

Out of its belief that the Arab human being is the main objective and instrument of economic development, the conference has given priority to the humanitarian aspect in the Arab economic strategy. This is in order to increase the economic productivity of the Arab human being, to develop his experiences and skills, and to enable him to acquire technological knowhow and at the same time preserve the cultural identity and heritage of the Arab homeland.

The conference expresses the belief that Arab economic integration has become a pressing national objective necessitated by the current phase and the recent developments in the Arab homeland.

Within the framework of this strategy the council adopted a draft contract for joint Arab development to speed up development in the less-developed Arab countries, to reduce the differences in development among the various parts of the Arab homeland, and to achieve continued development to improve individual income. The conference declared the 1980s as the first decade for joint Arab development. For this purpose the conference allotted the sum of \$5 billion for the next 10 years, subject to increase in light of needs and capabilities.

The draft contract has as its objective the financing of development projects in the less-developed Arab countries and gives priority to major projects that contribute to strengthening relations among Arab countries and achieving Arab economic integration in addition to raising the Arab people's economic and social standards.

The conference decided that financing shall be easy to obtain and at low interest rates. Saudi Arabia, Iraq, Kuwait, the UAE, and Qatar committed themselves to allocation of the above-mentioned sum. The door will remain open to the other Arab countries that are capable of participating in this contract in the future in light of their pan-Arab commitment.

The conference attached special importance to the role of deposits and Arab revenues and their sound channeling toward integrated investment fields. For this reason the conference adopted the unified agreement on the investment of Arab capital in Arab countries. This agreement represents the main instrument encouraging the private sector's participation in financing Arab development projects and programs on the basis of a sound and accurate balance between the interests of parties concerned in the investment relations and their responsibilities. The agreement also guarantees the continuation of the Arab joint economic action, supports and protects it from transient political crises. The conference adopted the pan-Arab economic action charter with a commitment to the principles of pan-Arab economic integration and to Arab preferential treatment, to keep joint Arab economic action out of politics, and provide a solid platform for the development of the Arab economy and firm steps with confidence in light of higher interests.



Syria's Assad backs himself into a corner

by Robert Dreyfuss

Syrian President Hafez Assad's order this week to mobilize his armed forces for a confrontation with neighboring Jordan marks the final stage of the process of the isolation of Syria.

Despite his reputation for highly astute political maneuver—a necessary trait for someone who has ruled volatile Syria since 1970, longer than any other Syrian head of state—Assad has now backed himself into a situation of near desperation. According to informed Arab sources, Assad probably will not survive through 1981.

In effect, the Assad regime has been defeated by its long-time rival, the Iraqi government of President Saddam Hussein.

The internal crisis in Syria results chiefly from Assad's stubborn refusal to cooperate with neighboring Iraq, which, under Saddam Hussein's leadership, has become the leader of a moderate, nationalist bloc of countries including Jordan and Saudi Arabia. While the Syrian economy has spiraled down into crisis, nearby Iraq has achieved a position enabling it to enter the phase of industrialization.

As a result, Assad has lost the support of the Syrian middle class, merchants, nationalist political leaders, and the traditional religious establishment. Since 1979 his political base has become increasingly narrow, and he now depends exclusively on the Syrian army and internal security forces to maintain power.

Hafez Assad at a bunker on the Golan Heights.

Pressed by such internal problems, Assad has caused Syria to abandon its traditional caution in its foreign policy and to embark on a series of adventurist moves, including:

- the signing of a Soviet-Syrian pact this year that brought Soviet military and intelligence personnel into almost every facet of Syrian political life, and which has put Syria in the position of a Soviet vassal nation;
- Syrian military and diplomatic support for Ayatollah Khomeini's dark ages theocratic dictatorship in Iran;
- the merger of Syria with Col. Muammar Qaddafi's terrorist state of Libya, forming a single nation;
- the raising of tensions in Lebanon, which is occupied by up to 40,000 Syrian troops; and
- actions by Syrian intelligence to raise the level of religious sectarian warfare in the Middle East.

