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Main Trends in the Arab World

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NATIONAL INTELLIGENCE ESTIMATE NUMBER 36-64

Main Trends in the Arab World

TABLE OF CONTENTS

	Pa	ge
THE PROBLEM		1
CONCLUSIONS		
DISCUSSION		3
I. POLITICAL AND ECONOMIC CHANGE		. 3
A. The Role of the Military		
B. Economic and Social Development		5
C. Area-Wide Political Forces		
D. Prospects for Political Change		8
E. The Quest for Unity		. 9
II. THE ARABS AND ISRAEL	•* •*	10
III. THE ARABS AND THE WORLD		13

MAIN TRENDS IN THE ARAB WORLD

THE PROBLEM

To estimate general trends in the Arab world over the next several years.

CONCLUSIONS

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- A. Political turmoil in the Arab world appears likely to continue for many years to come. The military have come to play an increasing role, but—except in Egypt—they have not proved to be a stabilizing factor. Iraq and Syria in particular are likely to remain highly unstable. The monarchies in Jordan, Saudi Arabia, and Libya will come under increasing revolutionary nationalist pressure, and one or more of them may be extinguished in the next several years. Nasser appears likely to remain the single most influential Arab leader. The noteworthy economic and social progress of the past ten years will continue, although, as in the past, it will be uneven and varied. (Paras. 3, 5, 8–10, 16–19)
- B. The emotional appeal of Arab unity will remain very strong, but in general the pan-Arab movement is likely to be confined to the kind of cooperation among independent countries that occurred at the Cairo summit meeting in January 1964. (*Paras. 20–22*)
- C. Arab attitudes toward Israel remain basically hostile, but a fair proportion of Arabs have gradually come privately and reluctantly to accept the fact that Israel will exist for many years to come. The Arab-Israeli arms race will cause tensions and could lead to limited or selective hostile action. Other danger points are the Jordan waters problem and the possibility of Israeli

¹ This estimate does not cover Sudan and the Maghreb.

military action in the event of a radical political change in Jordan. Nevertheless, the general inhibitions on open warfare would be strong, and a serious rise in tensions could probably be contained by great power pressures. (*Paras. 23–26, 29, 30*)

- D. Arab relations with the West remain heavily influenced by hatred of "imperialism" and by Western support of Israel. The possibility of a sudden deterioration of Western relations with the Arabs over Israel is always present. The Arab nationalists generally will press for termination of Western base rights in the area. While they will also press for a greater share of oil revenues and a greater degree of participation in production, nationalization appears unlikely. (*Paras. 31–33, 35*)
- E. The Soviets probably believe that the tide is running against the West in the Arab world and that they can capitalize on the unsettled political situation and upon various tensions between the Arabs and West. If US-Arab relations should deteriorate sharply, there would probably be a noticeable strengthening of Soviet influence. We do not believe, however, that this would result in one-sided reliance on the Soviets or a more accommodating attitude toward local Communist parties. (*Paras.* 36–38)

DISCUSSION

I. POLITICAL AND ECONOMIC CHANGE

- 1. The period of the mid-1960s finds the Arab world still striving to modernize itself. For almost all politically conscious Arabs, modernization means land reform, industrial development, popular education, and a general loosening of the rigid and traditional Arab society. It means elimination of privilege and a measure of social justice for the masses. It means independence from foreign influence, a sense of national or Pan-Arab dignity, Arab unity, and the elimination of monarchies. It is in transferring these desires for modernization into concrete and practical terms that Arab society has its greatest difficulty today.
- 2. These ideals characterize the broad outlook of the younger middle-class elements who in the period from the 1930s to the 1950s found themselves excluded from power and affluence by political, economic, and social vested interests that in most cases were allied with the West. The new reformists sought inspiration in socialist systems and in a variety of revolutionary doctrines which were hostile both to the existing power structure and to the Western imperial tradition. This antipathy to the West and to the old regimes was greatly heightened by Western support for the establishment of Israel. Revolution seemed the only avenue to change, and authoritarianism the only means of effecting speedy reform. In the absence of any strong constitutional tradition or allegiance to the rule of law, the arbiter of change was force.

