

News in Brief

Olmert Court Hearing Held

Israel's Supreme Court heard on Monday Prime Minister Ehud Olmert is suspected of personally accepting envelopes stuffed with cash from a US businessman in the latest scandal to embroil the premier.

State Prosecutor Moshe Lador said the alleged cash payments took place when Olmert was trade and industry minister between 2003 and 2006, AFP reported.

Lador was speaking at a Supreme Court hearing to decide whether to allow prosecutors to take preliminary sworn testimony from millionaire financier Morris Talansky.

Olmert "allegedly received cash money from Talansky both in Israel, through his bureau chief in the trade and industry ministry, and in the United States," Lador said during the hearing.

He said the funds were allegedly transferred "both during Talansky's visits to Israel and when Talansky briefly met from time to time with Olmert when he handed the money in cash dollars in envelopes to Olmert."

Olmert is suspected of having received the money illegally from Talansky before he became premier in 2006.

The premier has denied any wrongdoing but has admitted he received money from Talansky to help finance his electoral campaigns in 1999 and 2003.

Olmert, who faces three other police investigations, has said he will step down if he is charged in the case.



Bin Laden Wants Gaza Blockade Lifted

Osama bin Laden has called on Muslims to help lift the Israeli blockade on the Hamas-run Gaza Strip, in an audio message purportedly recorded by the Al-Qaeda chief and posted on the Internet on Sunday. The message, which could not immediately be authenticated, was addressed to the "Islamic nation" and posted on a website used by Islamists, AFP said.

It called on Muslims, especially those in Egypt, to work to break the "unjust blockade" on Gaza, which has resulted in "dozens of deaths."

It also cited the participation of some western leaders in recent celebrations marking the 60th anniversary of the creation of Israel as "proof that (their) values of justice, freedom and humanism are mere slogans brandished about to trick the weak."

The new recording upbraided Arab states for having sold out the Palestinian people, insisting that Israel owed its continued existence "not to its own power, but to the fact that (Arab) governments have renounced their struggle" against Israel.

The Internet site had announced earlier Sunday that it was about to carry a "very strong" address from "the lion of Islam, Sheikh Osama bin Laden."

Taliban Responsible For Pak Attack

A Taliban militant group claimed responsibility Monday for a suicide bombing that killed at least 11 people at the gate of an army base in Pakistan's volatile northwest.

The attack Sunday in the city of Mardan was the deadliest in more than two months and could complicate efforts by the new government to reach peace deals with militants. Four soldiers were among the dead, AP said.

Taliban spokesman Maulvi Umar said the attack was carried out by a branch of the militant group Tehrik-e-Taliban in response to a Pakistani military operation in the nearby district of Darra Adam Khel.

Umar also described the bombing as a response to a suspected US missile strike last week in the Bajur tribal region that killed at least 14 people.

Sunday's bomb went off in a market between a bakery and the gate of the Punjab Regimental Center in Mardan.

Police chief Akhtar Ali Shah said 11 people were killed and 22 wounded.



Saudi Arms Deal Under Probe

Kuwait Cabinet Resigns

Kuwait's Emir Sheikh Sabah Al-Ahmad Al-Sabah Monday accepted the resignation of the Cabinet following general elections in the oil-rich Persian Gulf state, the official KUNA news agency reported.

The emir asked outgoing Prime Minister Sheikh Nasser Mohammad Al-Ahmad al-Sabah to remain in office until a new cabinet is formed, KUNA said, quoting an emiri decree.

The resignation, which is required by law after an election, came after a brief cabinet meeting chaired by the premier, a member of the ruling family as is the norm in Kuwait.

The emir is now expected to begin consultations with former parliament speakers on forming a new cabinet, which must be done within two weeks.

The Kuwaiti ruler can either ask the outgoing premier to form a new government or appoint a new prime minister.

Radical Islamists made a strong showing in Saturday's elections to the 50-seat parliament.



Iraqi Senior Police Officer killed

A bomb blast has killed a senior police officer just outside the city of Nasiriyah south of the Iraqi capital, Baghdad, police say.

The bomb was planted on the wall of Major Farhan Ali's office, in Souk al-Shouyoukh, 350 kilometers south of Baghdad, Colonel Yasser Hassan told AFP on Monday.

