

THE MIDDLE EAST

Gulf states must plan for the time when the oil runs dry

By Diana Johnstone

FRENCH PRESIDENT VALÉRY Giscard d'Estaing got extra mileage out of his recent tour of the oil-producing Arab Gulf states by presenting his proclamation of the Palestinian people's right to "self-determination" as something new and historic. Arab rulers went along, because they desperately need some political justification for their profitable ties to the West, and because it fits the scenario of Europe's gradual adoption of a more pro-Palestinian policy that the foreign policy establishment in Washington probably secretly welcomes but does not dare fully endorse for fear of the pro-Zionist lobby in the U.S. By seeming to assume leadership of Europe's bold new Middle Eastern policy, Giscard scored a domestic political triumph that probably contributed more to his re-election campaign than to France's oil supplies, which are already assured.

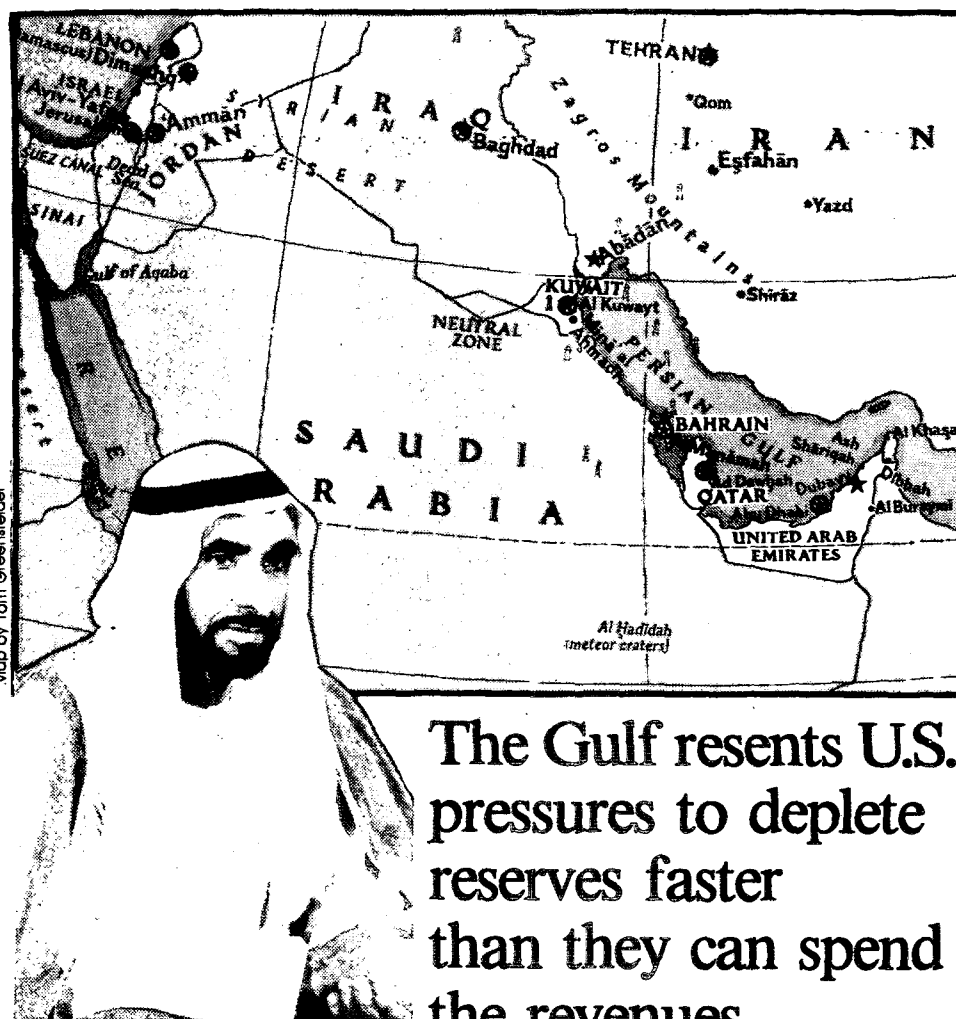
An Arab diplomat has warned that the weak and wealthy principalities strung along the southern shore of the Gulf, source of 40 percent of the non-communist world's oil, could fall "like a broken string of prayer beads" if, on the heels of the Iranian revolution, the brewing upheaval glimpsed recently in Mecca should overtake neighboring Saudi Arabia. Not only France but all of Western Europe is looking to Yasser Arafat's Palestine Liberation Organization (PLO) as a possible key to stability and on-going Western influence in the Arab world, notably the Gulf. Giving satisfaction to the PLO may even be seen as a necessary political preliminary to the much-heralded U.S. military operations to secure the Hormuz Straits, gateway to the Gulf.

The steamy, shallow body of water diplomats call simply "the Gulf" to avoid offending either its Persian or Arabian claimants was known for thousands of years for its pearl-divers. That age-old trade was wiped out in the 1930s by competition from Japanese cultured pearls. Providentially, this was exactly when an even more precious treasure was being found in the depths. The oil boom has given the citizens of the Gulf states the highest per capita income in the world—Kuwait is first with average annual income at about \$15,000—and the Gulf principalities have also lavished welfare state benefits, such as free medical care, education and pensions of all kinds, on their lucky citizens.

However, a huge proportion of the inhabitants are not citizens, but foreign laborers, technicians and professional people drawn by the oil boom. Never before could this desert region support so many people, and it is by no means clear how it will support even the original population once the oil runs out, with not even pearl diving to fall back on. Thus an overriding preoccupation of the region is to stretch out oil resources as long as possible, meanwhile trying to prepare substitute economic activities.

On this point, there is growing consciousness of a conflict of interest with the U.S., whose policy is to use up Arab oil before its own reserves are fully tapped—and at a pace far greater than the Arab states' capacity to spend or even invest their revenues. The U.S. has not at all followed the Europeans and Japanese in reducing petroleum consumption, one of many signs of American insensitivity to the region's problems.

