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WORLD NEWS

Syrian Farmers in Crossfire

With the annual harvest of Syria's most important staple under way, in a nation divided by civil war, farmers are caught between two sides that seek to control the strategic crop.

> By Nour Malas in Raqqa, Syria, Rima Abushakra in Beirut and Michael Haddon in London

Much of Syria's wheat-farming land is now in rebel hands, though President Bashar al-Assad's forces have driven rebels out of some strongholds and control most provincial capitals that are the administrative centers of the wheat trade.

Rebels now seek to show they can help get wheat from farms to flour mills to households and bakeries in areas they control, said farmers and other residents of these areas.

"When the rebels take over an area, they make sure to secure the grain silos," said Mohamed Hassoun, 30 years old, whose father farms wheat in Hasaka province, in Syria's northeast. "Food is considered strategic."

The opposition won't find it easy to facilitate harvesting and distribution, said Jihad Yazigi, a Syrian-Lebanese economist and editor in chief of the Syria Report, an economic magazine.

The picture is pretty chaotic up there." he said. "The problem with all the crops is inputs: fuel, fertilizers, seeds-and then there is the major problem of transport and distribution.'

Wheat is planted throughout as much as 60% of Syria's cultivated land. But fighting has broken the supply chain, divided provinces, and split the city of Aleppo, Syria's milling center, said a Syrian researcher studying the impact of unrest on the wheat harvest.

Civilian leaders in rebel-held Ragga estimated they would need 20 billion Syrian pounds (over \$100 million) to buy the June-July wheat harvest from farmers in the area, said Hassan al-Mohammad, manager of the opposition-controlled local council wheat office in the town of Tal Abyad.

There has been enough rainfall in recent months for at least an average harvest—if fighting and fuel shortages don't get in

A Syrian farmer races to harvest wheat from a field near Idlib that was set ablaze by shelling this month.

the way, economists, residents and farmers said.

Syria has produced an average of 3.4 million metric tons a year of wheat over the past five years. according to the U.S. Department of Agriculture's Foreign Agricultural Service. The service forecast a crop of 4.2 million metric tons this year.

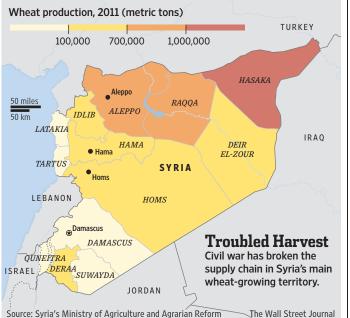
But that could be crimped by damage to irrigation systems and shortages of fertilizer, seed, repellent and fuel-not to mention the hazards of war-said Samir Seifan, a Dubai-based Syrian economist.

If farmers can overcome the perils and costs of cultivating in a conflict zone, they still need to transport their products over roads that have become battlegrounds and through checkpoints where thievery is rife.

"Even if they want to sell their crop to the state, they have to go to the capital of the province, and they know full well that if they go, they might never come back," said Mohamed, the son of a farmer from the Idlib area who now lives in Turkey.

Even international aid deliveries have been hindered or plundered, the United Nations World Food Program said in April.

The government faces challenges of its own. Its ability to purchase wheat has been damaged by a loss of oil revenue and sharp depreciation of the local currency, after the European



Union and U.S. imposed an oil embargo on the country.

Private-sector banks may be more reluctant this year to finance the government's wheat purchases after the regime was late with reimbursements last vear, and as the war has eroded banks' access to cash.

The Damascus government has raised the price it will pay for wheat by 25% from last year—higher than in most years, but below market value, meaning farmers and rebels may opt to

instead sell some of the crop in Turkey. Wheat smuggling to Turkey has become a source of revenue for some rebel factions who control border crossings.

Many farmers have turned to other trades. In Raqqa, Abdelwahed al-Hajj Abdullah said he gave up farming and started up a rudimentary oil-refining business. "Of course it's dangerous," he said, "but what is the alternative? Starvation?"

> –Leia Parker in London contributed to this article.

Brazil Reform Plan Meets Resistance

BY TOM MURPHY AND MATTHEW COWLEY

SÃO PAULO-Brazilian President Dilma Rousseff labored to drum up support Tuesday for the sweeping overhaul of the nation's political system she has proposed in response to public demonstrations against government waste and corruption.

The first-term president called Monday night for a national referendum on whether to alter the constitution to improve government accountability. This was part of a package of proposals to appease an increasingly angry public that has taken to the streets in crowds of as many as a million to protest corruption and deteriorating government services. She also called for earmarking oil revenue for education, hiring foreign doctors and other initiatives.

But Ms. Rousseff's proposal met with immediate resistance from some political leaders and legal experts.

The national chairman of the opposition Social Democrats, Sen. Aécio Neves, called the referendum an attempt to shift the public focus from "the administration's failed social and economic policies" to the new and difficult-to-digest topic of electoral reform

The president of the Brazilian bar association. Marcus Coelho. said the referendum was unnecessary and that an existing bill in Congress could be pushed forward to address political reform without a constitutional amendment.

The call for a referendum was seen by some political analysts as an attempt to use the protest movement to push Congress into action on reform.

"Congress hasn't understood what's happening on the streets," said David Fleischer, a politicalscience professor at the University of Brasília. "The president wanted to take a step forward," but she is taking a big risk that could backfire if Congress blocks the move, he said.

It appeared that Ms. Rousseff's call for action already has had some impact. Congressional leaders agreed to vote on a series of reform measures that have languished in the corridors of power for months.

Another test of the protests and the political process could come on Wednesday, with a march scheduled in the inland metropolis of Belo Horizonte to coincide with a soccer game pitting Brazil against Uruguay, part of the Confederations Cup—a dry run for the World Cup in 2014.

