

Middle East  
Report  
1959

Edited by  
WILLIAM SANDS

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# Middle East Report 1959

Nationalism, Neutralism, Communism—  
The Struggle for Power

A series of addresses presented at the Thirteenth Annual  
Conference on Middle Eastern Affairs, sponsored  
by The Middle East Institute

March 20-21, 1959

Edited by  
WILLIAM SANDS

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## INTRODUCTION

EDWIN M. WRIGHT

President, The Middle East Institute

I WISH TO WELCOME YOU to the Thirteenth Middle East Institute Conference. As you will note, the theme is a Report on the area. The past year has seen a number of unusual events, which it will need a long period to evaluate. The Iraqi Revolt of July 14, 1958 was followed by the landing of United States troops in Lebanon—for the first time in history at the request of a local government. United States troops had been in the area before—during the wars against the Barbary Pirates and during World War II. But these appearances were not at the request of the nationals of the area. Then the split between Iraq and Egypt. These are not isolated events but are the surface indications of deeper underlying movements which will hold our attention for some time to come.

Recently, I have read Dr. Heisenberg's small book published in 1958 entitled *Physics and Philosophy*. Dr. Heisenberg's thesis is an interesting one and may have an application to the events we are about to study. He points out that in Newtonian physics, there was a mechanical theory of causation—a rigid system of cause and effect. The new theories of energy which have arisen in the past sixty years, indicate the inadequacy of Newtonian principles to explain both the macrocosm of the universe and the microcosm of the atom. An atom does not "behave" according to mechanics but according to statistical averages. The smallest unit of energy—Planck's "constant"—is an incredibly arbitrary thing, now appearing like a particle, now like a wave, now jumping from point to point with no intermediate location. At one speed it has mass, at another this disappears. Dr. Heisenberg points out that Newtonian Laws left no place for "will." All things moved according to predetermined programs which had an inevitable predictable goal. But Planck's "constant" as a unit of energy acts as though it had a will. Furthermore, this sensitive unit interacts with the object which observes it. By the act of observation, its behavior changes, introducing the principle of indeterminacy. Dr. Heisenberg then points out how this new philosophy of physics modifies the concepts of Descartes who postulated a subjective and objective (*res cogitans* and *res extans*) world, relatively independent of one another. This view of duality is no longer tenable. The observer, by observation, effects the behavior of the object observed, and vice-a-versa, it interacts with the observer.

Perhaps we can apply this new philosophy to the United States and the Middle East. In Newtonian philosophy we would proceed along predetermined paths, rather helpless in the grip of immutable forces let loose in prehistoric times. But such a view is outmoded. To be up to date requires the understanding that by observing the Middle East, we modify its behavior—and vice-a-versa. Furthermore, both of us have a will. We cannot make decisions for them—nor can they for us. The United States of America and the Middle East, along with other areas, are interlocked in a series of intimate relationships in which the wills of various groups will play an important part. Sometimes these wills may operate in harmonious patterns, which would be sweet music to all our ears. Sometimes they may clash and create outlandish noise. This element of “will” in the Middle East is one of which our “western” societies have largely ignored—but listening to the Cairo, Baghdad, Tehran, Ankara or Tel Aviv radio makes us acutely aware that there are several wills at work—each with its own way! Inasmuch as human wills do not follow mechanical laws, we must allow for a great deal of indeterminacy. The year or years ahead are certain to be full of surprises. Nor can any of us hold the obsolete view that what happens elsewhere is none of our concern. Subject and object have become but different phases of a united whole. We’re all in this together.

We are watching a struggle for power. But ultimate power which man can use for his service or destruction lies within the secrets of physics, and nature determines how it may be released for use. Without the discovery of this secret, man dooms himself to a long and dismal future of poverty, back-breaking labor and discouragement. Social organization can only further or retard the use of this power which we now are on the verge of large-scale production. And in the long run, the present social systems which we call nationalism, communism or neutralism—all ideas which developed during the last two centuries and which emerged from the impact of Newtonian concepts of the universe on European society—will prove as inadequate to answer the questions of the future, as was Newton’s *Principia* unable to help in solving the riddles of electrical energy. With acceleration of acceleration now taking place as an outgrowth of technological advancement and scientific discovery, events are moving “on the double,” but will soon double again. I feel it is quite safe to predict that the year 1980 will be as different from the year 1959 as is 1959 from 1542 A.D.—the year Copernicus published his book on the heliocentric solar system. That shock to the medieval mind is symptomatic of some of the shocks that are certain to come as we move out of the mind of the Eighteenth and Nineteenth Centuries which still tyrannize over our political, social, economic and religious traditions. The year 1859 marked the zenith of Nineteenth Century philosophy in the publication of Darwin’s *Origin of the Species*, Marx’s *Das Kapital*, and Wagner’s *Tristan and Isolde*, all based on the myths of mechanical materialism.

They reflect, in turn, the superstitions centered around the ideas of the place of man in the universe, the inexorable laws of society and economics, and glorification of the supremacy of the Germanic peoples—the heart of nationalism. The world is outgrowing these errors, painfully, but surely. If they continue to dominate men's thinking much longer, only disaster can result. I believe we are not far from discovering a better way. It must come in the next generation.



*First Session, Part I, Friday morning, March 20th*  
*Presiding: MAJID KHADDURI, The Middle East*  
*Institute*

## CONDITIONS MAKING FOR INSTABILITY IN THE MIDDLE EAST

QUINCY WRIGHT

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IT IS A PLEASURE to be here and it is a pleasure to be introduced by a co-Wright and by my student, Dr. Khadduri. Dr. Edwin Wright said his ancestors came from Massachusetts—mine came from Connecticut. His ancestors went from Massachusetts to Virginia; well, I'm in Virginia now. There seems to be a parallelism between the Wrights.

I was in the Middle East a year and a half ago and conditions were unstable. I was there in 1925, as Dr. Khadduri said, looking over the Mandates system. The city of Damascus had been bombed, the whole center of the city destroyed, and there was a condition of great instability throughout the area. So, while I witnessed tremendous changes in this period of a third of a century, which separated my two visits to the Middle East, there was instability there on both occasions.

There is no doubt there is instability there now. I was just counting up and found that within the last few years there have been six revolutions in Middle Eastern states—in Lebanon, Iraq, Syria, Sudan, Cyprus and Egypt, and a near-revolution in Jordan. So there is evidence of internal instability.

Also, there have been a number of interventions. The United States intervened in Lebanon and Great Britain in Jordan last summer, and Great Britain and France intervened in Egypt a couple of years earlier. Of course, there are the chronic hostilities between Israel and its Arab neighbors. Perhaps I should also note that if one listens to the Assembly of the United Nations one listens to the continuous recriminations between the United States, leading the Western powers, and the Soviet Union, leading the Communist states, each of which accuses the other of stirring up troubled conditions in the Middle East.

Now, if we look back of the present conditions of instability in the Middle East, we will find that that area has been unstable for a long time. I referred to the situation in 1925, but to go even further back than that we may look at the time of transition from the great Ottoman Empire which controlled most

of this area, to the "Sick Man of Europe." This transition was marked by conditions of instability.

There were, for instance, the Anglo-French rivalries at the time of Napoleon and, later in the nineteenth century, over the Suez Canal—and then the disagreements between Great Britain and France after World War I over the distribution of the Mandated territories. There was also Anglo-Russian rivalry in the area over the question of the Turkish Straits and the status of the Balkan countries leading to the Crimean War of 1854 and the Berlin Conference of 1878, where Disraeli said that he simply wanted to be an honest broker but came out with Cyprus in his pocket.

Then came the emergence of independent states in the area. That, of course, was a characteristic feature, as the "Sick Man of Europe" lost his influence in the Balkans, in the Arab States, and in North Africa, and, as the movement of nationalism led to the emergence and recognition of independent states.

Looking back even further we realize that the Middle East has always been an area of conflict. The ancient empires of Egypt and Assyria struggled here; Israel struggled with both of them in the ancient days, and the Hittites in Turkey also were in this *melée*. In the Middle Ages the Christian Crusaders and the Saracens fought in the area for centuries. Most of these forces of instability still exist. We still find rivalries between Egypt and Israel as there were in biblical times. The struggle between Islam and Christianity some times appears in Lebanon and in other areas of the Middle East. Also Britain does not always see eye to eye with France on Middle Eastern questions and is at odds with Russia over most Middle Eastern questions.

Perhaps the major new phenomena in the situation are the introduction of the United States and Communism as important elements in this area. The United States during most of the nineteenth century looked upon the Middle East as remote from its political interests, although it had an interest in education. Now, the Middle East is central among American interests.

In analyzing the conditions which make for instability, we might consider first the internal conditions in the countries of the Middle East, second the relations between the countries on this area and, third, the influences that come from the outside.

In regard to the internal conditions, perhaps the first to attract attention is the economic poverty of most of the countries in this area. Statistics show that Egypt has the lowest level of living of any country in the world—something on the order of \$25 or \$30 per capita per year, compared with \$2,000 as the average income of Americans. That is a very striking difference.

While some of the countries in the Middle East are better off, the average would be less than \$100 per year. Even in the oil-rich kingdoms and sheikhdoms, where the rulers have a great deal of wealth, it has not percolated down, to any

very great extent, to the masses of the people. Economic poverty is not a new phenomenon but it has increased as a cause of political disturbances because the people have become more aware of their poverty than they have been in past ages. They are increasingly aware that in other nations there is less disparity between rich and poor and that the average is much higher.

Secondly, social unrest. There is, as I have said, the realization of the great disparities in wealth and the feeling that this is not inevitable. There is a vast difference between the *effendis* who own land and the *fallabin* who don't. The awareness of this situation has, of course, been augmented by propaganda from the Communists, and also the information that comes through education, through means of communication, and through the activities of technical assistance agencies. The people are demanding in this area a higher level of living and they perceive that the social conditions of quasi-feudalism which prevail in much of the area are not conducive to an improvement in economic levels.

In the third place there is administrative inefficiency in most of these countries. Civil services are not highly developed. The emergence of so many revolutions, of course, indicates a lack of confidence in the civil service and, specifically, a feeling that is held, not only by the Army itself, but by many of the population, that military control is necessary to give a greater degree of efficiency. And so we have revolutions in which military leaders take over the country.

Then, finally, there is political unrest. The revolutions I have referred to manifest that only too clearly. Perhaps we could say that the countries have become too advanced for the feudalism and absolutism which have existed there from time immemorial, but they have not advanced enough for democracy. The effort to make the transition from this feudal-absolutistic system to a more democratic-liberal system accounts for much of the unrest. But I think we would have to recognize that these peoples will not be ripe for democracy really to function until there are prospects of economic progress, a better distribution of wealth, more effective administration services, and a higher level of education. There has got to be a good deal of change before we can expect to have an adequately functioning democracy in any of the Middle East countries. Nasir has himself recognized this.

So conditions of economic poverty, social unrest, administrative inefficiency, and political unrest, all of them make for conditions of instability. These conditions within each country are probably the most fundamental causes of instability.

Now turning to the relations among the states in the region, there is the phenomenon of Arab nationalism. It emerged as a political force at the time of the Young Turk Revolution of 1908 and has been progressing ever since. It is both a positive and a negative movement. As a positive movement it is

an effort of the peoples of this area to revive the greatness of the Arab world in the Middle Ages when it was superior in the sciences, the arts and philosophy, to Christendom. That period is remembered by intellectuals as the glorious period of the Arabs. There is a feeling among the less educated Arabs that there is an Arab personality which has been suppressed, during the Turkish régime and during the more recent régimes of Western Imperialism. There is a desire to revive the Arab personality and the glories of the Arab past. That is one element—the positive element of Arab nationalism.

There is the negative element which seeks to drive out the elements in the area which are believed to oppose this revival. This has been focused against Zionism, from the feeling that the penetration of the Jews, mostly with a Western background, into the area is unnatural, but also there is a movement to drive out all forms of imperialism whether it is British, French, Soviet or American imperialism. So there is a combined effort to unite the Arabs as an end in itself but also in order to drive out elements or forces in the area which are regarded by the nationalists as alien to or hostile to the Arab personality.

We must also, it seems to me, distinguish between *Arab nationalism* and *pan-Arabism*. In 1942 we had a conference on the Middle East at the University of Chicago under the Harris Institute—probably some of you were present at that Institute—and Dr. Hamilton Gibb of Cambridge University, a leading expert on Arab affairs, made a distinction between what he called pan-Arabism and Arab nationalism. Pan-Arabism is a more extremist, radical effort to unite all the Arab World into a single state as in the time of the Umayyad and Abbasid Caliphates, whereas Arab nationalism merely seeks to develop the Arab personality in the states which exist. That distinction between two kinds of nationalist movement can still be found. We would associate pan-Arabism with Nasir and his movement, but Arab nationalism exists in all of the states from Morocco to the borders of Iran. It is of a more moderate type, recognizing the independence of the various Arab states, some of which are actively opposed to pan-Arabism as a political movement.

It would seem to me that pan-Arabism is a goal not likely to be reached in any foreseeable future and this was Dr. Gibb's opinion, though he wrote before the movement became active under Nasir. We have a situation that is, to some extent, analogous to the breakup of the Holy Roman Empire in Europe. There had been a quasi-political, quasi-religious union of the whole of western Europe, but that broke up after the 15th century into the national states of Europe. The great Arab Caliphates were in some respects similar to the Holy Roman Empire. We have seen in recent times the breakup of the quasi-religious, quasi-political Ottoman Empire, the last of the Caliphates, into national states. I think these states are likely to persist but will be inspired by

Arab nationalism as, you may say, the states of western Europe have been inspired by Christian nationalism.

Now, the differences between pan-Arabism and Arab nationalism are, of course, a factor in the situation. There is the further question of rivalries among the various states of the area for leadership of the Arabs. While most of the Arab nationalists do not expect to unite with the Arab world into a single state, they think of a loose confederation, or some sort of spiritual union among the Arab states. There are however, several aspirants for leadership. We of course note particularly, at the present time, Egypt under Nasir that seeks this leadership and has moved in the direction of pan-Arabism through establishment of the United Arab Republic incorporating Syria. But Iraq has always been a rival for leadership in the area and probably still is. There is ample evidence that Iraq has not wanted to go along with Nasir one hundred percent, although there doubtless are some Iraqi that do. Iraq wishes to maintain a leadership. We have here a similarity to the ancient situation where there was rivalry between the empires of Egypt and of Mesopotamia to dominate the "Fertile Crescent."

There is also Saudi Arabia whose people doubtlessly regarding themselves as the purest breed of Arabs, are advocates of the Wahhabi reform religion. The King of Saudi Arabia, with rich oil resources, wishes to be a leader of the Arab world.

Then, further to the west, Tunisia under Bourguiba is hoping to become a leader of the Maghrib, peopled mainly by Arabs, although there is a large Berber as well as European population. Perhaps he remembers that Tunisia is the seat of Carthage, for centuries the rival of Rome.

So, these four centers, Egypt, Iraq, Saudi Arabia and Tunisia, are, to a certain extent, rivals. Doubtless these rivals militate against the achievement of a pan-Arab state.

Then, finally, and perhaps the most important cause of instability is the conflict between Israel and its Arab neighbors. The Arabs look upon the establishment of Israel as an encroachment upon natural Arab land. Many of them look upon Israel as a spearpoint of Western imperialism. They, of course, are chagrined at having been defeated in the war of 1948. Perhaps most important is the fear of Israel's expansion. Arabs in the area will often say: We are not against Israel if it stays within its boundaries, but the fact that it is open to immigration from Jews all over the world, and that the Jews are pouring in in large numbers generates an expansive force within it. This expansive force is supported by the most efficient army in the Middle East and by Jewish organizations and wealth all over the world, but especially in the United States.

So, the Arabs look upon Zionism as a necessarily imperialistic and expansive

force, and they point to the invasion of the Sinai Peninsula in 1956 as evidence. This quarrel is certainly a very disturbing influence within the Middle East.

Now we come to the influences from outside the area. In the first place we should notice that the location and the natural resources of the Middle East are attractive forces. The Middle East is a bridge between the Indian Ocean, the Mediterranean and the Atlantic. It consequently is an area of tremendous commercial and strategic importance. Furthermore, there is the wealth in oil, probably the greatest oil reserves in the world. The oil age may be about to be superseded by the atomic age—but certainly at the present time, as in the recent past, these oil-rich lands are bound to be of major importance to the industrial nations; location and oil resources are attractive to foreign influence and that attraction has had its effects.

It has often been said that the Middle Eastern area is like the other "Mediterraneans" in the world, the Caribbean and the South China Sea. There is an interesting parallel in these three areas. All of them are areas which connect great oceans and continents. They are also areas which have, because of that, and because of important new materials, led to historic rivalries among the great powers of the world. They also are areas which, in recent times, have been divided among many relatively weak states. The Middle Eastern area is the one which has attracted for the longest time the greatest rivalry among the great powers.

The imperial power of Great Britain dominated in the Middle Eastern area before World War I. However, after the War, Great Britain and France shared influence and sought to keep Russia out. Each of them controlled mandated or colonial territories. During the Second World War the United States entered the area politically and militarily.

In May 1950 there was an effort in the three-power declaration to stabilize the area by cooperation of these three powers. That effort, including the proposal for a "Middle East Command," was never very much appreciated by the Arab states themselves. Iraq, with three Muslim but non-Arab states (Turkey, Iran and Pakistan) formed with Britain the Baghdad Pact. The United States, though not a party, was favorable. But it did not succeed in establishing security—far from it. It provided the impetus for the Soviets to leap over this "Northern tier" barrier and establish close relations with Egypt. Thus instead of sweeping Russia out of the area, as intended, it helped to bring it in.

