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## Over ...

"They tried to defeat us by imposing political and economic sanctions, especially on our banks. However, without a doubt, they could not defeat us because of your great endeavor."

He also stated that the new imperialism aims to make other countries dependent, adding, "The enemies are trying to monopolize technology for themselves so that other countries become dependent on them. However, I hereby announce that our enemies have failed in both the economic and the political arenas."

Industries and Mines Minister Ali-Akbar Mehrabian, who also spoke at the Conference on Sunday, criticized the uncontrolled import of foreign products and said the issue should be taken into consideration in the economic reform plan.

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## Why ...

"Some are going to question the timing of this and let me just say that this decision has been in the works for a while. In fact this decision comes after much consideration," Palin said, holding up her left index finger as she amended her thought, "Much prayer and consideration. And finally, I polled the most important people in my life, my kids. And the count was unanimous. While in response to asking, 'Hey, do you want me to be a positive influence and fight for all our children's futures from outside the governor's office?' it was four yeses and one 'Hell, yeah.' The 'Hell, yeah' sold it."

If her goal is to position herself for higher office, the stagecraft and timing of her announcement left Republicans scratching their heads. The Friday before Independence Day, when media attention is at its lowest, would be a more appropriate moment for a scandal-plagued politician to slink from the national stage. Palin made the announcement with no fanfare, no teleprompters, no prepared remarks. Waterfowl in the background at times challenged her for the microphone. "To step down on a Friday before a three-day holiday, people are going to scrutinize it: why is she doing it, question her judgment," said Ed Rollins, who ran former Arkansas Governor Mike Huckabee's presidential campaign last year. "It leaves her with less than three years as governor on her resume -- not a very strong argument to run for president. The way she did it -- the fact she did it -- damages her, damages her immensely. People aren't happy about a governor quitting, unless you're Governor (Mark) Sanford (currently under fire for his extramarital affair in Argentina). Her doing this adds to the Sarah Palin mystique, but not in a good way."

Palin's had a rough 2009 thus far, drawing headlines often more suitable for Britney Spears than for a serious politician and gracing the covers of more tabloids than news magazines... In the last week, she's been eviscerated in a Vanity Fair article that has reduced the Republican Party into two camps, Palin supporters and detractors, who slug it out on the cable shows. She's also rankled Republican insiders by accepting two high profile speaking engagements and then bailing out. And then she twice bolted a congressional dinner before finally agreeing to appear, but declining to speak. Such fickle behavior has not endeared her to many party stalwarts, and her name is consistently left off the list when reporters ask the likes of John McCain and former Presidents George H. W. Bush and George W. Bush for ideas on who could be the next leader of the party.

Perhaps because of these missteps, many GOP advisers have urged Palin to keep a low profile, to

follow the Ronald Reagan trajectory by studying up on the issues, maybe do a listening tour and spend time building relationships behind the scenes. After finishing out his term as Governor of California, Reagan spent four years traveling the country, speaking to groups, building support, says Phyllis Schlafly, founder of the conservative Eagle Forum. Palin "certainly is the most sought-after speaker on the Republican side at this time. She draws big crowds; anywhere she goes, she's a star. I hope she'll continue that -- we need good speakers," Schlafly said in a phone interview. "It's what Reagan did to great success."

But by quitting her governorship, she relinquishes her best platform. "I wouldn't call this a strategy," said John Weaver, a former top adviser to McCain. "This makes no sense. The way for her to increase her chances in 2012 is to be reelected in 2010." Weaver cited the difficulties faced by former Massachusetts Governor Mitt Romney's in competing in 2008 against politicians still in office, adding, "A good point guard doesn't quit."

"This is classic Sarah Palin, the mixture of the personal and political," says Michael Carey, an Anchorage talk show host. "It's all done ad hoc. There's no strategic plan. It's, 'This is what I'm going to do, baby.'"

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## Malaysia ...

Whether they go further will depend on the Malay reaction and whether the economy recovers.

"What Najib has done is to change the way the game is being played, but the game is still on," said James Chin, a political science professor at Monash University in Malaysia. "Malays are still being protected and given things on a silver platter."

Two developments have opened the door to change.

Malaysia has fallen into recession for the first time in a decade, giving Najib political leeway to relax the rules on Malay ownership in a bid to woo foreign investment.

