

The Cabinet also endorsed Saturday amendments to Shari'a Judges' Law, the certificate equivalence law and the administrative law for the Health Ministry.

Industry Minister Confers With USSR Delegation
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[Text] Amman, 20 Aug (PETRA)—Industry and Trade Minister Hamdi al-Tabba' and a USSR delegation led by Vladimir Mordvinov, deputy minister of the USSR Ministry of Foreign Economic Relations, today discussed economic relations between the two countries in the scientific, technical, and economic fields as well as ways to enhance and promote them. The ministry's secretary general also met with the USSR official and the accompanying delegation.

The USSR delegation arrived in Amman today to sign a Jordanian-USSR agreement in order to set up a joint committee for economic, scientific, and technical cooperation worth \$80 million equally divided between the two sides.

Industry Minister Describes Economic Measures
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20 Aug 88 pp 16, 17*

[Interview with Industry and Trade Minister Hamdi al-Tabba' by AL-DUSTUR editorial staff in Amman—date not given]

[Excerpts] AL-DUSTUR: After decisions amending the regulations governing imports and customs were issued and after the promulgation of the measures providing for encouraging investment in Jordan, Jordanian citizens have begun to bring up numerous questions on the dimensions and implications of these measures. What do you expect these implications to be in both the near and distant future?

Al-Tabba': Since its inception, Jordan has advocated the principle of individual initiative as well as the system of economic freedom. The materialization of this economic development is to be attributed to Jordan's advocating this policy. The government has always believed that the private sector has a big role to play in economic development.

Besides, issuing the latest measures is tantamount to a return to our normal economic life. The decisions made by the government approximately 3 years ago were made to tackle a specific temporary situation created by the difficulties some industries faced. These circumstances have changed right now. These measures were not a policy. No, they were decisions made to tackle the difficulties faced by some industries during that period. Therefore, the government adopted protectionist measures. His majesty the king, the leader and architect of

this homeland, taught us that man is the dearest asset that we have. Therefore, we have to take the consumer and his interests into account.

I believe that the latest measures guarantee the consumer the chance to choose between numerous national and foreign products; this is what we call honorable competition. The latest decisions have not come out of a vacuum. No, the Ministry of Industry and Trade and the Council of Ministers spent a lot of time discussing them.

When we examine these decisions carefully, we find that home industries were our prime concern. Now, we provide these industries with protection and exempt the productive and commodity machines and equipment used by these industries of all customs dues and fees, which people say used to increase production costs. These machines and equipment are currently fully exempted from paying the treasury any customs or fees whatsoever.

Furthermore, we amended the regulations governing the customs fees to be paid when some products and commodities are imported, in order to protect and support industries. If these decisions were viewed, we would find that the home industries have taken the lion's share from these measures; this is our objective.

Nobody has the right to claim he was harmed by the latest measures, as no industries were basically introduced on the basis of the government's provision of protectionist measures during the period of protectionism. All protected industries were operating in an open market before the introduction of protectionist measures. Besides, all industrialists have always known that the protectionist measures were temporary. [Passage omitted]

AL-DUSTUR: After issuing the latest measures, the ministry's Specifications and Standardization Department might be unable to meet the expected increase in the volume of industrial investment. Is there an intention to develop this department?

Al-Tabba': This department will be developed. A new law governing this department has been forwarded to the Council of Ministers for approval. This department will be directly linked to the minister. Besides, it will be granted full independence. It will include public and official figures so that it can play its monitoring role to the fullest extent possible. Now, its burdens are great. We will find efficient people to run it. We will also employ very stringent measures to monitor imported commodities. We will not allow the import of commodities that do not meet Jordanian specifications and standards. [passage omitted]

AL-DUSTUR: Why is Jordan always the only party that unilaterally implements bilateral agreements, while the other parties fail to implement these agreements, especially those pertaining to bilateral trade exchange?

