

THE GULF AND THE PENINSULA:
AMERICAN INTERESTS AND POLICIES IN THE 'EIGHTIES

The 34th Annual Conference
of
The Middle East Institute

Washington, D.C.
September 26-27, 1980

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THE GULF AND THE PENINSULA:
AMERICAN INTERESTS AND POLICIES IN THE 'EIGHTIES

A Summary Record

September 26-27, 1980

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The Middle East Institute
1761 N Street, N.W.
Washington, D.C. 20036

Price: \$3.00

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34th Annual Conference of the Middle East Institute

The Capital Hilton
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PROGRAM

Friday, September 26

8:30 to 9:45 a.m.

Registration

9:45 a.m.

Opening Remarks

*L. Dean Brown
President, Middle East Institute*

10:00 a.m.

Keynote Address

*Theodore L. Eliot, Jr.
Dean, Fletcher School of Law and
Diplomacy, Tufts University*

11:00 a.m.

Panel 1

SOVIET AIMS AND STRATEGIES

*Presiding: Robert G. Neumann, Vice
Chairman & Chief Operating Officer,
Center for Strategic and International
Studies, Georgetown University*

*Geoffrey T. H. Kemp, Associate Professor
of International Politics, The Fletcher
School of Law and Diplomacy*

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*Dimitri K. Simes, Executive Director,
Soviet and East European Research Pro-
gram, The Johns Hopkins University
School of Advanced International
Studies*

*Simon Winchester, Chief American
Correspondent, The London Daily Mail*

12:45 p.m.

Adjournment for Lunch

2:00 p.m.

Panel II

AMERICAN-SAUDI RELATIONSHIP

*Presiding: Nicholas G. Thacher, recently
retired Vice President, Wells Fargo Bank
and former U.S. Ambassador to Saudi
Arabia*

*James M. Landers, free lance writer,
former Senior Editor of Saudi Business
& Arab Economic Report*

*Ragaei El Mallakh, Professor of Economics,
University of Colorado at Boulder*

*John A. Shaw, Senior Fellow and Director,
Saudi Arabian Development Project,
Center for Strategic and International
Studies, Georgetown University*

3:45 to 5:30 p.m.

Concurrent Panels

Panel III

IRAQ - NEW POWER AND NEW POLICY ORIENTA-
TION IN THE GULF

*Presiding: Majid Khadduri, University
Distinguished Research Professor,
The Johns Hopkins University School of
Advanced International Studies*

*Louay Bahry, Adjunct Associate Professor,
Department of Political Science, Univer-
sity of Tennessee at Knoxville, and
Lecturer, Department of History, King
Abdul-Aziz University, Jidda, Saudi
Arabia*

*Basil Al-Bustany, Advisor to the Executive
Director, International Bank for Recon-
struction and Development*

*Claudia Wright, Washington Correspondent,
New Statesman*

Panel IV

IRAN - WHAT FOLLOWS CONFRONTATION?

*Presiding: Rouhollah K. Ramazani, Chair-
man, Woodrow Wilson Department of Gov-
ernment and Foreign Affairs, University
of Virginia*

*Farhad Kazemi, Associate Professor of
Politics, New York University*

*Robert J. Pranger, Director of Inter-
national Programs, American Enterprise
Institute*

*Marvin Zonis, Associate Professor of Be-
havioral Studies, University of Chicago*

7:00 p.m.

Cocktails and Banquet

*Banquet Address: Lucius D. Battle,
Chairman, The Johns Hopkins Foreign
Policy Institute, School of Advanced
International Studies*

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Saturday, September 27

10:00 a.m.

Panel V

THE VIEW FROM WITHIN: ATTITUDES AND PERCEPTIONS OF THE COUNTRIES OF THE GULF AND PENINSULA

Presiding: *Emile A. Nakhleh, Professor of Political Science, Mount Saint Mary's College*

Mazher Hameed, Research Fellow, Center for Strategic and International Studies, Georgetown University

Andrew I. Killgore, recently retired U.S. Ambassador to Qatar

John E. Peterson, Acting Assistant Professor of Government, College of William and Mary

11:45 a.m.

Break

12:00 noon

Summation

M. Graeme Bannerman, Professional Staff Member, Senate Foreign Relations Committee, Subcommittee on the Near East and South Asia

12:45 p.m.

Adjournment of the Conference

L. Dean Brown

3:00 to 5:00 p.m.

Open House at the Middle East Institute

KEYNOTE ADDRESS

Theodore L. Eliot, Jr.

President Brown, ladies and gentlemen, one of the things I have tried to do in life is to emulate Dean Brown and I finally got to be called Dean Eliot. I'm certainly very pleased and honored to be able to be here this morning and to attempt to keynote your Conference. Although I've been a faithful member of the Middle East Institute for many years, I've missed most of your conferences. In fact, the last one I was at was in 1969, when I was the chairman of it, and I think the audience at that time was about one-half what it is today. So, I'm very impressed and also very pleased to see the obvious growth in interest in the Institute and in the work of the Institute and I believe this is of course reflected throughout the United States, including the academic world.

A keynote speech (I read in Webster's dictionary, because this is the first time I've ever given a keynote speech, and I thought I'd better look up what I was supposed to do) according to Webster is an address designed to present the issues of primary interest to an assembly and often to arouse unity and enthusiasm. Now I know unity is a very easy thing to achieve in the Middle East, so I thought I'd let you work on that during the rest of the Conference. As far as enthusiasm is concerned I don't think you'd be here if you weren't enthusiastic. So that leaves me to present the issues of primary interest.

Now I recall a time in the late 1960s when I was country director for Iran in the State Department, a new Deputy Secretary of State came into office, and he toured around the Department trying to find out what was going on and to meet the people, and he came down to the Bureau of Near Eastern/South Asian Affairs and the then Assistant Secretary called all the country directors in to meet him. And the new Deputy Secretary started off the meeting by turning to the Assistant Secretary and saying, "I really think we should be looking ahead. We in the State Department have got to be planning for the future and thinking about the future, and I'd certainly like your views and the views of all of you here in this room as to what the main problems are going to be in the Near East and South Asia,

five, ten, twenty years from now." Well, the Assistant Secretary - and he's here today, so he can deny he ever said this - said to the Deputy Secretary, "You know, in this region, I think the issues five, ten, twenty years from now will be roughly what they were five, ten, twenty years ago." The Assistant Secretary was Ray Hare, for whom I had the great privilege of working at that time in the Department. Nevertheless, although I could stop my keynote speech right here with that remark because I think it is as true today as it was ten or fifteen years ago, I will plunge ahead and try to outline some of the themes and trends and constants in the area. I am not going to spend a great deal of time talking about the current problem between Iran and Iraq. I think it is a rare occasion when this Annual Conference takes place when there isn't something dramatic going on out there and I think that's something that I'll leave to all of you to discuss in depth later on.

The first constant I'd like to mention is the Russian imperialism in the Middle East. Beginning in the eighteenth, extending into the nineteenth century, Tsarist Russia expanded into the Trans-Caucasus and then into Central Asia. They suffered a setback at the time of the Bolshevik Revolution in 1917 because the Bolsheviks had to fight a civil war and recapture much of what the Tsars had captured earlier on in those areas, and it wasn't until the mid-1920s that the Russians established themselves fully again in Central Asia, for example. Many of the people of northern Afghanistan fled the Soviets in the early 1920s and many of the Uzbeks and Tajiks and Turkomen who live in northern Afghanistan are particularly anti-communist and anti-Soviet.

Again, World War II interrupted the Russian imperialist drive and it wasn't until the end of World War II that the world was faced again with Russian imperialism in this area when the Russians tried to bite off Azerbaijan and were rebuffed. We have had in the last couple of years a resurgence of Russian imperialist activity. Afghanistan is an obvious case. Also their attempts to install and control regimes in South Yemen and Ethiopia fall into the same category. I think Russian imperialism in this area has been characterized by patience and opportunism. They have very patiently built up their assets. Afghanistan, again, is a good case in point where they built up their assets in the Afghan military, beginning in the middle 1950s. They built these up very patiently and waited for opportunities to use their assets to win control. Where will the Russians have these opportunities again? Where are they going to create opportunities for themselves? It is hard to predict, but certainly the instability in Iran and the difficulty for the central authorities in Iran to control the minorities are going to increase as a

result of what is going on now. These may very well give the Soviets opportunities in places like Kurdistan and Azerbaijan. Baluchistan is another, I think, clear opportunity for them, if and when they solidify their control of Afghanistan. And of course, out of South Yemen, I don't think we've heard the end of Soviet aspirations in the Dhofar region. I think this is going to be a constant in the area, a drive by the Soviets to increase their influence and their control with the eventual aim of having enough authority and power in the area to be able, if they wish, to cause the Western world severe damage with oil supplies.

