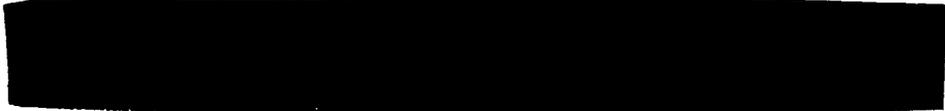


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CENTRAL INTELLIGENCE AGENCY

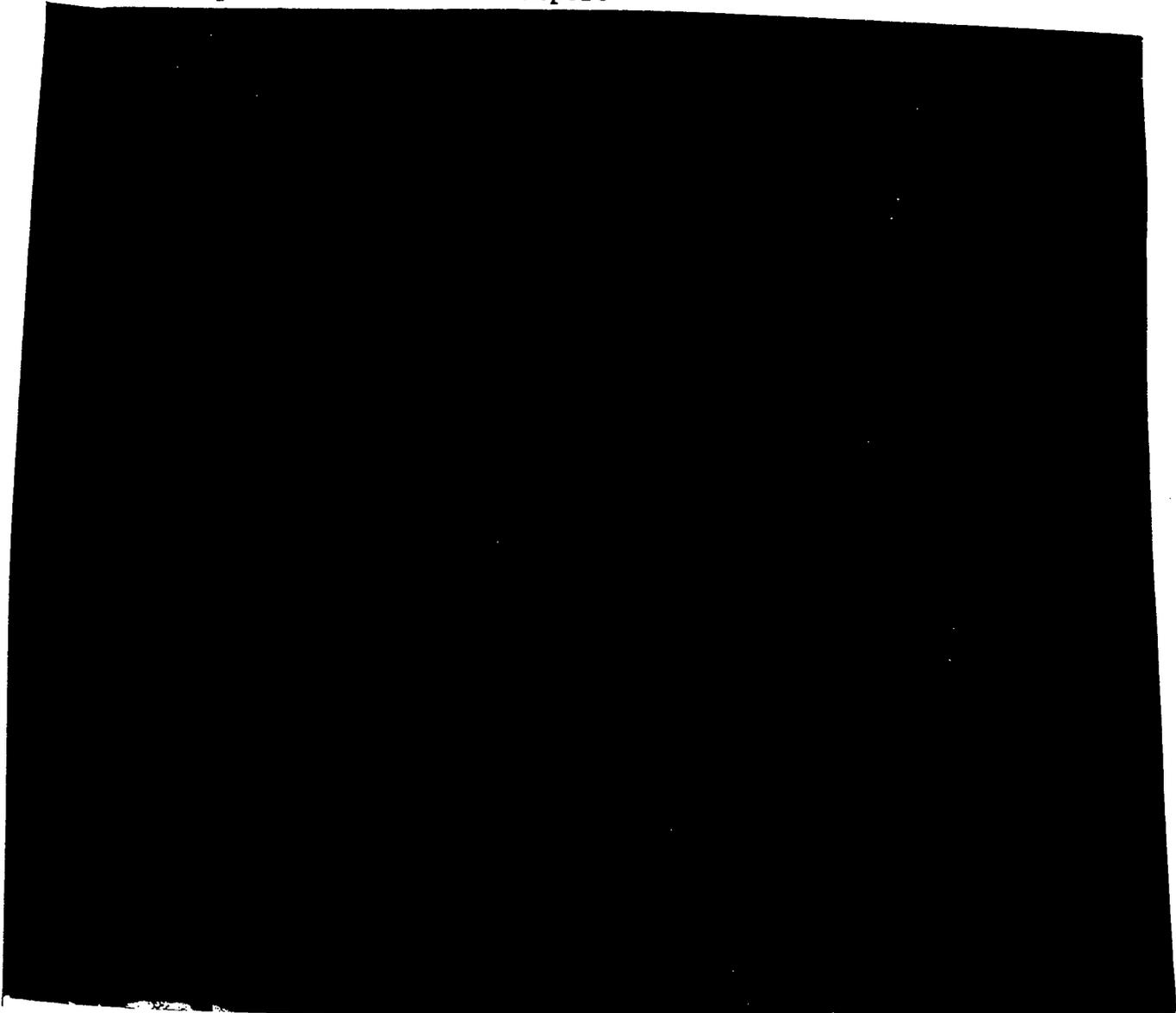
# **SPOT COMMENTARY**

DIRECTORATE OF INTELLIGENCE



16 August 1990  
1800 EDT

Iraq-Kuwait: Situation Report



~~TOP SECRET UMBRA NOFORN NOCONTRACT ORCON UNINTEL~~

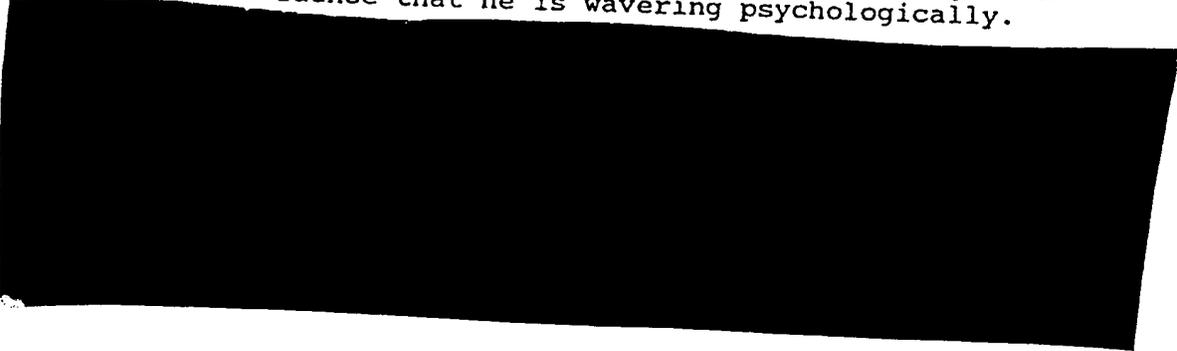


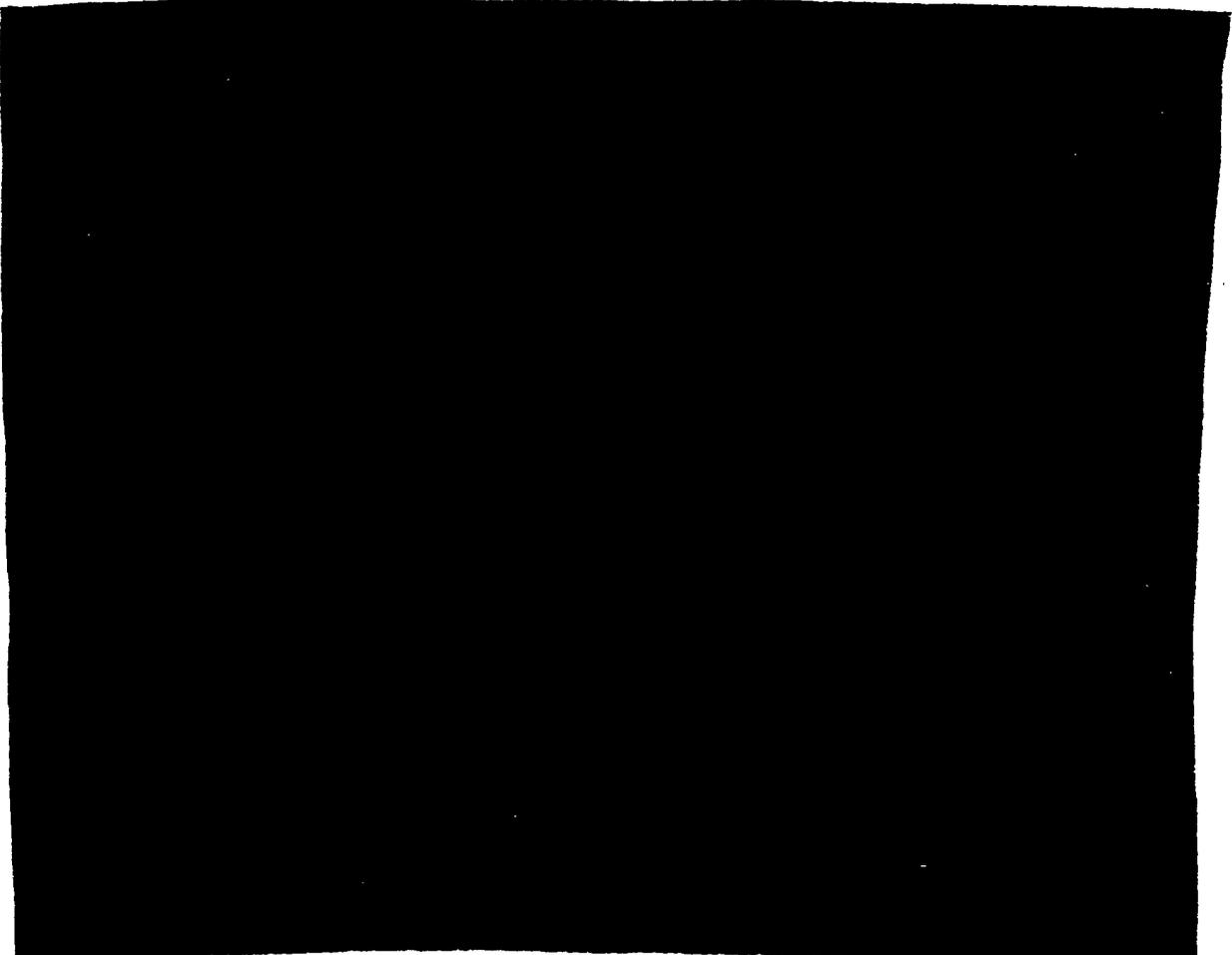
Saddam Husayn's Speech