Hassan said an investigation into the attack was underway.

An officer and two policemen were also wounded last week when a bomb went off at a police building in Nasiriyah.



Egypt Police Shoot Sudanese

Egyptian police shot and critically wounded a Sudanese man on Monday as he tried to cross the border illegally into Israel, a security official said, AFP reported.

Maurice Dana, 24, was shot in the head as he tried to enter Israel from an area south of the Egyptian town of Rafah, the official said.

"He was taken to El-Arish hospital (in north Sinai) but his condition is critical."

In recent months Egypt has arrested dozens of illegal immigrants, mostly Africans, trying to sneak into Israel from the Sinai in search of work. Several have been killed while trying to cross the frontier.

In February, rights group Amnesty International slammed Egypt's use of force at the border.

Prince Sultan's Health Failing

Saudi Crown Prince bin Abdulaziz, who has cancer, is reported to be in failing health at his home in Geneva, Switzerland, UPI reported.

Prince Sultan, 81, who serves as the Saudi defense minister and is a strong US ally, has contended with cancer for several years. He moved to his palace in Morocco in March when his condition worsened. On April 26, he was moved to Switzerland to be close to his regular doctors.

His brother, Interior Minister Prince Nayef, believed to be about 75, is expected to succeed him and would be in line to succeed Saudi King Abdullah, 85.



A BAE shareholder has charged BAE board members with offering bribes and other payments to Saudi Prince Bandar bin Sultan and others.

US officials investigating alleged bribes in a Saudi arms deal subpoenaed the chief executive of BAE Systems, Britain's biggest military contractor, on his arrival in the United States last week, BAE officials said on Sunday.

According to Reuters, a subpoena was served on Mike Turner, the CEO, at George Bush International Airport in Houston, Texas, on May 12, said Greg Caires, a BAE spokesman in Washington.

Also subpoenaed was a BAE non-executive director, Sir Nigel Rudd, who was traveling with Turner, Caires said.

A subpoena is a court order to give testimony. The summonses were part of a US Justice Department investigation of bribery charges tied to Britain's biggest arms deal, a series of warplane sales to Saudi Arabia clinched in the mid-1980s and valued at up to \$80 billion.

> More Subpoenas

The British government's Serious Fraud Office dropped an inquiry into the deal in December 2006 after then-prime minister Tony Blair said the probe threatened national security.

In June 2007, the company said it had been notified the US Justice Department had begun investigating BAE's compliance with anti-bribery laws, including dealings with Saudi Arabia.

An unspecified number of subpoenas also were served on BAE Systems' employees in the United States last week, BAE said.

"The company has been and continues to be in discussion with the DoJ (US Department of Justice) concerning the subpoenas served in the course of its investigation," Caires said.

> Al-Yamamah

BAE has denied making wrongful payments to help secure the arms deal known as Al-Yamamah, or "the Dove."

The US Justice Department had no comment, said Laura Sweeney, a department spokeswoman.

Caires said he could not confirm or deny British media reports that personal electronic devices belonging to Turner and Rudd, including laptops, had been seized and examined before they were allowed to continue their trip.

The pair were not prevented from entering the United States and Turner has since returned to Britain, John Neilson, a BAE spokesman told Reuters in London.

A BAE shareholder has charged past and present BAE board members with breaching their duties by allegedly allowing more than \$2 billion in kickbacks, bribes and other payments to Prince Bandar bin Sultan and others.

> Saudi Combat Jets

Bandar, the former ambassador to the United States who is now the head of Saudi Arabia's National Security Council, has strongly denied the charges, as has BAE.

The lawsuit was brought by the Michigan city of Harper Woods' employee pension fund.

It is before a US federal judge in Washington, Rosemary Collyer, who earlier this year temporarily barred Bandar from removing real estate proceeds from the United States.

BAE won a 4.43 billion pounds deal for 72 Eurofighter Typhoon combat jets from Saudi Arabia last September; nine months after Britain's Serious Fraud Office ended its inquiry.

Bribery could violate both the US Foreign Corrupt Practices Act and the Racketeer Influenced Corrupt Organizations Act if found to have deprived the government of tax revenue, said Selva Ozelli, an international tax attorney and certified public accountant in New York.