A second constant in the area, and one of which we've certainly been reminded this week, is regional conflict. The Arab-Israeli conflict, of course, has been the one that has occupied most of our attention. I want you to know, Dean, that when I first worked on the notes for these remarks a couple of weeks ago, right under Arab-Israel, I have written down here, "Iran - Arab." This has been a constant, of course, since the first Arab invasion of Iran back in the seventh century and the conflict between Iran and Iraq, as you all know better than I, is one of the most longstanding in the area in terms of Iranian-Arab conflict. The conflict between Afghanistan and Pakistan, like many of these other conflicts, is a legacy of British imperialism in the area. It is also a constant which is certainly not ending with the Soviet invasion and occupation of Afghanistan. Likewise, and in the same category as a residue of the British empire, is the Kashmir dispute. There is the Greek-Turkish dispute over Cyprus. And of course, last, but hardly least, the many disputes between the Arab countries themselves. As I said earlier, unity is clearly not something that has ever existed in this part of the world, and not something that is going to exist anytime soon.

Another constant in the area is religious and ethnic tension. There is not a country in the Middle East that doesn't suffer from some kind of religious or ethnic conflict. Whether between Islamic sects, or between tribal groupings, or between ethnic groups, this is a constant in the area which has given rise, and will continue to give rise, to instability.

Then I would mention economic problems. They too are very deep seated. They, too, are not going to be solved soon, and certainly one of the tragedies of the war between Iran and Iraq is going to be the compounding of some of the already existing problems in both countries, and particularly in Iran.

The steady increase in population in many of these countries,

notably Egypt, Iraq and Iran, has created economic and, of course, social and political problems. The migration from rural areas to the cities, the continuing existence of pockets of poverty in all of these countries, many of the pockets being composed of people who are already minority groups, add to these difficulties. The fact that many of the economic development programs in these countries have not really been aimed at solving the problem of poverty must be noticed. Industrial development has so often been capital rather than labor intensive and many of the projects that have been put into place have not only not benefitted the rural poor in these countries, but have caused the rural poor to stream into the cities, like Cairo and Tehran, and create new economic, social and political problems in those cities.

Another constant, and another cause of tension and instability, has been the fact, and will continue to be the fact, that most of these governments are authoritarian. I was brought up in the school of believers that authoritarian government is by definition unstable. A situation in which people do not have an outlet for the free expression of their views, or for the redress of their grievances, gives rise to the kind of frustration that creates tension and eventually instability and often revolution. And we certainly have plenty of examples of that in recent history in the area, and there're going to be plenty more for the foreseeable future.

I would also mention the pressures of modernization about which a great deal has been written and said in recent days and months, particularly since the Iranian Revolution. Traditions - religious, cultural and others - are being challenged in virtually every one of these countries. Modernization is often equated with Westernization. The backlash of modernization is felt not only by the elites in these countries that have embraced modernization and Westernization, but the backlash also falls upon the United States, in particular, and also in many cases on other Western countries. And this problem has been compounded by the realization on the part of many of the peoples of these countries that the modernization, Westernization, process has actually caused the people who have promoted modernization and Westernization to get rich - much richer than the average man in the street. These rich people have more often than not failed to reinvest their wealth in their own country but have sent their riches outside the country. The rich have been getting richer, and the poorer have been noticing that the rich are not really paying attention to the home front and, of course, are also enriching themselves through corruption. So modernization and the tensions of modernization have very directly created political tension and have created anti-Westernism.

Lastly, of course, we are going to have the problem of oil with us for the foreseeable future and I'm not going to give you a long talk on oil. I think we've all heard plenty about that and you don't need to hear a great deal from me. I would merely say that I think it is quite clear that no matter what happens, there is not going to be any appreciable increase in oil production from the Persian Gulf for the foreseeable future. In fact, clearly we're going to be lucky if there isn't a substantial decrease as a result of what has happened in Iraq in the last few days. It is also clear that the competition for this stable supply of oil is going to increase. It is going to increase from the less developed countries and, in due course, within the next five to ten years, the Soviet Union is going to enter into competition for these oil supplies. So the supply is going to stay relatively constant and the competition for it is going to increase. At the same time the ability of the producing countries to control the destination of their oil is going to increase. Quite clearly this is not a very pretty or optimistic or encouraging picture, and I think most people in this country now fully realize it.

Let me say a few words about the American response to these trends and to these issues. Firstly, I would say that it is absolutely essential for the United States to maintain in that part of the world a sufficient military force to try to deter - and I say to attempt or try to deter - further direct Soviet aggression. I don't think we are going to be able for some time to put a force ourselves in that area which can fight the Soviets tank for tank or plane for plane. But if we have a sufficient force in the area to make the Soviets believe that if they were to engage in direct aggression, they might be met head to head by American military power, my guess is that the Soviets will be much more reluctant to engage in any such direct, or overt, aggression. What we're looking for, or what I'm looking for, in other words, is a kind of trip-wire force that will cause the Soviets to think twice and I hope it will be a sufficient deterrent. Direct aggression, of course, is not the most likely means of extension of Soviet imperialism in the area. As I indicated earlier, I think it is much more likely that they are going to try to infiltrate and arrange situations, particularly in the minority areas of Iran and Pakistan and other countries that they can take advantage of. I think it much less likely that the Soviets will engage in overt aggression, but at least we should be prepared to try to deter the latter contingency.

Clearly, there are major problems in our building such a deterrent force. I think the biggest problem is that of personnel. The United States is in very serious difficulty as far as retention

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of military personnel is concerned. The fact that our naval units have to stay in the Arabian Sea for a very long period of time with the personnel on board getting little, if any, shore leave, has compounded the problem of retaining in the services particularly, the technically qualified people we need. I regard this as a much more crucial and critical problem for the United States than any budgetary or equipment problems that our military faces at the moment. Obviously, in this area, we also have major problems as far as bases are concerned - whether they are actually bases or whether they are staging areas, or whatever other kind of facilities our forces may need. As long as the Arab-Israeli dispute is not settled there is not a single Arab country in the area which will want to give us any long term major facility. And clearly it is not in our interest to ask them to give us this kind of facility, which can only have the prospect of causing them internal difficulties. Although we have had some generosity from some of our Arab friends in terms of staging areas, I think it is something on which we cannot rely in the long term. We have to be extremely careful in terms of their own internal interests. I can think of no way in which we can hurt our friends in the area more than by building up strong visible American military presence in those countries. To try to maintain ourselves out there with a strong military force without this kind of facility will impose an additional burden on our armed forces.

A second area in which we have to work very hard is the area of cooperation with our allies. The military burden of the United States in that area is going to have to be shared by our Western European and Japanese allies, either by substituting for some American forces in the Mediterranean and East Asia and in Western Europe or by helping us with other specific problems. I have found encouraging the willingness of our European allies to help with the very difficult financial and economic problems in Turkey. The other area of cooperation which is going to become increasingly important is petroleum, particularly in the international energy agency.

The United States is also going to have to play in the future, as it has in the past, a strong and vital role in the solution of regional disputes. The most critical diplomatic item on our agenda in the area, and one of the most critical items on our diplomatic agenda in the world, is still the Arab-Israeli problem. It is going to take the very best efforts of our very best diplomats and politicians to work on that problem and to keep the process moving toward solutions.

As far as Iran and Iraq are concerned, my own feeling is that there is very little we can do. We have no leverage in Iraq

and as long as the hostages are in Iranian hands we have no leverage in Iran. In my view, by far the best policy is for us to stay out of it, to maintain a reserved position and certainly keep our mouth shut. I can't think of anything that could be more dangerous for the United States at the moment than for us to engage in any kind of public statements on this issue: it's a no-win situation, if I've ever seen one.

As far as petroleum is concerned, I have no solutions to offer that haven't already been offered, doubled in spades: Conservation clearly is important; the development of alternative sources of energy; additional and alternative sources of petroleum; the maintenance of the stability of the dollar so that OPEC investments in the United States will be encouraged; the transfer of technology to the OPEC countries so that they can see their own economies assisted by the United States; and as broad a range of economic and financial cooperation as we can muster between us.

