe, and we'd hopefully begun a new era that offered the promise of peace. Following the invasion, I stated that if history had taught us any lesson it was that we must resist aggression or it would destroy our freedom. Just ask the people of Kuwait and the foreign nationals in hiding there and the staffs of the remaining Embassies who have experienced the horrors of Iraq's illegal occupation, its systematic dismantling of Kuwait, and its abuse of Kuwaitis and other citizens.

The world community also must prevent an individual clearly bent on regional domination from establishing a chokehold on the world's economic lifeline. We're seeing global economic stability and growth already at risk as, each day, countries around the world pay dearly for Saddam Hussein's [President of Iraq] aggression.

From the very beginning, we and our coalition partners have shared common political goals: the immediate, complete, and unconditional withdrawal of Iraqi forces from Kuwait; restoration of Kuwait's legitimate government; protection of the lives of citizens held hostage by Iraq both in Kuwait and Iraq; and restoration of security and stability in the Persian Gulf region.

To achieve these goals, we and our allies have forged a strong diplomatic, economic, and military strategy to force Iraq to comply with these objectives. The framework of this strategy is laid out in 10 United Nations resolutions, overwhelmingly supported by the United Nations Security Council. In 3 months, the U.S. troop contribution to the multinational force in Saudi Arabia has gone from 10,000 to 230,000 as part of Operation Desert Shield. General Schwarzkopf [commander of the U.S. forces in the Persian Gulf] reports that our forces, in conjunction with other coalition forces, now have the capability to defend successfully against any further Iraqi aggression.

After consultation with King Fahd [of Saudi Arabia] and our other allies, I have today directed the Secretary of Defense to increase the size of U.S. forces committed to Desert Shield to ensure that the coalition has an adequate offensive military option should that be necessary to achieve our common goals. Toward this end, we will continue to discuss the possibility of both additional allied force contributions and appropriate United Nation actions.

Iraq's brutality, aggression, and violations of international law cannot be allowed to succeed. Secretary [of State] Baker has been consulting with our key partners in the coalition. He's met with the Amirs of Bahrain ['Isa bin Salman Al Khalifa] and Kuwait [Jabir al-Ahmad al-Jabir al-Sabah], King Fahd, President Mubarak [of Egypt], as well as the Chinese Foreign Minister [Qian Qichen], President Özal [of Turkey], [Soviet] Foreign Minister Shevardnadze, President Gorbachev. He also will be meeting with Prime Minister Thatcher [of the United Kingdom] and President Mitterrand [of France]. I've been heartened by Jim's appraisal of the strong international solidarity and determination to ensure that Iraq's aggression does not stand and is not rewarded.

But right now, Kuwait is struggling for survival. And along with many other nations, we've been called upon to help. The consequences of our not doing so would be incalculable because Iraq's aggression is not just a challenge to the security of Kuwait and other Gulf nations but to the better world that we all have hoped to build in the wake of the Cold War. And therefore, we and our allies cannot and will not shirk our responsibilities. The state of Kuwait must be restored, or no nation will be safe and the promising future we anticipate will indeed be jeopardized.

Let me conclude with a word to the young American GI's deployed in the Gulf. We are proud of each and every one of you. I know you miss your loved ones and want to know when you'll be coming home. We won't leave you there any longer than necessary. I want every
there as soon as po
grateful for your co
your commitment.

Now, with no furth
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leave, Dick, take son
go over to the Pentag

Q. Mr. President,
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you are sending or, re

The President. We
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American people.

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moved this posture?

The President. No.
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have been clearly sta

Q. Well, are you g

The President. I
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that's what I wanted.

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fense to offense?

The President. I
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Saddam Hussein sho
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Economic Sanctions

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The President. W

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Q. The question
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BAHRAIN, bə-rān′, is an independent sheikhdom, formerly under British protection, consisting of several islands in the Persian Gulf. It is situated about 13 miles east of Saudi Arabia. Bahrain is a modest contributor to the world's supply of oil and was long a strategic British center in the Middle East. Population: (1971) 216,815.

Bahrain has an area of 231 square miles (598.2 sq km). Its principal island, also called Bahrain, is 30 miles (48 km) long and 12 (19.3 km) miles wide. The sheikhdom also contains the islands of Muharraq, Sitrah, Nabih Salih, Jida, and Umm Nassan; several uninhabited islands; and an extensive area of islets and shoals.

Manamah, the capital and principal city, with a population (1971) of 89,399, is at the northeast end of Bahrain Island. Made a free transit port in 1958, Manamah serves as headquarters for the fishing and pearling industries of Bahrain. There is a deepwater anchorage off the port, which is well equipped with lighterage facilities. Since 1962, Manamah has also had a deepwater pier that can accommodate six oceangoing vessels at once. While a protectorate, Bahrain was often used as a British air and naval base.

Muharraq, the second most important city, with a population (1971) of 37,732, is situated on Muharraq Island. The city is connected to Manamah by a 1½-mile (2.4 km) causeway, and is the site of Bahrain's international airport.

The name *Bahrain,* sometimes spelled *Bahrein,* is derived from an Arabic word meaning "two seas." It once was applied to the mainland of eastern Arabia as well as to the island of the present sheikhdom.

The People. The Bahrainis are mostly Arabs of various origins. The sheikhdom also has sizable communities of Indians, Pakistanis, Persians, Europeans, and Americans. About 95 percent of the people are Muslims. About half of the Muslims, including the ruling Khalifah family, belong to the Sunnite sect. The other half, mainly villagers, are members of the Shiite sect. The American Dutch Reformed Church established a mission in Bahrain in 1893 that now includes a hospital and primary school.

Economic Life. Oil, discovered in Bahrain in 1932 by the Standard Oil Company of California, provides about 70 percent of the sheikhdom's income. The original concession to prospect for oil on Bahrain Island was obtained by a British company in 1925. In 1927 the concession was passed to the Gulf Oil Company of the United States, which, in turn, sold it to the Standard Oil Company of California in 1928. In 1936 the ownership of Standard Oil's subsidiary, the Bahrain Petroleum Company (incorporated in Canada), was divided equally between Standard Oil and the Texas Company. In 1975, Bahrain obtained 60% controlling interest in the Bahrain Petroleum Company. Installations in Bahrain related to the oil industry include a modern refinery that produces about 11 million tons of oil a year, an excellent oil-shipping port off Sitrah Island, and community housing for American and British employees. Bahrain produces about 25 million barrels of crude oil per year. This oil, as well as crude oil piped in from Saudi Arabia, is refined in Bahrain for export.

Before the discovery of oil, pearling was the economic mainstay of Bahrain. The quality and the abundance of the pearls in Persian Gulf shoal waters are unsurpassed anywhere. The total annual production reached a value of $1,000,000 or higher during the early 1920's, but dropped to a quarter of that amount just before World War II. The pearl market declined partly because of the lack of an efficient marketing organization and partly because of a trend in buying habits away from genuine pearls. Other industries in the sheikhdom include boatbuilding, sailcloth making, and the manufacture of building materials, soft drinks, and reconstituted dairy products.

Approximately two thirds of Bahrain has no fresh water, and the limestone or sandy soil of the rest has never been adequate for farming. Rainfall is usually under five inches per year. Even the date crop is inferior in quality and must be supplemented by imports.

Government. Bahrain is ruled by an hereditary sheikh of the Khalifah family. The sheikh, who has considerable power, heads a council of administration composed of the heads of the governmental departments and members of the ruling family.

The four urban municipalities of Manamah, Muharraq, Hidd, and Rifaa, and the two rural municipalities of Sitrah and Jidd Hafs have separate administrative organizations for local affairs. Half the members of the local councils are nominated by the royal government, and the other half are elected.

History. The oldest remains of inhabitants of Bahrain lie in the extensive fields of burial mounds or tumuli, in the northern half of Bahrain Island. Archaeologists believe that the earliest of these mounds may date from 3000 B.C. Numbering perhaps 100,000 to 200,000, the mounds range in height from a few feet to 40 feet. They enclose stone crypts containing well-preserved skeletons, burial urns, and pottery.

Bahrain was known to the ancient Greeks and Romans as *Tylos. Awal* was also one of its early names. Some archaeologists have attempted to identify Bahrain with Dilmun, an ancient port described in Mesopotamian cuneiform records.

In the 4th century B.C., Bahrain was visited by a captain in Alexander the Great's navy. The



Greek geographer Strabo, late in the 1st century B.C., mentioned Tylos in relation to the ancient caravan port of Gerrha (possibly modern Uqair), on the Arabian coast. Pliny the Elder, writing in the 1st century A.D., reported that Bahrain was famous for its pearls.