A. The Role of the Military

- 3. This circumstance has made the military a key factor. They have seized power, calling themselves reformers, in Syria, Egypt, and Iraq, and also played a role in the Yemen revolution. Once in power, however, the military have shown more concern for the ideals than for the practice of democratic government. While they have demonstrated sensitivity to charges of dictatorship, they distrust civilian politicians, and the latter have lacked any effective means of maintaining or reestablishing influence. The military regimes have severely limited or completely suppressed conventional political activity, and the political battles tend to be fought out within the military establishment. Thus in Syria, a steady procession of army factions has struggled for dominance, and this has resulted in chronic instability. The same appears to be happening in Iraq despite a short interlude of Baathist civilian government.
- 4. By contrast, Nasser remains the most successful practioner of revolutionary modernization in the Arab world. His revolution has gathered momentum for a dozen years. The old elite has been replaced by a new

military one, foreign political and economic influence in internal affairs has been eliminated, progress in industrial development has been made, and socialism has been farther advanced than in any other Arab country. His regime's success is due to the basic competence of himself and his immediate group of supporters, to a more homogeneous and tractable population, and to the support of the armed forces. But this success has been at the expense of growing apathy within the business and professional classes, estrangement between the civilians and the military, and increasing foreign indebtedness. Moreover, Nasser has not yet succeeded in institutionalizing his revolution, and a number of its aspects may not survive him.

5. In most of the Arab states, military forces are the base of power and therefore important both as a prop for the regime and as a potential source of disaffection. In the monarchies,² disaffection is directed not only against the monarchy as an institution but against the political forces allied with it as well.

have taken steps to try to insure that they can control the armed forces that serve them. Both the Saudi Arabian and Libyan monarchs, for example, have built up paramilitary forces which rival the size of the regular military establishments. The kings, nevertheless, remain vulnerable, and if they are overthrown, their own armed forces are likely to deliver the *coup de grace*. This tendency to establish a paramilitary force has not been confined to the monarchies. The Baathist governments in Iraq and Syria established the National Guard as a private Baathist army since they did not trust the regular forces.

6. Virtually all the Arab countries are today characterized by authoritarian, highly centralized governments, ruling through two principal institutions, the armed forces and the bureaucracy. Most countries lack any effective mechanism for associating the people with the governments. Lebanon is the only country where the parliament plays a significant role, and this is because it is a body representing the various religious groups in a country where sectarianism is a predominant factor in political life. The parliaments in Jordan, Kuwait, and Libya serve primarily as a safety valve for political emotion and are free to act so long as they do not seriously challenge the wishes of the regime. Attempts to create political institutions to provide two-way communication between the leaders and the led in Egypt have been stifled by overstrong control, and the latest experiment along this line will probably

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²Of the nine eastern Arab countries, four are monarchies—Jordan, Saudi Arabia, Libya, and Kuwait; three are military republics—the UAR, Syria, and Iraq. Lebanon is a civilian-run republic, and Yemen is impossible to classify, part being under royal control and part under a republican government which is in turn dependent on a foreign power, the UAR.

suffer the same fate. In the Arab world generally, then, the central governments call the tune in matters great and small. Civilian elements are discontented but virtually powerless in view of their lack of cohesion and in the face of military support for the regime. Only those organizations able and willing to function clandestinely, such as the Baath and the Communists, continue active.

B. Economic and Social Development

- 7. Much of the political floundering and experimentation which have occurred derives from disagreement over the means by which to achieve economic and social change. Nearly all agree that progress is desirable, but few agree on how to achieve it. Speaking in very broad terms, the monarchies have favored cultivating private commercial, entrepreneurial interests, which they feel will have a stake in the monarchy, and thus become one of its main supports. The republics, in reaction to what they regard as the excesses of the old elite and to speed reform and modernization, have moved away from private capitalism. This is best exemplified by Nasser's "Arab socialism," but the Baath also holds socialist views, as do most of the reformist elements in the monarchies. Despite these differences, in virtually all the states the government exercises a dominant role; only it can give direction to planned development programs and supply the large amounts of capital needed.
- 8. The progress that has been made in the past decade or so has been impressive. Virtually all the Arab countries have put considerable effort into economic and social development, relying variously on oil revenues, foreign assistance, and such domestic resources as are available. In the area as a whole, education has been greatly extended and improved, illiteracy rates are dropping, and the number of children in primary and secondary schools has increased from about 2.6 million in 1951 to more than 6.1 million in 1961. Medical services are improving, and other social services, such as cooperatives, are beginning to take some effect. A good deal has been done in providing economic infrastructure, such as roads, irrigation works, and electric power. Economic betterment is reflected in the general rise in GNP.
- 9. Within this general framework, progress has been uneven and varied. Iraq's once-promising development program has faltered badly since Qasim overthrew the Nuri regime. A lack of appreciation for and understanding of technical and economic processes and, until recently, profligate spending by the royal family are among the reasons that so little economic development has taken place in Saudi Arabia. Kuwait, with a much larger per capita income and more astute rulers, has created a large measure of social and economic well-being at home and is now financing development in several other Arab states through loans and gifts. Egypt has made considerable progress, particularly in industrialization, infrastructure, and education. We believe that the area as