The four Gulf states, Kuwait, Bahrain, Qatar and the United Arab Emirates, owe their independence from their big neighbors (Iran, Iraq, and Saudi Arabia) to the British Empire, which protected their sheikhs and emirs. Kuwait was granted independence in 1961,



Sheikh Zayed

The Gulf resents U.S. pressures to deplete reserves faster than they can spend the revenues.

the others ten years later. With Britain no longer up to its imperial role, the U.S. armed the Shah to police the region. Since his fall, there is no cop on the beat. For the moment, Gulf state rulers are less afraid of the Soviet threat than of an intrusion of direct American military "protection," which could trigger the internal troubles that seem the greatest threat to the status quo.

While the natives of the southern coast are mostly Sunni Moslems, a large part of the immigrant population is Shi'ite Moslem of Iranian origin, particularly sensitive to the appeal of Khomeini. The Palestinian minority, although less numerous, has up to now been more important politically because it occupies the upper levels of the economic hierarchy.

KUWAIT

Kuwait is the richest and most populous of the Gulf states, with about 1,200,000 inhabitants and at least 10 percent of the world's known oil reserves. Wedged into the innermost corner of the Gulf between Iraq and Saudi Arabia (whose past claims to the territory were effectively discouraged by the British), Kuwait also has enormous quantities of natural gas and the best port in the region, but its natural assets stop there. Thus Kuwait has set an oil production ceiling of 2.15 million barrels per day (compared to 3.2 million in the early '70s) that can make its reserves last for a century. Determination to pursue oil conservation policies was strengthened sharply by the U.S. freeze on Iranian assets in American banks last fall, which dramatically brought home to Kuwaitis that their oil wealth, when transformed into dollar bank accounts, might suddenly disappear into thin air at a word from a U.S. president.

Many measures are taken to spread the wealth around and avoid the flagrant social injustice that enraged Iranians against the Shah. For example, every Kuwaiti man who marries a Kuwaiti woman gets a state dowry of about \$18,000. Some of these measures are considered excessive by leftist Kuwaiti intellectuals who fear a "corrupted welfare state." Ten percent of government revenues from oil are earmarked for a Future Generations Fund, a nest-egg for

the post-petroleum Kuwaitis—and 8 percent of GNP goes to foreign aid to underdeveloped countries.

Over half the population is foreign, and half the foreigners are from Palestine. Palestinians are the most dynamic part of the population, prominent in the administration, university and news media. Along with Lebanon, Kuwait has the best and freest press in the Arab world. The superior skills and education of Palestinians have made them an indispensable modern intelligentsia in Kuwait as in Saudi Arabia (despite Saudi efforts to reduce their dependence on

Palestinians, and with it their obligation to support the Palestinian cause, by importing South Koreans). The wealth and relative freedom of Kuwait has made it a Palestinian political center. This is where Arafat first founded Fatah, the backbone of the PLO.

Nearly one-third of the population is Shi'ite, but they are relatively prosperous and thus do not share the economic grievances of Shi'ite minorities in Saudi Arabia, Lebanon and Iraq. Nevertheless, wealthy Shi'ite businessman Ahmad al Mehri was stripped of his Kuwaiti citizenship last September and expelled to Iran for allegedly leading pro-Khomeini agitation. Kuwaiti opposition leader Ahmad el Khatib makes a distinction between a "backward" and an "enlightened" Shi'ite movement, and like the rest of the left in the Gulf region, tries to ally with the latter.

Kuwait is ruled by the al Sabah dynasty. An experiment in parliamentary democracy was called off in August 1976. Political freedoms are most important to the foreign immigrants, who are left out of traditional ways of satisfying complaints and reaching consensus.

BAHRAIN

Bahrain is a small island surrounded by about 30 tiny ones, several still claimed by neighboring Qatar and all claimed, until 1970, by Iran from the opposite side of the Gulf. The main "island of a million palm trees" is a solitary green spot in the sandy region and the site of an ancient civilization. The first oil strike in the Gulf region was in Bahrain in 1925. After 48 years of extraction, Bahrain's oil is running out and production is already dropping to less than three million tons per year. Underground water sources are also dropping as a result of the boom, threatening to dry up the tropical greenery.

Bahrain is trying to use its head start in the oil business to keep going with services to the rest of the region, notably its offshore banking units, which has made it a world financial center, and its giant ship repair yard, able to handle super-tankers.

About one-fourth of the population of 350,000 are immigrant workers, mainly Iranian, Pakistani and Indians. The native Arab population is about evenly divided between Sunni and Shi'ite Moslems, both particularly tolerant, and there are also small Christian and Jewish communities.

The ruling al Khalifa princes, like the other Arab rulers in the region, were not

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STB1

COMRADE ERNEST KADUNGURE, a member of the Central Committee of ZANU, was addressing a campaign rally in a rural hamlet some 100 miles south of Salisbury.

Kadungure, a short, good-humored man, bent slightly in the afternoon drizzle and grinned slyly. "Some people say you are intimidated into supporting us."

A chorus of angry "no's" swept through the crowd of 3,000 people, some of whom had trudged 20 miles to the rally.

"They say the ZANU people are outsiders, terrorists who do not know what is going on in Zimbabwe," Kadungure smiled even more provocatively.

The response was even louder. "No!" "Down with these people." "Forward with ZANU."

Kadungure paused, then concluded triumphantly, "We say to them, 'If you want to know what is going on in somebody's house—you talk to the owner.'"

The crowd exploded with laughter and applause.

One week later, Zimbabwe served notice on the world who its owner was. The Patriotic Front's smashing win (77 of 80 seats, 87 percent of the vote) forestalled white-led coup attempts and South African intervention, which would have been possible with a less decisive margin of victory.