Bahrain was occupied by the Portuguese from 1521 until 1602. Subsequently, it was largely under the control of Persia until 1783, when the Khalifah dynasty was established.

Bahrain made its first treaty of friendship with Britain in 1820. Britain sought to suppress piracy and the slave trade and to secure the safety of its vital sea route to the East. By later treaties, Britain gained control of Bahrain's foreign affairs and of the development of its natural resources. Britain has successfully withstood Iran's claim to Bahrain, which is based on the former Persian control of the islands.

With revenues from oil royalties after 1934, Bahrain made significant progress in many areas. Modern primary, secondary, and vocational schools were built. The country expanded its public health system and made headway against long-prevalent diseases. Numerous free, rural clinics were established in the islands, and a well-equipped state hospital was built in Manamah. The government established an electric light and power system and an agricultural experiment station. Bahrain's court system was adapted to the mixed character of its people.

Despite these and other advances, the Bahrainis continued to have little voice in their government. The reign of Sheikh Isa Ibn Salman Al Khalifah, who succeeded his father in 1961, was marked in its early stages by antigovernment riots. In 1970 a 12-member Council of State was created to direct internal and external affairs. Following the confirmation of Britain's decision to withdraw from the Persian Gulf by 1972, Bahrain made plans to enter a federation with Qatar and the Trucial States. In 1971, however, Bahrain changed its course and declared its independence. Population: (1981) 350,798.

Further Reading: Al-Tajir, Mahdi A., *Bahrain 1920–1945: Britain, the Shaikh and the Administration* (Methuen 1987); Khalifa, S. H., ed., *Bahrain Through the Ages* (Methuen 1985); Nugent, J. B. and Thomas T., eds., *Bahrain and the Gulf* (St. Martin's 1985).

BAIAE, bā'yē, was a favorite bathing resort of the ancient Romans. It was located in Campania, Italy, on the Bay of Pozzuoli, about 10 miles (16 km) west of Naples, on the site of the modern village of *Baia.* Once a harbor for the Greek colony of Cumae, Baiae may have been named for Baios, a companion of Odysseus who was buried there. During the last years of the Roman republic, Baiae became a pleasure resort, famous for its thermal springs, mild climate, and beautiful location. Horace praised it in his poems. Wealthy Romans built luxurious villas there.

Until the 3d century A.D., Baiae was a favorite residence of the Roman emperors, who built villas and grandiose thermal establishments there with gardens, artificial pools, and other facilities. Remains of these baths, erroneously called temples, still exist, but they have been partly submerged in the bay by volcanic activity. The so-called temples of Diana, Venus, and Mercury were enormous circular halls surmounted by domes. Since the 1920's statuary that must have embellished the imperial villas has been recovered from the bay.

BAIE-COMEAU, bā'kô-mō', a town in Quebec province, Canada, on the north shore of the St. Lawrence River, 273 miles (429 km) northeast of the city of Quebec. It is situated in a forested region, and the most important industry of Baie-Comeau is the manufacture of newsprint. Population: 12,866.

BAIE-SAINT-PAUL, bā saN pôl, is an industrial and resort town in Quebec, Canada, 57 miles (91.5 km) northeast of Quebec city. It is situated on the St. Lawrence River at the mouth of the De Gouffre River. Industries include sawmills, pulpwood mills, grist mills, a tannery, and a foundry. The town is noted for fox breeding. It is a gateway to the Laurentides National Park and to a fishing and hunting area. Baie-Saint-Paul was founded in 1681 and was incorporated as a village in 1893. Population: 3,961.

BAÏF, bà-ēf', **Jean Antoine de** (1532–1589), French poet, who was a member of the "Pléiade," a group of seven Renaissance poets who abandoned medieval themes and forms in French poetry and took classical Latin and Greek poetry as their models. Baïf was born on Feb. 19, 1532, in Venice, where his father was French ambassador. After his family returned to Paris, he was tutored by the classical scholar Jean Dorat. A fellow student was Pierre de Ronsard, who later became leader of the Pléiade. Baïf then studied with Dorat at the Collège de Coqueret. In 1567, under the patronage of King Charles IX, he founded the Academy of Music and Poetry, which continued until 1584. He died in Paris on Sept. 9, 1589.

Baïf was the most erudite of the Pléiade poets. His best collection of verse, *Mimes, enseignements et proverbes* (1576), draws on topics from science, politics, and ethics. Another collection, *Le premier des météores* (1567), dedicated to Catherine de Médicis, was similarly inspired. Baïf's other poetry includes the volumes *Amours de Méline* (1552), *Amours de Francine* (1555), and *Passe-temps* (1573). He also wrote the comedies *Le brave ou Taillebras* (1567, adapted from a work by Plautus) and *L'eunuque* (1573, from a work by Terence).

BAIKAL, bī-kàl' **Lake,** largest freshwater lake in Asia and the deepest lake in the world. It is located in the USSR near the border with Mongolia. The large volume of this sickle-shaped lake has a moderating influence on the climate of the adjoining land, cooling it in summer and warming it in winter. The lake is frozen from late December to early May. The fauna of the lake consists largely of endemic species, including the Baikal hair seal and the viviparous Baikal oilfish (*Comephorus*).

The lake is fed by many rivers and drained by one, the swift Angara, the site of a vast hydroelectric project. The construction of a pulp and paper mill on the southern shore was denounced by Soviet scientists and writers in the mid-1960's because of pollution of the lake by the mill's waste products.

About 20 million years old, the lake is 395 miles (636 km) long and up to 49 miles (79 km) wide. Its greatest depth is 5,710 feet (1,741 meters). The lake level is 1,490 feet (454 meters) above sea level.

THEODORE SHABAD
Author of "Geography of the USSR"

BAIL, bāl, in law, meanings relating t from custody by gi pearance in court a mean any or all of of procuring the rel offense by becomin cially liable, for h charge at the time (2) the delivery, those who are givi persons who agree "become bail" or "t and submitting him court; and (4) som —that is, the *bail* money forfeit or d other persons as sur defendant's failing t technically differen

The U.S. Const high bail. Bail is fi of arraignment. If sufficient amount, i able, it must be acc ually may be grar murder.

In the 1960's came under search States. The Bail Re formed federal bai (1) release of priso federal offenses unl accused might flee charged with capita of an offense and a come of an appeal the accused might community; (3) cr tence for time spen

BAILEY, bā'lē, **Ar** pioneer heroine. Sh gland. Immigrating the age of 19, she cult life of a pione Virginia. After her ter, was killed by John Bailey, a front

When Indians 1791, she rode a through mountain (now Lewisburg, W ficient gunpowder the siege. She die Nov. 22, 1825.

BAILEY, bā'lē, **Fra** publisher who, as published official *Independence* and Other historic doc cluded *The Consti pendent States of* edition of Thomas

Bailey was bor 1771, after learnin he set up a small Pa. He moved to 1781 he edited the weekly whose cont tionary poet Philip printing office in S at his country resid

BAHRAIN

Capital: Manama
Population: 486,000 (1990)
GNP per capita: US$6,610 (1987)

Dawlat al Bahrayn

(State of Bahrain)

HISTORY. Treaties with Britain of 1882 and 1892 were replaced by a treaty of friendship which was signed on 15 Aug. 1971. Under the earlier treaties Britain had been responsible for Bahrain's defence and foreign relations. On the same day the State of Bahrain declared its independence.

AREA AND POPULATION. The State of Bahrain forms an archipelago of about 33 small islands in the Arabian Gulf, between the Qatar peninsula and the mainland of Saudi Arabia. The total area is about 265·5 sq. miles (687·75 sq. km). Bahrain ('Two Seas'), is 30 miles long and 10 miles wide (578 sq. km). It is connected by a causeway nearly 1·5 miles long, carrying a motor road, with the second largest island, Muharraq, 4 miles long and 1 mile wide, to the north-east, and by a causeway with Sitra, an island 3 miles long and 1 mile wide, to the east. In Nov. 1986 a causeway linking Bahrain with Saudi Arabia was officially opened. Other islands are Umm Al-Nassan, 3 miles by 2 miles, and Jidda, 1 mile by 0·5 mile, both to the west; Nabih Saleh, to the east; the Hawar group of 16 small islands off Qatar, to the south-east, and several islets, some uninhabited. From Sitra oil pipelines and a causeway carrying a road extend out to sea for 3 miles to a deep-water anchorage. The islands are low-lying, the highest ground being a hill in the centre of Bahrain, 450 ft. (122·4 metres) high.