a whole will see continued economic and social change in the years ahead, though there will be some stagnant spots, particularly in those countries which experience political instability.

ESTIMATED PER CAPITA GROSS NATIONAL PRODUCT 1 (US Dollars)

COUNTRY	PRICE LEVEL		CONSTANT PRICES	
	Year	1953	1958	1963
Iraq	1956	\$130	\$170	
Jordan	1962		(1954) 145	\$195
Lebanon	1954	340	360	200
Libya ²	1961	40	155	420
Syria	1956	145	` 14 5	295 170
UAR ²	1959/60	100	110	125
Yemen	1960	NA	70	95 (1962)

¹These figures are estimates derived from such statistics as are available for these countries. No meaningful GNP figures for this period are available for Saudi Arabia and Kuwait.

C. Area-Wide Political Forces

10. Nasserism. Nasser remains the prime symbol of revolutionary success. He was, after all, the first Arab to successfully defy the great powers and to destroy the old elite. The peak of his political fortunes came in 1958, with the establishment of the Syro-Egyptian UAR. Nasser's difficulties in extending Cairo's system—which is inextricably linked with his personal control—to other countries has apparently discouraged him, at least for the time being, from further adventures into institutional unity. But he remains a revolutionary, with a powerful propaganda and subversive apparatus to use against governments and forces which he believes inimical to his interests. As the January 1964 Cairo summit conference shows, he remains by far the most important spokesman for Arab solidarity.

11. Nasser will continue to use his assets throughout the Arab world to promote political leaders and groups sympathetic to his policies and objectives. He would like to see the elimination of the monarchies and to re-establish his influence in Syria. He will feel compelled to help any embattled Arab nationalist, from Muscat to Morocco, who requests aid—a compulsion which keeps a third of his army tied down in Yemen. Having failed in a frontal attack on his Arab rivals and enemies, he will, at least for the time being, seek to increase his influence over them by exploiting the noncontroversial issues of Israel and imperialism. But at the same time he will not abandon his ultimate objective of bringing down his Arab rivals. Nevertheless, the failure of his Syrian venture

² Figures are for the years 1950, 1959, and 1962.

^{*}Fiscal years ending 30 June 1953 and 1958 figures converted at the 1963 rate (\$2.30=1£E).

and the political and military costs of the Yemen affair may have taught him some lessons, and he will therefore probably be more cautious than in the past about unification experiments where he is uncertain of his power to control the situation.

12. Baathism. Nasser's leadership and influence are being challenged by the Baath (Arab Resurrection) movement. The Baath is a unique political organization in the Arab world; it is an Arab unity movement based on an ideology rather than on personal leadership, and it has an apparatus functioning in nearly every Arab state. The Baath is socialist in character; it has been bitterly opposed to both imperialism and communism virtually since its inception in Syria during World War II. By 1957, the Baath Party was the strongest political force in Syria. Reacting to pressure from the West and fearful of a Communist seizure of power, it felt impelled to seek unity with Egypt. But Baathist influence in the union declined, and by mid-1959 the party found itself out of office and out of power. In the same year, Baathist elements in Baghdad bungled an attempt to assassinate Qasim, and the party was forced underground there.

13. The Baathists reorganized in secret and, early in 1963, seized power first in Iraq and then in Syria. Almost immediately the new regimes began to discuss with Nasser the establishment of a federal state, and agreement to do so was announced in April. It soon became apparent that the Baath could not accept Nasser's desire for a tight federation and personal rule. Thus the unity move collapsed amid mutual recriminations, and both sides are likely to continue to be embroiled in a feud for a long while to come.