And the powerful showing of ZANU (57 seats, 63 percent of the vote), the more radical PF wing, means it can easily control the 100-seat parliament on its own.

On Independence Day, April 18, ZANU leader Robert Mugabe will assume power at the head of an enormously popular and broad-based movement that plans to slowly but relentlessly change the face of Zimbabwe without being forced or panicked into abrupt moves.

Whites here, and most outside observers, were stunned at the magnitude of the PF victory. A black hotel clerk said, "The white manager came in the day the results were released and said 'Good morning' to each of us. He's worked here for 25 years and this is the first time he's greeted the Africans."

Whites had thought Bishop Abel Muzorewa, the prime minister in the short-lived "internal settlement" government, would be able to parley lavish outside funding (much of it from South Africa) into a strong showing. The bishop, who barnstormed the country in three helicopters, got only 8 percent of the vote and three seats—"one seat for each helicopter," black Zimbabweans chuckled.

After recovering from the initial shock, whites argued that the PF landslide had been caused almost exclusively by a yearning for peace. Some 23,000 guerrillas had reported to assembly points, as stipulated in the Lancaster House agreement in London, and they remained there during the transition. The degree of conflict in the country plummeted. After the vote, whites said that the blacks, especially the 75 percent in the devastated rural areas, voted for the guerrilla alliance to keep the war from resuming.

There is limited truth to this argument. Blacks did vote for peace, but not at any price. ZANU organizers told rural audiences the war would start anew if the British or white Rhodesians broke their word—and the crowds cheered wildly.

The rural campaign.

The PF as a whole—but especially ZANU—won because of its astonishing success in penetrating rural Zimbabwe. There was scarcely an area in the countryside that had not known—and supported—the guerrilla fighters.

The regional results show the PF did best in areas of the most intense fighting. In Manicaland, bordering Mozambique to the east, ZANU won 84 percent of the vote and all 11 seats. In southeastern Victoria province, the "hottest" area in the final stages of the war, ZANU swept the 11 seats with 87 percent of the tally. These areas had boycotted Muzorewa's April 1979 elections. By turning out this time, their voters raised the percentage poll nationwide from 64 percent to an incredible 93 percent.

The effectiveness of the guerrilla war



THE HOUSE THAT BOBBY BUILT



was clearly apparent in the Charter District, which forms part of the central Midlands province. This writer spent four days travelling through the region with a ZANU campaign team, during which we covered more than 400 miles on back roads just re-opened after the recent fighting.

Everywhere, signs of the devastation caused by the war were apparent. The dirt roads were pitted with mine holes, and an occasional ditch dug by the guerrillas to trap military vehicles. Most of the communications wires were down. A number of villages were gutted and totally abandoned.

The local people were enthusiastic for ZANU. One rally, held in Chisangano, a village deep in one of the "liberated zones" where the Rhodesian military rarely ventured in the war's later stages, was perhaps typical. Chisangano's ZANU committee, which fed and sheltered guerrillas during the war, was intact, and campaign organizers sent it advance notice of the date and time of the rally. Two days later, 3000 people, informed by the fabled "bush telegraph," were on hand, whooping and dancing, as the two battered ZANU cars rolled up.

The people gathered together under a grove of trees, and waited expectantly. A young ZANU aide stepped forward, raised a clenched fist, and said calmly, "Pamberi ne ZANU—Forward with ZANU."

Three thousand people—women with infants strapped to their backs, barefoot old men—raised their fists and answered in a roar, "Pamberi."

A young woman wearing a red kerchief then rose hesitantly, and in a haunting voice sang the first line of a revolutionary song. The crowd joined in, and several hundred women began to dance. An old man stood on his head with excitement.

Ernest Kadungure, 42 years old, who left Charter for exile 16 years ago, stepped forward. "Thank you for giving us your sons and daughters to fight for our freedom. Let us pray for those who have died."

Some people knelt; others, following the African custom, clapped rhythmically while the women wailed.

Then Kadungure began to speak, starting with the most crucial issue—the land. "They took half our country," he said. "They made large farms there. They left us with bad land, covered with anthills, sandy. We will divide up the big white farms, and everyone can have land. Then those who want to remain in the sand, can."

The crowd clapped and laughed.

"School fees," he continued, to loud sounds of disapproval. "School uniforms. Books. We pay \$25 a child each year. We will make these things free to all. Then you will have to beat your children to get them to go to school."

More laughter and applause.

Then Joe Jokonya, a young lecturer in history at the university in Salisbury, rose from one of the benches the local committee had managed to borrow. Jokonya, who is also from Charter, escaped from one of Ian Smith's prisons in the mid-'60s and lived in exile until last year.

"Our struggle is not between blacks and whites," he began quietly. "Muzorewa is black—yet since he became prime minister he has commanded Rhodesian soldiers to kill our children."

"Muzorewa wears a collar around his neck. He is keeping the wealth of our Zimbabwe inside that collar, away from us. But the collar is open at the back—that's where the wealth flows away, to Britain and overseas."

"Muzorewa says we are Communists. Britain and America have free education for all. That is what we want. Are they Communists in Britain and America?"

"Muzorewa says if we win there will be no more marriage—all wives will be taken away and shared. Comrade President Mugabe told me if that happens they can take his wife first."

The men chuckled with glee. The women did not find the joke as funny.

The rally closed with more songs, including a new one called "Vote for the Rooster." The British governor, Lord Soames, had banned ZANU's original symbol, the AK-47 assault rifle, as in-

flammatory, so the party, in a master-stroke, replaced it with a symbol that has great appeal to rural Zimbabweans. Hundreds of dancing people, flapping their arms and crowing, escorted the ZANU cars out of Chisangano.

"Stop Mugabe."