The population in 1981 (census) was 350,798. Estimate (1990) 486,000, including some 155,000 resident foreigners. The majority of the people are Moslem arabs.

Arabic is the official language. English is widely used in business.

Manama, the capital of the state and the commercial centre, is situated at the northern end of the largest island and extends for 1·5 miles along the shore. It has a population 1988, of 151,500 (1981 census, 108,684). Other towns are Muharraq, 1988, 78,000 (46,061); Jidhafs, 48,000 (7,232); Rifa'a, 28,150 (22,408); Isa Town (21,275) and Hidd (7,111).

CLIMATE. The climate is pleasantly warm between Dec. and March but from June to Sept. the conditions are very hot and humid. The period June to Nov. is virtually rainless. Bahrain. Jan. 66°F (19°C), July 97°F (36°C). Annual rainfall 5·2" (130 mm).

CONSTITUTION AND GOVERNMENT. A Constitution was ratified in June 1973 providing for a National Assembly of 30 members, popularly elected for a 4-year term, together with all members of the Cabinet (appointed by the Amir). Elections took place in Dec. 1973, but in Aug. 1975 the Amir dissolved the Assembly and has since ruled through the Cabinet alone.

Reigning Amir: The ruling family is the Al Khalifa, an Arab dynasty, who have been in power since 1782. The present Amir, HH Shaikh Isa bin Sulman Al-Khalifa (born 1933) succeeded on 2 Nov. 1961. *Crown Prince:* Shaikh Hamad bin Isa Al-Khalifa.

In 1990 the cabinet was composed as follows:
Prime Minister: Shaikh Khalifa bin Sulman Al-Khalifa.
Defence: Shaikh Khalifa bin Ahmed Al-Khalifa. *Transport:* Ibrahim Mohammed Hassan Homaidan. *Housing:* Shaikh Khalid bin Abdulla Al-Khalifa. *Information:*

Tariq Abdulrahman Almoayed. *Education:* Dr Ali Fakhro. *Health:* Jawad Salim Al-Arrayed. *Justice and Islamic Affairs:* Shaikh Abdullah bin Khalid Al-Khalifa. *Labour and Social Affairs:* Shaikh Khalifa bin Sulman bin Mohammed Al-Khalifa. *Works, Power and Water:* Majid Jawad Al Jishi. *Interior:* Shaikh Mohammed bin Khalifa Al-Khalifa. *Foreign Affairs:* Shaikh Mohammed bin Mubarak Al-Khalifa. *Finance and National Economy:* Ibrahim Abdul-Karim. *Development and Industry:* Yousuf Ahmed Al-Shirawi. *Commerce and Agriculture:* Habib Ahmed Kassim. *Acting Minister of State for Cabinet Affairs:* Yousuf Ahmed Al-Shirawi. *Minister of State for Legal Affairs:* Dr Hussain Al Baharna.

Flag: Red, with white serrated vertical strip on hoist.

DEFENCE

Army. The Army consists of 2 infantry and 1 tank battalion, 1 armoured car squadron, 2 artillery and 2 mortar batteries with a personnel strength of 5,000 (1991). Equipment included 54 M-60 A3 main battle tanks, 8 Saladin armoured cars, 22 AML-90 and 8 Ferret scout cars.

Navy. The Naval force consists of 2 West German-built missile corvettes with helicopter facilities, 4 fast missile craft and 7 fast patrol craft. Personnel in 1990 numbered 600. There is also a Coast Guard of 250 with 6 coastal patrol craft and 4 other vessels.

Air Force. An independent Air Force was created in 1985 as the successor to the Air Wing of the Army (Bahrain Defence Force). A fighter squadron operates 12 F-5E/F Tiger IIs, while 16 F-16s are on order for delivery in 1990–91. Three MBB BO 105 helicopters are also in use. Police and security forces both also operate helicopters. Personnel (1989) 200.

INTERNATIONAL RELATIONS

Membership. Bahrain is a member of UN, the Arab League, the Gulf Co-operation Council and OAPEC.

ECONOMY

Budget. The revenue of the State is derived from oil royalties and from customs duties, which are 10% *ad valorem* for luxury goods and 5% for essential goods. The exceptions are motor vehicles (20%); tobacco (30%); alcoholic beverages (100%); fresh fruit and vegetables (7%). Total revenues in 1988, BD 490m. (of which oil BD 252m.) and expenditure BD 365m.

On 2 Jan. 1958 Manama was declared a free transit port and the former 2% transit duty was abolished, but storage charges are levied.

Currency. The unit of currency is the *Bahraini dinar* (BHD), divided into 1,000 *fils*. The Bahrain currency board issues notes of 20, 10, 5 and 1 *dinars*, and 500 *fils*, and coins of 100, 50, 25, 10, 5 and 1 *fils*. £1 = BD 0·70 in March 1991; US$1 = BD 0·37.

Banking. The Bahrain Monetary Agency has central banking powers. Since Nov. 1984 it has been responsible for licensing and monitoring the activities of money changers. There were (1988) 20 full commercial banks (including Bahrain Islamic Bank), 6 of which are locally incorporated and the rest branches of foreign banks. Total assets at 31 Dec. 1988, BD 2,184·9m. Two types of offshore banking units were operating in 1988: 15 locally incorporated banks (including 4 Islamic) with headquarters in Bahrain, and 50 branches of foreign banks. Total assets at 31 Dec. 1988 US$68,100m. There are 15 investment banks (3 Islamic), with assets of US$1,750m. in Dec. 1985. The state-owned Housing Bank provides financing for construction, development of real estate and reclamation of land.

Weights and Measures. The metric system of weights and measures is officially in use.

ENERGY AND NATURAL RESOURCES

Electricity. Production (1988) 2,996·1m. kwh. Supply 230 volts; 50 Hz.

Oil. In 1931 oil was discovered. Operations were conducted by the Bahrain Petroleum Co., registered in Canada but owned by US interests, under a concession granted by the Shaikh. Production of crude oil in 1989 was 2·15m. tonnes. A large oil refinery on Bahrain Island, besides treating crude oil produced locally, also processes oil from Saudi Arabia transported by pipeline.

In 1975 the Bahrain Government assumed a direct 60% interest in the Bahrain oilfield and related crude oil facilities of BAPCO.

Bahrain's proven oil reserves in 1988 were 150m. bbls.

Gas. There is an abundant supply of natural gas with known reserves of 7·1m. cu. ft. in 1987. Production, 1987, 252,431m. cu. ft. Bahrain's gas reserves are 100% government-owned.

Water. Water is obtained from artesian wells and desalination plants and there is a piped supply to Manama, Muharraq, Isa Town, Rifa'a and most villages. In 1987 total water production was about 60m. gallons per day; daily consumption 59·7m. gallons by Aug. 1987. A further desalination plant with a capacity of 10m. gallons per day was due on stream in 1988.

Agriculture. The 6-year agricultural plan, commissioned in 1982, aimed to increase food production from 6–16% of total domestic requirements and to improve conservation of natural water and irrigation techniques.

There are about 900 farms and small holdings (average 2·5 hectares) operated by about 2,500 farmers who produce a wide variety of fruits (49,000 tonnes in 1988) and vegetables (12,000 tonnes in 1988). The major crop is alfalfa for animal fodder. Ninety tonnes of dates a year are processed and a new processing plant produced a further 300 tonnes in 1986.

Thirty-two poultry farms produced about 3,000 tonnes of domestic poultry in 1987. 95% of egg requirements are met by domestic production of 90m. eggs a year, and 30% of broiler needs.

Livestock (1988): Cattle, 6,000; camels, 1,000; sheep, 8,000; goats, 16,000; poultry 1m.

Fisheries. The government operates a fleet of 2 large and 5 smaller trawlers. In 1987 total landings weighed 7,841·5 tonnes.

INDUSTRY. Bahrain is being developed as a major manufacturing state, the first important enterprise being the Aluminium Bahrain (ALBA), a company whose original shareholders included the Bahrain Government and British, Swedish, Federal German and US interests. In 1975, the government acquired a majority shareholding in the enterprise. The aluminium smelter operation is the largest non-oil industry in the Gulf; output, 1987, 180,000 tonnes. Ancillary industries developed around aluminium smelting include the production of aluminium powder. A plant producing aluminium alloys went on stream in 1987. The Gulf Aluminium Rolling Mill Company (GARMCO), a joint venture between Bahrain, Saudi Arabia, Kuwait, Iraq, Oman and Qatar, was inaugurated in Feb. 1986. The Arab Shipbuilding and Repair Yard (ASRY), commissioned in 1977, is now in service. The dry dock can handle up to 50 tankers (500,000 DWT each) annually. A US$207m. iron ore pelletizing plant was inaugurated in Dec. 1984 (output, 1985, 680,000 tonnes) and a US$400m. petrochemical complex started operations in 1985.