Most of these acts have been taken with the witting collaboration of British and Israeli intelligence.

How has this state of affairs come about?

Assad's Syria vs. Iraq

Both Syria and Iraq are ruled by the Arab Socialist Baath (Renaissance) Party. Originally founded during World War II as a radical nationalist pan-Arab movement, the Baath during the 1960s split into several factions. In 1966, Syrian Defense Minister Salah Jadid and Syria's Air Force Commander Hafez Assad seized power in Damascus and expelled the old leaders of the Baath Party, most of whom presently reside in Iraq.

The Syrian government that took power in 1966 took the position of a leftist, militantly anti-Israel state, a policy that continued when Assad became president in 1970 after a slow-motion coup d'état against President Jadid.

When the Baath Party took power in Iraq beginning in 1968, led by Saddam Hussein, the Syrian branch of the party found itself engaged in a bitter, factional battle with its Iraqi neighbors.

Since 1979, Iraq has emerged as the champion of a plan to modernize the Arab world by using Arab oil revenues in a long-term effort, based on nuclear energy and high-technology capitalization, to develop industry and mechanized agriculture, desalination plants for water, petrochemical, oil refining, and steel plants, along with a sophisticated military-industrial complex.

In contrast, Syria has fallen back on sterile calls for military confrontation with Israel.

In 1978, Saddam Hussein offered to merge Iraq with Syria to form a single nation. To clear the way for the merger, Saddam Hussein took over Iraq's presidency himself and purged dozens of Iraqi officials opposed to a merger with Syria.

According to official Arab sources, Assad was almost convinced of the necessity to join with Iraq. But, these sources report, Assad was blackmailed by certain

Syrian political power centers to abandon the merger project. The Syrian president refused Saddam Hussein's offer and launched a vituperative campaign to overthrow the Iraqi government.

Sectarian politics

The center of Syrian resistance to Iraq came from the leaders of the Alawite sect based in northern Syria. The Alawites are a minority bloc in Syria, with a sectarian character akin to Iranian Shiites. Today, most of Syria's political elite is drawn from the narrow Alawite base, including President Assad and his several brothers.

The "Alawite mafia" has now secured an almost total hold over Assad, and it controls Syrian political life. In the Middle East, the Alawite mafia is closely tied to many of the Lebanese extremist Christian Maronite politicians, especially ex-President Suleiman Frangieh, and to drug- and gun-running networks in Lebanon, Cyprus, and Turkey.

Through connections in France and Great Britain, the Alawite mafia—especially including Col. Rifaat Assad, commander of the Special Forces praetorian guard, and Muhammad Haider, chief of the foreign relations bureau of the Syrian Baath—is in liaison with Israeli intelligence.

To maintain its grip on power, the Alawite group exploits Syrian religious divisions by secretly giving encouragement to the outlawed Muslim Brotherhood, which has been responsible for dozens of political assassinations and terrorist violence in Syria since the summer of 1979. By pitting the Alawites against Syria's majority Sunni sect, from which the Muslim Brotherhood is drawn, the Assad regime is both trying to paint the broad opposition to his rule as all falling under the umbrella of the Brotherhood, while rallying the Alawite population to the Assad clique.

It is a dangerous game that cannot last much longer.

Assad's last chance for political survival rests in his making the hard choice of abandoning Syria's present course and seeking a government of national unity. That act would enable leading Syrian exiles to return home in support of a new government under Assad, and to proceed with a merger with Iraq.

But that would mean that Assad would now have to double-cross the KGB (Soviet intelligence), the Mossad of Israel, and MI-5 (British secret intelligence). None of these parties, who have great assets in Syria, are likely to look kindly upon a Syrian switch in policy.

So, for now, Assad is content to join Menachem Begin of Israel in two convergent areas. First, by maintaining a level of controlled Syrian-Israeli tension, both Assad and Begin mutually reinforce each others' regimes. And second, both Syria and Israel have designated Iraq as their chief enemy.