Such overwhelming enthusiasm, reproduced across the country, thwarted Britain's plan to keep ZANU from power. Lord Soames recognized before the vote that ZANU would emerge as the largest single party, but if it could be held to 38 or 39 seats he planned to stitch together a coalition among Muzorewa, the 20 seats reserved for whites (all won by Ian Smith's Rhodesia Front), and Joshua Nkomo's ZAPU. Coalition supporters floated a remarkable re-interpretation of the Lancaster House agreement, which would appear to have ruled out such an alignment.

Nkomo would be lured in by offering him the prime ministership, which he never had a chance of getting in a ZANU-ZAPU coalition. This "stop-Mugabe" arrangement was a definite possibility: Nkomo, cagey as ever, did not rule it out; and RF leaders began clucking approvingly about their erstwhile enemy. Muzorewa—or at least some of his people—would have been brought on board with massive bribery.

To keep ZANU's vote down, Soames spoke out repeatedly against its 5,000 or so guerrillas he said have not reported to the assembly points, and he even threatened to ban votes from areas he said suffered ZANU "intimidation." He was quiet about the Rhodesian forces, including at least 16,000 "auxiliaries" loyal to Muzorewa, who roamed around the countryside beating and threatening ZANU supporters. (A favorite auxiliary tactic was to arrest ZANU campaigners on specious charges, much as southern sheriffs used to treat civil rights workers.) Soames was also notably restrained about the three attempts on Mugabe's life in a single week, which forced the ZANU president to stop campaigning personally.

Leaving the day-to-day management of the country in the hands of the old Rhodesian government apparatus also helped the stop-ZANU effort: Soames was a nearly invisible presence, who rarely emerged from Government House. All of the estimated 240,000 refugees outside the country, for instance, were to have come back by the election. But obstructive Rhodesian officials kept the number of returnees to 30,000, depriving both PF wings of votes.

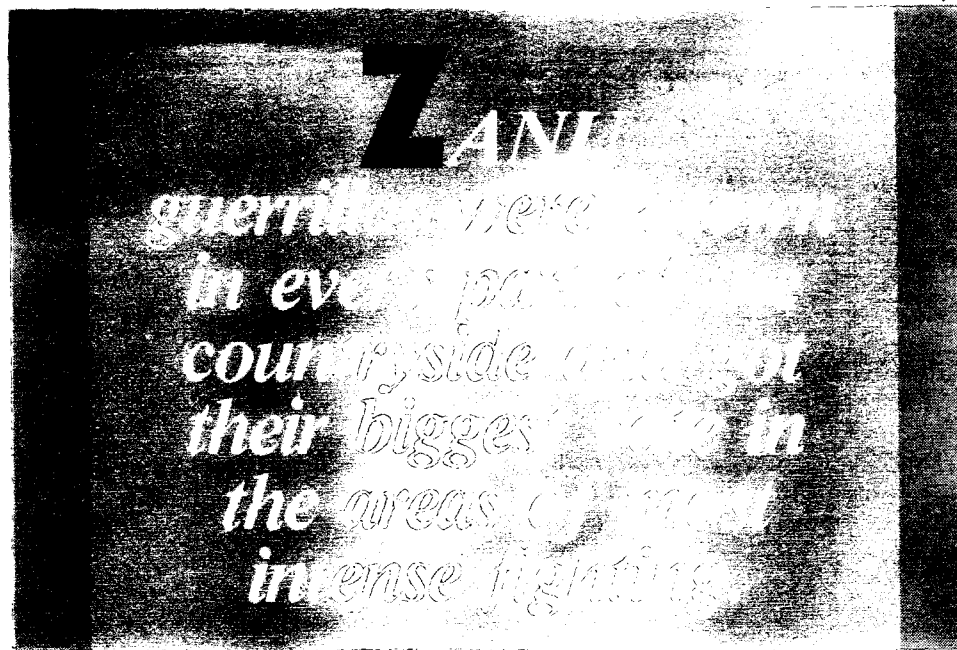
The media, unchanged in its bias, played up incidents of violence to spread the false impression that the war continued at its previous level. Meanwhile, rallies and statements by ZANU (and to a lesser extent ZAPU) were downplayed, ignored or distorted. Finally, elements of the security forces carried out a destabilization effort 10 days before the vote, bombing three Salisbury churches and then blaming the explosions on the "anti-Christian Marxists."

Avoiding drastic change.

After the election, the attitude toward Mugabe changed with breathtaking speed. As crowds surged through Salisbury and the surrounding black townships, Mugabe (introduced as "Comrade") spoke to the nation by television, stressing reconciliation and promising no immediate drastic change. People who had wanted his head the day before praised his "statesmanship"; even Ian Smith found him "forthright and responsible."

Mugabe moved quickly. First he invited ZAPU into the government, giving Nkomo the powerful Ministry of Home Affairs. The offer fulfilled a long-standing promise: it also was an effort to unify the country. There was an undeniable ethnic, regional pattern to the voting: ZAPU did best in western Matabeleland, while ZANU's strength was based more among ChiShona-speaking people in the center and east.

Mugabe then tapped two whites for his Cabinet: one of them, David Smith, was a minister for both Ian Smith and Muzorewa. He told South Africa that while he



abhors apartheid, he will not permit guerrilla groups to launch attacks south from Zimbabwean bases. And he asked General Peter Walls, the Rhodesian security force commander, to stay on and supervise the integration of the several armies into a single force.

Mugabe's actions, which are bound to raise some charges outside Zimbabwe (though not inside) that he is selling out,

are based on the shrewdest, most imperative kind of pragmatism. With respect to whites, ZANU is committed to multi-racialism, but it also wishes to avoid a disruptive white exodus, accompanied by sabotage, as happened in Mozambique and Angola. Not all whites are vital to the country, as they were fond of boasting, but some certainly are, at least in the short term. If they leave, others



Above, Women celebrate the ZANU victory in Salisbury; Below, Comrade Bernard is typical of a generation of Zimbabweans who have spent most of their adult lives fighting or in exile.

will have to be imported, at a higher cost to the country.