In addition to the traditional minor industries such as boat-building, weaving, pottery, etc., other modern industries have developed, which include electronics assembly and the production of building materials, furniture, syringes and other medical items, matches, asbestos pipes and plastics, foodstuffs and textiles.

The pearling industry for which Bahrain used to be famous has considerably declined.

Labour. Total work force in the private sector (estimate 1987) 85,979, of which 25·2% Bahraini. The non-national workforce (1987) was 79,550.

FOREIGN ECONOMIC RELATIONS

Commerce. In 1988 total imports were BD974·6m. and total exports were BD874·5m. Refined petroleum accounted for almost 78% of exports; crude oil accounted for 41·9% of merchandise imports.

The major non-oil imports in 1988 were machinery and transport, BD198·1m.; classified manufactured goods, including Alumina, BD111·5m.; chemicals, BD64·5m.; food and live animals, BD81·2m., and miscellaneous manufactured articles, BD78·2m. The chief sources of supply (in BD1,000) were UK (116,115); USA (62,566); Japan (58,850); Federal Republic of Germany (35,573), and Australia (33,615).

The chief non-oil exports in 1988 were classified manufactured goods, including aluminium, BD135·5m., and machinery and transport, BD31m. The main markets (in BD1m.) were Saudi Arabia (42·9); Japan (27·7); United Arab Emirates (26·3); USA (14·4), and Kuwait (11·3).

Import of arms and ammunition and telecommunication equipment is subject to special permission; the sale of alcoholic liquor is restricted and the import of cultured pearls is forbidden.

Total trade between Bahrain and UK (British Department of Trade returns, in £1,000 sterling):

	1986	*1987*	*1988*	*1989*	*1990*
Imports to UK	19,732	60,687	75,786	61,018	48,459
Exports and re-exports from UK	130,991	125,189	138,150	138,529	127,309

Tourism. More than 165,000 tourists from the Gulf area arrived in 1985.

COMMUNICATIONS

Roads. The 25 km causeway links Bahrain with Saudi Arabia. In 1987 there were 112,520 registered vehicles.

Aviation. The airport, situated at Muharraq, can take the largest aircraft and is considered one of the most modern and efficient in the Middle East, used by 2,486,582 arriving and 2,512,882 departing passengers in 1987. British Airways, Gulf Air, Middle East Airlines, Pakistan International Airways, Qantas, Kuwait Airways, Air India International, Singapore Airlines, UTA, Saudi Arabian Airlines, KLM, Air Lanka, Cathay Pacific Airways, Iraqi Airways, Korean Airways, Philippine Airlines, Thai Airways International, Trans-Mediterranean Airways, Egyptair, Alia, Cyprus Airways, Ethiopia Airlines and Sudan Airways also operate to and from Bahrain. Bahrain International Airport is the Arabian Gulf's main air communication centre.

Shipping. Bahrain's traditional position as the entrepôt of the Southern Gulf has been supplemented by the development of Mina Sulman—the new modern harbour—as a free transit and industrial area. Local and international companies have developed industries in this area, which is also used as a storage centre for firms selling elsewhere in the Gulf. The facilities offered by Mina Sulman include engineering and ship repairing yards; the Basrec slipway is probably the largest between Rotterdam and Hong Kong.

Telecommunications. There were, at Dec. 1987, 120,000 telephones. There is a state-operated radio and television station and in 1983 there were 150,500 radio and 120,000 television receivers. There were 3 public service satellite stations in 1988.

Cinemas. There were 6 cinemas in 1987.

Newspapers. In 1988 there were several Arabic newspapers, and 1 English language daily newspaper, published in Manama.

JUSTICE, RELIGION, EDUCATION AND WELFARE

Justice. Criminal law is codified, based on English jurisprudence.

Religion. Islam is the State religion. In 1981 85% of the population were Moslem (60% Shi'ite in 1990) and 7·3% Christian. There are also Jewish, Bahai, Hindu and Parsee minorities.

Education. Government schools provide free education from primary to technical college level. There were, in 1987, 143 schools for boys and girls with 4,967 teachers and 88,132 pupils. In 1984, 5 boys' general and commercial schools had 2,177 pupils; 3 boys' industrial schools at secondary level, had 1,306 pupils. In addition there were 7 private schools. The Men's Teacher Training College (established 1966) and the Women's Teacher Training College (established 1967) give 2-year courses. In 1987, 1,665 Bahrainis were in higher education abroad. The Gulf Technical College opened in Bahrain in Sept. 1968 and Bahrain University in 1978. In 1987, 6,922 adult education centres were open throughout Bahrain.

Health. There is a free medical service for all residents of Bahrain. In 1987, there were 4 government hospitals and 19 health centres, an American mission hospital, an oil company hospital, a military hospital and an international hospital.

Social Security. In Oct. 1976, pensions, sickness and industrial injury benefits, unemployment, maternity and family allowances were established.

DIPLOMATIC REPRESENTATIVES

Of Bahrain in Great Britain (98 Gloucester Rd., London, SW7 4AU)
Ambassador: Karim Ebrahim Al-Shakar.

Of Great Britain in Bahrain (21 Government Ave., P.O. Box 114, Manama, 306)
Ambassador: J. A. Shepherd, CMG.

Of Bahrain in the USA (3502 International Dr., NW, Washington D.C., 20008)
Ambassador: Ghazi Mohammed Al-Gosaibi.

Of the USA in Bahrain (Road No. 3119, P.O. Box 26431, Manama)
Ambassador: Charles W. Hostler.

Of Bahrain to the United Nations
Ambassador: Muhammad Abdul Ghaffar.

Further Reading

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Statistical and General Information: Ministry of Information, PO Box 253, Manama
Statistical Abstract. Central Statistics Organisation (annual)

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Rumaihi, M. G., *Bahrain: Social and Political Change since the First World War.* New York and London, 1976
Unwin, P. T. H., *Bahrain.* [Bibliography]. London and Santa Barbara, 1984

BANGLADESH

Capital: Dhaka
Population: 113·34m. (1990)
GNP per capita: US$170 (1988)

Gana Prajatantri Bangladesh

(People's Republic of Bangladesh)

HISTORY. The state was formerly the Eastern Province of Pakistan. In Dec. 1970 Sheikh Mujibur Rahman's Awami League Party gained 167 seats out of 300 at the Pakistan general election and immediately made known their wish for greater independence for the then Eastern Province. Martial law was imposed following disturbances in Dhaka, and civil war developed in March 1971. The war ended in Dec. 1971 and Bangladesh was proclaimed an independent state.

For developments between Jan. 1975 and March 1982, *see* THE STATESMAN'S YEAR-BOOK, 1986–87, pp. 186–187.

On 23 March 1982 there was a bloodless military coup, by which Lieut.-Gen. Hossain Mohammad Ershad became chief martial law administrator. President Sattar was deposed. The Constitution was suspended and parliament ceased to function. Assanuddin Chowdhury was sworn in as civilian president on 27 March. Lieut-Gen. Ershad assumed the presidency on 11 Dec. 1983. He was re-elected on 15 Oct. 1986.

Martial law ended on 10 Nov. 1986. The Constitution (Seventh Amendment) Act restored the constitution but protected the legality of President Ershad's decrees under martial law.

Following popular unrest President Ershad declared a state of emergency on 27 Nov. 1990, but was forced to resign on 4 Dec. and arrested on 12 Dec.