14. Once in office, the Baathists were weakened by internal party frictions and by their antagonizing of potential supporters. In Iraq, a breakdown of party discipline gave non-Baathist elements in the army an opportunity to reassert their power and do away with Baathist control of the government. In the process, a number of Baathist officers turned out to be more devoted to their service than to the party. In Syria, Baathists within the military have asserted predominance over civilian Baathists, and even the Baathist military appear to be more concerned with their own supremacy than with the advancement of party objectives. In short, Syria is coming yet again to look more like a military dictatorship than a revolutionary regime. Nonetheless, the party remains a force in the Arab world, with a demonstrated ability to survive severe shocks. For some time to come, moreover, it will probably retain appeal as a Pan-Arab movement independent of Nasser or any other personal leader, and as a rallying point for anti-Nasser elements. Whatever may be its fate in the republics, its strength in Libya and Jordan appears such that it could emerge as a major factor in any struggle for power following the demise of either king.

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15. Communism. A Communist apparatus of some sort exists in virtually every Arab state, and the movement has been well organized in the past in Syria, Lebanon, Jordan, and Iraq. Just after World War II, communism threatened to emerge as the most effective antagonist of the status quo. More recently, the rise of nationalist movements has provided an alternative far more appealing to the intensely chauvinistic Arabs. In any event, the tight control exercised by almost all the governments over labor unions, the press, and other areas of conventional Communist activity makes it very difficult for the Communists to operate as anything more than a clandestine and oppressed party. Nevertheless, in the turmoil which might follow the overthrow of a regime, there is a possibility for significant growth of Communist strength or influence, particularly if the emerging leader felt the need to cultivate the Communists to strengthen his position against internal or external threats, as Qasim did in Iraq.

D. Prospects for Political Change

16. Revolutionary nationalist pressures on the monarchies of Saudi Arabia, Jordan, and Libya will remain strong. All three will continue to rely primarily on the support of tribal and propertied elements to counter growing pressure from socialist and republican elements that regard the institution itself as outmoded and a vehicle of Western influence. They might reduce their vulnerability to some extent by acting like neutralists. But their survival probably depends more importantly on their ability to maintain a balance between firmness and concessions at home. Advances toward liberalism and reform often not only antagonize the elements supporting the monarchs, but stimulate the very forces that the rulers seek to dampen, and thus necessitate a return to repression, which in turn feeds the impulse to revolution. Although the monarchies do not appear to be in immediate danger, the death of the ruler or any other shock to the equilibrium could unleash political forces that these regimes would find it difficult to control. In some cases, feuds within the ruling family could provide an entering wedge for nationalist forces.

17. Libya will be particularly vulnerable on the death of the aging King Idris. There is already a substantial pro-Republican element among the politically conscious. The monarchy is not a deeply-rooted institution in Libya, and Idris' designated successor commands little respect or support in the country. Special circumstances make the Jordanian and Saudi monarchies somewhat less vulnerable. In Jordan, many potential opposition leaders recognize that an upset in Jordan could trigger Israeli military action. In Saudi Arabia, the large size of the Saud family and the dispersion of power among several centers impedes the chances of a successful coup, and opposition leadership is not impressive. Nonetheless, one or more of the monarchies might be extinguished in the next several years.

- 18. Nasser seems likely to remain in power in Egypt. In the other republics, changes in leadership are likely, though the military will almost certainly continue to exercise a predominant influence in political affairs. They will, however, be hard put to cope with problems of government. Iraq is beset with a number of problems which will put great pressure on the existing government. Iraqi opinion is divided over a number of factors—Moslem sectarianism, the form and character of Arab unity, centralization of government, and the role of minorities. In particular, Kurdish desires for local autonomy could occasion a new round of fighting. President Arif himself is not popular nor, indeed, does he appear very competent at the art of governing. These and other difficulties are likely to culminate in moves against the present regime.
- 19. In Syria, there is no sign of an abatement of the interminable intrigues which have occasioned at least 10 successful coups in the past 15 years. Both the army and the civilian politicians are deeply divided by differences concerning religion, ideology, and Arab unity; personal antipathies and sheer opportunism also play a major role in perpetuating political instability. Plotting is incessant, and the chances of an overthrow of the existing regime are high. In both Iraq and Syria, the likelihood is that successive coups will produce a shifting, unstable, and increasingly violent political atmosphere for a good while to come.