Italy Probes Soccer Clubs

By GILLES CASTONGUAY

MILAN-Italian financial police raided the offices of dozens of professional soccer clubs, including giants Juventus, A.C. Milan and Internazionale Milano, as part of a broad probe into tax evasion and other alleged crimes involving player transfers.

Tuesday's raids, ordered by the public prosecutor's office in Naples, come as the government, which is struggling to service $\in 2$ trillion (\$2.6 trillion) in debt during a brutal recession, seeks revenue to avoid raising alreadyhigh tax rates.

Tax evasion is considered a scourge in the Italian economy, with around €100 billion si-

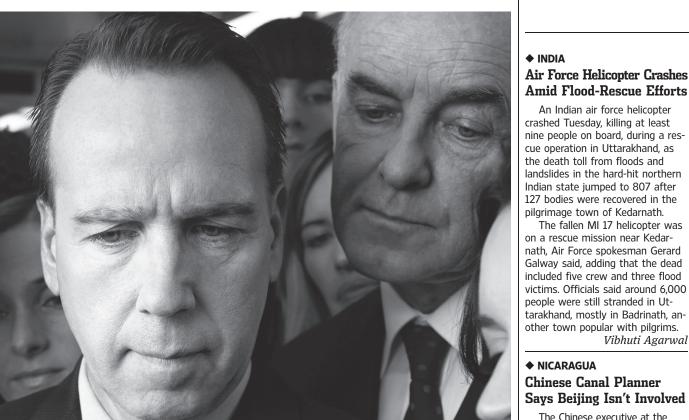
WORLD WATCH

phoned from public coffers each year, the government estimates.

In the raids, police seized documents including player contracts. They didn't arrest any suspects, although a number of agents were under investigation, the public prosecutor's office said. Police conducted the raids on the offices of 41 clubs, 18 of them from Italy's top division Serie A and 11 from Serie B, a spokesman for the financial police said.

Internazionale Milano's owner, Massimo Moratti, confirmed that the financial police had taken documents away from the club's offices. Juventus officials declined to comment. A.C. Milan officials couldn't be reached to comment.

tegic decisions" and would focus on "basic day-to-day governing." Lens Rouse



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Amid Flood-Rescue Efforts

An Indian air force helicopter crashed Tuesday, killing at least nine people on board, during a rescue operation in Uttarakhand, as the death toll from floods and landslides in the hard-hit northern Indian state jumped to 807 after 127 bodies were recovered in the pilgrimage town of Kedarnath.

The fallen MI 17 helicopter was on a rescue mission near Kedarnath, Air Force spokesman Gerard Galway said, adding that the dead included five crew and three flood victims. Officials said around 6,000 people were still stranded in Uttarakhand, mostly in Badrinath, another town popular with pilgrims. Vibhuti Agarwal

NICARAGUA Chinese Canal Planner Says Beijing Isn't Involved

The Chinese executive at the center of an ambitious \$40 billion plan to build a Nicaraguan canal to rival Panama's sought to quell skepticism surrounding the project, saying the Chinese government wasn't involved and that he would approach major banks about funding it.

Telecommunications executive Wang Jing also hinted at more details of the source of his own personal fortune, saying much of it stems from gold-mining holdings in Southeast Asia.

Mr. Wang is chairman and chief executive of HK Nicaragua Canal Development Investment Co., of which

Hona Kona company the right to build a canal connecting the Caribbean Sea with the Pacific Ocean in an effort to boost economic growth. Lilian Lin

he said he owns 100%. Nicaraguan

lawmakers this month gave the

♦ FRANCE

Nine Suspected Militants Held in Antiterror Probe

French police arrested nine suspected Islamist militants as part of its antiterror investigations, officials said, a month after an attack on a French soldier sparked renewed concerns over national security.

The police first arrested six men considered "dangerous," who were allegedly plotting attacks against high-profile officials. Police arrested three other people Tuesday morning in the Paris region related to another investigation on another group, also suspected of links to alleged terror plots. Inti Landauro

♦ CZECH REPUBLIC **President Names Adviser** To Lead Caretaker Cabinet

The Czech president named one of his economic advisers to lead a caretaker cabinet, following the collapse of the center-right government last week amid a bribery and abuse-of-power investigation.

The appointment sets the stage for early elections as soon as this autumn. The new prime ministerdesignate, Jiri Rusnok, said his government "won't make any stra-

IRAQ Bombs Kill at Least 23

A suicide bomber blew himself up among a group of demonstrators complaining about a lack of security in an ethnically disputed northern Iraqi city, authorities said.

Irag is weathering its deadliest outburst of violence since 2008, with more than 2,000 people killed since the start of April.

In Tuesday's deadliest attack, at least one suicide bomber detonated his explosives near Turkoman protesters who had set up tents in the city of Tuz Khormato, according to a spokesman for the Salahuddin provincial governor. Associated Press

♦ EUROPE **Farm-Subsidy Deal Nears**

European Union negotiators are pushing for a final agreement Wednesday on a long-awaited overhaul of the bloc's €59 billion-ayear (\$77 billion) farm-subsidy program that will cut funding to Europe's largest agricultural producers.

The proposed changes, which have been under debate for years in Brussels, come in response to criticism that subsidies under the current system mainly go to industrial-scale farms and wealthy landowners, not the small farmers who many say most need help.

Ashley Dalton



TAXING DEBATE: Legislators from Taiwan's ruling party and opposition try to seize the parliament's podium Tuesday amid scuffling during a debate on whether a capital-gains tax on share trading should be revised.