AREA AND POPULATION. Bangladesh is bounded west and north by India, east by India and Burma and south by the Bay of Bengal. The area is 55,598 sq. miles (143,998 sq. km). At the 1981 census the population was enumerated as 87,120,000. An adjustment for under enumeration produced a revised figure of 89,912,000 (46·3m. male, 14·09m. urban). Population estimate, 1988, 106·6m. (51·7m. female); density, 740 per sq. km; 1990, 113,335,000. In 1987 the birth-rate was 33·3 per 1,000 population; death-rate, 11·85; marriage rate, 11·6; infant mortality, 111 per 1,000 live births. Growth rate was 2·8% in 1986-87. Life expectancy, 1987: Males, 55·6; females, 54·9. The capital is Dhaka (population, 1987, 4·77m. The other major cities are Chittagong (1·84m.), Khulna (860,000) and Rajshahi (430,000). The country is administratively divided into 4 divisions, subdivided into 21 regions of 64 districts:

		Area (sq. km)	*Population 1981*
Dinajpur	(3 districts)	6,566	3,198,000
Rangpur	(5)	9,593	6,510,000
Bogra	(2)	3,888	2,728,000
Rajshahi	(4)	9,456	5,270,000
Pabna	(2)	4,732	3,424,000
Rajshahi division		*34,238*	*21,132,000*
Tangail	(1)	3,403	2,444,000
Mymensingh	(3)	9,668	6,568,000
Jamalpur	(2)	3,349	2,452,000
Dhaka	(6)	7,470	10,014,000
Faridpur	(5)	6,882	4,764,000
Dhaka division		*30,772*	*26,242,000*
Kushtia	(3)	3,440	2,292,000
Jessore	(4)	6,573	4,020,000
Khulna	(3)	12,168	4,329,000
Barisal	(4)	7,299	4,667,000
Patuakhali	(2)	4,095	1,843,000
Khulna division		*33,575*	*17,151,000*
Sylhet	(4)	12,718	5,656,000
Comilla	(3)	6,599	6,881,000
Noakhali	(3)	5,460	3,816,000
Chittagong	(2)	7,457	5,491,000
Chittagong Hill Tracts	(2)	8,679	580,000
Bandarban	(1)	4,501	171,000
Chittagong division		*45,414*	*22,595,000*

is in New Providence, and slands together have 400 ilroads.

r from all major cities South America and the il Airports - Nassau lew Providence - capable er and transport planes. crips of varying lenghts ther Family Islands. ree luxury cruise ships ship lines of the world Visitors by air to The on, New York, Boston, oit, Miami, Montreal, ir, the National Flag ta Newark and points in ition to its inter-island

es in The Bahamas are d in major cities such as matic internal telephone rt. Telephone and radio slands to each other and ernal and international services are available nce Dialing (DDD) is in United States.

ction of the Ministry of lity for all educational and thirty schools exist f these, 190 (82.6%) are (17.4%) are independent

n New Providence and 151 ndent schools are located ily Islands. in the portfolio of the

he following breakdown of 7:

Independent	*Total*
3,688	18,182
232	5,559
2,768	2,768
2,415	9,494
-	5,965
-	212
3,946	5,058
499	5,345
-	5,625
222	1,075
69	222
38	54
13,877	59,559

BAHRAIN

Capital - Manama.

Ruler - Shaikh Isa bin Sulman Al Khalifa.

National Flag - Red; a white stripe pale-wise at the hoist, with a serration of eight teeth towards the fly.

THE Bahrain Islands are a small group lying some twenty miles off the east side of the Arabian mainland. Bahrain itself, the largest of the six islands comprising the group, is some thirty miles in length and about ten miles wide. The principal other island is Muharraq, connected to Manama, the capital of Bahrain, by a causeway a mile and a half long. Other islands are Sitra, joined to Bahrain by a bridge, which is the main anchorage and lies close to the refinery situated on Bahrain island. This anchorage affords twenty-four hour service to ships and tankers. Also Nebih-Salih, famous for its fresh water springs, and Howar. The island of Bahrain is low-lying, the highest point being Jebel Dukhan in the centre of the island, a hill of some 450 feet. A new harbour has been built by the Bahrain Government to the East of the capital of Manama named Mina Salman. It was opened by His Highness, the Amir, Shaikh Isa Sulman Al Khalifa, on 31 May 1962 and it has been undergoing major extension and re-development. Mina Sulman now provides 16 deep water berths and it has a 1.5 km deep water channel for vessels up to 300 metres long, a Container Terminal for vessels up to 65,000 tonnes, 42,000 square metres of refrigerated cargo capacity, and 92,900 sq. metres of covered storage.

On 14 August 1971, full independence was proclaimed, the treaty arrangements with Britain being terminated, and a new treaty of friendship was signed with Britain the next day. On 17 August, Shaikh Isa took the title of Amir. In September Bahrain became a member of the Arab League and the UN.

In 1981 Bahrain became a member of the Gulf Co-operation Council.

Bahrain has always been the centre of the famous pearl fishing industry of the Arabian Gulf; in recent years, however, the industry has declined greatly, partly owing to the competition of the Japanese cultured pearl.

The islands' main source of revenue is oil. Bahrain's first oil well was "spudded in" in 1931. The Bahrain Petroleum Company (BAPCO)-a subsidiary of Socal-acquired the mining lease in 1934. In 1975 the Bahrain Government assumed a direct 60 per cent interest in the Bahrain oil field and natural gas production, together with related crude oil and gas facilities of BAPCO. Bahrain's oil reserves are limited and production continues to show a steady decline. In 1977 the Refinery throughput was 260,913 barrels per day. Crude oil from the Dammam field in Saudi Arabia is carried via a 34-mile long pipeline to the Bahrain refinery. Some 59,000 barrels of crude oil are currently produced daily from the Bahrain zones. Natural gas reserves, however, are plentiful and 332 million cubic feet of natural gas are produced daily. (In 1987, 252.4 billion cubic feet) BAPCO employs nearly 4,000 people of whom 88.8 per cent are Bahraini and 5.9 per cent are British. The refinery is one of the largest in the Middle East.

47,000 barrels of crude oil are currently produced daily in the Bahrain fields while 60,000 barrels per day are produced from the Abu Safa'a offshore field in non-delineated waters whose revenues are shared 50:50 with Saudi Arabia.

Bahrain is perhaps one of the most developed of the Gulf states, having been, for many centuries before the discovery of oil, an important trading centre.

Social development has been matched by industrial and commercial progress. The first spectacular step forward was the establishment of Aluminium Bahrain-Alba. The smelter now produces over 180,000 tonnes of aluminium annually.

The Government is firmly committed to a policy of industrial diversification. Recent years have seen an increase in both small scale industrial development and in the establishment of service industries for the whole Gulf area.

GOVERNMENT

Cabinet Ministers

Prime Minister: HE Shaikh Khalifa bin Sulman Al-Khalifa.
The Crown Prince and Minister of Defence: HE Shaikh Hamad bin Isa Al-Khalifa.
Minister of the Interior: HE Shaikh Mohammed bin Khalifa Al-Khalifa.
Minister of Foreign Affairs: HE Shaikh Mohammed bin Mubarak Al-Khalifa.
Minister of Finance and National Economy: HE Ibrahim Abdul Karim.
Minister of Labour and Social Affairs: HE Shaikh Khalifa bin Sulman bin Mohammed Al-Khalifa.
Minister of Health: HE Jawad Salim Al-Arrayed.
Minister of Justice and Islamic Affairs: HE Shaikh Abdullah bin Khalid Al-Khalifa.
Minister of Development and Industry and Acting Minister of State for Cabinet Affairs: HE Yousuf Ahmed Al-Shirawi.
Minister of Education: HE Dr. Ali Fakhro.
Minister of Information: HE Tariq Abdul Rahman Al-Moayyed.
Minister of Works, Power and Water: HE Majid Jawad Al-Jishi.
Minister of Housing: HE Shaikh Khalid bin Abdullah Al-Khalifa.
Minister of Commerce and Agriculture: HE Habib Ahmed Qassim.
Minister of Interior: HE Shaikh Mohammed bin Khalifa Al-Khalifa.
Minister of Transport: HE Ibrahim Humaidan.
Minister of State for Legal Affairs: Dr. Hussain Mohammed Al-Baharna.

AREA AND POPULATION

The total area of the Islands is about 255 square miles. 1981 census-360,000 population.

Additional demographic matter is to be found in the section entitled 'Population, Gross National Product at Market Prices, Gross National Product per Capita, and Average Annual Growth rates for each Country of the World' beginning on p. 3.

CURRENCY

In October 1965, a new currency came into use. The unit is the Bahrain dinar, divided into 1,000 units called fils.

FINANCE

Economic parameters will be found in the section entitled 'Population, Gross National Product at Market Prices, Gross National Product per Capita, and Average Annual Growth Rates' beginning on p. 3.