E. The Quest for Unity

- 20. Despite all these diversities and instabilities, the concept of Arab unity retains a very powerful appeal. The intelligentsia believe that the Arabs are one people—the Ummah Arabiyah—and that by right they should be politically united. Arab political thought on this issue has been largely in terms of what should be, with little attention to devising practical ways and means of bringing it about. Arab spokesmen have traditionally blamed their lack of unity on the political divisions imposed on the Arab areas by the Western powers. There is some truth to this, but local and dynastic interests have created strong frictions within the Arab world and will continue to impede moves toward unity. Moreover, the Arabs have had little experience with the kind of political give-andtake which is necessary to govern a nation with varied and divergent interests. Such steps toward unity as have been taken, e.g., the Syro-Egyptian UAR and the short-lived Iraqi-Jordanian Union, were made almost as a last resort against what the advocates of union considered to be serious threats to their own position.
- 21. Virtually all nationalist and republican elements look to a unified Arab state as an ideal, but they are beginning to recognize the formidable obstacles to achieving it. The most that now appears to be realizable is a grouping of nationalist governments in the individual states, more capable of showing solidarity on specific issues, such as opposition to Israel, than of taking steps toward full union. There is some possibility

that two states might, whether because of favorable circumstances (such as occurred when the Baath ruled in Syria and Iraq) or of external pressure, find it expedient to unite. Once the circumstances which impelled unity had changed, however, fissiparous tendencies would soon reappear. We see no signs of the development of any system which could successfully combine the virtues of a common, federal government with the imperatives of local power and interest. A modest solidarity, such as was manifested at the Cairo summit meeting, probably represents the outer limits of cooperative action under presently foreseeable circumstances.

22. There are a number of areas where such cooperation might occur. The inter-Arab military command set up at the Cairo summit meeting is being organized, and several states have made financial contributions to pay for strengthening the armies of Israel's neighbors. There are some possibilities for cooperation on economic matters, such as broader use of oil revenues. The Arab League has shown some potential for getting states to cooperate. However, traditional animosities among the several states are likely to set definite limits and on occasion reverse these or other efforts at common action.

II. THE ARABS AND ISRAEL

23. Arab solidarity is strongest on the question of animosity towards Israel. Even here, attitudes have shifted slowly and imperceptibly since the middle fifties, when many Arabs saw visions of themselves—for the first time adequately supplied with arms from the USSR—erasing the humiliation suffered at the hands of Israel in 1948. Awareness has slowly spread that, even with a large arms inventory, the Arabs are a long time away from being able to impose their will on Israel. This awareness, combined with the passage of time, has gradually brought a fair proportion of Arabs to accept the fact that Israel will continue to exist for many years to come. Nevertheless, this acceptance remains basically a private and reluctant one, and Arab political leaders customarily adopt verbal positions considerably stronger than what they know the facts or the possibilities of the situation to be. Their basic hostility remains, and they almost certainly hope that circumstances will some day change in a manner which will permit them to destroy the Israeli state.

24. While we believe that neither the Arabs nor the Israelis are disposed deliberately to initiate hostilities, there are a number of problems which could lead to a serious rise of Arab-Israeli tensions. Among these are the diversions of Jordan River waters, the disposition of over a million Palestinian refugees, the arms race between the UAR and Israel, and the possibility of a radical change in the character of the Jordanian regime.

25. Jordan Waters. The most striking example of the change in Arab attitudes toward Israel was the stand taken at the recent Arab Summit conference. Arab leaders responded eargerly to Nasser's call for such a meeting, partly to show solidarity and partly to divide the responsibility if they were unable to devise a way of halting Israeli diversion of the waters of the Jordan River. With the exception of Premier Hafiz of Syria, they faced up to the fact that there was little they could do to prevent Israeli diversion. They agreed that Arab action would be postponed until a joint military command had been established and the Arab armies had been built up. Only when this had been done and the Arab hand strengthened, would plans to divert water from the Jordan sources which lie in the Arab lands be carried out.

26. Serious difficulties could arise if the Arabs try to take more than their "fair share" of the waters of the Jordan basin. The Arabs have a good claim to roughly the proportion of the waters allotted them under the Johnston Plan and have intimated that they will probably stay within the Johnston allocations. The Israelis have made it clear that they would regard Arab diversion of more than this as grounds for war. We believe they would carry out such threats, and that the Arabs, believing it too, are unlikely to test the Israelis. This is not to say that the disposition of the waters will cause no disturbances. Both the Israelis and the Arabs are likely to claim that the other side is drawing excessive amounts of water. Diplomatic duels and verbal battles over the issue, as well as incidents along the Syrian border, are likely to flare up periodically.