As far as the internal political problems of some of these countries are concerned, I think it is very important that in the years ahead we do everything we can to maintain contact with the moderate, I would call them, because this is what they are in most cases, social democratic forces, in these countries. This is not always easy. Often we, particularly our diplomats, are faced with situations wherein the power in a given country objects very strenuously if we engage in any contacts with what that power considers to be the opposition. But I think it is very important, whether we are able to do it overtly or have to do it through other means, that we maintain whatever contacts we can with these forces which give some hope, at some point in the future, for a more moderate, more democratic and more stable form of government in some of these countries. I might say a word there, particularly on Iran. I think the future of Iran is of course murkier today than it was even a week ago, but there are forces within Iran which are not radical, either on the left or on the right. Most of those forces consist of people who have been very close to the United States and very friendly with the United States over the years, and have taken political sustenance from American ideals. It is of the utmost importance that we maintain our contacts with these people, regardless of the hostage situation; surely there are ways in which we can maintain this kind of contact. If the situation should ever arise where these forces have an opportunity to come to power in Iran we should move with unaccustomed speed to try to support them. I think this is the only long term hope we have for the kind of stability in Iran that will meet our interests in Iran which are, first and foremost, the maintenance of Iranian independence.

In this connection, and this applies to all the area, all of us need to continue to develop a cultural sensitivity to the area. I'm sure that all of you shared with me the concern about the FBI operation, ABSCAM, and the caricature of Arabs used and promoted by that operation. We, in our country, in our government, and across the board must show greater sensitivity to local forces and local views. I didn't hear terribly much reaction from the Arab world to ABSCAM. I know there was at least one diplomatic protest to the State Department. But our friends in the Middle East are often too polite to tell us how they're really feeling, and I have no doubt that that did not play very well in the region.

We clearly also need to do a better job than we have in the past in training US personnel, whether they be government or private, who go out and work in that area. As we in this room all know, the cultural differences are often immense and very difficult to overcome. But I think all of us need to try to prepare Americans going out into that area, no matter what their jobs are, for the culture shock that they are going to find out there, and to try to prepare them to handle it with great dignity and sensitivity. This is something which I think has to engage each and every one of us who are interested in American ties with that region. In this same regard, I think we have to show a lot more sensitivity in this country with respect to students who come to the United States from that area. I was really shocked when the administration a few months ago decided to start expelling Iranian students en masse from this country. I can't think of a better way to make future enemies for the United States, and enemies of people whose natural tendency in most cases would be to be long term friends of the United States. I was very pleased that many of us in the academic community were able to weigh in down here in Washington and get that order changed so that Iranian students can stay in this country at least through their regular academic program. I think all of us owe it to our own feelings about what kind of relationship the United States should have with countries in that region to be as hospitable as we can to the many Arab, Iranian, Pakistani, Afghan and other students from that region who are in our midst, here in this country.

Let me close with a couple of thoughts. I think as far as policy is concerned, what the United States requires in the area is constancy, coherence, consistency and steadiness. I think we need to think through what our national aims and interests are; we need to think through how those national aims and interests correspond, or don't correspond, with the national aims and interests of the peoples in the countries in the region; and we need to set a course which we can maintain steadily. We have not had a very good record

in that regard in recent years. And we need to understand better than we have the political, economic and cultural forces in the area so that we can develop the sensitivity which I have just been talking about.

I'll have to tell you another story about Ambassador Hare. Again, in the late 1960s, the Shah came to Washington and was given a sumptuous lunch on the eighth floor of the State Department by then Vice President Hubert Humphrey and the audience was composed largely of American business people and the Shah literally wowed them. And on the way back to the office after the lunch I fell into step with Ambassador Hare and I talked about this a little bit with him and I said, "You know, one of the things that the Shah is so capable of is telling people what they want to hear," and Ambassador Hare said to me, "You know, it takes an awful lot of homework to figure out what it is that people want to hear." And I think this is also a bit of wisdom which has something very important to say about cultural sensitivity. It is in this context that I think the work of the Middle East Institute and conferences like this are so important and why it is both a pleasure and a privilege for me to have this opportunity to talk with you. Thank you very much.

SOVIET AIMS AND STRATEGIES

Rapporteur: Kathleen H. B. Manalo

The communist coup in Afghanistan in 1978 was seen by the nations of the Middle East as the Soviet Union casting its strategic shadow over the whole area. An example of indigenous reaction is that of Iraq: the government hanged communist army officers.

In the United States it was assumed that, although the Soviet Union had important interests in the area, American interests were vital. And the US assumed that the Soviets tacitly accepted the same perception. Things may very well have changed. Last year the Soviets said, "The Middle East is in close proximity of the Soviet Union." This pronouncement has appeared often and in the exact same language. It should not be taken lightly.

What is Soviet strategy in the Iran-Iraq conflict? Although the Soviets and Iraqis have a supply agreement, there has been no noticeable buildup and resupply. Iraq, in its bid for regional leadership, does not want to be too close to the Soviets. By the same token, the Soviets do not want to appear too close to Iraq. Two possibilities exist for the Soviets. If Iraq changes its war objectives and looks like a clear winner, the USSR may step up its supplies, and benefit from assisting the winner. Alternately, it may attempt to be a peacekeeper. This, however, is unlikely because this role is more credibly played by the Islamic nations.

In sum, however, the Soviets' chances of benefitting from the war could be rated good to favorable. No outcome would be harmful to their interests. In contrast, the United States is irrelevant. A great change has taken place since 1973, when the US was the most dominant outside power, which could and did bring about a ceasefire.

Another view was expressed of the Soviets' chances of benefit. Soviet policymakers are dealing with the war of a current client, Iraq, against the potential client of Iran. If they resupply Iraq, they lose influence in Iran and alternately, if they refuse they deny the Arabs what they want. But, no matter what happens, the Soviet Union can live without Middle East oil. The West cannot.

The Soviets have made major inroads in the Middle East in recent times. It is now a global power in the military sense. This was brought about not by others but by their own increase in capabilities, particularly naval power and new equipment. They are able to project power in regions that previously they could not. The US must learn to live with this new global reach of the Soviets.

There is an immediate Soviet threat to the Gulf connected with Afghanistan. Their motivation for the Afghan adventure was not to thrust towards the Gulf. Rather it centered on the dilemmas presented by their involvement with the Taraki regime, perceived as a communist government, on their own borders and strategically significant. Hafizullah Amin was not working out because he refused to be a Soviet puppet. Among their choices were to pull out or go in. Advisors were not enough. So they went in and have created new geopolitical facts. They can reach the Gulf by air from Afghan bases. They have 85,000 troops bogged down in Afghanistan. Commanders in the field are saying if they have permission for a little more freedom of movement, to go after the refugee camps in Pakistan, for instance, victory would be near. Politically, they cannot do much now, though. The US can point to Afghanistan in order to strengthen resolve at the European Security Conference in Madrid. The Party Congress meets in February 1981 and they want to be able to report at least partial success. And winter is no time to wage war in Afghanistan. But how long can they continue to maintain large casualty counts? Something must be done in the spring.

Among the alternatives is a political solution. But no Afghan will cooperate with the regime. The Soviets are unwilling to accept defeat and withdraw. Posited on the assumption that the Soviets' prime concern is a solution to the Afghan situation and not a search for warm weather ports, it is unlikely that they will invade all of Pakistan. Such a move would alert all the region to look to their own security. However, hot pursuit incursions and more frequent overflights of Pakistan might occur. Everyone in the area is watching to see if the United States can assure the security of Pakistan from such possibilities. No one will take the US Rapid Deployment Force (RDF) seriously unless the US can protect Pakistan's territorial integrity.

Can the Soviets win in Afghanistan? If they make the commitment to close the borders, stop the arms deliveries and consolidate their hold, the level of fighting can be brought to a tolerable level that can go on for years.

What of a Soviet threat to Iran? The Tudeh, tired of

association with the religious parties, is drawing away from them, but has little impact in the country. It is perceived that the Soviets are not planning to invade Iran; what they do not need are more Muslims. However, if the central authority disintegrates, they may be tempted to step in.

In general, the Soviets have changed in their relations with the Middle East and with the United States. They exhibit a new self-confidence. Their problems are those of a rising, up and coming, superpower. They see themselves as a legitimate local player in the Gulf and insist on playing that role. They tell the regional powers that the problem is not Afghanistan, but rather Palestine. The RDF is directed not as an aid to regional powers but as a weapon against them. They ask if there were another oil boycott because of the Palestine problem, what would the RDF be used for? In sum, according to some experts, the Soviet Union holds two keys to the Gulf - the ability to project their own power and the Begin government in Israel.

Looking to Soviet capabilities and objectives, it is necessary to put Soviet-American competition into historic perspective. In August 1941, the British invaded Iran from Iraq. The Soviets invaded from their own territory. In less than five weeks the country was occupied. In 1946 the Soviet Union was forced to withdraw because of pressure from the United States, the only superpower at that time. Since then Soviet power has grown. In the 1950s and 1960s they were unable to do much against the one superpower. Even in 1973, as mentioned earlier, the balance still favored the United States. But starting in 1975 they grew in power and its projection. And as the Soviets grow in power the Americans grow in their dependence on the resources of the area.