BANKS

	Assets U.S.$ 000,000
BANK OF BAHRAIN AND KUWAIT BSC Manama	1,830
NATIONAL BANK OF BAHRAIN BSC Manama	1,758
KUWAIT ASIA BANK EC Manama	726*
AL-AHLI COMMERCIAL BANK BSC Manama	448
BAHRAINI SAUDI BANK BSC, (THE) Manama	255
BAHRAIN ISLAMIC BANK BSC Manama	237
ARAB ASIAN BANK EC Manama	-
GRINDLAYS BAHRAIN BANK BSC Manama	-

* FIGURES ARE CONSOLIDATED

PRODUCTION, INDUSTRY AND COMMERCE

Despite the small average annual rainfall of only four inches, one-twentieth of Bahrain consists of cultivated gardens and groves, the chief crops being dates, citrus and paw paw fruits, almonds, lucerne and vegetables. Bahrain is being developed as a major manufacturing state, the first important enterprise being the Aluminium Bahrain smelter.

Traditional industries, pearling, boat building, and weaving have tended to decline as the Government's policy of industrial diversification has developed.

Although oil reserves are limited natural gas is plentiful and among the new industries likely to be attracted to Bahrain are those which plan to make use of it.

Service industries of all kinds are of steadily increasing importance. Many local and foreign industries attracted by the lack of taxation and by the facilities provided at the industrial areas at Mina Sulman and Sitra are now fully established.

Bahrain is being developed as a regional centre for business and banking. An off-shore banking centre was established in 1975 and many prominent international banks have been granted licenses.

In 1975 work began on a major project to construct a 500,000 DWT Dry Dock for supertankers. There is also the Arab Shipbuilding and Repair Yard (ASRY), a multi-national venture organized by OAPEC.

The current major industries are: ALBA, Aluminium Bahrain; BALCO, Bahrain Aluminium; BALEXCO, Bahrain Aluminium Extrusion Company; ASRY, Arab Ship repair Yard; and BASREC, Bahrain Ship Repairing and Engineering Company. Work began in 1982 on the 25 km. Saudi-Bahrain Causeway linking western Bahrain with the Al-Khobar/Dhahran area of Saudi Arabia. An aluminium rolling mill, Gulf Aluminium Rolling Mill Co. (Garmco), cable manufacturing, and the newly formed Gulf Industrial Investment Co. (GIIC) which bought Bahrain's iron ore pelletizing plant (AISCO). These are in addition to the Arab Gulf University Project and the existing Gulf Petrochemical Industries Company (GPIC).

Exports by Commodity According to SITC in B.D. Million

Commodity	1983	1984	1985	1986	1986 1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1987 1st Quarter	2nd Quarter	3rd Quarter
Food & Live Animals	1.0	1.4	1.2	1.1	0.3	0.3	0.3	0.2	0.3	0.4	0.5
Beverages and Tobacco	1.8	1.3	0.9	1.4	0.4	0.2	0.6	0.2	0.2	0.2	0.3
Crude Materials, Inedible except Fuels.	1.0	1.2	1.1	1.4	0.3	0.5	0.3	0.3	0.8	0.3	0.4
Mineral Fuels, Lubricants & Related Materials	972.0	1062.1	959.6	740.8	268.6	169.1	152.5	150.6	164.7	170.7	162.3
Animal & Vegetable Oils and Fats	-	-	-	-	-	-	-	-	-	-	-
Chemicals	2.8	2.1	2.0	1.3	0.3	0.4	0.3	0.3	0.4	0.4	2.7
Manufactured Goods Classified	131.4	113.1	94.7	113.8	34.2	32.4	23.9	23.3	23.4	25.8	26.2
Machinery & Transport Equipment	58.5	19.9	24.5	16.7	8.4	3.1	3.6	1.6	2.5	1.8	3.0
Miscellaneous Manufactured	3.0	2.3	3.6	3.3	1.0	1.0	0.6	0.7	1.6	1.0	0.8
Commodities and Transactions Not Classified According to Kind	1.4	1.3	1.6	1.7	0.3	0.7	0.4	0.3	1.1	0.3	0.3
Total	1,172.9	1,204.7	1,089.2	881.5	313.8	207.7	182.5	177.5	195.0	200.9	196.5

* Includes Crude Oil Imports.
Source: Statistics Directorate-Council of Ministers.
Oil Directorate-Ministry of Development & Industry.

Import by Commodity According to SITC in B.D. Million

Commodity	1983	1984	1985	1986	1986 1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1987 1st Quarter	2nd Quarter	3rd Quarter
Food and Live Animals	71.9	81.3	79.5	75.5	17.9	19.7	20.4	17.5	16.1	19.0	17.9
Beverages and Tobacco	13.6	17.0	15.3	15.4	4.2	4.0	3.3	3.9	3.6	4.1	3.7
Crude Materials, Inedible, Except Fuels	13.3	13.9	13.6	9.7	2.9	2.5	2.0	2.3	2.2	2.2	1.9
Mineral Fuels, Lubricants & Related Materials. *	547.2	629.2	544.8	383.0	112.4	91.2	78.1	101.3	109.5	124.3	124.8
Animal & Vegetable Oils & Fats	2.6	2.9	3.1	2.7	0.9	0.7	0.6	0.5	0.7	0.5	0.7
Chemicals	53.1	59.5	60.2	49.5	12.8	12.7	13.3	10.7	11.3	13.4	17.0
Manufactured Goods Classified	149.0	141.8	131.1	106.8	26.6	31.0	24.8	24.4	24.8	23.5	21.4
Machinery & Transport Equipment	298.0	281.0	240.6	188.3	55.9	45.3	30.5	56.6	62.1	40.4	40.4
Miscellaneous Manufactured Articles	76.2	79.6	77.4	71.3	16.5	20.1	16.6	18.1	16.4	16.4	16.9
Commodities & Transactions Not Classified According to Kind	1.5	2.1	2.5	3.1	0.7	0.6	0.6	1.2	0.9	0.3	0.8
Total	1,226.4	1,308.3	1,168.1	905.3	250.8	227.8	190.2	236.5	247.6	244.1	245.5

* Includes Refined Oil Exports & Abu-Saffa
Source: Statistics Directorate-Council of Ministers.
Oil Directorate-Ministry of Development & Industry.

Free Transit Area. Bahrain became a Free Transit Area on 1 January 1958. Goods from any country except Israel may now pass through Bahrain without payment of any duty and may be stored in the Customs Area for the first 14 days without charges. Storage charges are taken by weight (for sacks) BD. 1,200 fils/cubic ton, and by measurement for cases and bundles, 50 fils/cubic foot per 14 days. Porterage, crane and pier fees are the same as for direct imports.

The following tables show the values of imports and exports in Bahrain dinars for some recent years:

COMMUNICATIONS

Bahrain has two satellite earth stations. The first was installed in 1968, providing the intercontinental link between the Middle East and the rest of the world. The second, installed in 1980, is used for routing via the INTELSAT space communications network. There is a direct dialling telephone service to over 154 countries as well as telegraph, telex, television, data, and related services to over 21 global centres. There are, in addition, facsimile and data base access services.

In 1971, a new terminal was added to the International Airport and is currently under further expansion. Twenty-two major airlines make regularly scheduled stops in Bahrain, connecting it with all cities of the world. In 1987 the airport handled 4.5 million passengers. Bahrain is the headquarters for Gulf Air with regular flights to the Gulf, Europe and the Far East.

Regular lines of cargo vessels with passenger accommodation serve Bahrain and almost every ship plying the Arabian Gulf stops here.