Efforts to stabilize the area through cooperation of the Western powers have not achieved success. Arab nationalism rather, has moved in a neutralist direction, seeking to eliminate all forms of imperialism, although it has been observed that the Arab temperament is less inclined to neutralism than is the Indian. Soviet activities, however, have been another cause of instability. The Arab has become a center of the "cold war."

These are the conditions of instability, whether they spring from internal conditions within the countries themselves, from rivalries among the states within the area, or from outside influences.

Now, in conclusion, just a few words about what it seems to me we have got to assume and what we might be able to do. In the first place, I think we have to realize that colonialism is dead in the area. I say this from my own observation and interpretation of recent history. I am supported by Count Sforza who was one of our lecturers in 1942. He had been the Foreign Minister of Italy after the First World War and again, after the Second World War, but during the intervening period he was in exile because he opposed Mussolini. He had been Ambassador to Turkey and had held other positions in the Middle East. He was sure that colonialism was dead in that area, and he thought the sooner the West recognized it, the better.

That is my first assumption. Secondly, it seems to me there can be no stability in the area *under present conditions*, except through Soviet-American agreement. Experience has shown that efforts to stabilize the area by cooperation of the Western Powers with states in the area will not work because the Soviet Union, if left out, will throw a monkey wrench into the arrangement. The Soviet Union is capable of throwing a monkey wrench, and it can be expected to do so if its interest in the area is ignored.

This leads to the third assumption, that the area can become stable only if neutralist in the Cold War. In this respect it is like other areas in the world—perhaps Germany, although there would be a great deal of disagreement on that point. If there is to be agreement between the Soviets and the United States, to support stability, then it is obvious that the area cannot be aligned with either one of these great power blocs.

I may say that I think that accords with the political opinion of the leaders in the area however distasteful neutralism may be to the Arab temperament. I was informed by friends from Lebanon, while I was in India a year ago, that the major reason for the revolt in Lebanon was that the government of Lebanon, alone among the Arab governments, had accepted the Eisenhower Doctrine. In this the United States had said that it would defend countries in the area from Communism or from states dominated by international Communism. Acceptance of that, according to my Lebanese friend, took Lebanon out of the neutralist position which, he said, was necessary, especially for Lebanon because of its religious situation, but was also necessary for the other states in the area for political reasons. Opposition to this position, taken by President Sham'un, caused the rebellion in Lebanon. It seems to me that political neutralism is not only in the cards, if we are going to have stability, but it also corresponds to the wishes of the political leaders. The leaning of Qasim in Iraq to Russia, after apparently leaning to Nasir, underlines the point.

So much for basic assumptions. What policies should be pursued? Economic development should be assisted, but in accordance with what I have said, it should go on through cooperation among the two great power blocs in the world, rather than through their rivalry. It appears to me that the efforts of Nasir to play one against the other in the Aswan Dam proposition did not militate to our advantage. It would be better to seek cooperation, perhaps through the United Nations, in the economic development of the area.

Efforts should be made to settle the Arab-Israel dispute. Economic development would be greatly assisted by settlement of this quarrel. Full use of the Jordan River requires the cooperation of Israel and its Arab neighbors. I am not going to attempt any formula for settling that dispute, but it certainly is an essential element for establishing tranquility in the area.

In regard to pan-Arabism, we must, as I said before, go on the assumption that a universal Arab state is not in the cards in any foreseeable future, but that some sort of a loose federation among the Arab states to increase their political security would be helpful. The Arab League and the facts which have emerged from it have not been successful up to date because of rivalries among the Arabs themselves.

Finally, and I am going to conclude with this thought, in order to establish the bases for modern democracies in the Middle East, technical assistance in administration and education, as well as in economic development, will be essential. I hope that this process can go ahead with American fortification. The absolute monarchies and the feudal shikhdoms are obsolete, but the time is not yet ripe for democracy. Stability would be promoted by conditions assuring viable democracies but stable governments, even though not democratic, are essential. We may expect, however, that such governments, whatever their form, will find that economic progress requires much planning of the economic development of the country, and much government initiative and financing in carrying out the plan. This has been the experience of India, and other Asian countries with under-developed economies and strong pressures to progress rapidly.

The Soviet Union may wish to continue a policy of promoting instability and seeking to infiltrate governments in the Middle East, but this is not certain. It might find it difficult to refuse to cooperate in U.N. policy to stabilize and develop the area, and to keep it unaligned with either great power bloc. President Eisenhower's six-point program presented to the General Assembly on August 13, 1958, including a Middle Eastern Economic Development Authority, might provide the basis for such cooperation, if accompanied by an offer of funds for that Authority, if the Soviets also contribute, and abandonment of the ill-fated "Eisenhower Doctrine."

First Session, Part II, Friday morning, March 20th  
Presiding: MAJID KHADDURI, The Middle East  
Institute

## REPORT ON IRAQ

WILLIAM POLK

Research Associate, Center for Middle Eastern Studies, Harvard University

THE FIRST QUESTION that arises in looking at the Iraqi situation is why the Iraqi *coup d'état* came when it did and why it came at all.

The Government of Iraq was widely heralded in our press and elsewhere as being one of the most progressive, one of the most constructive governments, in the Middle East. We all heard a great deal about the Development Board and about the relative prosperity of Iraq, the fact that Iraq, almost alone of the Middle Eastern countries, had both the wherewithal and the natural resources to conduct an economic development program. We all knew the government of Nuri al-Sa'id as being the most friendly to our country and the key point of the Baghdad Pact. A whole series of other things seemed to indicate that Iraq was the one country among the Arab States in which we had firm friends upon whom we could firmly count.

Then literally overnight the whole situation drastically changed. The Iraqi government simply collapsed. Why did all this happen? It seems to me that almost no matter how good the Iraqi Government was in economic terms—the disparity between its economic growth and political stagnation was such as to make a blow-up of some sort inevitable.

We had in Iraq, it seems to me, a dynamic situation which perhaps will provide a lesson for us for the rest of Asia. We had on one hand a rise of economic productivity, a growth of the wherewithal to make life better. If one were to plot this on a graph he would possibly find that the curve representing economic growth would go up at something like a 30° angle. But if at the same time one were to plot on the graph the growth of the expectations from life of the Iraqi people, the desire for a new and better way of living, for more jobs, for more money, for more of the material benefits of life, he would find that this curve would not go up at the same angle but might go up at perhaps a 70° angle. This represented a very unhealthy situation developing in which, as time passed, expectations from life grew further and further away from reality. This has aptly been called the "frustration gap" and it was indeed the major factor, it seems to me, in the Iraqi political situation prior to the *coup d'état* of July 14.

\* \* \*

There was, among a very broad spectrum of the educated people of Iraq, a feeling of unity in opposition. There was no consensus of what a new Iraq should be but one found all sorts of political groups agreed in their dislike of the government of Nuri Sa'id. Indeed, it would appear, after the *coup d'état* had settled down that virtually the entire country, except for a few hundred individuals, were all opposed to the old régime. Many, many other people were, of course, in one way or another involved in the régime and subsequently magnified their well hidden "opposition," but one should not minimize the fact that opposition to the *status quo* was strong all over the country.

This becomes of considerable importance to us today because we can see that, once the target of the opposition was removed, there was very little else to unify those who had opposed. On the one hand were the old nationalist forces—the Istiqlal Party, for example, that has been active in Iraqi politics for a very long time, as a conservative party with only a rudimentary domestic program. On the moderate left wing was the *Abali* group that had also been sporadically active in Iraqi politics for at least a generation. These were the "Old Guard," but there was little indeed in common in their ill-defined aims.

Then there were the new groups that had only recently come to the fore. The *Ba'th*—the Arab Resurrection Party—had recently come on to the scene and had been given powerful stimulus by the fact that there was now a United Arab Republic in which a number of the *Ba'th* Party officials occupied important positions. Akram Hawrani, the major leader of the *Ba'th* Party in Syria, of course, is Vice President of the United Arab Republic. And, of course, the Communists themselves, although not so recently arrived, were for all practical purposes a new party, but had greatly increased their power and prestige as a result of the activities of the Soviet Union in the area and on account of the identification of the United States and Britain with the former government. The problem, therefore, on the domestic level, was what should Iraq become after this *coup d'état* had been successful.

When I first went back to Baghdad in the first few days of August, I found an almost classic model of the early stages of a revolutionary situation. The first blush was still on the rose and all of the political leaders, both the old and those cast up by the *coup*, were united in their desire for building a new order. It was almost impossible to get anyone to define in precise terms what this new way of life would be—except that it would be better, it would be different.

Then the differing tendencies of the groups that made up the coalition behind the Army—and the Army itself had become party to many of these tendencies—began to solidify into opposing programs. The central or at least most vocal leader of the pan-Arabist side, if one can completely identify him with this, was Col. 'Abd al-Salam 'Arif. Col. 'Arif was characterized by the violence of

his political pronouncements and subsequently by the naïveté of his political maneuvering.

Necessarily opposed to this desire for immediate Arab union were a great many other factors. The older political leaders of all opinions tended to be opposed to a rapid unification with the United Arab Republic for a number of reasons. Likewise, the business community was by and large opposed because it felt that Iraq's economy was based on oil, not overwhelmed by population pressure and, having new resources to develop, was strong and that if Iraq's economy became linked with that of the United Arab Republic it would necessarily be weakened if not seriously threatened. There was unquestionably also the feeling among Iraqi merchants that because the Egyptian business community was so much better organized and wealthy, that they would be swallowed up by their Cairo rivals.

The *Abali* leaders, notably Kamil Chadirchi, seemed initially to be in favor of union with the United Arab Republic but various factors quickly soured this sentiment. Perhaps first in priority was the fact that the United Arab Republic had suppressed political parties. None of the older political leaders, who themselves had been suppressed most of their lives and were emerging frustrated from a long shadow-life of restricted politics, wanted to enter into a new system which would simply perpetuate their exclusion from the political life.

The Istiqlal Party split on this issue. On the one hand it was within the aim of nationalism to unify the so-called Arab homeland; on the other hand the Istiqlal Party leaders themselves wanted to be able to engage in political activity and were unhappy at the idea that they would be restricted from doing so.

Many personal factors, of course, entered into the creation of the new mood. Stories were current in Baghdad at the time illustrating personal fears that if Iraq became a part of the United Arab Republic, Mr. X., the head of such-and-such a ministry, would undoubtedly no longer be the minister. It would probably be an Egyptian or a Syrian who would become minister.

The Communists naturally were opposed to union from the very beginning. They had a good deal to fear from the fact that, in spite of positive neutrality, the Communist Party had not fared well in the United Arab Republic. Iraq—an independent Iraq—seemed to be a logical place for them to begin their activities. So, apparently, already in October, when I returned to Baghdad for a second visit, the Communists began organizing to do what they could to be ready for a struggle. At that time they helped to form and began to arm the *Muqawm Al Sha'biyah* or Popular Resistance forces. This was done very quietly, and it was not at all clear that these groups were really emerging as a fairly powerful force until the end of the year.

The Government at first paid very little attention to this. I should think it was simply a case of the Army men regarding these rather undisciplined fac-

tory workers and idle young men who were sent out to parade and to do close order drill as of no moment, if they were ever faced with Army troops. So the Nationalist officers paid very little attention to them.

Besides the factors that I have mentioned the personal relationships between General Qasim and Colonel 'Arif grew very cool. Qasim became leader of the separatist tendencies. I think personally that this was largely a matter of circumstance—'Abd al-Salam ('Arif) had taken the position of extreme Arab nationalism. This threw those people that were opposed to him—and certainly included among these were a number of Army Officers as well as the civilian groups mentioned above—behind General Qasim. Personal rivalry between the two leaders was thus given a political rationale.

Then when 'Arif made his abortive bid for power, this challenge necessarily strengthened with Qasim the position and the ideas of the people who had been opposed to pan-Arab union. Obviously if the Arab nationalists wanted to oust General Qasim then General Qasim must look elsewhere for his support.

Just about this time also the old figure of Iraqi nationalism, Rashid 'Ali Gailani, returned to the country and was given a hero's welcome on the streets of Baghdad. This is one of the few times, I think, since the day of the *coup d'état* itself that there was a really spontaneous public demonstration. The advent of Rashid 'Ali unquestionably was a considerable challenge to the leadership of Qasim both because Rashid 'Ali was not of the generation of the people who had made this *coup d'état* and had little in common with them and because in the mist of his long absence Rashid 'Ali loomed as a giant of nationalism.

It was not difficult, however, given the situation and his temperament for Rashid 'Ali to be maneuvered into a position in which the Government could accuse him of plotting. Whether or not this plot was actual fact I think is still rather unclear. The evidence behind it was not very convincing but Rashid 'Ali has a reputation that would lend substance to the idea that he *should* have been plotting at this time.

In any case, the Government was able to crush him and his followers with remarkable ease and to dispose of him simply and rather gently. With his demise the right wing of the nationalist movement collapsed.

Then, little by little, the other nationalist forces were also broken up and by the end of the year I think it had become clear to General Qasim that the Nationalists were no longer a major threat to him.

It seems clear to me that about this time he must have decided that the forces of the extreme left wing, the Communists and notably their militia, the *Muqawm al-Sba'biyah*, had become a danger to his régime. There are a number of isolated events at the end of the year which would indicate that he was beginning to take steps to deal with the left wing itself and that he was trying to consolidate some kind of a position in the middle. This never got very far. There

were, as I mention, a number of isolated events but there was never any direct government policy that would tend to back this up, except in the north of Iraq where the Communists had never been allowed to be active.

However, the events of the last few weeks, it seems to me, have once again shown that Qasim's—and so the Government's—position to be one of political desperation and ideological opposition. It had not been able to deal as conclusively as apparently it thought it could with the forces of pan-Arabism and as a result the Government has once again been forced to swing towards the only certain, ready and capable support—that of the left—and away from a center position in Iraqi politics.

Looking outside of Iraq for a few moments, at the factors that have influenced the Iraqi position, the Soviet Union is obviously the newest and most interesting development in these recent months. The Soviet Union's policy, it seems to me, as it has been developing in the last few years in the Middle East, bears a good deal of observing. I think that essentially it boils down to, perhaps, three points. On one hand the Soviet Union has, like the United States, been prepared to offer economic assistance. It has also offered arms, as has the United States. But beyond this the Soviet Union has developed two other arms of policy that I think are rather difficult for the United States to measure up to. On the one hand the Soviet Union, parading as an Asian power, has been able to go into areas like Iraq and say: 'We, too, were backward; just 40 years ago we, too, had all of your problems; now let us show you what we have done about it.' Whereas, the United States, going in to a similar position, has always gone in, if you will, as a "city slicker," has always gone in as the technologically advanced, progressive Western power, bearer of the new white man's burden, telling the backward peoples of Asia how to handle their affairs.

In the third place, the Soviet Union has arrived on the Asian scene with a developed ideology, with a coherent pattern of what it thinks, how it intends to go about programs, and with a considerable body of political literature which has been eagerly welcomed.

The United States position ideologically has been very different. It is extremely difficult to discover what we have in ideological terms to export to Iraq. Our books and our pamphlets abroad have not, by and large, presented a coherent picture which is readily understandable to the people of Iraq and, although upwards of a thousand Iraqi students have been in our universities for the past decade, they have not, again by and large, been able to take back with them ideas to Iraq which both represent our way of thinking and which are meaningful in their context.

Iraq has gone through its period of paper constitution and sham parliaments and hasn't found that these have produced the good life that they have produced here. As a result there is a disillusionment with the whole pattern of

political message. One doesn't find in Baghdad today a party professing itself to be democratic, professing itself to follow the lines laid down by a Western type of representative government. Perhaps the closest approximation is the old *Abali* group, the group that might be called the Populists of Iraqi politics. But even if these are akin in ideology, they are hardly pro-American.

Our Point Four work upon which we have rested the case for democracy, I think, also produced almost exactly the opposite result of the recent Soviet economic penetration. Our program has been, by and large, one which from an Iraqi point of view said "you move over and we'll do it for you." This, together with the fact that we have developed a very substantial—relative to the Iraqi economy and society—proportion of young technologists, young people who are graduates of our universities who have gone back to Iraq and have determined themselves to undertake their own economic development, has caused a good deal of resentment. On the one hand we have trained a large number of young people who want to do these jobs themselves and on the other hand we have sent into Iraq Point Four experts who have, quite contrary, I am sure, to their desire, given the impression that they were there to show the backward Iraqis how to do the job.

Then the landing of the United States Marines in Lebanon produced a profound impression in Iraq, particularly since it came at the beginning of the *coup d'état*. The direct result was a strong and wide-spread feeling in Iraq was that we had landed the Marines not because of the Lebanese civil disturbance but purely and simply because we intended to go in and overthrow the Iraqi Government. There was a good deal of diplomatic coolness in the early days. America's contacts with many of the young people who came to the fore were not what they could have been and the result was a profound suspicion from the very beginning of America. I think this is perhaps inevitable quite apart from anything that America has done, however, because America's profound identification with Nuri al-Sa'id's government was so complete that it seems to me it was almost inevitable that any government that replaced that government should have swung quite to the opposite side. Qasim, I think one can argue here, simply rode the popular wave.

As I mentioned, there were reasons in early January for believing that he had changed his policy toward the left-wing and, having used the left wing to a degree, was then prepared to swing to a more neutral or center position in which he certainly intended to rely a good deal more on the *Abali* party. You will recall he had the *Muqawm al-Sha'biyah* disarmed and in various other ways tried to undercut Communist power. But the events of the last few weeks have almost certainly profoundly dislocated this as yet unstable position and I really don't know that any of us can possibly tell what they will result in.

