

INSTITUTE OF CURRENT WORLD AFFAIRS

CM-10
Middle East Reflections or
Egypt - The Hungry Giant

Cairo, U.A.R.
April 2, 1964

Mr. Richard H. Nolte, Director
Institute of Current World Affairs
366 Madison Avenue
New York 17, New York

Dear Dick:

In the Middle East, as in Asia, the foreign policy of the United States is confronted by seemingly insoluble dilemmas. Intense regional conflicts among states with which the United States would like to be friends and their appeals for United States support put the U. S. in the position of being damned if it does, and damned if it doesn't. Much as Uncle Sam might like to sit out a few dances, his power and influence are so omnipresent that waltz he must. Whether on the sidelines or on the dance floor Uncle's toes get stamped or his ribs bashed.

Five weeks of interviews in Lebanon, Kuwait, Syria, Jordan, and the United Arab Republic tended to become repetitious. Aside from occasional diversions (both the Arabic and English-language press are fascinated by the Ruby trial and the Baker case), conversations and press comments revolve around two subjects - Palestine and Nasser. After a few interviews one feels as though he has been reading two serialized whodunits at the same time.

The first few chapters of the Palestine whodunit are familiar. The villain is a man named Harry Truman. Until he aided and abetted moving the Jews into Palestine and the Palestinians into neighboring Arab lands, the United States had an enviable reputation in the Middle East for generosity, fairness, and pristine innocence. Since 1947, however, Uncle Sam has been alternately Machiavellian or naive, but never honest and straightforward. His policy, so the story goes, has been whipsawed by periodic elections allegedly used by Zionists (not Jews) in the United States to generate new waves of anti-Arabism.

At the moment, this serial is acquainting its readers with two new characters. One is the knight in shining armour who was struck down at the moment of achieving permanent peace and prosperity in the Middle East. His name was Kennedy. The other character is apparently to be a villain named Johnson - one of a clan of anti-Arab Johnsons (Eric, spelled with a 't', Joseph, Alexis, and Lyndon). It is not clear yet whether the villain's first name is Alexis or Lyndon.

It was Deputy Under Secretary of State U. Alexis Johnson who in January made page one in the Arab press by stating that although it is U. S. policy in the Near East "to avoid taking sides in regional disputes, this does not mean that we will stand idly by if aggression is committed." Arabs almost to a man (though women are less and less to be denied influence here) understood the Johnson statement as an

American promise to protect Israel from action which Arab states might take in implementing their Summit Conference decisions directed against Israel because of her projected diversion of waters from the Jordan Valley to the Negev. (Had this speech come at the time of the Israeli announcement of its diversion plans it might have had quite the opposite effect).

It was President Johnson who offended the Arabs in February. In a speech at the annual dinner in New York of the Weitzmann Institute, President Johnson managed to put into one sentence three concepts that infuriate the Arabs - cooperation with Israel, nuclear power, and water.

"The United States," said President Johnson, "has begun discussions with the representatives of Israel on cooperative research in using nuclear power to turn salt water into fresh water." The statement seems innocent to the innocent, but to the pros it was dynamite.¹

While the late President Kennedy is on the way to becoming the legend of an American who understood the Arabs (even though he supplied Hawk missiles to Israel), President Johnson now has the burden of proving in an election year - of all times! - that he is not out to reverse policies in the Middle East which were gaining some acceptance among the Arab states. How difficult this may be is indicated by a March 6 report in the An Nahar of Beirut. A news story suggested that Phillips Talbot, U. S. Assistant Secretary of State, had visited Cairo in order to explain to President Nasser that recent official speeches were not meant to be offensive. That Talbot was successful in this part of his mission was indicated in this strange statement: Talbot's talks "were successful notwithstanding the \$30 million loan given by the U. S. to the U.A.R." In other words, it takes more than money to keep things right with the Arab world when the subject of Palestine is involved.

It is trite, but nonetheless true, to note that Arabs are capable of submerging all their differences when their attention is concentrated on the threat of Israel. It is strange indeed that the negative factor - fear of Israel - may be the most significant influence in promoting political unity and economic development in the Arab world.

The Arab Summit Conference of January is the most recent example of enemies becoming friends in order to present a united front against Israel's projected diversion of Jordan waters. The affection of Arab

1. There is a strong suspicion in responsible circles in the Middle East that the damaging language in the President's speech was prepared in the White House. If that is true the language was either cunningly contrived or woefully naive, especially in view of the fact that U.S. desalinization experts recently in the Arab world know nothing of such "discussions" for the use of "nuclear power."

leaders one for the other in the face of the Israeli presence is overwhelming. President Nasser and King Hussein embrace, Prince Faisal of Saudi Arabia and President Nasser are soon to confer on problems heretofore too delicate to discuss, and Kuwait is wittingly being tapped for funds by her oilless neighbors.

But while the Palestine story has brought evidence of unity among the Arabs, the second whodunit serial moves slowly toward a climax inextricably related to the Palestine story. The Nasser story involves not the Arabs against the Jews, but Arabs against Arabs. This is the old theme of the have-nots against the haves, the new Arabs against the old, the Nasserites against the status quo, the socialists against the capitalists, the revolutionists against the evolutionists.

Although there are few Middle East specialists who believe the economic struggle compares in importance or in danger with the struggle with Israel, I am naive enough to suggest that the economic problems of the Middle East and the way they are handled have a potential for complete disintegration within the Arab world or for the ultimate acceptance of Israel as a de facto resident of the Arab world.