Against this background, what does the current military balance look like? We look at the military as a key to the political future of the area. The Soviets, as mentioned earlier, are within striking distance of the Gulf by land-based air power and therefore have the capability of closing the Strait of Hormuz. They have airborne forces and covert agents to foment coups. As arms supplier to Libya, South Yemen, Iraq and Syria, they have knowledge of the terrain by operating in these countries.

But the United States can look to some hopeful circumstances. Assuming that the Soviet generals are conservative, they know because of their experience in Iran and recently in Afghanistan the problems that would face them. The terrain is difficult, communication lines too long and logistics problematic. If they were involved in the Horn of Africa, Yemen and Oman, the military balance would not work

in their favor. Because of distance the ability to use local facilities is important. The United States could use Southern Europe, Turkey and Egypt. Indirect help from regional powers would more likely be provided the US rather than the Soviet Union. Look therefore to indirect rather than direct Soviet involvement. The only circumstances under which the Soviets would contemplate direct action would be if the global situation so deteriorated that they would think in terms of world war.

What are the options for the West? The United States needs as a deterrent the ability to get into the region quickly to challenge the Soviets. Coördination with NATO allies and Japan and more cooperation among these allies in this theater are necessary. A Soviet objective is to divide this alliance. The Arab-Israeli dispute is an area where these allies differ markedly. If the Soviets can use these differences to advantage they may be able to uncouple the US from Europe and gain their objective.

From a European perspective, the United States is looked on as lacking in knowledge of the area, its languages and religion and in the understanding of the subtleties of its peoples. The Soviets are perceived as having less of an overall strategy than American policymakers attribute to them. The key to bolstering the US position lies in its acceptance of a settlement to the claims of the Palestinians.

AMERICAN-SAUDI RELATIONSHIP

Rapporteur: Elizabeth M. W. Pratt

Recently, the "special relationship" that has existed between the United States and Saudi Arabia has been under strain. Contributing to this has been a series of American actions contrary to Saudi interests and a basic divergence of foreign policy priorities between the two countries.

Saudi foreign policy interests aim at the return of Israeli occupied territory taken in 1967 and a desire for a just solution for the Palestinians, the prevention of superpower incursions into the Gulf, including any ideology hostile to Islam or to the status quo of the region, and a sincere concern and awareness of their vital role within the world economic order.

Within the Gulf region, Saudi Arabia maintains a close alliance with Kuwait, the United Arab Emirates (UAE), Qatar and Bahrain, and seeks to avert instability in any of these countries. Saudi Arabia monitors events closely, promotes economic cooperation, encourages them to clamp down on a rapidly growing foreign work force and emphasizes Saudi willingness to come to their aid.

Beyond these close regional goals, Saudi foreign policy issues vary: with Syria, Lebanon, Jordan, Egypt and the Palestine Liberation Organization (PLO), the Saudis are almost exclusively concerned with the Israeli problem; with the Yemens, Iran, Oman, Afghanistan and the Horn of Africa, they are wary of regional superpower incursions; this concern extends to Pakistan, but with the Pakistanis, the Saudis are attempting to utilize their mutually beneficial resources, as indicated by recent talks on the use of Pakistani troops within Saudi Arabia; with Iraq, the present alliance, though highly volatile, affirms their desire to strengthen regional ties.

Domestically, Saudi Arabia faces certain needs. The rapid economic growth (as measured in the rise in per capita income and GNP) of Saudi Arabia is now evolving, in the Third Five Year Plan, into a more considered phase of development, which represents a

shift of emphasis from merely quantitative aspects toward quantitative change coupled with qualitative alteration within the society while respecting the traditions of Saudi Arabia. In this transition, the US can play a role by providing the plans, experience, equipment, commodities and training needed to fill the development goals in many areas, such as agriculture, the petrochemical industry and education. This latter area is vital as the Third Plan places strong emphasis on vocational and technical training and human resource development. Agreements with the University of Riyadh and Duke University and the University of Colorado point to the possibilities of such mutually beneficial cooperation.

However, such collaboration in all fields, though desirable has been difficult to achieve recently. In the past five years, despite the continuing involvement of the US Army Corps of Engineers, or of Bechtel and Parsons in Jubayl and Yanbu', there has been a constant decline of American contractors within Saudi Arabia. The high cost of American technology and services, US legislation and tax laws, and American foreign policy actions have contributed to this situation.

The Saudis have been diversifying in major areas: they have been negotiating with the French to procure military hardware; they have concluded an agreement, in May 1980, with Japan providing the Japanese with a guaranteed amount of crude in return for which the Saudis are allowed access to their highest technology developments, and the role of the US partners in the Arabian American Oil Company (Aramco) is changing, as the General Petroleum and Mineral Organization (Petromin) now receives two million barrels per day for internal Saudi industrial use and to fulfill separate country-to-country distribution agreements.

Despite the fact that, at the request of the US, Saudi Arabia has been producing one million barrels per day more than originally planned, US conduct has proved disappointing to them in many ways, including: the US failure in Iran and the fiasco of the aborted rescue mission; the reversal, in early 1980, of the US vote in the UN Security Council condemning Israeli settlements in the occupied territories; the US refusal of the Saudi request for add-on equipment to the F15s, and the more recent US maneuvers, disregarding Saudi interests, to influence the vote denying observer status to the PLO at the annual meeting of the International Monetary Fund. Above all, the Saudis distrust the will of the United States to act, or to act with competence and judgment.

From the Saudi viewpoint, a disturbing element in their relationship with the United States is their fear that the US is currently more preoccupied with the safety of the Gulf oil fields than with achieving a just peace in the Middle East through the resolution of the Arab-Israeli dispute. Although the Saudis see the Camp David process as a failure, they recognize the vital and direct role the US must play in resolving the conflict.

For the Saudis, the Carter Doctrine supersedes what they consider this key Saudi foreign policy objective. The aims of the Doctrine were first presented to them by US Secretary of Defense Harold Brown during his visit to Saudi Arabia in early 1979. He proposed that the US could provide Saudi Arabia with an immediate response to any foreign aggression, subject to Congressional approval, establish a forward staging area within Saudi Arabia for what was later to be known as a rapid deployment force, and consult with Saudi Arabia on all important shifts in foreign policy. In return, he asked that the Saudis plan to increase their oil productive capacity to 14 million barrels per day by 1985, that they continue to maintain large deposits of their foreign currency reserves in US dollars to alleviate the US balance of payments deficit, and that they support the Camp David accords. Brown's visit did not meet with success. From the Saudi perspective the Carter Doctrine has one overriding priority: the protection of the oil fields to support the needs of the US and other Western consumers.

Beyond this, Saudi reluctance to align Saudi Arabia closely with the US also stems from their fear of the Gulf region becoming an arena for superpower rivalry and confrontation. In an interview with the French press, Prince Fahd pointed to the Soviet presence in South Yemen, Ethiopia and Afghanistan, and to US actions in developing military pacts with Egypt, Kenya, Somalia and Oman. He speculated that any escalation of this situation could result in a disastrous confrontation between consumers of the world over access to Gulf oil. At present, to avoid such escalation, the Saudis see non-alignment and the strengthening of regional ties and defenses as the best solution to prevent such an occurrence.

How much can be salvaged of what remains of the "special relationship" between the US and Saudi Arabia will depend on a number of issues. Not the least of these is the necessity of increased sensitivity by US policy makers to the needs and aims of the Saudis. Despite recent events in the Gulf, the US should not delude itself in believing that Saudi priorities coincide with their own.

IRAQ - NEW POWER AND NEW POLICY ORIENTATION
IN THE GULF

Rapporteur: Helen D. Mak

In the aftermath of the Iranian Revolution marked by the ascendancy of Ayatollah Khomeini and his Islamic clergy to power, Iraq shows strong interest in replacing Iran as the dominant military and political power in the Gulf region. Although Iraq's borders along the Gulf are short, simple geography belies the country's keen interest in the area. Iraq is too frequently excluded in discussions of the "Gulf States," and it is clear that Iraq wishes to alter these perceptions. Increasingly, Iraqis view Gulf concerns as their own.

Three perspectives are taken in this examination of Iraq's new power and policy orientation in the Gulf. First, the role of the Ba'th party, its strategies and aims, as a vehicle for the promotion of Iraqi national interests is examined. Second, Iraqi national resources and economic development accomplishments and aspirations are reviewed in terms of their bearing on Iraq's role in the Gulf. Finally, Iraq's perspectives on the country's regional and global relationships are addressed.