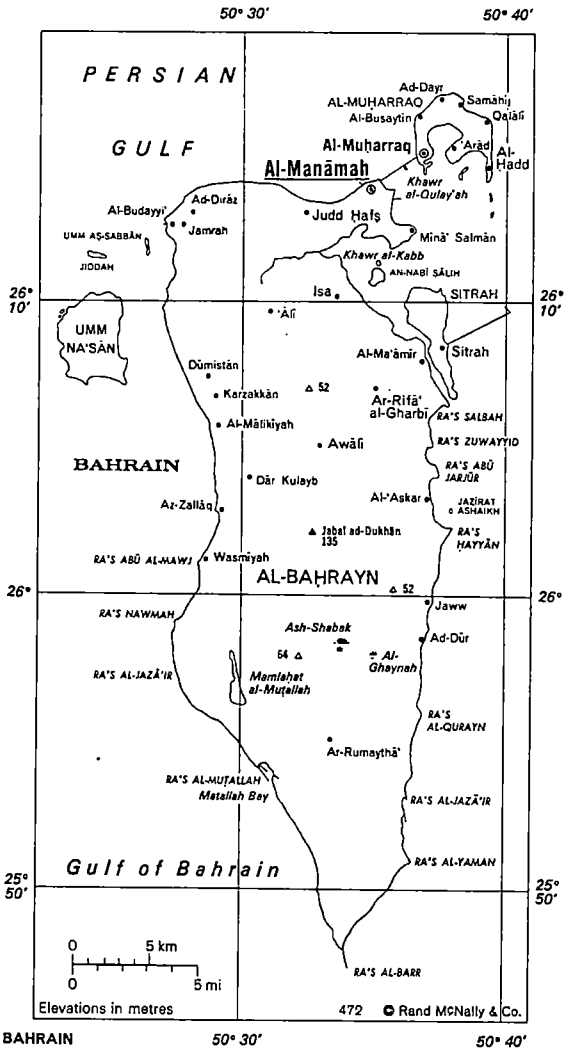
Civil Aviation. As an airport, Bahrain is one of the main staging ports between England and the Far East for British Airways and Air Ceylon. It is the Arabian Gulf's main air communication centre, and is at present being expanded. From here, Gulf Air run services to the Arabian mainland, Qatar the Trucial Coast, Muscat, Bombay, Karachi; and London whilst Kuwait Airways, Iraqi Airways, M.E. Airlines, Air India, Iran Air, P.I.A., Qantas, T.M.A., Lebanese International Airlines and Saudi Arabian Airlines all call regularly and Aden Airways run a fortnightly plane. Lately, B.E.A. has linked up with Bahrain, and charter aircraft also land frequently. Bahrain was the first airport in the world to receive a scheduled Concorde aircraft flight. The airliner is in regular service to London.

NEWSPAPERS

Al Ayam; Circ: 10,000. *Gulf Daily News;* Circ: 8,714.

Bahrain

Bahrain, a small Arab emirate in the Persian (Arabian) Gulf, consists of an archipelago of Bahrain Island—extending some 30 miles from north to south and 10 miles from east to west—and some 30 smaller islands. It is situated in a bay on the southern coast of the Persian Gulf between the northeastern Hasa coast of Saudi Arabia to the west and the Qatar peninsula to the east. Its Arabic name, al-Baḥrayn, means "two seas." The total land area is about 256 square miles (662 square kilometres), and its population in the early 1970s was over 200,000.



Bahrain is an independent Arab state which until 1971 had a special treaty relationship with the United Kingdom, which was responsible for the conduct of its foreign affairs and defense. In 1971 Bahrain declared itself independent and became a member of the United Nations. Though oil was discovered in Bahrain in 1932—it was the first discovery on the Arabian side of the Gulf—relatively little oil is now produced, and the emirate's commercial importance is due to its central position in the Gulf. The chief town, port, and seat of administration is al-Manāmah in the northeast of Bahrain Island. The ruler, Shaykh 'Isā ibn Sulmān Āl Khalīfah, resides at ar-Rifa'al-Gharbī, about six miles south of al-Manāmah. (For an associated physical feature see PERSIAN GULF.)

Ancient settlements

History. Bahrain has been inhabited from prehistoric times, and several thousand burial mounds in the north of the main island probably date from the Sumerian period of the 3rd millennium BC. The archipelago was mentioned by Persian, Greek, and Roman geographers and historians. It has been Arab and Muslim since the Muslim conquest of the 7th century AD, though it was occupied and ruled by the Portuguese from 1521 to 1602 and by the Persians from 1602 to 1783. Since 1783 it has been ruled by sheikhs of the Āl Khalīfah family, which originated in the Hasa province of Arabia. Several times during the 19th century the British intervened in the government of the territory to suppress war and piracy and to prevent the establishment of Egyptian, Persian, German, or Russian influence. The first Bahrain–British treaty was signed in 1820; and Bahrain's British-protected status dates from 1861, with the completion of a treaty by the terms of which the sheikh bound himself to refrain from "the prosecution of war, piracy, or slavery." Until 1970 the government of Iran periodically advanced claims to sovereignty over Bahrain, but these were repudiated.

The environment. *Relief.* The state consists of two separate groups of islands. The 217-square-mile island of Bahrain is surrounded by smaller islands. Two of these—al-Muḥarraq and Sitrah—are joined to it by causeway; other islands in the group are an-Nabī Ṣāliḥ Umm aṣ-Ṣabbān, Umm Na'sān, and Jiddah. The second group consists of the Howar Islands, which are situated near the coast of Qatar about 12 miles southeast of Bahrain Island; small and rocky, they are inhabited only by a few fishermen and quarry workers.

The archipelago

While all of the small islands in both groups are rocky and low-lying, rising only a few feet above sea level, the main island is more varied in appearance. Its arched layers of rock consist of limestone, sandstone, and marl (loose clay, sand, or silt containing calcium carbonate); they were formed during the Cretaceous and Tertiary periods (from 7,000,000 to 136,000,000 years ago). The central region rises to 450 feet above sea level at the hill of Jabal ad-Dukhān and is rocky and barren. The southern and western lowlands consist of a sandy plain with some salt marshes. The northern and northwestern areas afford a striking contrast; they form a narrow belt of date and vegetable gardens irrigated from prolific springs and wells that tap artesian water. This water percolates through water-bearing rocks beneath the seabed to rise under pressure in Bahrain. Off the northern coasts of the islands, freshwater also rises in submarine springs on the seabed and has for centuries been captured in skin bags by divers. Since the drilling of artesian wells, however, these submarine springs have been little used.

Climate. Humidity is high throughout the year, and monthly mean temperatures from May until October exceed 85° F (29° C). Winters are cooler and more pleasant, with mean temperatures from December to March below 70° F (21° C). Rainfall, almost entirely confined to the winter months, averages only three inches per year. The predominant wind is the damp, northwesterly *shamal*, but the *gaws*, a hot, dry wind from the south, occasionally brings sand and dust.

Vegetation and animal life. Some 200 different species of desert plants grow in the bare arid portions of the islands, while the irrigated and cultivated areas support fruit trees, fodder crops, and vegetables. The variety of animals is limited by the desert conditions. The gazelle and the hare are not yet extinct, and lizards and jerboas (desert rats) are common, while the mongoose—probably imported from India—is found in the irrigated areas. There is also a surprising variety of birds native to Europe, Asia, and Africa.

Human settlement. In the irrigated areas of northern Bahrain Island, groves of date palms and orchards of banana, citrus, mango, and pomegranate trees create a sense of great fertility. Vegetables and lucerne (alfalfa) are grown under irrigation in the shade of the trees, and cattle graze there also. The Arab villages consist mainly of substantial houses of local stone or of concrete with flat roofs. Some of the temporary settlements of the fishermen and the very poor are constructed of *barasti* (sticks or canes from the date palms). There is little permanent settlement in the southern half of Bahrain Island.

Principal towns

There are two major towns—al-Manāmah and al-Muḥarraq. Al-Muḥarraq still presents the aspect of a traditional Arab town with narrow, winding streets, and dense settlement. Al-Manāmah, with its port of Mīnā' Salmān, blends features of the East and West. It contains several

large hotels, the principal government offices, schools, Western-style shops, and an Arab suq, or bazaar. Another town, Awālī, has tree-lined avenues; most of its houses are single-story bungalows inhabited by expatriate employees of the Bahrain Petroleum Company (Bapco). The town of Isa, a government venture to provide modern housing for 15,000 people and designed by British planners, was inaugurated in 1968.

The people. The population, about 180,000 in 1965, increased to over 200,000 by 1971. Some 82.5 percent of the people are native-born Bahrainis; another 5 percent are Omanis, while the remainder, in lesser proportions, are Indians, Pakistanis, Iranians, and British, in approximately that order. A substantial portion of the foreign community are employed by Bapco, and many Iranians, Indians, and Pakistanis are engaged in commerce. Some of the British work for the Bahrain government. The Muslim population is almost equally divided between the Sunnī and Shī'ah sects; the ruling family and many of the wealthier and more influential people are Sunnī. In the early 1970s the population of al-Manāmah was 89,000 and that of al-Muḥarraq town was 38,000; the two towns between them thus contained more than half of the total population. Arabic is the official language, but English is widely understood.

