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EGYPT-US-
GULF STATES:

Results of Mubarak's Tour

President Mubarak's travels to several Arab states on the Persian Gulf, and to Western Europe and the US over the past month, appear to have strengthened his image at home as a statesman but did little to alleviate Egypt's pressing economic troubles.

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[REDACTED] Mubarak is being credited with energizing the US on the peace issue—the centerpiece of his diplomatic agenda. Mubarak is extremely pleased with the political support he received in the US, [REDACTED] and is convinced the US is prepared to take a larger role in the Middle East. Although he is less happy with the outcome on economic issues, he believes that the political progress made is enough for the time being and that economic problems can wait.

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Mubarak's standing as a regional leader also got a boost during his swing through the Gulf states.

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Comment: Although Mubarak's spirits probably have been buoyed by the reception he and his peace initiative were accorded, the political benefits of the trip are likely to be short lived. The Egyptians remain skeptical that Tel Aviv and Washington are interested in serious movement on the Arab-Israeli issue and point to the recent US veto in the UN Security Council as evidence. Moreover, continued economic deterioration at home is likely to erode Mubarak's political gains; complaints are already mounting that Mubarak returned with no economic concessions from the US.

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Approved for Release
Date

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