27. The Refugee Question.³ Arab attitudes—at least public attitudes—on the issue of the Arab refugees are as intransigent as ever. The Arabs continue to insist that the refugees be given the option of returning to their former homes. Israel, for its part, remains equally adamant that any refugee resettlement plan must explicitly provide that only a small minority of the refugees may return to Israel. We see no early change in Arab or Israeli attitudes on this issue, since every scheme thus far devised would appear to be a major, public defeat for one side or the other.

28. If there is little prospect for a formal settlement of the refugee issue, however, there is some reason to hope that the problem may be at least partially solved by developments within the Arab states themselves, particularly as the older generation of leaders dies off and people with-

^aThere are about 1,210,000 refugees registered with the UN authorities. As of June 1963 they were located approximately as follows: Jordan—654,000; UAR (Gaza Strip)—279,000; Syria—127,000; Lebanon—150,000. About two-thirds of these receive food rations from the UN. There are substantially fewer refugees than the figures indicate, as deaths are often not reported to the authorities. However, there has been a large net gain, due to natural increase, over the approximately 700,000 who left that portion of Palestine which is now Israel.

out personal experience of Palestine grow to maturity. A fair proportion of the refugees in Syria, Lebanon, and Jordan have in effect already been largely absorbed into the local economies. On the other hand, those under UAR control—nearly all of whom are in the overcrowded Gaza Strip—have little prospect of finding a respectable existence in the Arab world in the foreseeable future. All things considered, we see little likelihood that the refugee problem will make Arab-Israeli differences worse, but it will remain a major barrier to settlement.

29. The Arms Race.⁴ Israel and Egypt have engaged in an arms race since 1955, when Soviet arms were first made available to Egypt. The Israelis, while scornful of past Arab military performances, believe they would be vulnerable to attack by advanced weapons or by substantially strengthened conventional forces. They therefore seek an improved military posture to deter such attacks. Israel's Arab neighbors in turn are fearful of any improvement in Israeli capabilities. Both countries are now developing surface-to-surface missiles.

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holdings of conventional arms grow and advanced weapons development programs progress, tensions are likely to rise. Both sides will become increasingly uneasy, and each might be tempted to initiate hostile action on a limited or selective scale to destroy the facilities or armaments of the other. Nevertheless, the general inhibitions upon open warfare would be very strong, and the chances are good that a serious rise in tensions could be contained through diplomatic and political pressures from outside the area.

30. Major Political Change in Jordan. The Israelis and the Jordanians have achieved a fairly stable modus vivendi along the border. Nevertheless, the Israelis have long been concerned over the danger that a different regime in Jordan could pose for them. They have indicated that if Hussein were overthrown, and particularly if the successor regime were pro-Nasser, they might feel compelled to seize the area between their present borders and the Jordan River. The likelihood of such action would, of course, depend greatly upon circumstances existing at the time and upon the attitude of the great powers, particularly the US. If the Israelis should in fact move against the West Bank, Nasser would feel obliged to make some military demonstration, but he would urge international action and look to the great powers to force Israel to retreat.

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III. THE ARABS AND THE WORLD