The Ba'th ideology which guides the national political party has undergone a twelve year development during which time a distinctly Iraqi Ba'thism has emerged to uphold the country's national interests. Two important features of this nationalistic ideology are a keen interest in Arab nationalism and an emphasis on Arab economic independence. These important characteristics of Iraqi Ba'th ideology provide essential links between Iraqi domestic politics and regional "Arab" politics. Iraq's domestic politics have evolved within the broad interest in and concern for Arab unity and Arab nationalism.

Just as Iraq's domestic politics have evolved to encompass regional or Arab concerns, the pattern and approach of Iraq's economic development have been based on regional interests. Briefly, Iraq has directed considerable resources to economic development with both domestic and broader regional concerns in mind. The following are selected economic characteristics. For a country of

13.2 million people, Iraq will spend \$18 billion on economic development during 1980. Despite the vast development expenditures, inflation remains the lowest in the region. Success in Iraqi development is also measured in the increase in the number of jobs available, in the improvement in the standard of living and in better school enrollment ratios. Iraqi perceptions of the linkages between the dynamics of politics in the Gulf and economic forces are apparent in the country's economic development plans. Examination of development within two sectors of the economy, the agricultural and petroleum sectors, demonstrate Iraq's regional interests. In the petroleum sector, during 1979 Iraq rose from the fifth to the second largest producer of oil within OPEC. This effort to increase oil production stemmed largely from the Iraqi desire for greater clout within OPEC, but more specifically within OAPEC. Within the agricultural sector, Iraq has ambitious plans to increase the area of cultivable land during the period 1981-1985. Two motivating forces guide the nation's agricultural development plans - "food security" concerns and Iraqi interest in becoming the "bread basket" for the Gulf. Approximately ten per cent of Iraqi imports are food, and it is said that Iraq fears the cartelization of such imports as wheat. The country aspires to become the principal grain producer for the region, thereby enhancing its strategic position within the Gulf area.

Iraq's regional and global activities attest to the country's new power and policy orientation in the Gulf. Although Iraq has been a client state of the Soviet Union for many years, the country is most interested in obtaining the latest technologies from the United States and Western Europe. Iraq has asserted its leadership among the non-aligned nations and upholds neutrality in all East-West dealings. Characteristic of Iraqi business transactions with the West is the adage: "you buy our oil, we will buy your goods, but you must respect our politics."

Vis à vis her Gulf neighbors, Iraq's regional relationships have been characterized alternately by disinterest and by antagonism. The period 1920-1958 was a time of little Iraqi interest in the Gulf region. It was not until the 1958 revolution which energized Iraqi politics that Iraq began to pay attention to her Arab neighbors in the Gulf. Iraqi claims to Kuwait in 1961 and the undeclared war between Iraq and Iran involving the Shatt al-Arab are illustrative of the country's adversary relations with its neighbors. Today, however, despite past Iraqi claims to Kuwait, Iraq prefers to stress the close tribal, cultural and commercial ties between the people of southern Iraq and the Gulf Shaykhdom. Iraqis note that it is not unusual for a citizen of their country to carry three passports, one each from Iraq, Kuwait and Saudi Arabia. The similarity

in dress, food and Arabic dialect spoken between southern Iraqis and other Gulf Arabs are illustrative of the close ties.

A number of military security interests and economic interests also are put forth by Iraqis as having brought the Iraqis and Gulf people together. In terms of military security interests, Iran's claims to the Shatt al-Arab, the former Shah's claim to the three small islands in the Gulf, the former US-Iran Gulf security pact now replaced by a US-Omani liaison, and the Soviet invasion of Afghanistan are seen by the Iraqis as potentially destabilizing to the balance of power in the Gulf. On the economic front, there are many ties between Iraq and the Gulf states. Many Iraqis work in the Gulf states, and from the Iraqi perspective, these emigrant workers are essential to the development of the smaller under-populated Gulf states. Second, Iraq's trade lifeline is the Gulf itself as all of the country's major imports and exports move through the Gulf. Finally, Iraq and the Gulf states are linked together by the Palestinian issue for the vast wealth of these countries serves as an important resource for the Palestine liberation movement.

Iraq's ties to the Gulf states also transcend military and economic concerns and focus on the issue of Arab unity and Arab nationalism. Iraqi development efforts in the southern part of the country demonstrate this concern. In addition to the construction of an iron and steel complex, the establishment of the Basra Naval Force, a merchant marine fleet, and a Naval College, Iraq has set up a Center for Gulf Studies at Basra University. Iraq now views Gulf problems as Iraqi problems, and can be expected to take a greater role in Gulf affairs in the future.

IRAN - WHAT FOLLOWS CONFRONTATION?

Rapporteur: Sally Ann Baynard

The government of Iran is beset with difficulties on the domestic, regional and international levels, the most threatening of which is of course the current war with Iraq. The internal problems, as well as Iran's troublesome relationship with its neighbors and the superpowers, are aggravated by the war, although they predate it.

Three of Iran's major domestic problems are institutional. The Pahlavis were the first Iranian dynasty to create a standing army and the Iranian armed forces had been closely connected with the late Shah. The purges and executions which have been carried out since the Revolution have left the command structure manned by former captains and colonels rapidly promoted. With both the loyalty and competence of the armed forces thus in doubt, the Iranian government must have been very pleased with the relatively creditable showing in the current war. The other significant armed force in Iran, the Revolutionary Guards or Pasdar, have been successful in conflict with dissidents but are not as useful in the war both because of their lack of discipline and because of the fact that the war thus far has been heavily reliant on air attack.

Economic issues are a second institutional problem of the present government. The economy is not functioning well: inflation is as high as 50 per cent and the production economy is virtually at a standstill. The third major flaw in Iran's institutional base is in administration. Not only is daily administration - particularly in the area of justice - in disarray, but there is also the greater problem of the power struggle between President Bani-Sadr and the clerics of the Islamic Republican Party, an unresolved conflict which has damaged orderly administration at the highest level.

Two other internal situations trouble the government of Iran: neither is institutional but both have implications for institutional stability. The Islamicization of Iran and the rigid interpretation of Islam imposed by the current theological extremism has left no room for compromise in Iranian politics and has threatened academic life in Iranian universities, where questionnaires are sent to

faculty members to gauge religious sentiments. The centrality of Islam has also provided a path to power for political opportunists who are willing to show suitable fervor. Another domestic problem of the present government is the classic issue of legitimacy. Lack of regime legitimacy was a major element in the Shah's downfall and it is becoming a significant problem for the current government. It was widely supported in its early days but increasing repression, first of the left and then of the moderates and the ethnic minorities, has eroded its popular base considerably.

The present war between Iran and Iraq has cast a strong light on Iran's relations with its neighbors in the region and illustrates several elements of regional politics. Certainly the issues between Iran and Iraq - the Shatt al-Arab, Khuzistan province and the Kurds - are ancient issues, although Iraq as a historical entity dates only as far back as the postwar period. Since Iraqi independence there does appear to be a relationship between domestic political events in either of the two countries and a renewed conflict - or accommodation - between them, as in 1958-59, 1969 and the present situation. The war is clearly the fruit of the policy of exporting the Islamic Revolution, a policy which has been important to the regime since its inception. Its first attempts to carry out the policy, including vitriolic Arabic broadcasts and delegations to Shi'a communities outside Iran, illustrate that the Iranian government considers itself immune to the rules of international discourse. The Iranian-Iraqi war is only the first major demonstration of the Iranian regime's inability to communicate with other nations, although it must be said that there is some question as to whether Iraq's attack was a proportionate response to Iran's provocations.

The war has clarified factors related to domestic as well as regional politics. It has highlighted the tie of Iranians to the concept of the "purity of the land" and has discredited the opposition groups in exile which had visited Iraq and taken counsel from Saddam Hussein. The war has demonstrated the power of nationalism to transcend both ideological and religious ties in the region, not only by the unanimity of the Iranian response, but also by the failure of Iraqi Shi'ites to falter in their support of the Sunni regime of Saddam Hussein. The Arabs' revulsion for Iran has been brought into clear focus by the war; indeed, Arab support for Iraq may become more tangible if Iraq is hard pressed. Iran's isolation in the region has become more obvious. Two conventions of regional war have been violated; rarely before have civilian targets and oil installations in the region been such major targets of attack.