In his speech at 1100 EDT today mixing conciliatory rhetoric with new threats, Iraq's President Saddam Husayn called President Bush a liar and accused him of trying to humiliate Arabs through the use of US military force. Saddam insisted, through an announcer, that Iraq has no intention of attacking Saudi Arabia but claimed that Baghdad has a duty to protect Mecca and Medina from foreign intervention. Saddam further promised that thousands of Americans would return to their country "in coffins" in the event of Iraq-US hostilities.



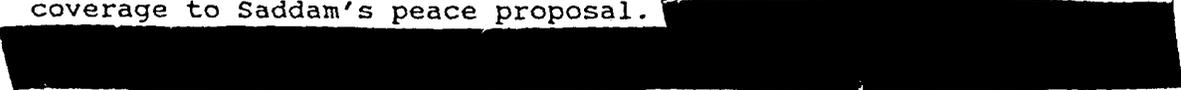
Saddam's harsh language toward President Bush is the strongest he has used to date. It probably reflects his continuing effort to enlist Arab faithful to join Iraq in the anti-American, pan-Arab jihad Baghdad has called for to justify its continued occupation of Kuwait. Saddam's strong reaction reflects the intense Arab cultural sensitivity to the term "liar." Couched in characteristically florid rhetoric, Saddam's message is defiant, self-justifying, and contains no evidence that he is wavering psychologically.