The final question in this sketch—one that can only be raised: Where is Iraq going? This, to a degree, depends on our policy as well as on the Soviet Union's policy. There are domestic factors which seem considerably to restrict the activities of the Iraq Government—and we know already I think what the Soviet Union's policy is: it is one of considerable economic assistance and a closer alliance and friendship with the Iraqi Government. The American position, I think, is still by no means clear on Iraq or to Iraqis. It seems to me that we have exercised a great deal of restraint and one hopes that this will continue to be the case. We have, in a quiet sort of way, indicated that we would be quite willing to recommence the help that we had given prior to the *coup d'état* and there were many indications in January that, again, in a quiet sort of way, on a moderate scale, this help was being accepted. The contacts between American business and Iraq, I should think, will gradually come back into some kind of focus. The Iraq Government is today negotiating with several American firms for sizeable projects in the country, and I think that this is a very hopeful sign. The new university is very anxious to increase its contacts with the West as well as with the East, and it seems to me that America's position is considerably strengthened by a number of these indications. All of the personnel that one deals with in the Iraqi Government are the products of a Western type of education, and it seems to me that this makes understanding on an individual level a good deal easier. When the university plans a project, for example, it is very apt to plan along lines which reflect our ideas of the role of a university. When the Development Board undertakes a project, the engineers, the technicians, and the planners are mainly graduates of our universities, and have much the sort of standards and expectations that we should have.

In conclusion, I think that the one thing that America—to maintain or improve its position in Iraq—must recognize that everyone in Iraq today is agreed that *change* is necessary. The central question is, then, what sort of change, how far will it go, and how quickly will it come.



## REPORT ON THE UNITED ARAB REPUBLIC

RICHARD NOLTE  
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YOU KNOW, in this day and age there is always a problem in writing a talk about the Middle East. When you read the morning paper your expectation of rapid change is usually borne out. As usual I took the precaution of reading the paper this morning and this is what I find, in part: "We feel that we can maintain friendly relations both with Iraq and the United Arab Republic." It sounds so familiar somehow. This is Mr. Khrushchev talking. In 1955 it could have been the American Secretary of State, or the British Prime Minister—even as late as 1956, or even 1957 it might have been said in the West. Now, it is Mr. Khrushchev.

I continue: "As for President Nasir, he is a rather younger man, and rather hot-headed, and he took upon himself more than his stature permitted. That is harmful. He shouldn't do it. He might strain himself." This, too, sounds familiar to me. The daily record of change and reversal suggests that events in the East are rather bewildering, chaotic, confusing. And yet the basic premise on which we are meeting here—the purpose for which we are convened—is to seek out patterns, uniformities, something predictable on which to base judgments, decisions and actions, whether it is as governments, businesses, private foundations, or as individuals. We must seek the uniformities if there are any to be found and the patterns that operate in the Arab Middle East, and in the present instance in the United Arab Republic. There are such patterns—we have it on Nasir's authority himself. He has written that there are no discontinuities in history. This is undoubtedly true, even though the chain of continuity appears tangled indeed.

The topic suggested for this meeting—"The struggle for power; nationalism, neutralism and communism,"—might afford a useful takeoff point for discussing the U.A.R. Inasmuch as I see that I am confined to 15 minutes this morning, I shall deal with nationalism only in the hope that I may be able to say something useful. Now, "nationalism" thrown up in the air like that immediately brings up visions in most of our minds. We think of shouts, gangs, people throwing stones, diatribes against Western imperialism, nationalizing other people's oil companies, noise, altogether a lot of unpleasant con-

fusion. There is a good deal of truth in this picture that we have of Arab nationalism. It is certainly not, however, the whole truth. I propose this morning to sketch in the other half of the picture, identify very briefly what Arab nationalism claims to stand for, and then, perhaps, to try, in respect of the United Arab Republic, to measure achievements against objectives.

It is quite easy to outline the content of Arab nationalism—and let me digress to say that I don't propose to make any great distinction this morning between Egyptian nationalism, which is an entity, and Arab nationalism, which is a larger and somewhat more diffuse entity, on the grounds that for the present, at least, and for the recent past, Egyptian and Arab nationalism under the leadership and example of President Gamal 'Abd al-Nasir of the United Arab Republic have been synonymous.

What do the Nationalists stand for? Let's talk about it on various levels and quite briefly. On the political level they stand first and foremost for independence—national independence. In measuring achievement we can say that they have indeed achieved independence psychologically as well as in fact. Egypt was independent nominally in 1923, but if you ask an Egyptian nationalist he will say independence was finally achieved in 1956 when the last British soldier left the Suez Canal Zone.

Again, as a political objective, there is the goal of unity. Unity means first of all internal national unity, unity within the society so that peasants and villagers, minority religious groups, workers, merchants and pashas should no longer constitute distinct and mutually alien bodies of people but rather the common citizenry of one united country. It also means external unity. Almost all Arab nationalists share a vision of a larger unity, an Arab nation comprised of its component countries, an Arab United States. No doubt unity, internal and external, remains incomplete. But one can say that President Nasir has carried the Arabs farther along the road than any other leader in modern history.

Again, nationalism embraces the idea on the political level of eliminating corruption in government, and it represents a shift in the public assumption of what rule and government is all about. Now, measuring promise against achievement as far as the elimination of corruption is concerned there is something no doubt still to be desired. Nevertheless, the ideal as represented by President Nasir in his performance as well as in his promise, is there and is popular. The underlying change in the assumption marks a shift from the old idea, the authoritarian idea that government was the exclusive concern of the ruler and that his business was to govern and the people's business was to be governed. The old system was that there were subjects who were literally called "flocks," and a ruler, or shepherd. His duty was to fleece, which he wholeheartedly did.

Now the idea is taking hold that government should be for the people and in the interest of the people, of all of the people. This idea has been imperfectly implemented so far, but the idea is there and spreading.

As an aspect of the goal of independence for nationalists, non-alignment or neutralism has become essential. Stay out of other people's conflicts. Don't make entangling foreign alliances. This, too, has become one of the component parts of nationalism on the political level.

A final ingredient is the idea of democracy: democratic rule by the people. This is a not unfamiliar idea. It has a fairly low priority at the moment on the grounds that most of the Arab states in the Middle East have tried what they consider to be Western democracy and found it wanting. That is to say they have had parliaments and elections and so forth, but have regretfully come to the conclusion that you cannot have a democracy until you have the requisite basis for a democracy in an educated population accustomed to the usages and devoted to the purposes of democracy. Therefore the first task is to educate the population, then one can think about democracy. To bring about this development is an authentic although low priority part of Arab nationalism. We can say that at least the first phase has been accomplished: elimination of the old, ineffective structure of democracy in name but not fact. It remains to be seen whether that rare thing can be done—to progress from an authoritarian pattern to a democratic one.

On the economic level, nationalism represents a universal desire for economic development, industrialization in particular. On this level, looking at the United Arab Republic, one sees that considerable progress has been made. The much-publicized High Dam has only been the major item in a general program of economic development. With the help of the Soviet Union, construction will be under way after the floods this year.

In addition, Egypt now has approximately 15% of its population engaged in industry and business, a fairly substantial portion for a so-called underdeveloped country. It has a first-rate, modern, up-to-date textile industry and Egypt is now producing rayon, cotton and woolen fabrics of very good quality. It now supplies most of its internal market for textiles with an export surplus.

To round out the picture of industry in Egypt, one finds a good local beer, venetian blinds, electric lights and cigarettes. A German-built iron and steel industry recently began production, and an American-built factory now supplies tires of all types. Thanks to a massive aid agreement with the Soviet Union, UAR is to receive a complete plant for making trucks and two or three dozen other factories for various products. The Syrian region cannot compare, industrially, with Egypt; but the pace of development is equally swift there.

In addition to economic development and industrialization, the nationalists stand for what they call "social justice." Social justice may mean many things

but in the present instance it means education, mass education, on a nationwide scale. In order to make loyal citizens of the population and in order to provide the technicians to run the new, modernized state, schools for all are mandatory. In terms of performance, the Egyptians have, they say, established one school per day since 1954. In fact, they have established on the order of one thousand schools since the new régime came into office. These have been mainly on the elementary and primary level, tending to correct rather an imbalance in the educational picture of Egypt. There are a great many university students in comparison with those in grade school. The figures are striking. There are eleven times as many university graduates and students in Egypt per unit of population as in Great Britain.

In addition to mass education, land reform and nation-wide programs of health are part and parcel of the social justice of the nationalists. The land reform program has been the most thoroughgoing and successful of any yet carried out in the Middle East, and while it did not materially benefit very many new peasants—less than 100,000 families—in the form of new land holdings, it did benefit a substantial proportion—several million people—of the peasant population in the form of lower rents.

I have been talking very briefly about the stated objectives of Arab nationalism as they are represented in the Arab World including the U.A.R. It seems to me that all of this represents on the psychological level something rather more profound than might be suggested by the surface manifestations and stated objectives of nationalism. What does it all come down to? What is the motivation? It seems to me that Arab nationalism—Egyptian nationalism—both rest on a basic human need to re-establish self-respect, to achieve dignity. Why should this be so? After all, here you have an ancient society which has existed relatively unchanged despite all sorts of political vicissitudes, for many centuries. Society was not a homogeneous group but rather a congeries of autonomous units. In this social mosaic, in a particular unit of it, each person had his recognized place. He belonged to a neighborhood, he belonged to a guild, or he belonged to a village; he belonged to a minority religious group, he belonged to a brotherhood. And in his group he had status and security. From it he derived his income and his protection, and in it he saw his future. For him, there was no such thing as the concept of a nation; nationalism as such did not exist.

Then suddenly and increasingly, over a period of a century or so, Middle Eastern society came into contact with a civilization which was different, differently organized, with superior tools, weapons, techniques, and ideas. At least it seemed superior. The Westerners themselves were in no doubt of their own superiority—which they occasionally demonstrated by military force. The effect of the wholesale importation into Middle Eastern society of Western goods

and methods has produced a profound and accelerating social revolution affecting every level of life.

The peasant who scratched out a subsistence from his small plot of land now drives a tractor in order to produce wheat which has to be sold abroad and is dependent on prices in the world market. The son of a hill dweller in Lebanon no longer follows in his father's footsteps; he goes down to Beirut and becomes a taxi driver, cuts loose from family ties. Change has penetrated society from top to bottom. Donkeys have given way to cars, pashas and kings to parliaments and now in many cases to up-to-date military régimes. The change has been profound, and most profound of all has been the change in the individual's conception of what he is. His guild, his religious brotherhood, his village, his neighborhood in the city, his profession—all these things are erased very quickly as the focus of his life by the importation of the new. And his conception inherited from the Islamic past of a static world cradled in the hand of God has altered to the idea of progress and that he himself, if he sees evil, is no longer the important creature of God whose duty is to submit but is beginning to assert the necessity of reform.

The result of contact with the West and all its ways has been to re-equip the Arabs with Westernized eyes. They have put on new spectacles, as it were, and now look at their surroundings through the coloring supplied by Western ideas of things. What do they see? They see corruption, where formerly they would have seen an ancient and accepted way of getting things done. They see backwardness, ignorance, poverty, disunity, disease—all the hallmarks of inferiority. For them in this situation there is only one way out and that is by reform. This is what nationalism is all about. It is the urge to reform, to remake Arab society in the desirable image supplied from outside and mainly by the West. This is the positive aspect of Arab nationalism, creative and imitative at the same time, and this is the profounder aspect of Arab nationalism as far as the Arabs themselves are concerned.

We cannot quarrel with this objective, and there is no reason to scoff on the grounds of non-performance in view of the qualified success of the U.A.R. régime in achieving some of the political objectives and making a good start toward the economic and social objectives. But there are formidable obstacles that stand in the way of full success, obstacles so great that they may well prove fatal for the régime itself.

One of these obstacles I should like to take up is the internal problem of poverty, which was touched on by Professor Wright. In Egypt the rising standard of living of the Egyptian peasant as the result of the agricultural revolution in the 19th century stopped rising just about the time of the First World War. At that time the population curve caught up with the rise in the production curve. Since that time there has been an inexorable squeeze

on the standard of living of a large part of the Egyptian population. This has been measured by an economist at Alexandria University: as compared with 1913, the net annual income of the Egyptian peasant has declined from about 13½ pounds Egyptian in 1913 to around 7½ pounds in 1951, at 1913 prices. This represents roughly a decline of 40% in the real income of the Egyptian peasant. This process is going on beyond all power to change it, at least for a long time to come. As a result, in terms of hunger and disease, there is a Malthusian attrition at work in the Egyptian countryside. Anyone who goes to the Egyptian countryside will see the poverty in terms of the filth and squalor, the malnutrition, undernourishment, disease, and the ferocious death rate. One quarter of Egyptian children die before their first birthday—that is to say before they are one year old, and half die before they are five.

It is natural for us in the West to believe that such a massive and increasing poverty is a sort of time bomb in the countryside and that sometime there will be an explosion which will blast any government out of office. I don't believe that this is so. After all, who is it who has to pay the price? It is precisely the most disorganized, inarticulate, dispersed, weak portion of the population that suffers most from the squeeze, and they do not suffer it as an evil, but rather as something that comes to them as their "fate" from the hand of God. They represent the most ignorant portion of the population, accustomed from time out of mind to accept their fate with a whimper instead of a bang.

A dilemma faced by the leaders in present day Egypt is what to do about this problem. Even if it does not directly represent an explosive threat, it is still a moral problem that must be dealt with. Moreover it is a problem compounded by the necessity to increase productivity, to carry out economic development, if the situation is ever to be any better. But if you devote resources to economic development then you are taking bread out of the mouth of the peasantry. What is the choice of the leaders in Egypt in this situation? They have been earmarking possibly 25% of the national budget for economic development, starving peasants or no. But this must be so, they say, in order that the children of the children or of the grandchildren of those who now must die may stay alive.

All this being said, however, there is an explosive potential in Egyptian society, I believe, and I'd like to utilize for illustration the conception of the "frustration gap." The whole business of education in Egypt, mass education in the schools, radio propaganda, the cinema and large scale advertising, all stressing the virtues of Coca-Cola, for example, which is becoming the Egyptian national drink, shoes, of going to school, wearing Western-type clothes, of using soap and toothpaste serve to raise popular standards. Expectations are being created rapidly on a mass basis, far more rapidly than the ability to fulfill them. There is as a result a frustration gap, the gap between desire and reality. It

affects precisely those who have been thrown into contact with new ideas in school and where they associate with others who have Western shoes and clothes, and bicycles and even motor cars. These people, who might be called the lower middle class and who are increasingly numerous in Egypt, constitute the really explosive potential. This is all the more true because they are crowded into the cities and cut off from their ancient stabilizing way of life in the villages. They form a mobile mass, easily led. The frustrations and latent anger of this group in time may be focused against any régime which does not implement fully and quickly enough their unfulfilled expectations including the reformist expectations embraced in the nationalist creed.

The pressure is there already, but the régime has been fortunate in that it has re-discovered the old technique of venting internal frustrations at external targets. Your cow dies? The imperialists did it. Perhaps fortunately, perhaps not, the West has cooperated mightily in helping President Nasir and his cohorts to find external targets. Almost every six months in recent years we have played our part in helping to create a crisis of patriotism in the Arab world which has enabled the leaders of Egypt successfully to represent our actions as the cause of all internal ills. Going hungry? The imperialists have blockaded Egypt. That sort of thing.

In recent months, however, the U.S. and the west have been more cautious and have not provided any major opportunities of this sort. There seems to have been a sort of disengagement and this particular escape valve may have been made less effective for the U.A.R. leadership. Still, there are potential targets enough; and recent indications suggest that Israel may now be more in the news as an Egyptian whipping boy. This will be something of a departure because even in spite of the attack on Sinai, Israel, except for very brief periods, has not been the major object of Egyptian ire. Instead, it has been the "Imperialists" and the imperialists have meant first Great Britain and France, and, more recently, the United States. But now in the Egyptian press Israel has become a major target; and for the first time I can recall, Nasir himself has been outspoken in identifying Israel as a threat and an evil.

But, of course, there is the even more recent and more looming threat of that "arch-traitor to Arab nationalism" in Iraq, General Qasim. Here, too, there is a potential new target for Nasir and his régime on which to vent internal problems and frustrations.

This morning's news dispatch suggests that the Soviet Union may well be a third. The Soviet Union has supplied to the U.A.R. well over half a billion dollars in credits toward its economic development, and this compares with approximately one-fifth that amount supplied by the United States. If President Nasir is now to jeopardize that source of income, the first rule of positive neutralism is that you have an alternative. You can only play the game of

balanced exploitation if you have someone else to turn to. And we ask ourselves, is the United States now ready to resume again this role of alternative?

There are straws in the wind. The CARE program has been resumed; Point Four has begun to operate again in a modest way; we have made \$25 million worth of surplus wheat available; we have sent the Army dredges to help clean out the Suez Canal. These may be only straws in the wind, but they suggest that the U.S. is willing, although not eager, and that President Nasir has not yet lost the game.

If I may be permitted a concluding remark—I see we will not be able to get to the topics of neutralism or communism—I would say that the primary lesson of recent Middle Eastern history for us or for business or for the Soviet Union—or indeed for any particular interest group wishing to do business in Egypt and in the Arab world—is that, if one can manage to fill the sails of his own interest with the dominant new force in the Arab world, Arab nationalism, his chances of success are very much better than if he tries to achieve success by opposing it. The disappearance of Britain and France as colonial powers in the Arab world, the elimination of leaders such as Faruq and Nuri al-Sa'id, who have stood as obstacles to the objectives of Arab nationalism in the nationalist mind, the present embarrassment of the United States and the present success of the Soviet Union suggest the force of this observation. If you wish to secure your business or diplomatic objectives, find the common ground between what you want and what the Arabs want for themselves, then formulate your policy on that common ground of mutual advantage.