On the level of international relations, Iran's future role between the superpowers may take one of two paths. The first follows the pattern of Iranian history: the Soviets to the north constantly probing for Iranian weakness and the Western bloc (now the United States) to the south projecting power into the Persian Gulf and Iran to contain the Soviets. Advocates of this scenario, however, may be falling into a fallacy of linear reasoning by failing to take account of either cyclical or cataclysmic change. A second path could be some form of superpower agreement on Iranian neutrality. This could take the form of a condominium or of a tacit agreement between the United States and the Soviet Union to keep peace in the area. Although this is fundamentally a very drastic form of intervention, it could occur without any overt signs of US-Soviet agreement as a case of two nations following parallel courses of action without making an agreement to do so. In any case the current regime is oblivious to questions of balance of power and appears to be in a state of collective narcissism which prompts it to focus only on its own immediate concerns.

The Iranian Revolution has brought about a fundamental change in the politics of the Persian Gulf. It has cast doubt on traditional ways of viewing political development, particularly on theories which assume that with modernization will come increasing secularization. The presence and policies of the new regime in Tehran have highlighted regional and international rivalries of long standing. To assess Iran's future is to predict the weather in the midst of the storm. Neither the outcome of the war with Iraq, nor the future of Iran's relations with the superpowers is clear at this time. Even the future of the present regime cannot be predicted. With its major internal problems, the war with Iraq and uncertain relationships both with its other neighbors and with the superpowers, it is possible that the life of the present regime may be numbered only in months.

BANQUET ADDRESS

Foreign Policy in Transition

Lucius D. Battle

It is a pleasure to be back in the family of the Middle East Institute. I look back with the greatest of pleasure on my days as President of that organization. As you have just heard, I have changed jobs again. I am somewhat like the traveler in Washington Irving's tales who said that travel in a stagecoach was all right as long as you shifted positions and got bruised in new places. I have had quite a few bruises in my life and have learned what liniment to use as I take on new ones.

About every four years I speak on the bruises of transition from one administration to another. Usually I wait until the election is behind us and we have a clear perspective. This year, however, since we all have the campaign very much in mind, I cannot resist talking about it even though we do not yet know the victor. I will be careful not to speak for or against any candidate. This year I am in the position of many. I don't know who I am for until I see how I vote.

Even with the uncertainties of the election I would like to talk a bit this evening about foreign policy, how it is made in a democracy, the impact of an election year upon it, and with particular emphasis on some of the problems in the Middle East area.

I have participated in many transitions from one administration to another. I was in the hallowed halls of the State Department when the old Truman administration was reelected and became the new Truman administration, therefore transition from Democrat to Democrat. I was around when the Truman administration became the Eisenhower administration, therefore shifting from Democrat to Republican. I was very much present in the transition from the Eisenhower administration to the Kennedy administration which was Republican to Democrat. Therefore, I have been deeply involved in the full circle and have watched with increasing degrees of detachment as campaigns

have occurred and new administrations have taken over - each full of fundamental contradictions and verbiage, each full of promises that were unattainable.

The foreign policy debates through most of these campaigns were notably bad, although not quite as bad as the debate this year. This year they have been petty, pathetic, and passé. The issues that have loomed large in the course of campaigns frequently were not really of the mainstream. Remember, for example, that in the Kennedy-Nixon race the question of Quemoy and Matsu seemed major. The Gaither report on missile gaps was a big issue. These problems were forgotten early in the Kennedy administration and were never heard from again. So it goes.

Once in office, most administrations approach problems totally differently than they had contemplated and, when faced with the realities of limited options, come out looking pretty much like the administration they followed which is, of course, one argument for a democratic system and for a foreign policy that is based on national consensus with bipartisan support.

Throughout all these campaigns, we have lived through wild slogans and vague generalities. Calls for "grasping initiatives," talk of "getting things moving again" were part of the unmemorable drivel of numerous campaigns. This year has been no exception, but a few old faithful issues have gone from the scene. The Foreign Service of the United States seems no longer to be such a favorite whipping boy, blamed for all that goes wrong in the world. The Council on Foreign Relations and the Trilateral Commission have become the target. The foreign policy mechanism, to the extent that it has been noted, has quite naturally concerned the Brzezinski office, the Muskie office, and the relations between them. This to me is a proper subject for discussion and has long needed public airing. There have been few attacks on people down the line who simply carried out policies of the administrations for which they worked. This is one of the few small areas of progress that we can cherish.

I was around in the dark era of Joe McCarthy when Foreign Service officers were blamed for the "loss of China" or for being closet communists or something equally silly. This year so far there has been no one blaming the state of the Middle East on the Arabists in the State Department and calling for the abolition of the Department of State, which was heralded in 1952 as the answer to our problems. No State Department - no international relations. That simple!

But these omissions are small benefits in a moment when we deserve better. This campaign has come at the time of our deepest anxiety, which makes the discussions of foreign affairs more perplexing and baffling. Increasingly American citizens have recognized that their own future and the nation's future are inevitably wrapped up with the rest of the world. They know that events in the Middle East, Asia, Europe can affect immediately their pocketbooks, their own security, the price of gas, the amount of Valium they take. Indeed their overall well-being.

With a public increasingly alert to foreign policy issues and with an eagerness for leadership in these fields, the debate on foreign affairs this time seems essentially silly. It has not dealt with fundamental issues. It has produced no new constructive ideas. It has enhanced the sense of frustration and our own inner questioning as to whether our political system as presently operated is meeting the challenge of our time or the needs of our people.

We are still relatively young as a nation, at least as a participant in the world scene. We have gone through quite a lot. We recognize we are going to have to take a good deal more, both of responsibility and of hard knocks. In the period after World War II, our time of international puberty, we groped uncertainly for our own identity. But we groped with the confidence, the arrogance, that youth, wealth and military superiority made possible. We believed that we could do anything and that proper action by the United States could stave off any crisis. A Marshall Plan could save Europe. A NATO could challenge the Eastern bloc in military terms and reflect the toughness of our character. We were the riders of white horses facing identifiable men in black hats who represented the evil forces of the world. It was a simple view, but a widely held one.

It has taken us a long time to realize that nothing is quite as easy as we thought and that there are many delicate nuances that were there all the time. But they were lost in our conviction of the rightness of our position and the ultimately superior place we would play, with God's help, in the world.

With a declining dollar, a military structure which many experts consider lagging, with inflation hitting hard, we now see the subtleties of international relations and recognize grey areas that will have to be coped with if we are to overcome. The American people are ready for more sophisticated leadership and I believe if led would understand and appreciate the delicacy, the narrow range of choice, the limited options that exist for us in the field of foreign affairs.

But you would never know it from the campaign. Even with the increased measure of humility which is in us, never an easy or natural emotion in our country - we can only conclude that as a nation we have flubbed badly in trying to deal constructively with issues before us in terms of our elective process. There has been no real discussion of the North-South problem which will permeate the world order for a long time. Meaningful economic programs that might enhance the dollar have not apparently been on the minds of our candidates. The military security debate has either been at the invective level or so tied up with numbers and percentages that only an expert in the numbers game could understand. Alternatives to oil requirements, the real nature of East-West relations, all these matters have been dealt with unconstructively or not at all.

The essential lines of American policy since World War II have been adhered to for many years. Support for the United Nations, full participation in NATO, opposition to the spread of communism, belief in a strong America, aid to the underdeveloped world. These have been the essential directions that originated at a time when bipartisan foreign policy was in itself a fundamental goal claimed by both parties. Most of these policies and directions were developed in the Truman era and indeed the foreign policy establishment of the United States which was created at that time has dominated our thinking and to a large extent our policies for a very long time. This group - John J. McCloy, Bob Lovett, Dean Acheson, and George Catlett Marshall, Averell Harriman, and a few others - emerged as major figures in the Truman era. None were politicians - all were statesmen. (Truman said a statesman is a dead politician.)

President Truman's appointment opportunity was extremely interesting. No one in 1949 expected him to win. Therefore, no one gave money. Therefore, there were no political obligations. He knew his limitations and they were many. He wanted the best men and was willing to give them full rein. He was free to appoint anyone he wanted, and he put about as many Republicans as he did Democrats in office. Senior governmental staffing was bipartisan. The result was a group whose thought dominated the thinking of this nation in the years since. They served more likely Democratic administrations than they did Republican, regardless of their own individual political affiliation, but they were called upon by both parties because they represented the public acceptance of what they stood for, and of themselves.

That establishment is gone. Something must take its place. The Republican party has never found a continuity in terms of policy makers. They may have it now in Kissinger and a few others. But

that remains to be seen. Democrats love to govern. When their party falls out of favor, they stay in town, take over lucrative law practices, think tanks, etc., and wait for the next round. The Republicans can't wait to get out of the mess. They serve one administration and rarely come back.