The reassurances to South Africa are quite plainly necessary to reduce the danger of intervention. They are part of the perception by the front-line states, especially Mozambique and Zambia, that after the devastation of the Zimbabwean war, this is not the time to invite an even larger regional conflict.

The integration of the armies is the most critical issue of all. The Rhodesian military was not destroyed in battle, though it was clearly losing. By integrating, the PF alliance hopes to separate Rhodesian black soldiers, some 80 percent of the total, from their white officers, with the well-motivated guerrilla fighters acting as the solvent.

The role of the West.

The present "era of good feelings" will not last forever. Zimbabwe has not had a revolution; it is having one, in a curious and unique manner. The multinational corporations, some of which have extensive landholdings in the country, were never entirely happy with Ian Smith, seeing his settler regime as blocking the smooth integration of Zimbabwe into the neo-colonialist system. They have now lost their battle to keep a radical black government from taking over, but they retain enormous economic power which they can use to shape or frustrate PF initiatives.

One area of conflict will certainly be the land. The PF alliance has pledged first to acquire un- or under-utilized white farmland, which could amount to 40 percent of the half of the country previously zoned for whites. But a German study in 1977 estimated at least 75 percent of the white land would eventually be needed for adequate resettlement, which could then threaten the large multinational concerns. There will also be disagreement over the type of resettlement: ZANU favors collective agriculture ("by persuasion rather than compulsory," according to its election manifesto), while the multinationals and their allies will advocate individual freeholdings.

Compensation for land acquisition will give the West leverage over the pace and kind of change in Zimbabwe. It agreed at Lancaster House to provide funds, but did not promise any amount. (There was loose agreement that the U.S. would supply 60 percent, Britain 30 percent, and the EEC 10 percent.) To acquire 75 percent of white land could cost up to \$1 billion, without even considering the additional funds for resettlement. The new government, saddled with other costs of reconstructing the battered country and expanding education, could not afford even a tiny fraction of such an amount.

Compensation from outside will assist a smooth, harmonious transition in the most vital sector of the economy. It is also the West's, particularly Britain's, responsibility—for putting the settlers there and leaving them virtually untouched when they rebelled. But to expect the West not to react if the PF government nationalizes, say, Union Carbide, would be putting hope before reason.

Any effort to frustrate Zimbabwe's revolution will have to confront determined men like Comrade Bernard, who is 28 years old and a deputy detachment commander in ZANU's army. Bernard has spent most of the last seven years fighting in the bush, and he enjoyed the respite during the two-month transition period in Assembly Point Delta, near the Mozambique border. "The outside world thinks we are barbarians," he said, just before the election. "But we are human beings. We fought because of the suffering of the rural people. We saw no other way to help them."

There are estimates that as many as one in four of the guerrillas who fought for their country's freedom were killed in combat. Thousands of black civilians also died, partly as a consequence of protecting and supporting the fighters. Now the war is over. Zimbabwe still faces an uncertain future. But there is greater cause for hope here—and in the rest of southern Africa—than at any time in memory.

The Gulf

Continued from page 7.

heartbroken by the fall of the arrogant Shah, who they figured got what he deserved for mistreating his people. But there was an unpleasant shock last September when the Iranian Ayatollah Rouhani announced he was ready to lead a revolutionary movement in Bahrain to overthrow the government if it failed to adhere strictly to Islam. This threat conflicts with Bahrain's aspiration to be a world business center, which depends in part on a less puritanical atmosphere (drinks are served in hotels) than its neighbors, especially Saudi Arabia.

Q A T A R

Qatar is quite different: desolate and sweltering, the peninsula was known to Arabs as "the land God forgot" until the oil boom of the 1940s brought the money pouring into the Al Thani family sheikhdom. The people here have the austere morals to go with a godforsaken land. They are Wahhabites, following the Islamic puritanism preached in the 18th century by Mohammed Abdul Wahhab and also imposed on neighboring Saudi Arabia by the Saud dynasty. Qatar produces 25 million tons of petroleum per year and has immense natural gas reserves that will start being tapped this year.

Instead of a few fishing villages and date palm oases, Qatar now has free medical care for everybody, five big modern hospitals in the capital, Doha, state pensions for widows, the aged and orphans, interest-free loans for home-building and a university of 1200 students, men and women. A full three-quarters of the population of 200,000 are foreigners, including 40,000 Iranians, 20,000 Palestinians and 60,000 Pakistani and Bengali workers, as well as Egyptians, Syrians and Lebanese.

The oil may last only another 30 years, so Qatar is trying desperately to diversify its economy. There are new steel, petrochemical and cement plants. The most bold ambition of Sheikh Khalifa Ben Hamad al Thani is to create an agriculture that could eventually enable the population to feed itself. Fifteen hundred artesian wells, a number of pilot farms, an experimental center and fertilizer factories are "making the desert bloom," at least a little. Trees are being imported from France in the hope of creating a forest large enough to change the climate.

Qatari information minister Issa al Kawi gave *Le Monde* the Gulf states' point of view on the eve of Giscard's visit. "The Arabs have made huge concessions to Israel. They have reduced their demands to a minimum. The leaders cannot go any farther without being disavowed or even overthrown by their people. The Arabs have implicitly recognized Israel, but the Israeli government hasn't even been willing to make the necessary gestures enabling that recognition to be made formal and official."

"If the United States is embarrassed by the Israeli-Arab conflict because it's a domestic political problem on account of the Jewish vote, why doesn't Europe, which has considerable interests in the region, take an initiative that could help the American president stand up to internal pressures, and incidentally help solve a problem that threatens the region's stability and world peace?" *Le Monde* quoted the Qatar official as asking. His question seems to be getting an affirmative answer.

