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25 July 1991

IRAQ-KUWAIT: SITUATION REPORT

UN economic sanctions are becoming an increasing burden to the Iraqi middle class, causing some to emigrate. On the Iran-Iraq border, the UN estimates that as many as 12,000 refugees have arrived after the recent fighting in northern Iraq. Kuwait will resume oil exports on a small scale this week.

Hardships in Iraq Spreading To the Middle Class

Economic hardships apparently are taking an increasing toll on middle-class Iraqis. Many professionals, whose salaries are set by the state, are switching jobs to earn more money to cover increased living expenses or attempting to emigrate,

[REDACTED]

According to Jordanian press, many Iraqis travelling to Jordan are settling into apartments or seeking visas to Western countries. Others stay for a short time to escape economic hardships and then return to Iraq.

[REDACTED]

COMMENT: The number of Iraqis currently in Jordan is unknown. Prices in Iraq are so high that it is cheaper for Iraqis to travel to Amman to buy essential consumer goods. Some Iraqis are also fleeing in anticipation of a US military attack against

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Iraq. Baghdad will probably continue to allow Iraqi citizens to visit Jordan to buy essential consumer goods, but may tighten travel restrictions to prevent a large share of its educated labor force from permanently leaving.

[REDACTED]

Kuwait to Resume Oil Exports

Kuwait this week will resume token amounts of crude oil exports for the first time in nearly a year, according to press. Gulf shipping services indicate two tankers capable of carrying about 3.5 million barrels of crude oil are scheduled to load at the Mina As-Ahmadi oil terminal within a few days. Despite this