I don't understand this phenomenon, and I admit that it is changing somewhat, but it has served to attribute unusual influence in the hands of the group created in the Truman era, and it has robbed us of really thorough, meaningful review by responsible people. Dean Acheson wrote me once during the Eisenhower era, "They follow us too slavishly."

There is room for change, certainly for exploration as to whether change would be meaningful. We need a real look at what we can realistically expect as America's role in the world. We need to debate the big, broad issues, not the sub issues. We need to face the realities of say Latin America, discuss what we do about all of Central America, and not spend our time arguing about aid to Nicaragua. We have paid relatively little attention to that area that will one day be the basic concern abroad of this nation.

The Middle East has had considerable attention, but the real debate on the issues there has not probed the depths of our national interests or proper involvement in the area. Discussion has been neither thorough nor very enlightened. The debate in Israel itself, for example, on the question of settlements and the future of Jerusalem has been considerably better than the debate in this country on the same issues. The candidates have simply gone along with whatever Israeli leadership wanted and supported that position without regard to longer term considerations.

The Carter doctrine is not clear to me nor is it, I believe, clear to President Carter. It was enunciated without preparation either with the countries in the area directly involved or with our European allies whose support was extremely important.

The situation in Turkey has been troublesome for a long time and in part grew out of uncertainty with respect to American policy. We managed to avert a war in Cyprus in 1964 and again in 1967. We failed to do so in 1974, even though the signals were clear. A little preventive diplomacy here with a stronger effort by the United States might have averted the Cyprus catastrophe which has been a factor in the decline in the years since of United States influence in the Turkish situation.

Our options in Afghanistan were few once the invasion occurred. But if a Carter doctrine statement was to be made, it should have come before - not after - the invasion, and it had to represent a broad consensus of support in the United States. The old rule in diplomacy is to know your own mind and be sure the other fellow does too. In this case neither is true.

Our options in most situations are few in number and the swing is not wide between the possible courses in each situation. But the world is left now with a sense of uncertainty as to the degree of American resolve, the extent to which we will support our own policies, what those policies are, and the extent of our determination to stay the course. When the horrors of the next few weeks are finally over and a new President elected, it is essential that there be a renewal of our own spirit and our own will and a redefinition of what it is we stand for and support.

Close elections have not been helpful in broadening the nature of our debates or our pursuit of reason. They tend to make the petty and the political, particularly in key states that will be of significant importance to either candidate, appear to be the fundamental issues before us.

The narrow range of choice available to us in most international situations requires subtle, sophisticated leadership and clear policy which the rest of the world can understand. The narrow range of our own elections distorts our ability to devise those policies and to assert our own leadership in the field of foreign affairs.

Our greatest difficulty may be with ourselves. As the famous line went in the Pogo series, "We have met the enemy and it is us." We must find a way out of our current dilemma. We cannot expect the mantle of world leadership if we govern ourselves as badly as we are presently doing.

I believe we have two directions in which we can move, neither totally easy. One is to take such steps as are possible toward a parliamentary system of government. I do not believe we can go to a full parliamentary system. For one thing we don't have time for it. It would take years to accomplish. But there are various proposals afloat for moving in that direction which would necessitate the majority leaders in the Congress getting control of those bodies which are increasingly in disarray. In short, somebody has to speak for the Congress and there has to be a working relationship between the President and that Congress. If they are of

different parties, the problem is greater, although it has worked at various times.

The other direction is to try to return again to the bipartisanism which worked reasonably well in years past, particularly in the Truman-Acheson era. Bipartisanism has its limits. It can only deal with the broad outlines of policy. The new President, whoever he be, must avoid plumbing the depths of ineptitude and rise to a plane of competence and courage.

I believe that the new President, whoever he be, should appoint immediately on an urgent basis a national commission to study the options available under our constitutional system to make our government more effective. This group should focus on foreign policy as a fundamental requirement for American survival in the period ahead. The group should be bipartisan. It should have in its representation members of the old guard from both parties, but it should include a cross section of our society. It should include along with minorities and scholars representatives of the new lost generation, those who fought in Vietnam and who feel isolated from the structure of our society. A very good organization of veterans of Vietnam has been created and is attempting to move into responsible participation in our affairs after the years that have separated those who fought in that unfortunate war and those who didn't.

In the new review of United States relationship with the world which I believe is deeply required, I would like to make a few suggestions of things we need and things we don't. We do not need to emphasize the morality of our position, an emphasis that leaves to us the determination as to what is moral. Morality is in the eye of the beholder and is not subject to definitions applicable on a global basis. Moral majorities may have their place, but their definition of morality is not necessarily universal. We must also assure that the separation of church and state or religion and government continues as a fundamental concept.

Emphasis on human rights in the way we have applied the concept will contribute little to the solution to world problems. I am all for a general support of human rights. I am completely opposed to applying it inconsistently and occasionally and especially to specific country situations. Let us keep our pronouncement on human rights general, try to live by our terms in our own country but not to define what the rest of the countries of the world must do to meet requirements as we see them.

We need an NSC Director who seeks no personal publicity,

has no own press agent, no wish to keep on the front pages of the paper. If the job is continued, it ought to be legislated, defined, limited and require congressional confirmation, and fit into the mold of our system. I favor a faceless individual who serves a coordinating role with respect to the pushing of papers and the preparation of agendas and little else. I would like a situation where we say Zbig who?

We do not need to argue again whether the exercise of the United States in Vietnam was indeed noble or not. We do not need to struggle through a rollback of history on things like the Panama Canal and China. Let's start where we are and not pull up all the plants to see whether their roots are strong and sturdy. We should concentrate on proper fertilization and care of growth we wish to protect and not risk complete loss of all crops by virtue of starting over. It won't work.

What we do need is a measure of humility and a measure of strength and these are not inconsistent. We need a clarity of purpose that will be understood and shared by our allies. Without allies with whom we can pursue common goals, we are in desperate trouble. Let's admit when our purposes are diverse and not attempt to paper over what must be dealt with. Europe does not see its Middle East interests in the way we appear to, for example.

We need a deeper understanding of other cultures and philosophies, recognizing that there is diversity in the world and even within one apparent cultural grouping. Islam, for example, is not monolithic. There are many variations and divergences within that culture that represent a large part of the world. Not all Moslems are fundamentalists. Moreover, fundamentalism is not a phenomenon of the world of Islam - three born again candidates, the Moral Majority, and Begin's return to Old Testament geography attest to that.

There is afoot in the land a growing trend toward reanalysis of our system. Our debate in the presidential election has not yet addressed this fundamental requirement and probably won't. That does not mean that our new government - even one selected by a small majority - is estopped from an effort toward a broader base and a more effective government, and particularly a more effective foreign policy.

THE VIEW FROM WITHIN:
ATTITUDES AND PERCEPTIONS OF THE COUNTRIES OF THE GULF AND PENINSULA

Rapporteur: C. Darald Thomas

The 1980s represent a decade in which the states of the Arabian Peninsula must face growing threats to their security not only from increasing superpower involvement in the region, but also from new and stiff challenges to the old order by internal dissension. Coupling the Persian Gulf, Strait of Hormuz, and the Bab al-Mandab's new strategic importance and the resulting East-West competition with the vast resources available to the Gulf States have created serious stability problems for the entire region.

The Arab states on the littoral of the Persian Gulf have expressed shock at the behavior of the new Iranian leadership. The holding of American diplomats hostage, the slaughter of the opposition upon taking control in 1979 and the disintegration of the Iranian economy are viewed with increasing uneasiness. The simple view is that the mullahs just do not know how to run a modern government.

Although the Gulf Arabs had ambivalent feelings about the Shah of Iran (his military forces did provide a degree of security for all the Gulf states) after his seizure of Abu Musa and the Tunbs, they viewed the situation with concern and wondered aloud exactly what the Shah intended to do with the sophisticated weapons he was receiving from the United States. The present leadership of Iran have not diminished these concerns. Rather than abating the tensions between Arab and Persian, the Gulf Shaykhdoms view the mullahs as having acted with the same traditional Persian assumptions of superiority that motivated their predecessors.

Although Islam has served as a unifying element among the disparate groups of the region, the current popular focus on a re-surgent Islam fails to note the tremendous divisions between the Sunni and Shi'a varieties. In the Gulf as elsewhere, Arabism is far stronger than Islam, especially that Shi'a Islam as practiced in Tehran.

The Arab leaders in this region still feel that the United

States is omnipresent and in control although the extent of this certainty has been challenged by the events in Iran. However, there is a growing disenchantment with the United States because of its inability to deal with the question of Palestine on anything approaching a satisfactory basis for the Arabs. Furthermore time appears to be running out for America because of its inactivity.