U A E

The United Arab Emirates consist of Abu Dhabi, whose oil and gas deposits (4.4 billion tons) nearly equal the proven reserves of the U.S., and six other, much

smaller principalities, only two of which—Dubai and Sharja—have oil resources of their own. Foreign immigrants, notably from Pakistan and India, make up a full 80 percent of the population of 650,000.

The UAE has been relatively slow in making the two main oil policy changes of the '70s. First, in 1974, it moved to control its oil resources by taking 60 percent of the shares in the multinational oil companies operating in the country. But it has so far lagged behind Kuwait and Qatar, who have taken full control of oil production. It may do so to carry out the second prevailing policy change: the turn toward conservation and more measured use of both petroleum and its earnings.

Sheikh Zayed of Abu Dhabi, president of the UAE, didn't mind seeing the Shah fall. But hopes of getting back three little islands in the Hormuz straits, the Gulf's gateway, seized by the Shah in 1971, have so far been dashed by the Shah's successors in Tehran. Iraq, apparently grooming itself to be the next cop on the Gulf beat, has called for their restitution to the UAE. (Kuwaiti journalists reportedly believe Iraq is behind recent sabotage of Iran's Khouzistan oil fields.)

According to some well-informed sources, some of the participants in the capture of the great Mosque in Mecca last Nov. 20 managed to escape to relatives in the Emirates. According to these sources, the occupation of the great Mosque was only a pre-arranged fall-back after the failure of a rebellion aimed at overthrowing the Saudi dynasty. Occupation of the sanctuary gave the rebels a chance to express their grievances and enabled many of them to mingle with the huge crowd of pilgrims and escape before armed forces began a two-week siege that caused countless deaths and ended in the capture and beheading of 170 rebels, these sources say. The action was not at all a one-shot gesture of religious fanatics, but rather the opening of an insurrectional movement that will surely be heard from again, most observers believe.

Sheikh Zayed has no sympathy for Soviet communism, whatever it may be, but neither is he impressed by U.S. outrage over the invasion of Afghanistan. "Is it right to blame the Russians just to have an excuse to do the same sort of thing?" he asked in a recent television interview.

There is fear of the USSR around the Gulf, but much greater fear that the U.S. is deliberately building tension in order to have a pretext to intervene. But to what end? It is true, as the American right says, that American "protection" has lost credibility through U.S. failure to save the Shah—even among governments that had no use for the Shah. But that isn't the only cause for distrust. The

U.S.' unrestrained oil consumption makes its eagerness to "protect" oil resources that both the Arab producers and the European consumers would like to stretch out as long as possible somewhat suspect. Then there was the U.S. freeze on Iranian assets, followed by U.S. Treasury Secretary Miller's tour last November warning the Gulf states against transferring assets out of U.S. banks. In fact, they have been stopped not by Miller's threats but by the incapacity of other banks to absorb such large deposits. But the lesson is very clear: it is better to put wealth in real estate—or leave it in the ground.

But most of all, until Israel has accepted definite boundaries and granted some sort of homeland to the Palestinians, any direct American military move in the region will inevitably be interpreted as support for "Zionist expansionism," rather than as an obstacle to "Soviet expansionism," which looks much more remote and hypothetical.

Thus the pressure is rising, not only in Arab states, not only in Europe, but also, inevitably, in the American ruling establishment, to make Israel compromise with the Palestinians. This is especially so since, compared to the religiously oriented revolutionary movements in Iran and Saudi Arabia, the PLO is a modern, nationalist movement that could provide a political link to the Western world. Palestinians are Arabs, but not particularly Islamic; there is a large Christian minority (which includes some of the most radical). The Palestinians are a relatively "westernized" elite in the region. The class composition of the PLO suggests that its radicalism is largely rhetorical, and that given a government, it would be "bourgeois nationalist." Europeans want to reward Arafat's moderation and make friends in a region where friends may soon prove hard to get.

The trend is unmistakable. A fortnight before Giscard's much more publicized statement, Irish foreign minister Brian Lenihan, on a visit to Qatar, went farther by specifying that the Palestinian right to self-determination should include "the right to an independent state" if they want one. Virtually all of Europe shares the French position for Palestinian self-determination "within the context of an overall peace settlement in the Middle East." This is fanfare leading up to the European Economic Community endorsement of Palestinian self-determination, probably with a role for the PLO, perhaps at the European summit in Venice next June. The EEC statement is being saved until after the May 23 deadline for implementing the Camp David agreement on Palestinian autonomy.

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The Budget

Continued from page 3.

tightening eligibility requirements will save another \$300 million.

Clearly, these are not simply symbolic actions aimed at restoring our country's faith in its leadership. These budget cuts are part of a calculated effort to cut political losses in this election year by loading the burden of austerity on those people who play the most marginal role in the political process. At one point in the Budget Committee debate, there was a vote to save \$250 million by eliminating the Legal Services Corporation, which provides legal assistance to the poor. During the debate, Representative William Brodhead of Michigan finally exploded. "Hell, anybody can vote for a cut in legal services for the poor. There's no political problem in voting to kick the hell out of poor people."

The Legal Services Corporation survived, by a 14-11 vote; but, like other social programs that have remained relatively intact, Legal Services still faces the possibility of being dismantled. All of these programs must run the gauntlet through the Senate Budget Committee, a House-Senate Conference Committee,

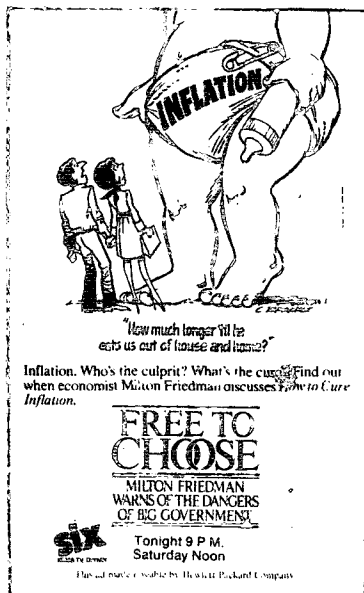
debate on the floor of both houses, and authorization and appropriations committees in each house. At any point in the process, particularly in what promises to be fevered floor debates, the ax could be unsheathed again.