Meanwhile, Najib's ruling coalition is facing its first severe challenge since coming to power in 1957. And the challenge is fueled in part by anger among ethnic Chinese and Indians about affirmative action for the Malays. Chinese are about 25 percent of the population, and Indians, 8 percent.

The relaxing of affirmative action could help Najib's coalition, the National Front, regain the support of Chinese and Indian voters, who overwhelmingly deserted the government in elections last year.

The National Front lost its long-standing two-thirds majority in parliament and lost control of five of the Southeast Asian nation's 13 states, the worst performance in its five decades in power.

"He is hoping to get the economy back on track and win back the non-Malay ground," said Chin, who thinks Najib may call an election in 2011. "Everything he is doing now is to gear for the next general elections."

The government introduced affirmative action in 1971, following 1969 riots fueled by Malay discontent with the relative affluence of the ethnic Chinese. Dubbed the New Economic Policy, the program gives preference to Malays in government contracts, business, jobs, education and housing. It is credited with lifting millions of Malays out of poverty and creating an urban Malay middle class.

The 30 percent ownership requirement was dropped for manufacturing in 1998 to encourage foreign investment in export-oriented factories, which have powered Malaysia's growth. Now, Najib is cautiously relaxing the requirement for the service sector.

So far, the reforms have not aroused any open anger among Malays. Najib describes them as a "tricky balancing act."

He says he remains committed to raising Malay corporate ownership to 30 percent from the current 19 percent. It stood at 2.4 percent in 1970, before the New Economic Policy was launched.

The government will set up a 500 million ringgit (\$143 million) equity fund to buy private companies and hand them over to Malay managers, with an eventual goal of enlarging the fund to 10 billion ringgit.

As well, the 30 percent Malay ownership requirement remains for "strategic industries," which includes telecommunications, water, ports and energy, home to some of Malaysia's largest companies.

Nevertheless, there are worries among some Malays.

"It is fair and will make Malaysia more competitive but at the same time, there is concern that Malays will be completely shut out of mainstream commerce," said Azim Zaidi, a businessman and leader in Najib's party, the United Malays National Organization.

"You still need the NEP to ensure that Malays are given the kick-start and not lag too far behind," he said, referring to the New Economic Policy by its acronym.

The moves so far primarily affect wealthier Malays, who would be able to buy stocks. They don't strip away other privileges such as buying homes at lower prices

"To a large extent, nothing much has really changed," said Philip McNicholas, an economist with research firm IDEAGlobal in Singapore. "In repealing the NEP policy, Najib has been careful and selective ... It's a case where he is going to walk a fine line to pick up non-Malay votes while not making enemy among the Malays."

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## UN ...

"The primary responsibility rests with the government to move the country toward its stated goals of national reconciliation and democracy," Ban said.

Myanmar was one of the first UN members to adopt its Declaration of Human Rights, he said, but added: "Unfortunately that commitment has not been matched in deed. Myanmar's human rights record remains a matter of grave concern."

Ban also urged the junta to ensure that elections promised in 2010 should be free and fair. Critics say they will be a sham that will allow the ruling generals to entrench their power.

"The upcoming election, the first in 20 years, must be inclusive, participatory and transparent if it is to be credible," he said.

The military regime refused to recognize the landslide victory of Aung San Suu Kyi's National League for Democracy in Myanmar's last elections in 1990.

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## "Mucking out" ...

Nineteen months ago, a group of concerned academics wrote to the Standards Committee complaining about Israel's "deep penetration" of our political system and how it prevented Britain from taking a principled stand on Middle East affairs, including the Iraq war and the never-ending violations of Palestinian human rights. They asked the committee to consider the activities of the Friends of Israel as a matter for urgent investigation.

The chairman, Sir Christopher Kelly, refused. Why? He wouldn't say. But some members of his committee were found to have close links with Friends of Israel. Even this inner sanctum of British correctness and fair play is compromised.

One of the Seven Principles of Public Life, and perhaps the most important, is integrity -- "Holders of public office should not place themselves under any financial or other obligation to outside individuals or organizations that might seek to

influence them in the performance of their official duties." That's plain enough for even a schoolboy to understand.