The United States seems to view Oman and the Yemens through a Saudi prism. Oman and Saudi Arabia have not always coexisted peacefully and their major rapprochement came only in 1971. The border between the two states is still undefined. Omani leadership remains vulnerable because of the continued smoldering of the Dhofar along with the existence of several Marxist oriented groups. The Sultan continues to suffer from uncertain legitimacy in that the Sultanate is a relatively recent phenomenon and has been maintained only through British assistance and Iranian troops in the Dhofar province. Furthermore, the increasingly close ties being developed between Sultan Qabus and the West may pose serious threats to his reign in light of continued bitterness toward the United States. His ties to the West may backfire.

Yemeni-Saudi relations have been remarkable for their constant strain. The Yemenis strongly resent Saudi interference in internal affairs of both North and South Yemen while the Saudis fear the unrest and instability emanating from this populous corner of Arabia. In the relationship between Saudi Arabia and the Yemen Arab Republic (North), a basic ambivalence exists. The Saudis want Yemen to be weak enough not to constitute a threat while at the same time being strong enough to serve as a buffer between the People's Democratic Republic of Yemen (South) and Saudi Arabia.

In the YAR there continues to exist a strong reservoir of good will toward the United States, but as it is filtered through the Saudi prism it has been considerably eroded. On the one hand, the YAR feels that it would be impossible to renounce Soviet friendship in light of the high level of Soviet support during the Civil War. Sana' feels that therefore they must attempt to achieve a balance between the two superpowers with the clear expectation of getting aid from both.

Saudi Arabian security is of vital importance not only to the Saudi royal family but also to the entire oil consuming world. The possible threats to the regime could arise from several sources. First the Soviet Union realizing Western dependence on oil from this region could make any of a number of overt moves or the Western states could attempt to seize the oilfields but clearly any

interruptions of these types would entail an international war. Secondly, the PDRY could possibly be considered a threat but in terms of the array of forces that would be formed against it would mitigate against it posing as a serious menace.

A more plausible threat could be expected to come from a small group of radicals determined to damage the Saudi oil facilities. Protection of these facilities is extremely difficult due to the thousands of installations spread over a large area, the vulnerability of the wellheads themselves which are highly ignitable, and the long distances the oil must transit through pipelines from the wellhead to the ocean terminals. Only a few individuals with small arms and unsophisticated explosives could cause serious disruptions of the Saudi system. Potential attacks could emanate from a regional state reacting to perceived provocations, most likely Iran. Internal frustrations in Saudi Arabia could also serve as a trigger for some form of attack upon the oil system; an example might be the attack on Mecca in 1979. Additionally, Palestinians' frustration with the present state of affairs in Palestine might erupt in the form of an attack on these resources. They might see the oilfields and the West's dependence on them as constituting the issue and the area in which the greatest possible pressure could be brought to bear with the most effect.

All of the states of the Arabian Peninsula face immense and unprecedented problems but they have proved sufficient to the test up to this point. Certain more developed states such as Kuwait and Bahrain are going to have to provide the leadership and demonstrate the most adaptive capability. All of these states are undergoing rapid changes not only socially and economically but also politically. The young men who have been sent abroad to learn a skill needed by these new states are now returning with their Ph.D.s in hand. These young people are not going to be satisfied with traditional paternalistic political methods of the past. Political evolution is now changing the face of Arabia, but the question remains as to how rapid and stable it will be in the face of current hostilities and unresolved disputes that wrack this region.

SUMMATION

M. Graeme Bannerman

When I was asked to be the person who gives the summation for the Conference, I thought there was some certain irony in that, due to the fact that at previous conferences I had always promoted the idea of "spending your time in the hallway; you learn a lot more and you accomplish a lot more than by watching the panels." Nevertheless, here I am. In the last day and a half I have attended all of the panels save one in which someone took notes for me. What I propose to do is give some general impressions rather than to go through detailed recitations of what people have said.

First of all, my overwhelming reaction to the panels is depression. When we first started discussing the Gulf at Middle East Institute conferences in the late 1960s, we were concerned about the impending British withdrawal from the region. What was going to happen? How was security going to be maintained?

In 1975 we were again worried. We were worried about economic development. We were worried about how we were going to recycle petrodollars. We were worried about many things. Nevertheless, there was a feeling of optimism that things could change; everything more or less could be handled.

But today, after sitting here for a day and a half, we just seem to be worrying. There doesn't seem to be a solution. The Conference emphasizes this.

Dean Eliot catalogued the problems we face. We're concerned about Russian advances. As the excellent panel on Soviet activity in the region pointed out, today the Russians have a great deal more influence than a few years ago. They are better able to look after their interests. And most importantly of all, they're in a better position to take advantage of opportunities than we are. Indeed, serious regional conflicts, such as Iran-Iraq, offer the Soviets opportunities. We read in the newspaper that Afghan helicopters have crossed the Pakistani border and Kabul's problems may well again spill across its frontiers.

The traditional problems are also present. Religious differences and ethnic animosities don't seem to be disappearing. Economic problems continue. Other panelists pointed out that, although there's been rapid growth in the Gulf, severe economic strains have been created and these have not been solved. A very telling point was made that many of those who have promoted modernization are the same people who have benefitted from modernization. These are also the same people who have promoted Western ideas. Consequently, many people have turned against the West and Western ideas as being the instrument of self aggrandizement by much of the leadership.

Several major themes evolved during the Conference. The one that concerns me most is the future of the US-Saudi relationship. The assertion that a "special relationship" exists between the United States and Saudi Arabia has been, more or less, a basic premise in my own thinking and probably much of the thinking of the United States. We were told yesterday that this "special relationship" is now merely rhetoric. It no longer exists. Substantial differences exist between us. The Saudi Arabians, one speaker said, would be better off being non-aligned, dissociating themselves from us. Well, I'm not sure that that's correct, but there are sufficient elements of truth in the assertion to give me great concern and much to think about over the next several weeks, months and years.

With regard to the smaller Gulf states, panelists this morning suggested that they, too, should not be close to the United States. It was said that Sultan Qabus may be too close to the United States for his own good. Now for me, that is also worrisome. It's sad that we've reached the situation that being close to the United States is not in the interests of our friends.

Another theme was the question of Iraq. Speakers on the Iraqi panel pressed the idea that Iraq was not emerging as the dominant influence in the Gulf; it had emerged. By its increasing oil production and capacity, its large Arab population and its relative military strength, Iraq was a dominant force in the Gulf.

With regard to Iran, most of us are concerned that it is still suffering through a period of great agony. The Iranians are still sorting out their own future. This once stabilizing factor and protector of our interests in the Gulf now is a source of instability and is likely to continue to be so.

Finally, the theme that was never openly stated, but ran through the background, was the question of the relationship between the Gulf states and the Arab-Israeli problem. It was notable that

Camp David was mentioned so little. In fact I can recall only one reference. But I was concerned, as somebody who works on Capitol Hill, that we did not express our true thoughts. Instead we hid behind the expression "US domestic politics" to explain US Middle Eastern policy which does not more closely tie the Arab-Israeli question and American-Gulf policy.

The problems with American foreign policy are not restricted or just limited to the Persian Gulf region. I think this issue was addressed well last evening by Ambassador Battle. In his speech he noted that the consensus that had dominated American foreign policy was gone. The men were gone: the consensus was gone. He further noted that the primary principle of diplomacy was: "know your own mind and be sure the other fellow does too." With the lack of a consensus, we no longer know our mind and that is reflected in our policy in the Gulf.

Lacking in this Conference were serious policy alternatives. If we, those who specialize in the affairs of the region, can't think of what our policy should be - who can?

The answers we gave were insufficient. When it was asked what US policy should be, we were told "consistent." That's given. We know that, but first we must determine what that policy should be.

It was suggested that the United States should have better knowledge of the area. That's fine. But that doesn't tell us what our policies should be.

The only action that has been offered is the rapid deployment force: the ability to move rapidly a military force into the region. And I'm sure that this room is filled with many, many people who question the advisability, the effectiveness, and what we are really trying to accomplish with that force. But on the other hand, I can't find many answers. I am left with many questions. What our policy should be? Where are we going? What are our interests and how do we protect them?

I'd like to conclude these short remarks by addressing the question of improving our foreign policy that Ambassador Battle raised last evening. He offered two steps that he thought could improve our foreign policy. Either one, he suggested, was good. One was a move towards a parliamentary system of government. The other was a return to bipartisan politics. I would suggest, however, that these are aspirin. The basic problem we have to face is that we, as a nation, must determine what our interests are. We

could have bipartisan policies. The President could get his legislation through Congress, when, as a nation, we knew where we were going. We seem to have lost that direction.