In the Senate Budget Committee, which began its markup this week, domestic social spending must survive a proposal by William V. Roth (R-Del.) to require Congress to hold spending to within 21 percent of the Gross National Product, a proposal that Budget Committee chairman Edmund Muskie believes will require cutting total spending by \$45 billion and will "throw the country into havoc."

Inflation is "the cruelest tax of all," according to the president, "especially for the most disadvantaged." But that rhetoric has stopped neither the president nor the Congress from recommending that the most disadvantaged be forced to tighten their belts again, forego increased income benefits and job opportunities and weather both increased unemployment and decreased real income—both recession and inflation—as best they can.

LETTERS

IN THESE TIMES is an independent newspaper committed to democratic pluralism and to helping build a popular movement for socialism in the United States. Our pages are open to a wide range of views on the left, both socialist and non-socialist. Except for editorial statements appearing on the editorial page, opinions expressed in columns and in feature or news stories are those of the author and are not necessarily those of the editors. We welcome comments and opinion pieces from our readers.



BROUGHT TO YOU BY EXXON

AFTER READING PAT AUFDERHEIDE'S article on the "Made in U.S.A." project (ITT, March 5), I ran across the enclosed ad for "Free to Choose" in the *Denver Post*. You will note that this ad carries the corporate domination of PBS one step further by stating that the advertisement "is made possible by Hewlett-Packard Company." One wonders how long it will be before we're told that PBS, the Corporation for Public Broadcasting, and the government are all made possible by a grant from the Exxon Corporation.

Keep up the fine work.

—Barry Roseman
Denver, Colo.

RAILROADS

MARK SCHAPIRO'S ARTICLE (ITT, March 12) is a revealing picture of "gone mad" leadership in our nation. As for railroads being subsidized by the government, the logic of a six-year-old would discern this as a better investment in national defense than the \$130 billions allotted the Pentagon.

—Cora G. Chase
Vaughn, Wash.

THANKS

AS SOUTHERN PACIFIC'S FIRST WHITE train porter, the namer of John Maybury's famous little *Amtrak Blues* newsletter, and, even now, a passenger rail supporter, I thank you for the article "The late train robbery." It's about time somebody other than just train buffs took notice.

I've been reading *IN THESE TIMES* on and off for about a year, borrowing copies from a friend and even buying my own now and then. But I think that this article marks the right time to subscribe. Enclosed is a check for six months of your beautiful newspaper.

—Ted Cuzzillo
San Francisco

AMTRAK

YOUR GROUP OF ARTICLES ON AMtrak and our transportation problems were quite good. But you put too much blame on the privates when Amtrak is just as much to blame as the railroads, and you attribute far too much responsibility to train dispatchers. It is true in train control system TCS or CTC territory the dispatcher controls

the signals and switches. But he or she takes orders from a chief dispatcher. In my experience on the Santa Fe, the dispatchers try to keep the passenger trains moving as best they can. To the best of my knowledge, there has been only one case where a dispatcher delayed a passenger train for a freight.

I am not disagreeing with your overall assessment of the Amtrak problem, but I am saying blame should be placed in the laps of the top officials of the railroads.

—Stephen C. Condit
Abilene, Kans.

UTILITY SHUTOFFS

THE ARTICLE ENTITLED "NEW Coalitions formed to fight utility shut-offs" by John Cameron and George Wood (ITT, March 5) failed to include Connecticut among the successes in limiting winter terminations of utility service. To our knowledge, Connecticut is the only state that has a statute prohibiting winter gas and electric shut-offs in hardship cases. Moreover, the Connecticut statute, unlike the termination regulations of many states, protects poor people from winter shutoffs based on their financial position. The statute also includes persons who are seriously ill, or whose household has a seriously ill member in the hardship category.

The Connecticut statute, adopted by the spring session of the 1979 legislature, was the result of a joint effort on the part of several advocate organizations and community groups.

The existence of Connecticut's statute is significant because the legislature took over a function that the state Division of Public Utility Control could exercise. The legislative mandate also increases the likelihood that winter shut-off protections will not be eliminated.

—Valerie J. Bryan
Staff Attorney, Connecticut
Department of Business Regulation

STEELWORKERS

DAVID MOBERG, IN HIS ARTICLE "Tough Talks in Steel" (ITT, Feb. 20), follows faulty premises to erroneous conclusions. First of all, the union's bargaining strategies do not depend on "corporate relations" as Moberg suggests. Steelworkers did not become the best paid industrial workers in North America by pandering to a corporate view of correct relations.

The Steelworkers have approached the 1980 negotiations with the same outlook it has always had—the determination to attend to the problems of the members and a willingness to listen to the problems of the industry. The union goes to the table with its own careful research of the industry.

The USWA's bargaining strategies have always been determined by its evaluation of the industry's long-term prospects and not so much by short-term circumstances. Future prospects for the industry are good.

Critics within the union, Moberg says, would insure job security by one of two means. First, by giving the industry technological freedom in return for lifetime jobs.

The industry has always had the freedom to introduce new technology. The major problem with the industry today is that it has not kept up technologically. In fact, the industry's major complaint is that it has not had the capital needed to keep up.

Second, says Moberg, "others seek greater public and worker control—at the federal level and at the level of community and the workers themselves—of management investment decisions."

The union has taken several measures to protect members from the calamity of plant shutdowns, including government and community involvement. At the table, the union is demanding early warning of contemplated plant closures along with an extension of lifetime job security. In Washington, the union is lobbying hard for legislation requiring a much greater degree of social responsibility on the part of corporate management in its consideration of investment priorities.