*Second Session, Part I, Friday morning, March 20th*  
*Presiding: WILLIAM SANDS, The Middle East*  
*Institute*

## REPORT ON U.A.R.-ISRAEL RELATIONS

DON PERETZ

*Author, Israel and the Palestine Arabs*

ALTHOUGH I HAVE BEEN ASKED to speak about Israel-U.A.R. relations I have taken the liberty of broadening the subject to cover the general area of Arab-Israel and perhaps even Arab-Jewish relations. It is true that Israel-U.A.R. relations may be at the heart of relationships between Jews and Arabs today. There are some precedents to confirm such a view.

At the end of the war between Israel and the Arab States in 1948-49, Egypt was the first Arab nation to sign an armistice agreement with Israel, at Rhodes. Following that, Lebanon, Jordan and Syria also signed armistice agreements. Today, despite the existing hostility within the Israeli Government against the Nasir régime, Prime Minister Ben Gurion has on several recent occasions stated that he believes Egypt will be the first Arab nation to conclude a formal peace settlement with his country.

But I think the problem really goes much deeper than the conclusion of formal peace settlements with Egypt or with the U.A.R. or with any or all of the Arab nations. Therefore I have chosen to talk about the question in its broader aspect. It thus becomes a dilemma, not only of Arab-Israel relations, but one of relations between Jews and Arabs. There was a time, and it was quite a long time, when there was no such thing as an Arab-Jewish problem, when relationships between the two people were as normal as those between any normal cousins. They not only shared the same homelands, the same towns, villages and cities, but their relationship was even more intimate, they shared the same culture.

In the Middle Ages Hebrew texts were often written in Arabic script and much of the knowledge of Jewish philosophers and scientists has come to us through the medium of the Arabic language or script, and vice-versa. Much of Arabic knowledge was transmitted through Hebrew.

Such relationships continued into modern times. It was only a couple of decades ago that even that so-called fanatic Hasan al-Banna, who founded the Muslim Brotherhood, used to visit on the Sabbath the old Jewish woman who lived a floor above him to help with chores which her religion forbade her from performing on the day of rest, such as lighting a stove when it was too cold and she could not light it herself.

Of course we constantly hear from Jewish and Arab sources, in official statements, that neither has any antagonism against the other. How could we be anti-Semitic, ask the official Arabs, when we ourselves are Semitic? Or, on the other hand, look at all the wonderful things we are doing for our Arabs in Israel—education, health, votes for women, etc., say official Zionist sources.

Although there is much that is factually true in both of these statements, do they really reflect the actual situation today? I'm afraid they do not and I will now proceed to explain my doubts.

We of the West, especially in America, often have a mechanistic approach to problems of international tension. If only we could find the right gimmick, the right formula, the right man to solve problems such as those of the Middle East! If only we could induce Israel to move back its borders so many miles, or persuade a few thousand or hundred thousand of Arab refugees to resettle in some empty expanse of Syria or Iraq, our problems would be so much easier, or so we are wont to believe.

But since the Arab-Zionist dispute was first raised at the United Nations in 1946, it has figured on the agenda of every regular and two special sessions of the General Assembly. Probably a third of all Security Council meetings since 1948 have been devoted to the Arab-Israel conflict. Every principal organ of the United Nations except the International Court of Justice has poured its own particular brand of oil on these troubled waters. Over four score of resolutions have been passed and there have been a dozen special bodies created in the fruitless efforts to settle peacefully the bitter quarrel between the Jewish state and its neighbors.

Concern has been expressed not only through the multiple agencies of the United Nations. An impressive array of private organizations and prominent individuals have proffered their own plans to soothe these tensions. International efforts aimed at reaching a solution have so far pursued most of the conventional methods of diplomatic procedure, including negotiation, inquiry, mediation, conciliation and arbitration. The tools of modern economics, agriculture and the physical sciences have all been enlisted in the formulation of scientific proposals based on population distribution, acres of cultivable land, potential irrigable areas and the like. This massive precipitation of global good will has failed to raise even one laurel wreath from the barren soil of the Middle East.

Today Israel and its neighbors are still deadlocked in an intense struggle which has spread beyond the borders of Palestine. The victims of the clash between Jewish and Arab nationalism are many. They include not only the approximately one million refugees from Palestine and the tens of thousands of Jews and Arabs who died fighting against each other in the war in which each thought he was fighting for his national homeland. They include tens of thousands of Jews who lived for generations in Arab lands and who have

been uprooted by the emotional impact of the Palestine war and the creation of the Jewish state. The national existence of the Palestine Arab community was cut off by that war. Much progress and development which might have occurred in Arab lands and in the Jewish and Arab communities of Palestine was checked by the struggle.

The decline in the age-old traditional friendship between Jewish and Arab communities throughout the world is still another example. So intense have the hostilities become that it has poisoned the atmosphere of free discussion about this vital question, especially in the United States, where the propaganda war has reached the most untoward dimensions.

Why have so many honest and conscientious efforts to ease the tensions, if not end them, borne such bitter fruit? I think that the answer in part lies in our mechanistic approach to the problem, our infatuation with this search for new gimmicks, for new formulas, thus we have failed to see the real cause of the problem. It reminds me very much of the scene I once observed in a Cairo railroad station. The platform was jam-packed full of passengers waiting for trains to all parts of Egypt. Suddenly, from the midst of this throng there emerged a tiny porter who was carting a huge crate on his back. It was marked "Fragile, bottom must be carried uppermost. Top has been labeled bottom to avoid confusion."

And so, it seems that often this is our approach to such problems as these we are now discussing. Top has been labeled bottom in the hope of avoiding confusion. We are looking for mechanistic solutions long before the atmosphere is conducive to the acceptance of any rational or reasonable approach. What I mean can best be illustrated by the comments of an Indian Delegate to the United Nations when questioned about differences between Asian and European attitudes toward these emotion-packed problems. The difference, he said, is that you Westerners say you *think* such and such about the problem whereas we of Asia *feel* such and such.

Emotions, rather than logic, are a far more frequent guide to action in the Arab-Israel dispute. I think that these emotions are most obviously characterized in the prevailing images which it seems to me each side has of the other. What is the Arab image of Israel and the Jews today? What do Israelis and Jews elsewhere think about Arabs? These are really fundamental questions and from them I think we can determine what is really possible and what is not yet attainable in efforts toward peace in the Middle East.

First, what is the Arab image of Israel today? To those who really probe Arab feelings about Israel it becomes obvious that the fundamental feeling is fear. Why, any reasonable Westerner may ask, should 40 or 50 million Arabs fear some two million Jews concentrated into such a tiny area? Israel, it may be argued, is constantly stating that she wants only peace and Ben Gurion has

repeatedly said that he would even fly to Cairo to meet Nasir for a negotiation of the settlement. But Arab fears, whether or not they are justified, are not fears of two million people living in the 8,000 square miles of Israel today. This is not the prevailing Arab image of Israel. A more accurate image is that of President Nasir who revealed his fears when he recently handed to an Indian journalist a copy of the *Protocols of the Elders of Zion*. I don't believe that this was a mere propaganda gesture but it represented what Nasir and a number of Arabs really think. Although the Protocols were long ago exposed as fraudulent, Israel to certain individuals represents a kind of international conspiracy directed at the Arab heartland. Israel, according to these fears, is a powerful colossus with influence in the French Cabinet and Chamber of Deputies, in the British Government and Parliament, and in the American administration and Congress. The British, American and French press, radio and television are influenced by Israeli sympathizers and most Jews, both within their own borders and abroad, are secretly, if not avowedly, sympathetic to Israel; so believe those who have this image of Israel.

Most reports about collusion between anti-Semites and official Arab organizations in the United States are, to the best of my knowledge, also figments of fertile imagination. But, unfortunately, there have been incidents in which official Arabs and Arab organizations have unwittingly permitted themselves to become the tools of hate groups. Generally such collusion is the result of naïvete, and that naïvete stems from a basic mistrust of the Jewish community.

The Arab views Israel as part and parcel of a vast imperialist conspiracy, a world Zionist plot. One has only to cite the now well-documented circumstances of Israel's collaboration with Great Britain and France prior to and during the Tri-Power attack on Egypt in 1956. The repeated assertions of Israeli leaders that their country has no designs beyond the status quo have done little to assuage Arab mistrust. The vigorous dynamism of the young state, the unrealized aspirations of some Zionists to double, triple, or even increase by five times the present population; the growth of Zionist ambitions from national home to political state, all these are evidence to Arab Nationalists that the claims of their antagonists to more than the status quo have not really been abandoned but been merely suspended.

I think that in talking about solutions to the Arab-Israel problem this image made up of fears and some fantasies, with often hysterical reactions, should be kept in mind. I don't see that an hour's talk over Turkish coffee between Nasir and Ben Gurion is going to rectify matters here.

But are prevailing images on the other side any more conducive to acceptance of rational approaches to the Arab-Israel problem? Those who make Arab policy in Israel—policy regarding the government's approach to the minority within the borders and toward the Arab states—is hardly less inflexible. To me it still

seems to resemble that of French *Colons* in North Africa toward their Arabs. Despite efforts materially to improve various aspects of life for the Arab minority in Israel, there is still deep suspicion, if not fear, of that minority and great question about its loyalty. There is still little awareness of the impact of Arab nationalism on the Arab world, and of the deep roots that that nationalist sentiment has attained in the popular mind. Still the image of the feudal pasha controlling the interests of a downtrodden peasantry prevails. Still many in government circles can't comprehend why Arab refugees should feel longings for Palestine after only a decade when Jews throughout the world have had such longings for two millennia.

To the kind of person I am describing, the Arab image is as anachronistic as that of the oxcart in the jet age. The mistrust extends not only toward the Arabs but toward those who would attempt to bring better understanding between Jew and Arab. It is evidenced by the instructions of the Mapai Party in Israel to all its members to have nothing to do with the Jewish-Arab Association, or the magazine *New Outlook*, devoted to improving Arab-Jewish relations, or in the reaction to the Refugee Report that was recently published by the Institute of Mediterranean Affairs.

Fortunately for all concerned this is not the only image of the Arabs that presently exists in Israel. There are also other groups like those of which I have mentioned, such as the small Ihud organization, who are followers of the ideas and ideals of Dr. Judah Magnes, and another recently founded group called Semitic Action who are making sincere efforts to examine constructively the problems of Arab-Jewish relationships. The major differences between them and the Mapai leadership is that they concede that wrongs have been committed by all and that concessions must be made on both sides. Their initial premise is not that: "the Arabs are all wrong and we are all right."

These groups in Israel and those with similar viewpoints elsewhere have come forward with a variety of constructive proposals for dealing with Arab-Israeli relations. Most of them believe that the Arab refugee problem is at the root of tension between Israel and the Arab States. Therefore many of them have given serious thought to new approaches to that problem. One example was the proposal put forward in the January issue of *The New Outlook* by the Arab Affairs Secretary of the Mapam Party. In departing from the official government viewpoint, he states: "It is clear that Israeli initiative, if seriously intended to break the impasse and not to remain a mere propaganda move, however successful, has got to tackle the problem of repatriation." He thereupon proposes that the problem of repatriation be taken out of the context of peace negotiations and be made an object of constructive Israeli initiative. He proposes that Israel begin a practice of partial repatriation, establishing an annual

quota of some five to ten thousand to be settled in new development areas and in conditions equal to those afforded Jewish immigrants.

Other refugees who don't choose to return would be compensated either individually or through agencies dealing with their settlement elsewhere. Israel could, he proposes, announce its readiness to increase the annual repatriation quota to the degree that simultaneous acts on the part of the Arab states were forthcoming. But even if cooperation from the Arabs were not forthcoming, the Mapam official suggests that Israel might find it advantageous to proceed singlehandedly.

Several years ago the Ihud group proposed that an international commission be established to survey the extent to which the refugees desired repatriation. Last year a proposal blueprinting such action in detail was widely publicized by the Institute for Mediterranean Affairs in New York. The panel which drew up that plan was composed of a wide variety of individuals, ranging from former Herut nationalists through moderate sympathizers of Israel to well-known anti-Zionists. Although such proposals, the attitudes motivating them, and the individuals proposing them, have often been sharply castigated by the Mapai leadership in Israel and by Zionists who follow the party line in this country, I think that they are of tremendous value. They indicate that there are not only Jews but Zionists and Israelis who have a sincere desire for rapprochement, and who have a genuine concern about matters like the Arab refugee problem.

I am not very optimistic about the political importance of such proposals but I do believe that their psychological and their moral value far transcend any possible political import. Such attitudes could indicate that Israelis and Israeli sympathizers don't have a stereotyped image of the Arabs. Although such proposals do not meet Arab expectations for what they consider to be an acceptable solution, they should indicate that all of the Jewish world is not against them.

Arab attitudes toward Israel, especially within the U.A.R., don't lack variety. Although there seems to be a stereotyped image of Israel and Zionism and the relationship of world Jewry to them, there are varying degrees of intensity in reaction to this image. In general, Egyptians are much less emotionally involved in the Palestine problem and therefore more apt not to reject out of hand the idea of rational proposals. Perhaps because they are further removed from the scene of the conflict and because their interest has in the past been less personal than that of Syrians or other Arabs, Egyptians have been less emotionally affected by the cataclysm of Palestine. It is possible to discuss international problems with many Egyptians in a broader context than that of the Palestine problem which so often seems the beginning and end of conversations with nationalists from across the other Israeli frontiers. I personally observed that there was much more readiness to acknowledge that proposals, such as those

which I previously mentioned, might offer more basis for discussion in Egypt than was the case in Syria, Iraq, Lebanon or Jordan.

The attitudes of Arab socialists are encouraging in a rather paradoxical way. On the one hand it is they, the socialists, who are most adamant in their opposition to any of the political manifestations of a Jewish state in the Arab heartland. It is they who would probably be least likely to accept the political concept of Israel and its existing political institutions, of Zionist political ideology or of Jewish nationalism. On the other hand, these socialists, probably because of the humanistic strain in their socialism, most often adamantly reject the ideas of anti-Semitism, or to be more precise, the anti-Jewish manifestations of some other national extremists. Indeed, many of these Arab socialists, who today are in positions of prominence in their native lands, received their basic socialist education from Jewish political philosophers such as Harold Lasky.

At the other end of the Middle East political spectrum there are many among the Lebanese Christian minorities who believe that the existence of Israel is a blessing since its strength gives comfort to anti-Arab-nationalists in the area. This attitude might be a manifestation of the minority complex which is so prevalent in the Middle East today, especially since the growth of insecurity among most minorities following the Tri-Power attack on Egypt in 1956 and the events in Lebanon last summer.

Of course, most Israelis are no more likely to find significant what I describe as a greater penchant for reasonableness among Egyptians or Arab socialists, than will most Arab nationalists find the variation in Israeli attitudes. But I believe that both sets of differences are significant. They indicate that all attitudes are not stereotyped. They show that there is a possibility for creating constructive responses to stimulating challenges. True, there is probably less variation in Arab attitudes. Great as the pressures within Israel and the Zionist movement may be for conformity on such issues, there is less pressure for conformity than in any of the Arab states. In most Arab lands there is little knowledge of the true state of affairs in Israel and less freedom of expression, especially on such a sensitive subject as the Arab-Israel dispute.

Unfortunately, the psychological atmosphere in the United States is such that Arab-Israel and Arab-Jewish tensions are intensified rather than eased by what is said in public here. In this country there is much less freedom to discuss openly the more sensitive aspects of the problem than in Israel and many other places. Certainly in Israel problems such as that of the refugees are more freely discussed than here, where the issues have become obscured by constant attempts to score points in the propaganda war between Israelis and their American backers on the one side and Arabs and their supporters on the other.

Intelligent public discussion of the Arab-Israel conflict is almost non-existent. There seems to be a premium on lack of moderation which is carried to such

a point that those who espouse views like those of the *Ibud* or the Jewish-Arab Association in Israel, are often accused of being anti-Semitic by the most vocal proponents of the Israeli position.

When I was in England recently I was amazed to see the difference in public attitudes toward discussion of these issues. Many things which when publicly stated here would incur the wrath of the great body of vocal Zionist leadership, are in England calmly and seriously debated, even by Zionists themselves. The atmosphere in England is such that it is not an uncommon occurrence for Israeli and Arab student organizations to meet for mutual discussion of such problems. Indeed I think the extent to which the propagandists of both sides have poisoned the atmosphere here is a major irritant in the whole approach to Arab-Jewish relations.

In essence, then, the problem of Israel-U.A.R. or Israel-Arab or Jewish-Arab relations today is not really one of substantive issues. It is a spiritual and emotional crisis. It is a crisis of failure of Jewish confidence in Arabs and Arab confidence in Jews which has produced fears, sometimes justified but often unrealistic, based on distorted images which each group has of the other. This is a crisis which has spread beyond the borders of the Middle East and has become global in scope, even poisoning the atmosphere of intelligent discussion in our own country.

There are glimmers of light which indicate possibilities of change but at present even the moderates on either side are so far apart that it is politically unrealistic to think in terms of an actual settlement in the near future. Perhaps the best example of this at present unbridgeable gap concerns the question of Jewish immigration into Israel. There are few among the Jewish moderates, even among those who regard the Arab refugee problem as basic, who would be willing to make substantial concessions on the matter of immigration, who would be willing to give up the Zionist ideal of free and unlimited Jewish immigration into Israel. Yet the question of immigration is one of the key issues causing Arab fear of Israel. Because of the country's limited land and water resources, unlimited immigration, the Arabs fear, will create a potential for expansion beyond Israel's present borders.

But even on this question there is some possibility of hope in the future. When I was recently in Israel I found a willingness to discuss the problem of immigration among some moderates whom I have mentioned, although they acknowledge that it is still a sacred cow and would be very difficult to approach. Looking far into the future, the points of view of these various groups which I have mentioned are not too remotely distant. In *The New Outlook* there have been many discussions of the possibility of some kind of Middle East Federation, which would include Israel. In general terms it is the kind of federation, with

perhaps some differences about the nature of Israel's role in it, which is envisaged by Arab nationalists today.