- 31. The West. The Arabs are attracted by the image of the Western countries as modern nations, capable of playing an important role in international affairs and of providing a decent life for their people. The latter outlook influences Arab society in matters of education and economic development, but memories of colonial control tend to dominate much Arab thinking about international issues. In particular, all Arab nationalists are hostile to Western military bases in the area and to the special position which the West enjoys in most of the oil-producing areas. They continue to regard these as relics of the "imperial" era which must be eliminated. They view the US as the principal supporter of Israel.
- 32. Within this general context, there is a difference between the monarchies and the military republics on attitudes toward the West. The republics generally espouse a nonaligned posture, eschewing complete reliance on either bloc and willing to play one off against the other. This nonalignment does not reduce their opposition to special Western positions in and around the Arab world or deter them from active campaigns against these positions. The monarchies, on the other hand, are aware of their greater dependence on Western support; Jordan lives on US budgetary assistance, and the other monarchies get substantial revenues from Western operated oil concessions. They are less hostile to the Western positions because they look to the West for support against the republican reformists. Public opinion in the Arab world generally supports the revolutionary republican rather than the monarchist attitude toward these Western interests. Therefore, the monarchies probably will be forced to continue to placate nationalist sentiment by going along with it to a certain extent on "anti-imperialist" issues, as for example Libya has in respect of the Wheelus Base agreement.
- 33. The possibility of a sudden deterioration of relations between the Arabs and West, particularly the US and particularly over Israel, is always present. The Arabs are so sensitive regarding US-Israeli relations that even quite innocuous US statements and actions are taken as proof of their fears for the worst. Indeed, Western relations with the Arabs now appear to be headed into an extremely difficult period over the Israeli question. Nasser is making a special effort to regain influence among the Arab states by leading a campaign against the Western position in the area, which he represents as supporting Israel. Thus, he has begun again to encourage hostility to US and UK base rights in Libya, Cyprus, and Aden. He apparently hopes over the longer term to eliminate these Western bases and weaken the Western hold on the oil concessions sufficiently to oblige the West to give up its support of Israel.
- 34. The British position in Aden is likely to come under increasing pressure from the Arab nationalists. They see Aden, not only as the base from which the British support the royalists in Yemen, but also

as the key to the British position in the Persian Gulf and in Muscat and Oman. This position, in Arab eyes, is still a bastion of old-style colonialism which must be eliminated. The British are determined to retain their political and military position, which they regard—at least for the present—as essential to insure their access to a reliable supply of oil at an acceptable price and to substantial foreign exchange earnings to buttress their balance-of-payments position. Nevertheless, their position is likely to come increasingly under challenge, particularly in Aden, where a large and articulate group, supported by Nasser, is agitating for a greater political role and eventual British withdrawal.

35. Despite these various threats to the Western position, Western oil concessions are a strong factor linking the Arabs with the West. Steadily increasing production may by 1970 boost area revenues as much as 50 percent for the area as a whole, and the Arabs recognize increasingly that this revenue is to a large degree dependent upon the marketing and distribution system controlled by the Western concessionaries. Nevertheless, many Arabs are seeking not only a larger share of revenues but also a greater degree of participation in production and distribution. They are pressing both issues in the Organization of Petroleum Exporting Countries (OPEC) discussions with the companies. If the companies accede to some of the pressures, for example, by reliquishing concession areas and granting a larger share of the profits, this pressure can probably be contained. The chance of some leader nationalizing a company cannot be ruled out, but such an action appears unlikely.

36. The Communists. In their efforts to acquire influence in the Arab World, the Soviets have generally relied on government-to-government dealings rather than on local Communist movements. They apparently considered that the Arab Communist parties had some capability for harassing conservative and pro-Western regimes, but that they had little chance to gain commanding positions. We believe that government-to-government ties will continue to be the pattern for Soviet-Arab relations, although there will be fluctuations in cordiality from time to time.

37. The Arabs are aware of the dangers of too close a relationship with the Communist powers. But they will almost certainly continue to see many benefits to be obtained from dealing with them—modern arms, economic aid, and ability to use their presence and support both to obtain greater benefits from the West and to pursue the drive against Western "imperialism." Soviet influence would be strengthened by any increased US support of Israel. Indeed, if US-Arab relations deteriorate markedly there probably will be a noticeable swing of the pendulum toward the Soviets, though we doubt that such a movement would result in one-sided Arab reliance on the Soviets, unless the Arabs come to believe the US had irrevocably chosen to support Israel against them. In particular, we doubt that Arab leaders would be more accommodating to

local Communist parties, for these leaders have learned through experience that, as long as they maintain an "anti-imperialist" stance, they can keep local Communists under close control without cutting themselves off from Soviet support.

38. The prime objective of both the USSR and Communist China is to eliminate the important Western positions in the Middle East. Despite the setbacks and obstacles which they have encountered, the Soviets probably still believe that their position may improve over the longer term. They believe that there are vulnerabilities in the area which they can exploit and in time convert into tangible assets. In particular, they probably see opportunities arising from the unsettled political situations in Syria and Iraq, continuing Kurdish unrest, the quarrels between nationalist leaders, and the various and recurrent tensions between the Arabs and the West. They feel that the tide of opinion in the Arab world is running against the special US and UK positions in the area and that once these are eliminated it will be time enough to deal with the conflict between Arab nationalism and the local Communist movement.

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