Al-Tabba': One should not complain about the injustice caused when dealing with brothers. Besides, the bilateral agreements reached cannot serve as a substitute for the common Arab market. The Arab markets are open for Arab commodities and products. For example, the Saudi market is open for those who wish to export commodities and products from Jordan. Likewise, the Jordanian market is open for Saudi goods and commodities. The same thing applies to our dealings with Tunisia, Kuwait, Bahrain, and Morocco.

As for Egypt and Syria, we signed protocols with them and approved lists of commodities to be exchanged despite the fact that we believe in freeing economies and leaving markets open. However, we understand the circumstances of fraternal Egypt and fraternal Syria—the circumstances which govern their imports. They prefer to sign protocols that specify their imports. We recently signed a trade agreement with Egypt that increases the volume of bilateral trade.

AL-DUSTUR: The government always flatters the private sector. The latest measures represent a renewal of this flattery. However, the private sector has not provided the required response. What is the minister's opinion in this regard, in view of his experience in both sectors?

Al-Tabba': The private sector was frustrated during a certain period. It felt that the government engulfed it. We sensed this. We acknowledge that the government succeeded in some big projects. The private sector cannot compete with the government, which might sometimes overlook the economic feasibility of some projects due to political or social considerations.

We would like to see the private sector regain its confidence. However, some factors such as economic recession, Lebanon's crisis, the Gulf war, and Jordan's responsibility toward the occupied territories as well as its uprising have been obstructing the private sector's role. But now, with the termination of the Iraq-Iran war and the election of a new Lebanese president [as published], the private sector will once again have the chance to play its role. Previous discussions were held on privatization; namely, turning the public sector's institutions into private share-holding companies. Some institutions have conducted feasibility studies on this issue. Through the adoption of these measures, the government is honoring the pledges it has made. [passage omitted]

AL-DUSTUR: What is the effect of the disengagement of ties between the two banks on the industrial goods and commodities coming from occupied Palestine—the commodities which depend on the Jordanian market and also head for Arab markets?

Al-Tabba': The bridges are open, and some products and industrial goods such as vegetables, fruits, Nablus soap, and vegetable oil will continue to arrive in Jordan. The Ministry of Industry and Trade has so far continued to receive the West Bank's products quota in full. [passage omitted]

TIMES on Foreign Exchange Regulations
JN2408063288 Amman JORDAN TIMES in English
24 Aug 88 p 6

[By Salamah B. Ni'mat, JORDAN TIMES Economic Correspondent]

[Text] Amman—The Central Bank of Jordan (CBJ) Tuesday appeared determined to enforce foreign exchange regulations issued in June while moneychangers appealed for a freeze on these measures and warned that such restrictions could create a black market.

The regulations, issued by the Economic Security Committee, banned exchange houses from opening foreign accounts and limited their work to trading in banknotes. Moneychangers say that these measures, if implemented, could, on the average, reduce the volume of their operations by 75 to 85 per cent.

"This is a disaster," one moneychanger told the JORDAN TIMES. "We may as well close down and go home." He argued that now that the exchange market is stable, these measures have become unnecessary.

The committee's decision to tighten foreign exchange regulations on banks, financial institutions and exchange houses, came in the wake of shortages in Central Bank foreign currency reserves and reports of capital flight after two flurries in the domestic exchange market May 2 and June 2 that put pressure on the Jordan dinar.

The CBJ Monday gave exchange houses two weeks to close down their accounts abroad and to refrain from dealing with money transfers. The June 22 regulations were originally supposed to be enforced within one month, but until Monday, the CBJ appeared to be reconsidering the instructions after stability was restored to the local exchange market.

The ultimatum issued at a meeting chaired by CBJ Governor Husayn al-Qasim and attended by CBJ deputy Governor Mahir Shukri, confirmed that the government was determined to enforce the new foreign exchange instructions.

Moneychangers earlier appealed to the prime minister to reconsider the new measures which they said harshly affected nearly 200 exchange houses.