

# Indonesia to investigate corruption under Suharto

*Critics say the Suharto family used its power to amass wealth while weakening the economy*

By Geoff Spencer  
The Associated Press

JAKARTA, Indonesia — While thousands peacefully demonstrated Monday for an end to graft, Indonesia's new government announced a broad inquiry into corruption under ex-President Suharto.

The probe stopped short, however, of meeting protesters' demands that it specifically target the Suharto family's wealth. Critics say the Suhartos used their power and position to amass billions of dollars by dominating

the now ailing economy.

Students calling for an end to corruption in local and national level politics demonstrated peacefully Monday in several cities.

Flanked by soldiers, about 50 students sat down at the gates of the U.S. Embassy in Jakarta, protesting what they said were American attempts to delay foreign loans to Indonesia.

The students accused the United States of trying to stall the disbursement of aid tied to a \$43 billion rescue package led by the International Monetary Fund. The loans were suspended amid political turmoil that led to Suharto's May 21 resignation.

The IMF was expected to de-

liberate Monday on whether to resume aid.

Meanwhile, a leading opposition figure has called on Suharto to donate the bulk of his wealth back to the country, which is battling its worst economic crisis in decades.

Amien Rais, a prominent Muslim leader, said that with Suharto's money Indonesia would not have to beg international agencies for help. Rais has been among those calling for an inquiry into Suharto's business empire.

Attorney General Sudjono Atmonegoro said the corruption inquiry announced Monday was in response to public anger over the conduct of "government officials." He did not specifically

name Suharto.

"The investigation is under way," he said, adding that it might take a long time to complete.

As part of the probe, Sudjono said he had received assurances from Suharto family members that they would not leave Indonesia.

While there were no plans to question Suharto, the former president might be asked to comment on evidence collected from others, he said.

The head of the powerful military, Gen. Wiranto, recently said he was opposed to an investigation into the Suharto family fortune because it could cause national disunity.

Some claim the military was instrumental in persuading Suharto, a retired army general, to quit in favor of new President B.J. Habibie, a civilian and Suharto loyalist who has promised political and economic reforms.

Habibie appointed three former Suharto advisors on Monday to help steer the economy through its crisis.

The crisis also claimed another casualty Monday when Indonesia's third-largest airline, Sempati, which is controlled by Suharto's youngest son, closed down. The government said it registered enormous losses because of a 70 percent drop in the value of its currency since July 1997.

# Refugees flee from deadly fighting in Serbian province

*Thirty-nine people were killed over the weekend in what the Albanian government called the start of a war*

By Ismet Hajdari  
The Associated Press

PRISTINA, Yugoslavia — Thousands of refugees from Serbia's Kosovo province streamed into neighboring Albania on Monday to escape some of the deadliest fighting in months. Dozens of people were reported killed.

Albania appealed to the United States and European Union to intervene in what it said was a "massacre" in Kosovo.

"This is just the start of a war with tragic dimensions," the Albanian government said in a statement.

With 39 people reported killed over the weekend and fighting apparently continuing, the bloodshed appeared the worst since March, when Serb police killed more than 80 people in a crackdown on mili-

tants among the ethnic Albanian majority in Kosovo.

In New York, U.N. spokesman Fred Eckhard spoke of "heavy and indiscriminate shelling" of Kosovo villages near the border with Albania. He said U.N. workers could see heavy mortars being fired into the villages.

Refugees said a 3-year-old toddler died en route to Albania.

Ethnic Albanian leaders said 37 Albanians were killed over the weekend. Twenty-seven died in clashes in Decani while 10 were killed when Serb police stormed another village, they said.

Serb sources said two Serb policemen also died in the fighting around Decani, 45 miles west of Kosovo's capital, Pristina.

The fierce fighting forced about 2,000 Kosovo Albanians — mostly women, children and the elderly — across the border into Albania's Tropoja (pronounced Tro-POH-yah) region on Sunday and Monday. Albanian officials said more were arriving

by the hour.

In Tropoja, refugees said they had walked for up to 20 hours to reach the border. They said Serb forces were besieging Decani and Serb tanks were inside the town.

Tropoja, although some three miles inside Albanian territory, resembled a community under siege, with most of the men carrying rifles or other weapons. Some men displayed the insignia of the Kosovo Liberation Army, the militant Kosovo organization spearheading the fight against Serbia.