Yet the authorities turn a blind eye to the various Israel lobby organizations, which go to great lengths to influence not only those in power, but those wishing to achieve power in the future. Conservative Friends of Israel (CFI) claim that, with over 2,000 members and registered supporters, alongside 80 per cent of the Conservative MPs, it has become the largest affiliated group in the party.

Its website states that the CFI, in the run-up to the last general election, supported candidates up and down the country.

As candidates are now being continuously selected for target seats, CFI has developed a special program of weekly briefings, events with speakers and a chance to participate in delegations to Israel. CFI encourages all members to help campaign for parliamentary candidates and also for local council, London and European elections.

It also "fast-tracks" candidates fighting target marginal seats. Senior Conservatives try to justify the turning of would-be MPs into Zionist stooges by insisting that Israel is "a force for good in the world" and that in the battle for democratic liberal values against repression "Israel's enemies are our enemies and this is a battle in which we all stand together..."

A top Conservative Friend of Israel confidently predicted there would be no investigation by the Standards Committee, his cocksure attitude adding to the view that his like are a protected species within the Westminster village.

But there are deadly serious consequences. The Israel lobby is even more heavily represented at the center of Britain's security establishment since the appointment of Kim Howells, formerly minister in charge of Middle East affairs and a one-time chairman of Labour Friends of Israel, to the chair of the Intelligence and Security Committee.

This committee has oversight of the Security Service (MI5), the Secret Intelligence Service (MI6), the Government Communications Headquarters (GCHQ) and the work of the Joint Intelligence Committee and the Intelligence and Security Secretariat, which includes the Assessment Staff in the Cabinet Office. The committee also takes evidence from the Defence Intelligence Staff (DIS), part of the Ministry of Defence.

These people have access to highly classified material. How can we trust them? Another member of the committee is Sir Alan Beith, president of the Liberal Democrat Friends of Israel, whose aims and objectives are stated thus:

To maximize support for Israel not only within the Liberal Democrats but within Parliament itself.

To influence the party's Middle East policy.

To liaise with Israeli politicians and government.

To provide parliamentarians with briefing material for parliamentary debates, questions to ministers and public appearances.

To rebut attacks on Israel in the media, Parliament and the party.

To arrange and accompany Liberal Democrat Friends of Israel delegations to Israel.

To keep in regular contact with the Embassy of Israel.

Other pro-Israel groups have similar objectives.

British citizens would be horrified to know that Zionist tentacles have spread everywhere in Westminster and that our most important security bodies -- the Intelligence and Security Committee, Foreign Affairs Committee and Defence Committee -- are all chaired by Israel flag-wavers. They inhibit a proper British response on issues such as the cruel and unlawful blockade of Gaza, and more recently the 22 days of lethal terror unleashed by Israel in an attempt to crush the trapped

and half-starved men, women and children of the Gaza Strip.

Cameron has painted himself into a corner by declaring he's a Zionist, leaving one to wonder if he actually knows the meaning of the word and all the nastiness it implies. His ideas about the situation in the Middle East seem confused. Take this gem:

"The West has to understand that there isn't an equivalence between a democratically elected government of Israel, (an)... Israel that is a democracy, that's a member of the United Nations, that has a totally legitimate right to exist and defend itself -- there is no equivalence between that and a group like Hamas..."

Hamas was democratically elected in 2006. Why not acknowledge and respect that? Israel, of course, is no Western-style democracy but a racist ethnocracy. It flouts dozens of UN resolutions and defies international law. Its every act is designed to make the illegal occupation permanent and realize the Zionist dream of a "Greater Israel" at the expense of world peace.

The Israeli cabinet has just approved a draft law to ban Palestinians from marking the Naqba -- the "catastrophe" of 1948 widely regarded as the Palestinians' holocaust, when Israel was established and some 700,000 were subjected to an Israeli campaign of terror and ethnic cleansing, and subsequently lost their homes and lands, including the land on which the much-mentioned town of Sderot was later built. To this day, they and their descendants, an estimated 4.5 million, have been denied the right to return to their homes.

And the Israeli gestapo recently closed down the Palestine Festival of Literature, sponsored by the British Council. Does any of this sound like the work of a democratic government, Mr. Cameron? Do you seriously think your party is fit to govern if it aligns with an apartheid regime that has no regard for the rights of others or for the sanctity of human life, and uses depleted uranium and white phosphorus bombs against civilians in densely populated areas?