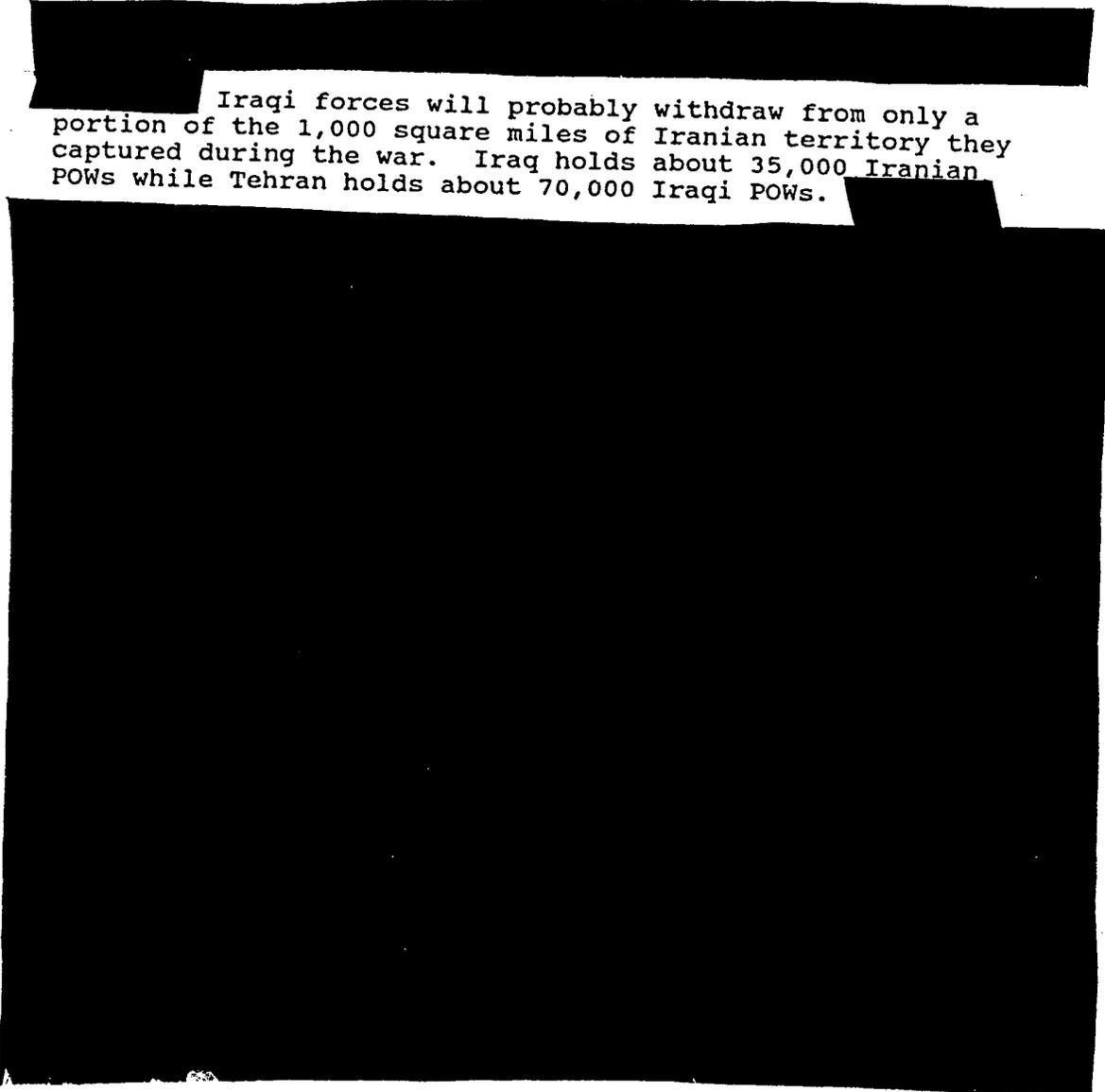




**Political Developments**

Iraq announced that it would withdraw forces from Iranian territory beginning tomorrow for a period "defined as five days," according to Iraqi press. The decision came out of a meeting of the armed forces general command chaired by Saddam. Iranian morning newspapers gave extensive, favorable coverage to Saddam's peace proposal.





Iraqi forces will probably withdraw from only a portion of the 1,000 square miles of Iranian territory they captured during the war. Iraq holds about 35,000 Iranian POWs while Tehran holds about 70,000 Iraqi POWs.