In earlier contracts, the union negotiated supplemental unemployment benefits for up to two years to cushion the economic effects of plant and department shutdowns. Still later, the union negotiated arrangements for members to retire early with full pensions and, in some circumstances, with \$300 per month in supplemental income until becoming eligible for Social Security benefits.

Coupled with these negotiated remedies, the union was one of the prime movers in the promotion of Trade Readjustment Assistance, which, in the event of shutdown because of imports, provides additional weekly benefits and retraining for affected employees. Beyond that, the union helped create the Steel Tripartite Committee and the Steel Committee of the OECD. The Steel Tripartite Committee, chaired by

under-secretaries of the departments of Labor and Commerce, was established to pool the efforts of the industry, the union and the government to solve problems confronting operational stability and employment security. The Steel Committee of the OECD was created to ease the restructuring of the international steel industry.

Thus, the union is positioned to attack the problems from three vantage points: through collective bargaining, legislatively, and internationally. The union will represent its members at all three levels and will expand these avenues during the decade.

Many writers and observers take a curious approach toward large industries as long as they operate in societies where capital formation, and not nationalization, is the key factor. Problems relating to trade, taxes and modernization are real and cannot be dismissed as just corporate propaganda. Only a strong and healthy industry can provide the kind of well-paying, secure jobs that our members are entitled to. Of course, the other side of that coin is that the union has to be strong to ensure that even a healthy industry does in fact provide such jobs. Paying attention to the health of the industry that employs its members is as important to a union of working people as are the twin duties of negotiating a contract and then seeing that it is administered properly.

—Lynn R. Williams
International Secretary
United Steelworkers of America
Pittsburgh

CALENDAR

You and your organization can use the *IN THESE TIMES* calendar to announce upcoming conferences, lectures, films, events, etc. An actual date is required in your announcement. The cost is \$10.00 for two insertions and \$5.00 for each additional insert. Unless it is requested otherwise, the announcement will appear in the two issues immediately prior to the event. Send copy (maximum 40 words) to: Bill Rehm, *IN THESE TIMES*, 1509 N. Milwaukee Avenue, Chicago, IL 60622.

April 4-5

Cities in Crisis; Urban Alternatives. URPE Midwest Regional Conference, at IUPUI, 925 W. Michigan, Indianapolis. Panels, films, slides, workshops. Fiscal crisis, "revitalization," socialist city, urban organizing. Keynote: Baldeemar Velazquez (FLOC), "Organizing the Unorganized." Write: Conference, c/o Pol. Sci. Dept., IUPUI; tel.: (317) 264-7387.

April 4-6

The Berkshire Forum opens a new season of **Weekend Vacation Workshops**, combining expertly led discussions with exhilarating rural holidays. Modern lodge, gorgeous setting, country meals and tennis. Call or write: (518)733-5497 Berkshire Forum, Stephentown, NY 12168.

April 5-6

Celebrate **Passover-Seder** on April 5th at 6:00 p.m. and **Easter-Passover** on April 6th at 11:00 a.m. with **Rabbi Robert Marx**. The 3rd Unitarian Church, 301 N. Mayfield at Fulton, Chicago, 626-9385. \$3.00 admission.

April 14-20

Palestinian Awareness Week, focussing on the economic, social and cultural aspects of the Palestinian Arab people. Participants include: Dr. Hetem I. Hussein, Prof. James Zogby, Prof. Elias Tuma and Mahmoud Darwish. Sponsored by the Stanford Workshop on Political and Social Issues. For more information call (415)328-8491 or 325-9793.

April 15

War or Peace: Where Are We Headed? A symposium that takes a look at our foreign policy in the Middle East and Central America and discusses alternatives. Speakers include: Professors Fred Warner Neal, Nikki Keddi, and Blase

Bonpane. Tuesday, Fairfax High School Auditorium, Los Angeles. Admission is free.

April 17

Celebrate **Big Business Day**. Activities across the country to expose corporate abuses and suggest humane alternatives. Trials of Big Business, Corporate Hall of Shame, Alternatives to Big Business Fair. Central event: National Convention, Union Station, Washington, D.C. Get involved.

San Francisco Big Business Day. High noon: First-ever *Public Board of Directors* meeting with management of Standard Oil. Assemble at 555 Market. 7:30—"Alternatives to Corporate Control" forum sponsored by DSOC, Women's Building, 3543 18th St. Further details: (415)431-3829.

April 18-20

The New School for Democratic Management will conduct **courses in business, financial and democratic organizational skills** at the Loudon Nelson Community Center in Santa Cruz. Courses include: financial management, democratic management and community economic development strategies. Fees are \$80.00 for one course and \$140.00 for two courses per student. Contact: Otter Enterprises, P.O. Box 2294, Santa Cruz, CA 95063, (408) 462-1344.

April 19

Richard Greenwood, International Association of Machinists and Aerospace Workers, will speak at the **11th Bucks County Peace Fair**. Also, Dr. Judy Johnsrud on nuclear power and waste. Music, booths and exhibits by 25 organizations—an outdoor family occasion. George School, Newtown, Pa. 11:00 a.m. to 7:00 p.m. \$1.00 parking donation. For information call: (215) 357-3857 or 968-3766.

April 25-27

13th Annual Pacific Northwest Labor History Conference, Portland, Oregon. Special guests: David Brody, Victor Reuther. For information contact: PNLHA, P.O. Box 25048, Northgate Station, Seattle, WA 98125.

April 26

March for Survival. Assemble at 10 a.m. in Union Square, San Francisco. March to Delores Park for 1:00 p.m. rally. Speakers are John George, Dennis Banks, Barbara Haber and Fernando Guerrero. Plus entertainment. Contributions invited—Volunteers needed. Contact Claire at 752-7766.