In this connection I think that antagonists on both sides often undercut their own positions by their attempts to undermine their opponents. Israelis who see Arab nationalism as such a bogey, who fear the continued and constant growth of Arab strength and unity which, after all, is inevitable as it is in all underdeveloped countries in the world today, are only hurting themselves in their attempts to sabotage such growth. Israel will never be accepted in the Arab world as long as the Arabs are insecure, divided, and fear the attacks of enemies on all sides. Only after the Arab World has obtained a maturity based on self-confidence will it be possible to end the fears that now exist in the Arab World.

On the other hand, Arab nationalist pressures on Israel only stimulate resistance in that country to its ultimate integration in the Arab World. The continued boycott, blockade, and threats to eliminate Israel only strengthen the position of those Israelis who are opposed to their country's integration in the Middle East and who believe that it must link its future fate with the West. At present Israelis who emphasize a short-term policy can rely on Arab threats to support their emphasis on the country's need for close ties with England, France and World Jewry.

At this point I am not going to offer another blueprint of a solution to the Arab-Israel problem. There are a plethora of rational solutions floating around which have been rejected by both sides so I see no need for more at this juncture. But I will make a general comment about an approach to Middle East peace and stability. I think that as Americans we can do more to work toward our objectives by supporting moderate elements in this area than by encouraging the extremists and permitting ourselves to be drawn into the propaganda battle now being waged between them. Such efforts can be directed toward helping many of these non-governmental groups which are not associated with any of the positions represented by the antagonistic governments.

To paraphrase Clemenceau's comment that war is too important to be left to the generals, perhaps peace is too important to be waged by the prime ministers, the foreign secretaries and the professional politicians.



Second Session, Part II, Friday morning, March 20th  
Presiding: WILLIAM SANDS, The Middle East  
Institute

## REPORT ON LEBANON

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IN LEBANON, permanent agreements which cannot be dissolved are often likened to a Maronite marriage entered upon by both parties for richer or poorer, in sickness or in health, until death do them part. On the other hand, agreements which may be dissolved are just as often described as Muslim marriages where divorce is permissible and easy, especially to husbands. The main problem which faces the young Lebanese Republic today is to determine whether the National Covenant of 1943, which brought its then small Christian majority and its then large Muslim minority together into partnership in one national life, was a Maronite or a Muslim marriage.

From April 1920, when the Wilsonian principle of self-determination was jettisoned, and the Arab countries of West Asia were apportioned as mandated territories among the British and the French, to the summer of 1943, when the late Riyad al-Sulh and Bisharah al-Khuri fashioned the "National Covenant," the overwhelming majority of the Muslims in Lebanon never recognized such a thing as an independent Lebanon and continued to clamor for "reunion" with the Syrian fatherland. The *unwritten* agreement foresaw a Lebanon, independent and sovereign, in which both Muslim and Christian would live as partners in the new citizenship. The Muslims pledged to renounce, once and for all, agitation for reunion with Syria, and the Christians pledged to renounce, forever, their insistence on foreign protection and presence. The agreement also stressed that Lebanon would not allow itself ever "to become a bridge along which foreign domination would reach the Arab world, or a base from which it would launch its operations against any of the Arab countries."

At the bottom of it, the sad events of Lebanon during the second half of 1958 were the outcome of a growing belief among each of the two parties, which the National Covenant aimed at making partners, that the other was deviating from the letter and the spirit of the agreement. As a matter of fact, both were right. Both have deviated in thought, word, and deed. A unique situation has, therefore, arisen where half the population persists in acting as though the country was a monopoly for its benefit, while the other half does not believe

in a Lebanese national existence, sees no justification for it, and does not accord it its loyalty.

A recent work on the Middle East describes Lebanon as "the one Arab country in which Christians are not a minority of the population." Accepting the statement as a fact, the other side of the situation must not be ignored. By the same token, Lebanon is the one Arab country in which Muslims are not a majority of the population.

Grave doubt may be cast on the figures upon which this majority-minority status rests. I doubt them myself. But in the absence of reliable statistics it would be a waste of time to argue the point. It is sufficient to state that the last census was held in 1932, and no Lebanese government since that date has seriously considered holding another. The reason for this unusual omission is of course religious, though not akin to that for which "David's heart smote him after that he had numbered the people." It is only one more measure in the determined effort of a nominal Christian majority to retain its majority status, which increases the bitterness of a nominal Muslim minority against its minority status.

In their zeal to retain a Christian majority status, the Maronites have not always been careful to preserve the semblance of equity, and though usually skillful, they have not always been subtle. By general agreement, the Presidency of the Republic (except for the first incumbent, who was a member of the Orthodox Church) has been the monopoly of the Maronites. As heir to the powers of the head of the state under the mandate and the powers of the French High Commissioner, the President of the Lebanese Republic wields, directly and indirectly, enormous powers of hire and fire over the three branches of the state: the executive, the legislative, and the judiciary, extending from the top echelons of cabinet ministers to the lowest village *mukhtars* and office janitors. All key positions of the state have been filled by Maronites; this includes the Army and other security forces as well as the judiciary. It is, however, most evident in the Ministry of Education which is of special importance in a newly developing society. Muslim regions of the Republic, such as Tripoli, Akkar, Hirmil, and the South, have not always received from the authorities the same amount or kind of attention bestowed on the Christian regions. To make matters worse, economic and social factors over which the authorities have little control have sharpened the contrast between the two communities. Among these factors are the spectacular development of Beirut, not only as the capital of a flourishing state, but also as a great port area and a hub of intercontinental air travel as well as a center of international financial transactions, and the equally spectacular growth of most Christian regions as attractive and prosperous tourist and summer resorts, primarily because of their proximity to the capital and the sea and because of their location on either side

of the main rail and motor highways of the country. Whatever the causes, the Muslim segment of the population has become increasingly aware of the disparity. Normally such an awareness is a healthy sign and may presage some constructive effort towards progress. But new factors have arisen which have deepened its resentment and prompted it to seek an amelioration in violent outbursts culminating in the 1958 revolution.

The first discernible factor is the contagious spread of revolution, not only throughout most of the countries which are struggling to free themselves from colonial rule, but also in those which have already disengaged themselves from its grip. The reason for this phenomenon is twofold: failure of the democratic processes in these countries to solve their problems and impatience on the part of these countries to match the economic, social, and cultural progress of their erstwhile masters. The failure of the democratic processes was inevitable, because its prerequisites were lacking in the area; what went under the name of democracy was a sham, superimposed by the colonial powers over tribal and *iqta'* systems, sometimes in good but mostly in bad faith, as an instrument of control. The impatience to match the progress of former masters was, likewise, natural both to satisfy a genuine popular desire for advancement and in order to ward off external dangers. Many, too, saw in the Russian performance, which almost literally lifted Russia from medievalism to the forefront of the modern world, a hopeful example to transform their own medieval society into a dynamic modern order. This is particularly true of the Muslim world from Indonesia to Morocco. Formerly, Muslims were well content with the social and political system which they have fashioned; it worked well, and they seemed well-satisfied with it. But when at last it became obvious that other peoples, hitherto considered inferior and infidel, had forged systems which worked better and seemed more vital than their own, Muslims began to question, in their own minds, the fitness of their system. Herein lies the secret of their anxiety and of the instability which characterizes the Muslim world today; herein lies the secret of the revolution which engulfs it.

It might be asked: What has this to do with Lebanon? A look at the geographic and demographic map of the country would give the reply. How could Lebanon be isolated from and insulated against the kaleidoscopic events unfolding in the Arab East today? How could it be made immune from violence, strife and revolution? Even if the population of the country were solidly Christian, Lebanon could not be immunized. It could, however, be spared its ravaging disasters if the revolution which engulfs the surrounding area were given in Lebanon a deeper meaning and a more constructive interpretation. This, the Christian authorities of Lebanon have failed to do, and consequently they have rendered their country more susceptible to the dangers of internal discontent and external stresses. The nine years of independence under Bisharah al-

Khuri and Riyad al-Sulh reduced the National Covenant to an agreement for the division of political patronage among their respective followings; created new *iqta'* barons and strengthened older ones in order to insure for their rule broader popular support; ramified the already existing confessionalism by making it a vested interest; enriched their entourage at the expense of the state; and suppressed whatever free press the country had and prostituted the rest. The high hopes of a purified state entertained at the time of the overthrow of President Khuri in 1952 have not been realized. Considering the background of his successor and his predilection for Mount Lebanon's traditional politics of maneuver and spite, these hopes could not be realized. By pursuing this type of politics, President Camille Sham'un succeeded in uniting against his otherwise intelligent policies, groups which have hardly ever been united before: The Shiites, the Druzes, the Sunnis, and a goodly segment of the Christians, including some of the most prominent Maronites. He also arrayed against himself all the border barons, in the South, in the Bika', Hirmil, and the Wadi al-Asha'ir. This proved to be a decisive factor in the events of 1958.

Unless Lebanese authorities address themselves in dead earnest and with speed to administrative and social reforms which would give revolution a deeper meaning of progressive and dynamic change, of good and clean government, of social justice, public security, and equal opportunity for all segments of the population, and which would weld its two elements into an imaginative and constructive loyalty to an enlightened fatherland, civil war will once again engulf the mountain and coast and a piece of paradise will be reduced to waste.

The second factor is the surging sweep of Arab nationalism and unity and its concrete embodiment in the United Arab Republic. For the last four decades, the call for Arab unity has been on the lips of every politician and in the hearts of most of the people. Indeed, the first standard bearers were Lebanese and Christian Lebanese at that. It must be admitted that the way in which the idea materialized did not coincide with any of the plans its devotees had envisioned. But history is full of surprises and often chooses a course other than that which politicians and philosophers favor. It will be useless to argue the point at this stage. The more resilience politicians and philosophers show, the better for them and for their followers.

Yet the birth of the United Arab Republic suddenly moved Arab nationalism from the realm of ideas to that of the actual. It also gave it the tools with which it could either develop and grow into a great and constructive force for the fulfillment of the Arab dream for freedom—freedom to liberate the Arab fatherland from foreign domination, freedom to achieve economic, social, and cultural progress throughout the area, and freedom to participate as free men and women in history and contribute what they can to human progress, or to become a destructive force bent upon self-aggrandizement and inter-

national blackmail. It was only natural that it should arouse some rivalries and apprehensions among the Arabs themselves. The most ironic of these unfolded in Lebanon and among the people most responsible for the development of the idea of Arab nationalism when it had no champions in other Arab lands. The reason for this is to be found in the critical balance existing between the two segments which make up the Lebanese population. For the birth of the United Arab Republic has inflamed the emotions of Lebanese Muslims and awakened among them the ever-present but hitherto dormant loyalty beyond the border. In turn, this has aroused the grave apprehensions of the majority of Lebanese Christians, particularly the Maronites whose history and the history of Mount Lebanon have been, since the early eighth century, almost identical. To them, the resurgence of Arab power would inevitably mean the resurgence of Muslim power and the final submergence of Lebanon within the surrounding Muslim mass. For basically, the problem of Lebanon, brought into sharp focus by the birth of the United Arab Republic, is the problem of minorities—religious and racial—in the Arab world. It is often repeated that among the measures of a country's advancement is the manner in which it treats its minorities. This is true, but in safeguarding the rights of the minority, let us not disregard the rights of the majority. Minorities in the Arab world need not fear the majority if they would bear in mind the national concept which they were the first to uphold and preach. This is particularly true of Lebanon. Since the dawn of the modern Arab renaissance, this small land has remained in the forefront of those countries active on behalf of the Arab idea. It played the major role in reviving the Arab heritage in poetry, literature, science, and spirit. Lebanon is in the heart of the Arab world geographically, economically, and culturally. When the national concept is established and becomes dominant among the Arabs, it will be found that Lebanon will not refrain from joining any form of Arab federation, and will serve as the keystone of the Arab edifice. Until that time, however, it behooves the majority to allay the fears of all minorities, especially by implementing the national concept in all state activities, and above all in school, society, and government, and to refrain from imposing upon minorities a status which they would not choose for themselves by their own accord.

The third factor is the sudden awakening of the Arab masses, their increased awareness of their political power, and their discovery of new and violent tactics to attain their objectives. Until recently, the most they could do was to demonstrate and yell, cursing the darkness but not lighting a candle to dispel it. Since 1951, however, the masses, undoubtedly receiving some pointers from more experienced quarters, became wedded to the use of violence, arson, and sabotage as normal tools in a free-for-all political arena. The impotence of civilian rule and the opportunism of military juntas confirmed them in the use of their

newly-found tactics. The Lebanese revolution of 1958 was not led by the prominent politicians whose names appeared in the headlines, but rather by a new type of leadership which controlled the mob and reduced the nominal leadership to the status of virtual prisoners. This mob rule is often euphemistically referred to as "the street," the aspirations of which political leaders should heed. The first twenty-four hours which followed the Iraqi revolution of July 14, 1958, and the "popular" reception accorded to Mr. Rountree in Baghdad a few months later, offer a concrete example of this type of leadership. All Arab governments live under the shadow of this *jinni*, and none has as yet proved capable of pushing it back into the bottle. Lebanon today lives on the palm of this *afrit*, and it takes all the wisdom, restraint, and courage which a clean and self-respecting government could muster to spare the country the ravages of another holocaust.

The contagious spread of revolution, the surging sweep of Arab nationalism and the adoption of new and violent tactics by the awakened Arab masses have increased the fears of all minorities in the Arab East, and have driven the majority of Christians in Lebanon to seek more doggedly than ever before the maintenance of their majority status and privileges. Events since the end of the 1958 revolution have not as yet shown any indication that these bloody days were the birth pains of a nation reborn. In fact, the two segments of the population have been thrown farther apart from each other than ever before; suspicion has reduced the chances of their cooperation, distrust has crippled their wills and hate has poisoned their hearts. The main results of the revolution have so far been negative. Firstly, confessionalism has been affirmed and consecrated; the present four-member cabinet is at once its incarnation and the outward sign of Lebanese inability to transcend it. Secondly, the Arab idea, which intelligent Lebanese have been expounding and promoting since the middle of the last century, has suffered a serious setback; it may take Lebanon fifty years to recover the ground lost during the last six months of 1958. This Arab idea was predicated on the concept of secular nationalism, and aimed at disengaging the Arab fatherland from foreign domination and at enabling minorities to break through their marginal existence in Arab society to a larger milieu wherein both minority and majority could lose themselves in one inclusive loyalty.

One hopes that a third result might have obtained, namely that both segments of the population might have learned, once and for all, that neither could act alone or independently of the other in any of the major policies of the country. If this lesson has been learned, the revolution would not have been fought in vain.

Lebanon has been an oasis of freedom to which religious, political and other nonconformists of the area hied themselves and in which they found liberty, opportunity, and security. It was a necessity. Had it not been, it should have

been created. It is still a necessity. But to survive, two things at least are necessary. The first is a matter for the Lebanese themselves to determine. They alone can accomplish it. Neither foreign troops nor international guarantees of Lebanese independence can restore harmony to Lebanon and insure its survival, if its own people are not willing to give the partnership, envisioned by the National Covenant of 1943, another honest chance to integrate all segments of the population into one enlightened, progressive, and tolerant fatherland. The second is outside the control of Lebanon and is part of the cold war, wherein Lebanon, like most small countries, is but a pawn. All are familiar with the aims of communism in Lebanon as in any other part of the non-communist world. Lebanon has so far resisted these inroads, and might resist them even more successfully if the West would stop trying to force it to take sides in the cold war. Ever since its natal hour in 1943, Lebanon has been with the West; every sixth Lebanese is an American citizen; almost every family has American relatives; it is culturally Western-oriented; English or French is a second language to practically every Lebanese; and its economy is linked almost entirely with the West. Withal, it still has to live in peace among its own people and in harmony with its neighbors. This it had been able to do, until it was practically forced to adhere to the Eisenhower Doctrine, against the desires and fears of a goodly portion of the population. For the Eisenhower Doctrine, as over half the population saw it, made Lebanon, contrary to the letter and the spirit of the National Covenant, "a bridge along which foreign domination would reach the Arab world, and a base from which it would launch its operations against the sister Arab countries." If any country should be neutral, it is Lebanon.

It has been said that war was the continuation of policy by other means. The history of the world since the First World War has shown that it was equally true that policy has become the continuation of war by other means. More recently, positive neutrality has become still another means of war. But to Lebanon, neutrality is the only means of survival. Without indulging in the common practice of exaggerating the role of Lebanon in international politics, its survival will, in the long run, prove to be a blessing not only to itself, but also to the Arab world and to the free world as well.



*Luncheon Session, Friday noon, March 20th*  
*Presiding: SIDNEY SHERWOOD, The Export-*  
*Import Bank of Washington*

## IS THERE A PLACE FOR AMERICAN EDUCATION IN A NATIONALIST MIDDLE EAST?

PHILIP K. HITTI

Professor Emeritus, Princeton University

THE DATE IS 1819 and the place is Boston, Massachusetts. A sailing vessel, eastbound, carries among its passengers a young man in his mid-twenties. He finally lands in Beirut. A small marble slab in the yard of the American Mission Press of that city commemorates his premature death. A building on the campus of the American University carries his name. The name of the building is Pliny Fisk Hall.

The scene changes. We are now in 1854. A young man, again in his twenties, boards a westbound ship. He lands in Boston. Wearing a thick-tasseled tarboosh, tight-fitting coat and baggy trousers, he knocks at the door of a Boston merchant whom he had served as a dragoman in the Holy Land. He is here to study. Any money? Whoever heard of one coming to America with money? The merchant sends his unexpected charge to a seminary in northern New York. Two years later he dies. A marble slab in a Brooklyn cemetery carries a memorial inscription and a representation of his tarboosh. It was the good fortune of the speaker to discover his tomb and rescue the hero of the story, Antun al-Bish'alani, from oblivion.