Did you and your colleagues learn nothing from Gaza 2009?

And how does it look, standing shoulder to shoulder with religious fanatics who horribly persecute the Christian communities in the Holy Land? Why do you condemn Palestinian resistance when Israelis are killing Palestinians at the rate of nearly 12 to 1? Why insist that they "recognize" Israel while Israel's boot is on their necks?

Prime Minister Gordon Brown's conduct is equally odd. Brown, like Blair before him, also seems indifferent to the 90 years of British betrayal and the Palestinians' present plight. He was "delighted" when invited to become a patron of the Jewish National Fund (JNF) in the UK. Set up to help establish a Jews-only entity in Arab Palestine, the JNF is a principal tool for Israel's program of land theft. The JNF's constitution requires it to benefit Jews exclusively; therefore, it promotes and implements policies that discriminate against the Arab population of Israel.

The JNF stands accused of ethnic cleansing, the destruction of hundreds of Palestinian villages and the expropriation of Palestinian land on a massive scale -- war crimes in anyone's language. And yet -- can you believe it -- Cameron too has become a patron.

It is not enough for party leaders to sack a few scoundrels, reduce a few perks and claim to have cleaned up the system. There's a mountain of mucking out to do before the British parliamentary system can call itself "fit for purpose".

Stuart Littlewood is author of the book *Radio Free Palestine, which tells the plight of the Palestinians under occupation. For further information please visit www.radiofreepalestine.co.uk.*

(Source: www.redress.cc)

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## China's ...

### Kirchner taxes

Repsol bought the stake in YPF for about \$15.5 billion when the government of Carlos Menem sold the company in 1999. Caps on oil prices introduced in 2007 by Kirchner have since eroded earnings. YPF reported a 59 percent decline in first-quarter net income in May.

Kirchner set a maximum price that companies could earn on each barrel of oil exported at \$42 a barrel. All revenue above that amount is collected as taxes, according to Repsol. Taxes on exports below that amount are as high as 45 percent. The government stopped diesel exports in 2005, according to Repsol.

A month after Kirchner's price caps, Repsol agreed to sell 15 percent of YPF to Petersen Energia SA, owned by Argentine investor Enrique Eskenazi, for about \$2.2 billion. Eskenazi has an option to buy an additional 10 percent.

CNPC would likely pay a similar amount as Eskenazi, one of the people familiar with the situation said. Repsol, which financed about 45 percent of Eskenazi's investment in YPF, would not fund a purchase by CNPC, one of the people said. Petersen's stake allows it to veto the sale of any shares in YPF to another company, according to Montamat.

### China spending

China plans to boost spending on oil exploration and development by 47 percent by 2015 as domestic energy demand rises, the government said in a June 11 report.

Total investment made by companies including PetroChina Co. and China Petroleum & Chemical Corp. may rise to 280 billion yuan (\$41 billion) in 2015 from 190 billion yuan last year, according to the government report on China's energy needs.

China Petrochemical, or Sinopec, the nation's second-biggest oil company, last week agreed to buy Canada's Addax Petroleum Corp. for C\$8.3 billion (\$7.2 billion), to gain reserves in Iraq's Kurdistan and West Africa.

YPF accounts for 52 percent of Argentina's refining capacity through three refineries in the provinces of Buenos Aires, Mendoza and Neuquen, according to the company's Web site. YPF also explores for oil and gas and operates a chain of service stations across the South American country.

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## Tightening ...

Moreover, capital cannot be a substitute for proper asset valuation and proper provisioning. A bank which cheats in valuations by 5 percent records a capital ratio 5 percentage points higher. The market can have more confidence in a bank with accurate valuations, even if its capital is 5 points lower. Capital should not be used as a guise to avoid the more painful task of recognizing losses today. We also should not side with the defeatism that says capital regulations cannot accurately capture risk, but can be strengthened only by requesting more capital.

Capital adequacy regulations are a cornerstone in our efforts towards financial stability. They, however, should be complemented by reliable valuation, good risk measurement and proper incentives. They should be designed to promote quality risk management. Reliance just on high numbers in bank capital ratios may create a false sense of security, which could sow the seeds of the next crisis.

The writer is commissioner of Japan's Financial Services Agency.

(Source: Financial Time)