The archipelago

Bahrain, Area and Population

	area		population	
	sq mi	sq km	1965 census	1971 census*
Geographic divisions†				
Manama Area	...	...	80,000	90,000
Manama town	...	...	79,000	89,000
Jazeera	...	...	600	600
Muharraq Island	...	...	46,000	49,000
Muharraq town	...	...	34,000	38,000
Hidd town	...	...	5,000	5,000
Muharraq villages	...	...	7,000	7,000
Riddhafs Area	...	...	15,000	20,000
Riddhaf town	...	...	8,000	11,000
Riddhaf villages	...	...	7,000	8,000
Northern Area	...	...		
Northern area villages	...	...	9,000	11,000
Western Area	...	...		
Western area villages	...	...	7,000	9,000
Central Area	...	...	5,000	15,000
Isa town	...	...	...	8,000
Central area villages	...	...	5,000	7,000
Sitra Area	...	...	9,000	11,000
Sitra town	...	...	5,000	7,000
Sitra area villages	...	...	4,000	5,000
Riffa Area	...	...	12,000	13,000
Riffa town	...	...	9,000	11,000
Awali town	...	...	2,000	1,000
Other areas	...	...	600	900
Other islands	...	...	...	100
Total Bahrain	256‡	662‡	182,000§	217,000§

*Provisional. †Geographic divisions are for statistical purposes only; they are not administrative. ‡Total area includes numerous small, uninhabited islands and dependencies of Bahrain. §Figures do not add to total given because of rounding.
Source: Official government figures.

The economy. *Oil.* Although oil has been produced since 1934, annual production is small and amounts to only about 3,800,000 tons from the oil field at Jabal ad-Dukhān. A refinery at Sitrah, however, is a major installation that handles 12,000,000 tons a year. Most of the crude oil is pumped by undersea pipeline from the Arabian American Oil Company (Aramco) fields in Saudi Arabia. Bahrain's role as an exporter of refined petroleum products is, therefore, more important than its role as a producer. An oil concession, which expires in 2024, is held by Bapco, in which two United States companies hold equal shares. Concessions for the marine areas to the north and west of Bahrain are held in equal shares by Aramco and another United States company. About 70 percent of the state's revenue comes from oil royalties and the remainder from customs dues, local taxes, and rent for land and property. Al-Manāmah is a free port for goods in transit.

Principal towns

Industries. The traditional industries of Bahrain were building dhows (Arab sailboats), fishing, pearling, and the manufacture of reed mats. These now exist only on a small scale, partly because of decreased demand and partly because of the availability of more remunerative employment. A modern slipway at Mīnā' Salmān handles the repair of ships up to 1,000 tons, and there are manufacturing plants producing building materials, soft drinks, and other consumer goods. The Bahrain Development Bureau, which encourages the development of manufacturing industries, arranged for the establishment of a major aluminum smeltery on the east coast. Production will commence in 1971 and is expected to reach 90,000 tons a year by 1972. Prawns are canned for export by arrangement between a Bahrain company and British fish distributors. Local fishing is also important.

Agriculture. Agriculture contributes significantly to the local food supply, of which dates, other fresh fruits, and vegetables are the main items. Livestock is unimportant, but camels and horses are bred for racing.

Management of the economy. Apart from oil and aluminum smelting, most industry is in private hands. The Bahrain government has a 27.5 percent interest in the international consortium Aluminium Bahrain that controls the aluminum smeltery. Many foreign firms that trade in the Gulf have their head offices in Bahrain.

Transportation. There is an excellent paved road system on Bahrain Island, and buses and taxis serve the principal towns and settlements. The international airport on al-Muḥarraq Island has flights to most countries in the Middle East and is one of the busiest airports in the Gulf. It is used by major airlines and a local aviation service. There are regular steamer services from Bahrain to other Gulf ports, as well as to Karachi and Bombay. Most general cargo is handled at Mīnā' Salmān; petroleum products are loaded at the Sitrah jetty.

Air services

Administration and social conditions. Bahrain is to a large extent a welfare state. Medical care and education are free; there are some 40,000 children in primary schools and more than 10,000 students in intermediate and high schools. Housing and transport are partially subsidized by the state.

The four urban and two rural municipalities are administered by councils, half of whose members are elected by male and female rate payers (local government taxpayers) and the remainder appointed by the government.

The ruler is assisted by a Council of Administration, which consists of the heads of various government departments, several of whom are members of the royal family. In the early 1970s the constitution was in a state of transition from that of a traditional Arabian patriarchal system to one of representative democracy.

Cultural life. In spite of its recent rapid economic development, Bahrain remains, in many respects, essentially Arab in its culture and life-style. The state radio station broadcasts only in Arabic, and television transmissions are received from Saudi Arabia. The traditional sports of falconry, gazelle and hare coursing, and horse and camel racing are still practiced by the wealthier Bahrainis.

Several weekly and daily papers are published in Arabic and a small number in English. The British Council in al-Manāmah is the main foreign cultural institution.

Prospects for the future. Bahrain's economy has developed rapidly in recent years, in part because of the fact that the state was able to exploit its early start in the oil industry and in part because of the development of trade in the entire Persian Gulf. Security and stable government have helped to promote this development. If that political stability both in Bahrain and in other Persian Gulf states survives the withdrawal of British forces, there is hope that the economic future of Bahrain will be bright.

BIBLIOGRAPHY. The most detailed general account is J.H.D. BELGRAVE, *Welcome to Bahrain*, 5th ed. (1965), a guidebook with a good account of the geography, history, and customs of Bahrain, together with a bibliography of works in Arabic, English, and French. Another detailed work is A. FAROUGHY, *The Bahrain Islands* (1951). The geog-

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release October 1, 1991

REMARKS BY THE PRESIDENT
AND AMIR SHEIKH JABIR AL-SABAH UPON DEPARTURE

The Rose Garden

11:30 A.M. EDT

PRESIDENT BUSH: We've just had a very successful meeting with the Amir. And we stand together in our resolve that Iraq comply fully with all the United Nations Security Council resolutions so that it can never again pose a threat to Kuwait and all the nations of the region.

In particular, the Amir and I strongly condemn Iraq's refusal to free the many Kuwaitis that are still held in Iraq. And we all again for their immediate and unconditional release. And we reaffirm our view that United Nations sanctions must remain in place against Iraq until a new leadership emerges in Baghdad, a leadership willing to live in peace with its neighbors and its own people.

We also reviewed Kuwait's great progress in reconstruction, physical and political, since liberation seven months ago: and considerably more than half of the oil fires are out, and oil exports have resumed, and schools have reopened. And I applaud all that has been accomplished. And I was heartened to hear that elections for restoring parliamentary government are on track for October next year. And I fully endorse Kuwait's endeavors to expand political participation and look forward to watching this process developed in the freest possible atmosphere.

So all in all, it was a good visit with a country to whom we feel very close. And Your Royal Highness, welcome, sir.

AMIR AL-SABAH: Mr. President, I was standing with you right here last year, and now I'm standing with you at the same place. But what a difference between the two occasions. When you, Mr. President, expressed the conscience of your people, you positively demonstrated the nobility of your roots and the sincerity of your commitment. When you expressed the conscience of mankind, it was a testimony of your outstanding leadership and your nation's superiority.

Such is the behavior and ethics of nations that have deep-rooted and civilized principles. The people of the United States of America and their leadership have vividly epitomized their principles during the period of aggression on my country. In an ominous moment, evil inclinations erupted, stirred up by false ambition and brutish greed and profound envy. The free world responded by denouncing and rejecting this aggression.

Your reaction to the rapid rhythm of events was combined with the voice of reason, principles and values, which you, Mr. President, were determined to promote and emphasize. And therefore, your speeches and statements were directed to all peoples, reviving the confidence in them that the world is truly directed to all people in a search for a new destination where security prevails, the weak safe, and humanity is primarily dedicated to the achievement of man's well-being.

MORE

The free world rallied around these values and diffused a fervent spirit to shield rights against violation, justice against grievance, and man against indignity. It was the greatest global demonstration in which honorable voices of the world's leader were raised to defend rightness and human dignity.

The people of Kuwait will remain in debt to this noble human position, and will always remember it with gratefulness and appreciation. Those who sacrificed their blessed lives and pure blood in the war to liberate Kuwait will remain models for heroism and for defending righteousness.

It pleases me on this occasion of our meeting to convey to you the feelings of the Kuwaiti people towards you and towards the people of the United States of America. It is the strong desire of the Kuwaitis to strengthen relations between our peoples and our two countries in such a manner so as to serve our mutual interests and achieve adherence to human values and benefit all mankind.

Finally, I wish to express to the American people, to your administration, and to you personally, Mr. President, the appreciation and gratitude of the people of Kuwait for the backing and the support you continue to extend to us.

Peace be upon all of you. Thank you.

Q Mr. President, what have you learned from the U.N. inspectors about Iraq?

THE PRESIDENT: Listen, I really have no time for questions. We have this education speech and it's going live to many locations. So I'll have to get back to you on that.

Q What are you doing about the coup in Haiti, sir?

END 11:38 A.M. EDT