In a sense the thousands of teachers, preachers, missionaries, physicians, social workers who have in the last century and a quarter labored in the Middle East may be considered spiritual descendants of Pliny Fisk; and the thousands of Mid-Eastern students who have patronized institutions of learning in America may be called the intellectual progeny of Antun al-Bish'alani.

The track which these two young pioneers established was a two-way track. The motivation was primarily religious.

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At the turn of the century the religious aspect of American higher education in the area gave way in favor of the intellectual and professional aspects. This was exemplified by the American University of Beirut, which severed its connection with the mission board and began to operate under a lay board of trustees in New York. We are now on the threshold of a new era, one in which we may well raise the question as to whether there is still a place for American education with the mounting nationalism in an emerging Middle East.

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Let us begin with the negative.

There is no place for an educational institution operating in the area if it engages in promoting American interests—political, economic or otherwise; if it duplicates, parallels or competes with its indigenous counterparts; or if it tends to perpetuate itself and render itself indispensable rather than dispensable. A foreign institution—no matter what its nationality may be—forfeits its right to the name educational the moment it stoops down to the propaganda level. A foreign institution that does no better than its local counterpart loses the justification for its very existence. One which operates in the vested interest of its staff betrays its trust and subverts its own purpose, which is serving the people of the country of its domestication.

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We now proceed to the positive side. An American institution—or for that matter any alien institution—does have a place in another era, even if nationalistic, so long as that institution has something of value, something different, distinctive, to contribute to the cultural life of that area. An American institution can contribute in the field of aim, emphasis, approach and specialization. Its aim should feature the simultaneous triple development of mind, character and body, characteristic of the American system. Its emphasis should fall on the liberal aspect, the humanities. The approach should remain critical and comparative; and specialization should be of the highest grade in itself while based on broad humanistic studies.

For these points to be fully appreciated they should be projected against a background of two other types of education prevailing in the Middle East. One, the conventional traditional type, is exemplified in denominational and governmental schools, whether Christian or Muslim, in which the truth is presupposed—as against sought after, to be dished out ready-made to the seeker. Education then becomes indoctrination. The student plays a passive role. The second type, represented by the Latin—more particularly French—system, depends to a large extent upon memory work, with a maximum of textbooks and a minimum of laboratory and library work. In both cases specialization begins at an early stage and rests on a relatively narrow base. By way of implementing its three-fold aim American education normally creates a campus with gymnasiums, organized sports, athletics and other facilities, which are valuable not only physically in themselves but also socially in cultivating teamwork and cooperative effort. It also sponsors students' debating societies, literary circles, dramatic clubs in which the student educates himself by expression rather than impression, in consonance with the democratic way of life. A fact worthy of note in this connection is that such academic terms as campus, college spirit, alumni organization, alumni funds have no equivalents in continental European, Latin American or Mid-Eastern vocabularies.

Emphasis in American education at its best lies on liberal arts. Liberal education is the kind which liberates its recipient from the treble shackle of ignorance, prejudice and provincialism. It widens the horizon, dignifies the personality, militates against localism and chauvinism. The study of such a foreign language as English—which happens at present to be the most effective and most widespread medium for expressing thought—opens up new vistas; it provides a key for a storehouse of new ideas in science, art, philosophy and literature. Its liberalizing influence cannot be overestimated. A truly liberally educated man is one who can proclaim with that ancient Roman philosopher-emperor: Insofar as I am So-and-So, I am a citizen of this-or-that country; but insofar as I am a human being, I am a citizen of the world. Only those things therefore which are for the good of both these countries are good for me.

The critical, comparative approach to the acquisition of knowledge—as against the dogmatic, authoritarian approach—is another essential feature of American education. It makes of the student an active participant in the educational process rather than a passive receptacle for facts. It is a good article for export.

Specialization, whether professional, scientific or humanistic, is costly in time, money, energy and personnel. It requires library and laboratory equipment, research facilities and highly trained personnel; it presupposes a long and continuous tradition. In all its varieties it should represent the apex of a high pyramid whose base is rich and solid in humanistic studies—linguistics, literature, art, philosophy, religion, history. After all a man is primarily a human being and so remains after he becomes a surgeon, an international lawyer, a nuclear scientist or an aviation engineer.

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That American education can live with nationalism in a rising Middle East is evidenced by the fact that the pioneers and advocates of Arab nationalism have been mostly graduates of American institutions there or here. The continued patronage of such institutions as Robert College at Istanbul, the American University of Beirut and the American University at Cairo and the mounting flood of Mid-Eastern students to institutions of learning in the United States may be cited as further evidence. A considerable part of my mail from the area consists of queries and requests for aid by prospective students. You may have heard of the over-zealous but linguistically ill-prepared inquirer who asserted that he would be satisfied with a halfbright if a Fulbright fellowship was not available.

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The continuation of the American educational operation in the area—no matter how important its contribution may be—is, however, contingent upon its continued acceptability by the host country. After all it is a guest and guests are subject to laws of hospitality. Intrusion in the educational field is

no less to be condemned than in the political field. Educational imperialism can be no less offensive than political imperialism. With acceptability should be reciprocity. By that I mean readiness on the part of the alien institution to appropriate and integrate into its structure such elements and features of the native culture as may be harmonious. It should add to its staff as many of the indigenous personnel as can share in its ideals and participate in its processes. Thus it establishes a give-and-take cultural *modus vivendi* between the land of its origin and the land of its adoption. Ultimately the foreign name of the institution might drop out; the outer shell might disappear; but the essence—the values which are American only in the sense that they are universally human—would remain. And, after all, is it not the essence that counts?

*Banquet Session, Friday evening, March 20th*  
Toastmaster: EDWIN M. WRIGHT, *President,*  
*The Middle East Institute*

## MIDDLE EAST ECONOMIC ASPIRATIONS

HOWARD W. PAGE

Director, Standard Oil Company (New Jersey)

THE SUBJECT of economic aspirations in the Middle East is almost unlimited. I propose to limit my discussion tonight to a few of the manifestations of so-called "nationalist aspirations" in the area which directly affect the oil industry there. I can, of course, give you only my own views which may differ considerably from those of others in the industry.

First, I would like to examine the word aspiration. It seems to leave the impression of something desirable and also something to which the aspirer is entitled as a basic right with no obligation to earn. Quite often I have been confronted with the remark: "But that is a national aspiration, or an Arab aspiration" as if that settled it and there was nothing left to discuss. I was left with the vague feeling that even to question the validity of the aspiration was like damning motherhood. To shake off the mesmerizing effect of the word I find it desirable to recall that the Soviet aspiration is to dominate the world.

Many of the aspirations in the area are sound and proper by any standards. Desires to improve the health, education and living standards of the people certainly come in this category. The oil industry is bending every effort to assist in all of these. There is the aspiration for nationals to take positions of higher responsibility. The industry is often criticized for not pushing nationals fast enough. I am one who feels that the industry should not demand of them the same standards of education, experience and proven ability that we do of our own people. True, this may result in some lack of efficiency and some mistakes, but they may well be worth it if it speeds up the process of developing competent nationals for higher positions. A word of caution, though. Considerable harm can be done to a man, physically and mentally, as well as to his future, if he is placed in a position well beyond his capabilities. His failures can also unfairly reflect on the reputation of his countrymen as well. This is apparently not realized by those who want to place nationals in high positions willy-nilly.

There is the aspiration for better housing and particularly to own a home. Several of the home ownership programs in the industry are now moving like a prairie fire—and a lot more beneficially.

These are all aspirations common to mankind everywhere. They are reasonable and desirable and receive very sympathetic assistance.

There are other aspirations in the broader economic fields which need sorting out as to their justification.

One characteristic of non-industrialized countries seems to be the desire to industrialize regardless of the effect on the economy. It becomes a matter of national pride. The question of whether or not the resources and manpower of the country could be put to better use in improving the lives of the people is not even asked. There are fads in this. National pride demands, for example, a steel mill, an oil refinery and, more recently, a petrochemical plant. Now, I do not want to imply that these are not desirable. They are—in the right place and at the right time. But to build one of these plants which could never pay its way is a waste of valuable materials and manpower which could have been put to better use for the benefit of the people of the country.

I have had it argued, for example, that because natural gas is being flared and thus wasted, a very costly petrochemical plant should be built to use the gas. However, if such a plant would continually operate at a loss, the economic waste in building it may be far greater than the economic waste of flared gas. To do something of this nature as a good-will gesture to satisfy a so-called national aspiration is basically unsound, and, therefore, could boomerang.

There are other cases where such a plant could be built with a return on investment equal to that on similar investments at home. Yet quite often such investments do not materialize because the instability of the area makes the return appear inadequate when evaluating relative risks. It is in such cases where I feel that a new approach should be considered by oil companies with large investments already in the area. If, for example, such a project might help to improve the stability of the area, then the potential gain for the larger existing investment might well offset the risk factor in the smaller new investment. In other words, the evaluation of the risk factor can be viewed in quite a different light by an established company than by one whose interest is confined only to the project in question. This is an approach which might help to break the vicious circle of instability caused by economic stagnation, and of economic stagnation caused by a lack of projects sufficiently attractive to justify the risks of the instability.

Often aspirations conflict and the oil industry finds itself in the middle. I mentioned before that almost every country seems to want at least one oil refinery. Sometimes this is merely a matter of national pride. However, in most cases the government concerned has problems of balance of payments and this is one method of reducing the drain on its foreign exchange. That is, crude oil requires considerably less foreign exchange than finished products. As a result of this factor, most countries, when oil consumption is of any magni-

tude, require all or a large part of their requirements to be refined locally. At the same time, the countries where oil is produced for export want the refining to be done in their country. We are innocent by-standers, but get quite a kicking around from the consuming countries for not building or expanding refineries fast enough and from the producing countries for not refining all the crude at the source. In a situation where there is more than adequate supply, it is the consumer that calls the tune. The national aspiration to perform all functions of the industry—100 per cent—cannot be fulfilled merely because some of the raw material happens to be there.

The failure to realize the facts of life as in this case causes irritations, suspicions and emotional reactions. One major job of the industry is to keep trying to bring the full information to the people involved and explain it carefully and patiently. This is not easy because of the complexities of the oil industry and international trade generally, but it is a job which we must not shirk.

In several countries in the Middle East there is a desire to participate more and more in oil operations themselves. However, there appears to be a growing recognition that obtaining an export market for crude oil, or for products, involves time, effort, experience and plenty of money. For example, the capital required to provide the facilities to move crude from the Persian Gulf to Northern Europe, refine it and distribute the products is in the order of three billion dollars for one million barrels a day of crude—that is, for the export outlet of only one of the four large producing countries in the Persian Gulf. Without these facilities the crude oil is virtually worthless. As a result, the interest in participation seems to be turning to the things which can be done at home. In Iran, a government company is drilling for oil itself and has apparently found some. It is handling nation-wide distribution and marketing, as well as some of the refining, itself. It is also developing projects to utilize gas, both as fuel and as a raw material for fertilizers, et cetera.

A recent new development of considerable interest is an Arab pipe line project for a pipe line from the head of the Persian Gulf to the Mediterranean. This is being considered by the Arab League's Economic Committee. This is a participation aspiration and if a definite proposal finally emerges which is realistic and competitive, I feel the industry should give it careful and understanding consideration.

Basically, a large diameter pipe line from the Persian Gulf to the Mediterranean should show a better return on investment than for tankers to do the same job. The problems of fitting a large pipe line into the transportation pattern and organizing the commitments for use of the line is not an easy one. At present there are some 300 tankers tied up and many operating at reduced speeds to keep them in service and their crews employed. New tankers are

coming off the ways in record numbers. Tapline is operating well below maximum capacity. Therefore, this is not a project which could come into being very soon. However, such a project needs several years for organizing, financing, engineering and building and in several years the transportation picture could be considerably different, particularly if it were planned that way to fit additional pipe line capacity.

This is an unusual project in that from four to six countries would be involved. No one oil company would feel justified in furnishing the capital nor could one company utilize more than a small part of the capacity. Therefore, an oil industry project would require participation by a large group of companies of different nationalities and different sources of supply. From experience, I can say that to organize such a company, except in the case of dire necessity, is an almost impossible task. But many of the problems of joint oil company ownership would be eliminated if the project were organized and financed by an Arab entity with the agreement and backing of the governments concerned. Therefore this may possibly be a unique opportunity for Arab cooperation to carry out a project which can have a natural advantage over competitive forms of transportation and also one which could not easily be accomplished by the oil industry. To my mind, its success will depend almost entirely on a realistic approach by its promoters. For example, they must meet competitive conditions and provide adequate assurances of performance to wean shippers away from more flexible tankers and induce them to make the throughput commitments necessary to obtain financing.

Such a project would involve as participants several of the countries which have no oil revenue and therefore would provide an improvement in the relative sharing of benefits from oil in the area among the several countries involved.

With so many good uses for their talents and money at home, I am surprised to find a continuing, although decreasing, aspiration to operate abroad. Several countries—or perhaps I should say certain people in several countries—have felt the urge to get into the competitive jungle of transportation, refining, distribution and marketing of oil in other countries. As I mentioned before, the capital required for this is enormous and, unfortunately, the returns are quite low. Last year, for example, the over-all profit of our company in the entire Eastern Hemisphere was less than the amount paid to Middle East governments for the crude oil we took from the Middle East, all of which was used in the Eastern Hemisphere. Admittedly 1958 was a bad year and competition was unusually rough. However, even in good years the percentage return on investment for the most efficient is less than the return which can be made on some development projects in the Middle East. Actually, it was the willingness of the oil industry with Middle East interests to make these investments in other parts of the world over a period of more than half a century which is the greatest

asset the Middle East producing countries have. It would seem to me that the oil producing countries would have the best of both worlds by taking advantage of the oil industry outlets, as they generally do today, and using the proceeds to develop needed projects in their own countries before branching out.

There are other aspirations, often quite ill-defined, that seem to be based on a theory that runs as follows: firstly, oil is an essential fuel the occurrence of which is confined to only a few places in the world. Secondly, joint action by the governments of these few areas to control supplies would make it possible to exercise control over (a) the price at which oil is sold, and (b) whether the customer must take the oil in the form of products instead of crude, and (c) whose transportation would be used. Thirdly, that the oil companies would welcome—or at least agree to—such controls. In this connection, I am sometimes reminded of the cartoons of the small boy who exists in a dream world. In his air castles, he does as he likes, unhampered by the usual restraints. Unfortunately, these dreams vanish before the hard realism of everyday life.

The trouble with the theory I have just outlined is in its premise. Oil is certainly a desirable fuel but it is by no means irreplaceable. There are certain areas with large reserves that have become major exporting centers, but as the developments in Canada and North Africa show, oil in quantity continues to be discovered elsewhere. Governments throughout the world in one way or another already are encouraging exploration of their territory for oil in the hope of saving foreign exchange, adding to national security and promoting domestic industry.

The oil business also faces ever-present competition from alternative energy sources. The principal one at present is coal. Consumers in many countries can and do switch rapidly from oil to coal on what we in the oil business consider to be very slight provocation. There also are enormous fuel resources in oil shale and tar sands which could and would be tapped today if the economic incentive were sufficient. Still further down the road is atomic energy. Oil has an inherent advantage over these other sources of energy which can be retained for many years but only if supply and prices are not artificially controlled. Without such interference both producing companies and governments should continue to prosper.

What we have then is a situation where oil from one area competes not only with oil from other areas but also with alternative fuel sources, both existing and potential. Any joint arrangements among governments of producing countries to control production for their own ends would be as bad as joint action by the companies for the same purpose. Over the short run, there might be some gain in creating artificially a short supply and putting a floor under prices. But it would last only as long as it would take the consuming areas to develop the necessary supplies elsewhere, either other oil or some alternative source of

energy such as I have mentioned. Once developed, the other sources would not be shutback even if oil again became competitive. In other words, the loss of business would be permanent.

There sometimes is a rather bland tendency to assume that the oil companies would be happy to go along with this sort of arrangement and that if they don't, they are, to say the least, ungrateful. But the oil companies—and I believe in addition those government officials who have thought the question through—know that it won't work. There are any number of examples of the complete breakdown of attempts to control production of a commodity through international agreements. The only exception that comes to mind is diamonds, but here the buyers are interested in scarcity and high value. Furthermore, in the case of industrial diamonds, producers have encountered competition in the form of synthetics.

Production control schemes such as those I am discussing cannot even be attempted without the support of most of the more important producing countries. They depend on continued good relations between the governments concerned, or at least a sincere intention to cooperate. It is easy to see how a dispute in the purely political sphere might quickly upset the arrangement. In this respect, I believe we have to bear in mind that Russia is becoming an oil exporter of some importance, and there is ample proof that the Soviets do not hesitate to use economic instruments as political weapons. It only takes one maverick to undermine the entire scheme even before it begins to work its inevitable and disastrous effect in loss of markets.

Aspirations based on such artificial control of supplies and prices can hardly be put in the "sound and proper" category of aspirations.

To sum up these comments, we find that some proposals for satisfying aspirations are practical; others are not. Some require further consideration and study of all the factors involved. I believe the governments and people in the Middle East will find the oil companies willing and anxious to assist where they can in developing a sound economy. The main contribution these companies make is in the money they pay the governments and which they hope is used for constructive purposes. In addition, however, there are other ways in which the companies can help and they sometimes go far afield from the oil business to do so. They are acting partly out of self-interest because they know that they will benefit from the stability which comes with a healthy economy.