While Arabs speak constantly of the uniting power of the Moslem faith and of the cohesiveness of Arab nationalism, the facts are that among the Arab states one finds about as wide a spread between the rich and the poor as exists anywhere in the world. In Egypt the annual per capita income is \$141. In Kuwait it is \$2800. Egypt has too many people for its land, Iraq too few. Egypt is the hungry giant of the Arab world.

Gamal Abdul Nasser has become the symbol to the bulk of the Arabs in their search for a national identity - a national identity that transcends the colonial legacy of arbitrary national boundaries. He has also become a symbol of the struggle of the have-nots for a share of the wealth of the Middle East. Nasser speaks with authority for the have-not nation of Egypt. He is also accepted by the have-not individuals in the Middle East as their spokesman.

A basic question is whether Nasser is an authentic voice for these revolutionary forces or whether he is speaking as a military dictator seeking to expand his personal power and to capture the wealth of the more adequately endowed Arab states for the benefit of Egypt.²

The vested interests in the Middle East are both economic and political. Economically they are represented by oil, private commercial enterprise, and hereditary wealth. Politically they are represented by individuals who have stakes in the governments of which they are a part

2. One result of the Arab Summit Conference was to cause President Nasser to soft pedal and desist in his attacks on "reactionary" forces in the Arab states. It is too early to know whether this represents a basic change in policy or is only a change in tactics. One prominent Arab editor predicted to me that the Arab detente wouldn't last six months.

These vested interests are under attack, overt and covert, by Nasser and by those in other Arab states who support his position. As Haikal, Editor of Cairo's Al Ahram and confidant of President Nasser, has editorialized: "...the real enemy is social inequality and the remedy is social revolution."

The role of the United States in this economic and social struggle, with its political consequences upon the unity of the Arab world, is not easy. Nasser is a fact. He has had greater continuity than any other present leader in the Middle East and is likely to continue in command of Egypt's destinies for at least another decade. United States support of the Nasser regime³ is construed in circles of the vested interests, however, as desertion of its friends and abandonment of free enterprise and democratic governments. U. S. recognition of the Republican regime in Yemen is interpreted as evidence that President Nasser is America's "chosen instrument" - that in its anxiety to be on the side of revolution for once the U. S. has forsaken staunch friends in Saudi Arabia, Kuwait, and Lebanon. These vested interests, it is claimed, are evolutionists who are moving rapidly away from imperialist and private enterprise excesses with which they have been associated in the past and toward what is described as free enterprise with "soft controls" - meaning equitable taxation, control of monopoly, social welfare programs, etc.

Looking behind the facade of words such as socialism and free enterprise, the fact is that both the Nasser revolutionists and the vested interest evolutionists seek economic development of the Arab world. U. S. policy is to support economic development. It cannot, however, avoid becoming involved in the issue of the means by which this development is to take place. As one observer remarked - a man can ride two horses at the same time if they are going in the same direction, but this usually is done only at the circus.

To most of the vested interest minority of middle class and wealthy Arabs, including refugees from Egypt itself, United States support of President Nasser is incomprehensible. They believe there is still time with the judicious use of Aid and persuasion to convince the socialist forces in the Arab world that the development of their national unity and their economies may come about more rapidly by following a pattern of free enterprise with soft controls.

To the revolutionaries led by President Nasser, on the other hand, U. S. aid is a recognition of the facts of life. The only feasible course for the United States is to line itself up with the expected victor and make the best of it - hoping that Nasser's brand of socialism and a united Arab world will not be unfavorable to U. S. interests. The only alternative to Arab socialism, they believe, is communism.

3. U. S. assistance to the U. A. R. exceeds \$500 million since 1954. In 1961-62 agricultural assistance was \$190 million, DLF loans \$20 million, and a stabilization loan was \$20 million.

Nevertheless, among intellectual Arabs there is growing disillusionment with communism as an international political movement and as an economic panacea by which underdeveloped states may most rapidly expand their economies. Just as there was an overwhelming suspicion of capitalism, the Arabs have now found that communism is not all that it has been cracked up to be. As one Arab said: "The difference between capitalism and communism is that in the case of capitalism, man exploits man. Communism," he said, "is just the opposite."

Russian purchases of wheat from the West, relaxation of agricultural controls, encouragement of more private initiative in Russia, and the withdrawal of missiles from Cuba, are acts which have had a far more profound effect in Arab political circles than communist propaganda. The West now has opportunities to influence economic development in the Arab world which did not exist two years ago.

At the present time the Arab world is too weak economically, too divided politically, and too impotent militarily to do anything about Palestine except talk. Yet with a population in excess of 50 million, in contrast to a population of less than two million in Israel, it is apparent that a little bit of unity and a substantial increase in economic development would go a long way toward putting Israel into perspective, and not into the sea.

American interests in the Middle East will be well served if U.S. power and influence can be used to keep the lid on the tempers of both the Israeli and the Arabs. If this can be done for as long as is needed for the Arab states by means of their own choice to become masters of their own economic destiny there is a real possibility that the Arab states and Israel may live in peace and for their mutual advantage.

In 1919, Charles R. Crane and Henry Churchill King, American Peace Conference Commissioners who pointed out the dangers of creating a homeland for Jews in Palestine, offered some words of advice that may well be pondered today:

"The fundamental question...is the basal attitude of the Christian toward the Moslem world; shall this be friendly or hostile?...Shall they be taken at their word? Or shall they be told: we do not believe what you say, we do not trust you.... Dangers may readily arise from unwise and unfaithful dealings with this people, but there is great hope of peace and progress if they are handled frankly and loyally."

Sincerely yours,


Carl Marcy