U.N. aid worker Andrew Harper bought three tons of flour, rice and other basics on the local market to provide for the refugees. More aid was expected Tuesday from Tirana, the Albanian capital.

"I am very worried about providing for all these people," said Isa Memia, the town leader. "We have grave problems ourselves, but they are our kinsmen, and we will help them."

Authorities in Serbia are using Serb police and the Yugoslav army to try to crush militants and maintain control over Kosovo, where 90 percent of the population is ethnic Albanian.

The conflict has killed more than 200 people in Kosovo since the beginning of March. About half of the province is believed controlled by militant Albanians and many regions are blocked off, either by Serbs or Albanians.

The Kosovo Information Center, close to the ethnic Albanian leadership, named 10 people it said were killed Sunday when Serb police stormed the village of Poklek, 15 miles west of Pristina. It said one had had his throat slit.

It said Serb police burst into the homes in Poklek, pulled out villagers and told them to "go to Albania and never return." Afterward, Serb police allegedly set 26 homes ablaze.

Serbia is the dominant of two republics remaining in the Yugoslav federation.

# Iranian foreign minister praises Pakistan's nuclear capability

*Other Islamic nations expressed concern about the arms race between India and Pakistan*

By Kathy Gannon  
The Associated Press

ISLAMABAD, Pakistan — Iran's foreign minister praised Pakistan on Monday for its nuclear tests, saying they were welcomed by Muslims worldwide. The Iranian's visit — the first by a foreign dignitary since Pakistan set off the blasts — offered solace amid near-worldwide disapproval.

Muslims in the Middle East long had worried about Israel's nuclear capability, Kamal Kharrazi said. "Now, they feel confident," because a fellow Islamic nation possesses the know-how to build nuclear weapons, Kharrazi said.

Other Islamic nations expressed concern about the nu-

clear arms race between Pakistan and India, citing the threat to peace.

In New Delhi on Monday, India announced an increase in its defense spending, despite the hardships expected from international sanctions imposed after its own nuclear tests.

India's five tests in mid-May escalated the long-standing Indo-Pakistan rivalry to the nuclear level. Pakistan responded with what it said were six detonations of its own; five on Friday and one on Saturday. Pakistan has not said whether it will test again; U.S. intelligence sources say they have detected no signs that either Pakistan or India is readying new tests.

Speaking at a news conference Monday, Kharrazi defended Pakistan's tests, saying India left Pakistan no choice.

"As a matter of its national security and to create a balance in

the region," Pakistan had to respond with its own nuclear tests, he said. "Over the world, Muslims are happy that Pakistan has this capability."

The leader of the militant Palestinian Hamas group, Sheik Ahmed Yassin, echoed the Iranian leader, calling Pakistan's nuclear capability "an asset to the Arab and Muslim nations."

But a leading Islamic organization expressed "deep concern" over the tests and urged immediate talks between India and Pakistan.

The "international community must seriously encourage both India and Pakistan to expediently conclude a nonaggression agreement with the aim of ensuring the promotion of peace and security in the region," said the Organization of the Islamic Conference in a statement Monday in Jiddah, Saudi Arabia.

China, an ally of Pakistan, said

it would urge world powers to find a way to halt the nuclear arms race when foreign ministers of the U.N. Security Council's permanent members meet later this week in Geneva.

Kharrazi dismissed suggestions that Iran was preparing to follow Pakistan with tests of its own.

"We don't have any nuclear-weapons program," Kharrazi said. "What we have is for peaceful purposes."

Iran has repeatedly denied U.S. and Israeli allegations that it is close to building a nuclear weapon. Kharrazi said Iran's nuclear facilities are open to international inspectors.

Pakistani Prime Minister Nawaz Sharif pledged last week to safeguard his country's nuclear technology and not to share it with any other nation.

Meanwhile, India's new Hindu nationalist government unveiled

a budget Monday that includes a 14 percent increase in defense spending — and a hefty 68 percent increase in spending on atomic energy.

The country's space program, which includes missiles, also got a 62 percent budget increase.

India has threatened to step up military activity on its side of the troubled Kashmir border — the flash point of two previous wars between the two countries. They fought a third war in 1971 over Bangladesh, or what was then East Pakistan.

Pakistan accused India of preparing to attack its nuclear sites last week, and scrambled its own air force and put its soldiers on alert.

The latest accusation came from Pakistan's Foreign Minister Gohar Ayub, who said his country had "credible evidence" that India was preparing a second site to test nuclear weapons. India denied the accusation.

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