Along this line I might mention that one company in the Middle East is considering a plan to assist in financing new locally-owned businesses and industries throughout the country. Once the enterprise is established and its loan repaid, there would be no connection with the oil company. All the major operating companies in the Middle East have a policy of developing local

contractors and businesses to provide the services they need, but this plan goes farther in that it will assist enterprises unrelated to its operations.

There are a number of instances of where the oil companies have acted to solve their own problems with a substantial resulting benefit to the local economy. The home-ownership plans I mentioned before, which are subsidized by the companies as a means of providing housing for employees, have spread the concept of property ownership and encouraged the growth of a stable property-owning class in some areas of operation. Oil companies have assisted in the development of water resources and assisted in town planning. Their clinics and hospitals have given medical treatment to many non-employees as well as employees who have never known it before. They have helped non-company clinics and hospitals to get started and to operate on a sound basis. National employees have gone through company training programs and then left to use their newly learned skills elsewhere in the country.

What we have in these countries is a real desire to industrialize and improve as rapidly as possible, and there may be other areas of proper oil company cooperation in addition to what the industry is now doing. The main impetus must come from within the country itself, but those of us who know this part of the world and like these people can help by encouraging the many projects of real value, whether directly related to the oil industry or not.

Conversely, I feel we should avoid the trap of going along with unsound or impractical projects even if they are tagged as national aspirations. Attempting to buy good will by such expedients can, I feel, weaken the long-term relationship of mutual respect and basic identity of interests so important to both of us.



*Fifth Session, Part I, Saturday morning, March 21st*  
*Presiding: MARSCHAL ROTHE, The Middle East*  
*Institute*

## REPORT ON NORTH AFRICA

CHARLES F. GALLAGHER  
American Universities Field Service

I ARRIVED IN WASHINGTON just a few moments ago. In fact, I feel somewhat like Phineas Fogg, having come on an eight-day non-stop trip on a plane that burned, a South Seas cruise ship and a train which was temporarily stuck in a blizzard in Wyoming, and these are the reasons why I wasn't sure that I could get here.

As a result I am far more full of the lore of Hawaii than I am of North Africa at the moment. Having been out in the provinces, as it were, one feels particularly acutely one of our national disgraces, which is the lack of international information in the press outside of a very few newspapers on the East Coast. I was seriously upset by what seemed to be going on in the Middle East during the last week or two which concerned the whole Arab World and I was unable to get more than fragmentary information about it while I was on the West Coast and in Hawaii.

I left North Africa, Morocco, specifically, at the beginning of January this year and so I cannot promise to give you any really up-to-date information in terms of the last few months. Once again, I am subject to the limitations of the press and to those of sporadic letters which come to me from friends in the area. I would say this, though, as an aside, that there seems to be a period of marking time in the past few months in North Africa after some of the more spectacular events at the end of the year. I will try to discuss these very briefly at the end of this short report.

I would like primarily to put the position of North Africa in the context of the Arab World because I think that is the vital issue that concerns everyone here.

As I was about to arrive here, I mulled over in my mind some of the important events of 1958 as they affected North Africa and tried to decide which of these was the most important. At the beginning of the year, for example, I had written a piece on the discovery of oil in the Sahara and the beginnings, in January 1958, of transporting it out, partly by pipeline and partly by rail. At the time I considered it the most important event in North Africa in the past ten years or so.

But a little later came the coup of Algiers in May, last year, a coup which made Algiers for a time the capital of France, for at least a month—an event which I don't think is likely to be repeated, however.

Then there was the Iraqi Revolution which had enormous effect upon North Africa—in fact, I should say it was a major transition point. It shook thrones as far west as Rabat and shook them very substantially. It had a great effect as well upon the FLN and upon Tunisia. Even though the final results of the Iraqi Revolution are not yet known—they seem to be quite different from what was expected originally—I think that its final effect upon North Africa has not yet completely been felt. Take, for example, the statement made only recently by Prime Minister Qasim that Iraq was now supplying Algeria with arms and will continue to do so on an increasing scale.

Finally, I decided what, in my mind, was probably the most important event of the year. That was the action of Morocco and Tunisia in joining the Arab League, an event which passed somewhat unnoticed by the man in the street but which marks in a way the renewal of Arab unity which has not existed for at least a thousand years. Certainly the unity is tenuous now. Tunisia was no sooner in the Arab League than it was out of it in one way, although I have no doubt but that it will be back and fairly shortly. And one remembers Mr. Bourguiba's statement, as a matter of fact, that he would rather join NATO than join the Arab League. But he didn't join NATO; he joined the Arab League and this is a testimony to the force of the horizontal ties that are constantly and growingly binding North Africa together with the Middle East.

In the case of Morocco there was a direct connection between the Iraqi Revolution and joining the Arab League. It was because of Morocco's unhappiness at the split in the Middle East between the old régime in Iraq and the progressive nationalists headed by the United Arab Republic which, according to Moroccan officials, had made them rather hesitant about joining the Arab League before, although that decision had been approved in principle some time before the actual joining took place. What their attitude is now, in view of the new split, is hard to say, but the important thing is that this horizontal unity exists and that it is not simply a matter of treaties but a matter of feeling on the part of the average man in North Africa, which I think is very strong. It is also not only a political unity in terms of sitting around the council table but the beginnings of educational and cultural unity as well. Even before I left North Africa the first fruits of that development could be seen, in the form of newspapers and periodicals from the Middle East which will become increasingly easy to obtain in the cities of independent North Africa.

Let us look at North Africa in the most general way. There are two possible methods of attack. One can either stress the differences between this sub-area of the Arab World and the Middle East area or one can stress the unity. I am

frank to admit that I use a different approach depending upon the audience. For most general audiences I think it is necessary to stress the unity at this time, the growing unity, because this is the most important factor now and, it seems to me, at least for the short term future. For a specialized audience like yourselves I think it might be more useful to stress some of the differences which might lead to significant variations in their method of conduct in the future.

Looked at in this way, North Africa, in contrast to the Middle East, has never been and I think one can say fairly is still not, an idea-producing area. It is an area in isolation to which flora and fauna and human beings as well have tended to immigrate and stay rather than to emigrate. The same thing is true for ideas. The ideas and the people have come from two directions—from the East, from the Middle East, from the Arab World and, more recently, from the North.

There was an early white population there, early white Mediterranean stock, complex in its origins with some relationships to early South Iberians, to the pre-Italic peoples that lived in Italy and the Italian islands and to Eastern Mediterranean types. Later there were Hamitic-speaking admixtures which came presumably out of the East. All of this was in the prehistoric period, so that there was already a basis for the mixing that was to take place later in North Africa in cultural as well as racial terms.

In the historical sense Phoenicians came out of the East to become Carthaginians and to trade in the area but not to settle it and, according to some historians, to prepare for the orientalization of the area. They were followed by the Romans who did settle the area and who brought a great deal of what was good in Roman civilization—vineyards, aqueducts, good roads and so on. And, it is significant as well that the most intensive area of Roman civilization in North Africa—the Northeastern part of Tunisia—is still by all odds the most advanced part of the area and it is this fact that makes it likely that Tunisia will play a part in any possible future North African federation—of, let us say, Massachusetts in relation to the Thirteen Colonies.

In the seventh century, the Arabs came out of the East and stamped the area definitively, I think—at least up to the present—with the imprint of their civilization.

There are nuances to this, of course, and one must be extremely careful. One could go on for several hours about the qualities of resistance of the so-called Berbers in North Africa to both Islam and Arab civilization.

Finally, there are the French of the 19th Century in the role of latter day Romans. Anyone who has seen a French military retreat ceremony by torchlight will realize the French do think of themselves as latter day Romans in a very literal sense at times, who have brought a fresh wave from the North for the past century and a quarter, from 1830 to today, a period which, I begin

to think, is delimited in time now as it begins to seem more and more inevitable that European civilization, at least in terms of its physical presence, will gradually recede from North Africa in the decades to come.

So, essentially there has been a dual struggle for the soul of North Africa at all times during its history from the East and from the North. I think it is safe to say that this struggle is continuing, although, as I said, there is little doubt in my mind of the eventual outcome.

When I talk about European civilization removing itself—its physical presence—from North Africa, I do not necessarily mean that European culture as an intangible presence would be completely rooted out of the area. This would be a very rash statement. As a matter of fact, in the few years of independence in the independent countries of ex-French North Africa one has seen, if anything, a renewal, in certain aspects, of education in French culture, for example, that would belie the general long-term trend. Exactly how this is used and exactly what the shape of North African culture in its specific manifestations becomes depends to a large extent upon how the Europeans handle themselves in this area and the degree to which the present frustration of the people in the area, which is directed primarily against the former colonial powers, is attenuated by circumstances.

The awakening of North Africa, which took place a great deal later than the awakening of the Middle East in the 19th century, was shaped, again unlike the Middle East, by two forces; that is, by education, primarily in France, and by the transmission of the first nationalist cultural values from the Middle East. Of the two factors I should say the first is the most important. It is hard to find any really convincing example of Middle Eastern nationalism influencing directly North African nationalism. There are scatterings of leaders now in independent countries who, perhaps changing history somewhat in their own minds, feel that they have been more influenced by the Middle East than they have been by their exposure to European education. But I submit that the record itself denies this.

One can see a very practical application of this sense of a dual culture in the case of Algeria. Algeria, more than any other area in North Africa, has been literally smothered by French culture. I am sure that you know the classical story of the textbooks, which are the same as the textbooks in France, or were until very recently—I should qualify that. The use of French as the language of instruction and the language of higher thought, to the extent that most young writers in Algeria are unable to express themselves in decent Arabic and the consequent feelings of guilt and shame which they have about this; the famous statue of Joan of Arc in every small town in Algeria, and so on. French culture, really unable to be thought of by its possessors as anything but universal, aided, of course, by the million settlers in the country, has very firmly

established itself in ways that I think it would be difficult to dislodge for some time to come.

But at the same time, underneath this, a great ferment of Arabism is working and has been working I should say, roughly, since the end of World War I. This is working both from a secular level in political movements and on a religious level in reform Islam which is particularly strong in Algeria. It is working, I think one may say, too, on an economic level because Algeria is the example *par excellence* of a dual economy and a dual society. Those of you who are experts on the Middle East, which I suppose includes almost everyone here, will understand perhaps the difference between imperialism and colonialism. The Middle East has suffered in general only from imperialism but North Africa, and particularly Algeria, has suffered from a particularly virulent brand of colonialism. The physical occupation of a good part of the land—thirty per cent of Algeria, after all, is in the hands of three per cent of the European minority, and the physical occupation of the cities is such that a city like Algiers is divided half and half between Europeans and Algerian Muslims. A city in which the temptations of European life, the Pandora's box which it offers, are held out to the native in a way that I think is unrivalled almost anywhere else in the colonial world.

At the same time there is another side to this coin and that is the example of a city like Algiers, as you feel when you look at the arcades built in the Second Empire by the same architects who built the arcades on the Rue de Rivoli; at the Museum of Fine Arts in Algiers which contains not only French Impressionist painters but contains also Flemish 14th century painters. A great many surprises as you walk through the galleries show that there is a tradition of a living colonial society of three, four and at times even five generations which gives one a great deal of pause.

The Algerian Revolution, which is now in its fifth year and which is certainly, as you know, the world's only shooting war, is the political manifestation of this split in personality from which North Africa has suffered throughout its history. And it is a particularly difficult way of finding identity as far as Algerians are concerned. I think this is perhaps the best way of describing the Revolution. Certainly there are economic reasons for it; there are reasons of social discrimination which do not exist in Algeria despite the fact that there is no formal discrimination in French society. There are political reasons as well, but all these are wrapped up in one in the Algerian search for identity. And how many Algerians have asked me in very poignant terms at one time or another, "Who are we? We really want to find ourselves and we want to know which part of our culture belongs to Europe and which part of it belongs to the Arab World and how we can shape the two into one."

In this sense I think that one can consider the Algerian rebels and most of the people who support them integrationists, as well as the French settler and the French Army, who are also integrationists. There is a great deal of difference in what they all mean by integration, however. If, to the thinking leaders of the FLN it means some sort of amalgam of cultures between the East and the West, as it often does, to the French Army it means primarily an economic integration of all of Algeria into a European society in which there will be no difference between the farmer in Blida, let us say, and the farmer in Normandy. This is something which a great many experts think is quite unrealizable. And to the settler in Algeria who is the third cornerstone of power after the rebels and the Army, it means indissoluble marriage ties with France after which they will think about developing the natives and finding some sort of equality.

It may well be that integration is not the answer to the Algerian problem. I don't think on the basis of what I heard last October—which was the last time I was in France—a month after the referendum but before the election, that there are very many people in France in responsible positions now who are thinking in terms of integration and it seems quite clear that the President of the Republic is not. Whatever path is chosen by France, whether it be that of negotiation with the FLN or the imposition of the new reforms, the new economic reforms in Algeria by which it is proposed to transform the economy in a more drastic way than the economy of any underdeveloped country has ever been transformed, or if it be on the other path, it seems to me that it is going to be a very rocky one indeed.

French prestige is heavily involved and more than anything else North Africa, Algeria specifically, has become a prestige question. It is not a matter of oil, it is not a matter of the European settlers in Algeria—these are subsidiary reasons—but the average Frenchman, as I see it, feels deeply committed in the sense of France's international position in the world and its own sense of self-esteem.

It may well be that drains upon the pocketbook in the years to come which will amount to something over two billion dollars a year presumably, according to present plans, are too great a sum to a country which has a gross national product which is only one-tenth that of the United States. It may be that these drains on the pocketbook will finally force a certain new sense of reality into the French, with whom it is almost impossible to discuss the Algerian question now, to a degree that I think one can say that there is an Algerian question and there is also a French attitude about the Algerian question but, an attitude which, unfortunately, precludes rational discussion.

I have centered this discussion up until now on Algeria because it is certainly central in North Africa. It has spilled over as a problem into its neighbors' lives as a cancer might do and it is eating them away. Tunisia has felt the

effects of it for some time. Tunisia, I think it can be said fairly, can hardly exist without some sort of cooperation with the rest of North Africa. It is completely dependent upon Algeria and as Algeria goes so will the fate of Tunisia be determined.

Morocco—perhaps less so because of all the countries in North Africa Morocco has been the one with the most highly developed personality. In fact, I think it might almost be said—of the entire Arab World. There is a sense of community, not in the new national sense but in the old religious sense, centered around the Sultan, now the King, which makes Moroccans feel very close to being members of a single family. This is akin perhaps to the old pre-war feeling in Japan where a national family system was centered around the Emperor. One can't push that too far, of course, but I think there is a special sense of community in Morocco which has tended to set it apart from the other countries in North Africa.

Algerians themselves feel this, incidentally. They point out that they are not at home in Morocco in the same way that they are in other Arab countries.

The refugees from Algeria who are in both of these countries have created political problems. The FLN has done something of the same sort. It is a guest by invitation in Tunisia; it operates quite freely in Morocco and I certainly wouldn't want to give the impression that there is any unfriendliness existing between any of the states. There is a close sense of solidarity and cooperation and yet in the case of Morocco there are differences. These have been pushed so far perhaps as to make a great many Moroccans themselves feel that their government has not been doing enough to help their brothers in Algeria, and this is one of the chief claims that are made by the groups which are now in opposition. In the abortive, tribal, anarchic rebellion in the Riff in January, for example, which is still simmering underground it seems, one of the first charges that was made by this so-called Islamic Socialist movement—which, while it may have been Islamic, certainly was not Socialist—was that the Moroccan government was not doing enough to help the Algerians.

The same charge was brought up by the internal enemies of Prime Minister-President Bourguiba and by those who are kept in Cairo as possible successors to his rule.

In addition, the Algerian question has affected all relations of the West with North Africa and with the Arab World. As a matter of fact, most specifically, our own relations with Algeria's neighbors. In the case of Tunisia it has been the attempt to keep a country, which has certainly shown all overt signs of being friendly to Western thought and ideals if not to all forms of Western political practice, in a state of mind which would continue to be favorable. It has been exceedingly difficult at times and exceedingly discouraging to any correspondent who has been out there to see the despair that is from time to

time registered in the minds of Tunisian leaders after there has been a particularly uncomprehending gesture from the West.

In the case of Morocco it resolves itself primarily down to the dispute which centers now around our air bases. A series of negotiations has been carried out in this regard since May 1957 and have been extremely slow to bear fruit. Under no circumstances do I ever think that a country is best represented by its military but this is an unfortunate fact of life and this is the only way that we are represented in Morocco now. There is in principle an agreement to evacuate in a term of years, it may be three, five or seven—it is much more likely to be nearer to three—in return for which we can presumably go on using the air bases. But I think that in line with the tendency which one finds everywhere in North Africa—as I am sure you have found in the rest of the Arab World—that tendency to tell the great powers to pick up their kit bags and take their Cold War somewhere, they don't want it. We would be better off out of Morocco in a military sense and better off in it in any other sense that you can think of, primarily cultural or economic.

But there can be no fundamental organization of North Africa either in an internal sense with a possible federation—and I consider this more likely than not—or in terms of some relationship either with France, unlikely in itself I think, or with the common market—more possible but becoming more difficult every day as time passes, until the Algerian question is settled. And whether this is settled in terms of direct independence—which I think is most likely, although it is more difficult to see exactly how it is going to come about now than it was a year or two ago—or whether it is settled through some sort of transition period which would allow time for passions to subside with perhaps a firm promise guaranteed of independence within a few years; or whether it is settled through some interim procedure which seems now unlikely to be accepted, or autonomy, or commonwealth status, or membership in the French Community of Nations, there must be a political settlement before one can turn to tackle the really pressing problems of the area and the pressing problems of the Arab World in general, of which North Africa is making, as I said at the beginning, more and more a part.

## REPORT ON TURKEY

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SO MUCH has been said and written already about the sad state of Turkish economic affairs that it may be superfluous to say more—certainly for one who is not an economist anyway. But then the phenomenon of accelerated economic development may be only incidentally economic, at least in the traditional sense of the theory and law affecting production, distribution, and consumption of wealth. In accelerated economic development, perhaps, we are concerned more fundamentally with motivation, incentive, social change and organization. In any event, economic development is only a means to an end, the realization of higher human values. If economic development does not mean this, it is a silly business at best and not worth the effort.

From recent statements made by Turkish leaders, it is quite apparent that they see economic development in this light. It is a matter of civilization, a matter of climbing out of the mud, a matter of living as self-respecting human beings inferior to no one, a matter of national and individual pride. In Turkey sustained economic development has been put on the level of a national ideology even superseding—one suspects—democracy. Perhaps the Turks are right in doing this, perhaps not, but it is not for us to pass judgment.

The problem area we shall consider here is not the ethical one, but rather that which intrudes itself between the motivation, incentive, and social change on the one hand and the economic capability and potential on the other hand. One is told by some economists that this area is best defined in terms of a government's ability to control inflation and adjust exchange rates reasonably. But is this the whole picture?

Let us look at the nature of inflation in Turkey. That a serious inflationary trend is troubling the Turks is quite apparent, whether the Turkish government wishes to admit it or not. Quite obviously, an increasing amount of money is chasing a less than adequate supply of goods and services. From 1950 up to the end of 1957 the money supply had increased roughly four times, by the end of 1958 apparently by almost five times. (More recently, there has been a downward trend.)<sup>1</sup> Even official figures admit that national production had perhaps only doubled over this same period. Apparently, the inflationary gap

has been widening. It has been reported that of the European countries, Turkey has registered the greatest increase in cost of living over the 1950-57 period. Assuming 1950 as the base year, the Turkish index for 1957 stood at 180. A comparable figure for France was 158, for Greece, 163.<sup>2</sup>

But is the Turkish inflation really comparable to those of the industrial European states? Possibly not. In fact, a comparison, particularly if based on a cost of living index, may be very misleading.

In the first place, a calculation of cost of living is somewhat difficult in Turkey where perhaps 25 per cent of all economic activity—say half of that in the agricultural sector—is on a non-monetary basis. In the villages,  $x$  hours of labor may still buy  $y$  kilos of wheat from one's neighbor, even though the cost of both wheat and labor has increased. And, though, generally, the cost of labor may have fallen in relation to the cost of wheat, the relationship in the village may remain unchanged. The village demand for labor is not for just any labor; it may be particularized to a given community in which custom and tradition have frozen relative values. The direct exchange of labor, skills, and products in a village is very great, though admittedly less so all the while. Indeed, one reason for the rapid increase in money supply is undoubtedly the monetization of the rural economy.

In the second place, published cost of living figures in Turkey relate only to the cities, wherein dwell a minority of the population. There is no measure even purporting to be a national average, as do the cost of living indices of Western European countries. And, due to the non-monetary nature of much economic activity in rural Turkey, perhaps such a figure would be unrealistic. In a community where a family can build its own home of adobe brick or stone, draw water from a village well, provide most of its own food, collect its own fuel, and trade labor within the village for other products which it needs to survive—under such circumstances, how meaningful is a cost of living figure? It would be meaningful really only in relation to certain marginal products not produced within the village—sugar (for which there is a village substitute), salt, kerosene, lamps, soap, coffee, tea, glass, radios, batteries, improved medical care and the like. So, when we speak of cost of living in Turkey, we speak of the cities and, only to a marginal extent, of rural life. To use such figures to correct national aggregates—such as national income—is perhaps not wholly justified.<sup>3</sup>

But aside from these observations, is the degree of inflation Turkey has experienced all to the bad? Let us look at the non-mechanized village farmer. Given the relatively heavy debt load of the villager,<sup>4</sup> one is inclined to the view that inflation may in fact push in the direction of a more even distribution of wealth. If a villager borrows lira this year when his surplus wheat sells for 25 kurus, and pays it off the following year when his crop sells for 30 kurus, it

would seem that he is the net gainer. He can pay off his debt from the proceeds of 333 kilos of wheat, not 400, which would have been the case had there been no increase. Therefore he gains 67 kilos or 20 liras. Inasmuch as he grows most of what he eats and labor equals family labors, his cost of production will probably *not* rise proportionately. So, even though his cash gain be depreciated somewhat by the general inflation of prices, he has probably realized *some* gain, and *there are* goods and services he can purchase. But, one may ask, are not interest rates then so high as to more than compensate the creditor for any depreciation in principal? Not so long as a state-owned Agricultural Bank dominates the rural credit scene, and the government is desirous of maintaining its political power in the villages. Also, for several reasons the price at which the government purchases grain tends to pace the inflationary trend. In 1950, the government was buying hard wheat at 25 kuras; in 1955, at 30; in 1958, at 45. Other basic crop prices have moved similarly. Such a situation, both in respect to credit and crop prices, means that the other sectors of the economy are subsidizing the agricultural. Perhaps only by such means can a liberally minded government stimulate economic incentive at the village level and induce enough investment in machines, fertilizer, and other innovations as to make agriculture sufficiently productive to be competitive in world markets. Such subsidization also tends to hold the population back on the land, which fact may be of considerable social and economic importance.<sup>5</sup>

Continued rural support for the Democrat tends to bolster our argument that many village farmers are not as hard hit as published figures would indicate. The Democrats still carry their share of local elections in town and village,<sup>6</sup> though there may be a very recent change on this score. In the villages the sheer non-availability of certain key consumer goods to which the villager has become accustomed is probably the controlling political issue—not inflation *per se*.

So, we speak of the cities. Note that a massive rural-urban movement is now swelling the population of such centers as Istanbul, Ankara and Izmir at an alarming rate.<sup>7</sup> This new population constitutes a powerful inflationary force. One might respond that such is not necessarily true, that wages might be depressed by such an influx and effective demand decreased—hence, a deflationary force be induced. But no. The very fact of the increase is inflationary, for a politically sensitive government—and the Turkish is this if nothing more—feels compelled to try to service this new population in terms of housing, water supply, sewerage, public health, schools, transportation and the like. Also, these new urban dwellers must live. Simply the demand for food and housing and clothing at a subsistence level so taxes the urban distribution system as to cause scarcities and increased prices. The wealthy pay more and the poor get

less, until the government steps in *via* various forms of subsidy or disguised relief, further increasing the money supply in the process. The very process of rapid population shift in such an environment can be—and in Turkey, is—inflationary. But what happens in the cities, again, may be no real measure of what is happening in the rest of the country, though it is the urban experience that most impresses itself on foreigners and the more articulate members of the Turkish society.

Undoubtedly, the sad plight of the new urban dweller is a powerful deterrent on the further movement of people off the land on a permanent basis—that is, if the village farmer has any real alternative. Various government programs—perhaps uneconomic in terms of *short term* gain—have also helped dam the flood. I speak of crop subsidies, easy farm credit, land distribution, light tax burden, dispersion of state industry, and a variety of village improvement programs. But very little more can be done along these lines to improve or expand existing programs; it would be too expensive. So the dams holding back the 80 per cent of the Turkish population on the land are breaking. Investment in urban development required to take care of this new urban population is very great, a type of investment which is highly inflationary for it is only indirectly related to production.

Another frequently made assumption is that inflation destroys wealth. True, but not all wealth—only liquid wealth or that bearing a fixed monetary value. The money value of factories, land, food, houses increase with inflation. Certainly, price relationships change, but such change may not be an unmixed blessing in Turkey where wealth is now tragically maldistributed, where abundance and subsistence can be found on opposite sides of the street. Such inequality makes human dignity exceedingly difficult, both for the poor and the wealthy. Shrewdly used by a responsible government, inflation can be so directed as to effect a redistribution of wealth and income that would perhaps be impossible under more stable conditions. There is some indication that this has happened to a certain extent in Turkey. It is perhaps significant that the loudest condemnation of the present state of affairs has come from the merchant-professional class in the large cities.

But what of the inflation-induced erosion of funds made available by the state for investment purposes? The nature and discretion of the inflationary impact depends very largely upon the period of liquidity. Of a given project, how much is lost due to inflation? Government revenues are on an annual basis. They continue to rise with inflation. If the project be financed by debt incurred periodically, the loss of value in each allocation made for a given investment is limited to the period of actual liquidity—that is, from the date of receiving the funds or of incurring a fixed obligation to the date on which a

fixed-price contract for the delivery of goods and services is entered into. Certainly, there may be a loss, but not nearly so great as many have claimed.

The basic problem, in my opinion, is not inflation *per se* but the political—and long-run economic—necessity for investing heavily across the board to increase the productivity of the Turkish population. During the years of early investment, education, and stimulation—years when over-all increase in productivity does not pace the investment required—inflationary pressures are perhaps inevitable. More money is being put into the economy than goods and services are being produced. Of course, so long as virtually the entire economy is on a barter basis, the impact on *general* standards of living may be very little—unless the government replaces the landlord and introduces forced crop collections and taxes rather than resort to deficit financing. During the thirties and forties an authoritarian Turkish Government was able to use its authority in this manner so as to avoid heavy deficit financing. But recent liberalization has rendered such devices politically unwise.

Even agricultural investment in fertilizers, irrigation, modern tools, and machinery, had to be preceded by years of experiment, education development and organization—all of which took money and people without immediate economic return commensurate to the investment. The very fact of building thousands of village schools and paying thousands of village teachers for 10 years or so before the educational impact was such as to stimulate incentive and increased production was inflationary. The point is that the effort involved in accelerated development is so telescoped in time that the social investment required to prepare a society to absorb large-scale agricultural and industrial investment can be of a highly inflationary nature.<sup>8</sup> In the case of Turkey, the pay-out on such investment has perhaps only now begun, a good thirty years after the effort commenced. Meanwhile economic incentives have exploded.

During the years when increases in *per capita* productivity do not pace incremental investment, one method of controlling inflation is periodical liquidation of part of the population. Another way is to condition the population into austerity and self sacrifice. A third alternative is forced crop collection, forced labor, confiscatory taxes, and direct restrictions on consumer goods above and beyond those necessary to sustain bare subsistence. But any one of the three methods may easily eliminate incentives. A pseudo-religion may do the trick. Or an Emperor-God. A combination of both is even more effective. But many countries—such as Turkey—cannot, or do not care to, rely on such devices which would certainly mean the end of any semblance of liberalism. The more moderate devices of price control, discriminatory taxation, and credit restriction are administratively very difficult—in Turkey or the United States. Statements to the contrary notwithstanding, I feel that the Turkish Government, particularly in the last six months, has made a real effort to introduce anti-

inflationary measures, but they can be only partially effective, given the political facts of life. One difficulty is that such controls breed corruption, and they assume a highly developed sense of social responsibility on the part of all concerned, including the general public. They also require a high degree of self sacrifice in terms of immediate consumption, which is asking a lot of a society that is only beginning to move off the subsistence level. All of these devices, unless very skillfully administered, can easily destroy economic incentive and/or slow down the rate of investment—thereby inducing a slowdown in economic development. But the Turkish leadership and, to a certain extent, the general public will not countenance such a slowdown.<sup>9</sup> A slowdown might well induce disillusionment, stagnation, political collapse, and a turn toward totalitarian leadership. One might very reasonably predict that any sustained slowdown in Turkish development will produce a totalitarian government, which will necessarily construct an ideology to justify its authority and stimulate the people to greater effort. In fact, many of the anti-democratic moves one now sees in Turkey can at least in part be explained in these terms.

The basic problem in Turkey, as I see it, is how to close the gap rapidly between incremental investment and *per capita* productivity, and to do so without reducing the rate of development. The *prime effort* should thus be concentrated on maximizing productivity of investment, not on reducing investment nor by controlling inflation by a variety of administrative measures which, by their very nature, cannot be effective short of totalitarian government. Despite recent moves, which are certainly laudatory, inflation will continue to plague Turkey.

Nor is manipulation of the exchange rate a cure-all. Through a system of export subsidies and import taxes and tariffs, Turkey has maintained a multiple exchange rate for years, as have many other countries. True, for many years, foreigners living in Turkey were stuck with the 2.8 rate to the dollar, which grossly over-valued the lira, particularly in respect to those services and products demanded by Western visitors. But one should not generalize on personal experiences.

Perhaps a system of multiple exchange rates is the most logical one for Turkey in that the relative competitive advantage or disadvantage Turkey may have in selling product *x* in the world market may be substantially different from product *y*. Forty-five kurus wheat, sold abroad at the former 2.8 lira-to-the-dollar exchange rate, would have meant selling it at about \$4.40 a bushel. Obviously, such a price was impossible except under extraordinary circumstances. But one might export the wheat at a nine lira-to-the-dollar rate, which would mean a dollar price of about \$1.50 a bushel. But because Turkey's cotton production was relatively low cost—that is, relative to the wheat—by reason of greater mechanization and more modern farming practices—Turkish

cotton could be sold abroad at an exchange rate somewhat less than nine lira-to-the-dollar. Obviously, the relative cost of production—the final analysis, the relative level of per capita production—has a great deal to do with what exchange rate is feasible for international trading purposes. Where there exist vastly different levels of productivity from one sector of the economy to another—as there is in Turkey—multiple exchange rates are perhaps necessary, whether you call them that or not. If not, substantial transfer payments must take place within the economy *via* differential taxes (as between sectors) and/or subsidies. If not, the cotton farmer grows rich and the wheat farmer is impoverished. The political facts of life in Turkey make this an impossible situation.<sup>10</sup>

“But what of the theory of comparative advantage in international trade?” one may ask. The trouble is that it can operate for Turkey only in the very long run. Unlike that of the Western states, the Turkish economy has not evolved as part of the world economy. Only during the last decade has the industrial revolution really permeated the Turkish economy and made it in any real sense a part of the world economy. Prior to that, the Turkish economy rested on a self sufficient, agrarian village society. That is no longer adequate. The Turks are demanding more. They are demanding things they themselves do not produce. So Turkey has entered the competitive world market. To integrate its economy with the world market requires heavy investment and much personal hardship, for the economic development, integration, and social change the western community of nations has undergone in the last two centuries must be covered very quickly by Turkey so as to become competitive. The subsistence economy must become commercial. The Turks must shift investment into those activities where they enjoy greatest competitive advantage. So long as it is principally a primary product producer, Turkey is stuck with what it is now producing. Geology, soils, climatic conditions, skills, and social and market organization are the limiting factors. True, it can take some land out of wheat and put it into cotton or sugar beets. But without heavy investment in education, irrigation, fertilization and mechanization, even here there is a definite limit. And if a shift in industry, constructed initially in accordance with a policy of self sufficiency, is dictated by the theory of comparative advantage, the change may be even more difficult for Turkey because of the foreign exchange needs. In short, investment and production in Turkey tend to be less mobile than in the more advanced states. And at least a modicum of mobility is inferred in the theory of comparative advantage. (Also, so long as certain of the advanced countries—including the United States—protects agriculture and a variety of non-competitive industries through tariff and government subsidy, it is difficult for the law of comparative advantage to work itself out.)

I am convinced that in the long run (unless Turkey becomes a major oil or uranium producer) the Turkish lira will harden in relation to the currencies of the industrial states only as the *per capita* productivity of the economy is stepped up so as to close the gap between incremental investment and increases in production. Low productivity in Turkey has meant labor-intensive production which, even assuming a subsistence level of living, can be equated in many sectors—particularly agriculture—with high cost production. Other than in the totalitarian society, the feudal society, or the austere society, the association of *low cost production* and *low labor cost* is probably impossible except in activities which do not lend themselves to mechanization. (The picking of fruit would be an example.)

For a variety of reasons, some of which have been given above, the elimination of inflation is probably politically and administratively impossible in Turkey until one nears the point at which increase in productivity begins to catch up to increments in investment. Indeed, the complete elimination of *inflation* may not be desirable in contemporary Turkey for reasons already suggested. Let me say very quickly that I am not suggesting support for a completely reckless policy by the Turkish Government. On the contrary, it is imperative that the Turks make their investment lira (or dollar) yield maximum profit in terms of long run national gain, the final measure of which is productivity. Only by maximum effort in this direction will inflation be kept in check. But price or credit controls and currency devaluation *per se* have little to do with the basic problem Turkey faces, which is that of rapidly increasing productivity in activities in which it will be most competitive. Fundamentally, increased productivity rests upon general education, communication, skills, incentives, organization, leadership. These things are obvious, but I feel that sometimes we lose sight of them. All I have said is to suggest that one should look at the Turkish economic problem primarily from the point of view of productivity and investment criteria—not exchange rates and inflation control—which after all are merely devices to keep people's greed under control. Such devices, important though they be, of *themselves* solve nothing.

<sup>1</sup> From a high of 3,925.7 million liras as of August 9, 1958, the currency in circulation had fallen to 3,692.5 million as of October 25, 1958 (*Cumhuriyet*, November 1, 1958).

<sup>2</sup> *Cumhuriyet*, January 6, 1958.

<sup>3</sup> According to official income figures, corrected by cost of living indices, per capita real income has actually been falling since 1953. (*Iktisat Gazetesi*, February 26, 1959). Yet, it is quite apparent that the actual level of living for many millions of village farmers has been rising.

<sup>4</sup> An Ankara University study (1957) indicates that the average farmer has a debt of somewhat over 2,000 lira, of which close to 1,400 lira is indebtedness to the agricultural and other banks. Ten years ago the debt total averaged about 240 lira, of which 60 lira constituted loans from official lending institutions. (*Iktisat Gazetesi*, January 15, 1959)

<sup>5</sup> See R. D. Robinson, "Turkey's Agrarian Revolution and the Problem of Urbanization," (*The Public Opinion Quarterly*, Fall, 1958, p. 397.)

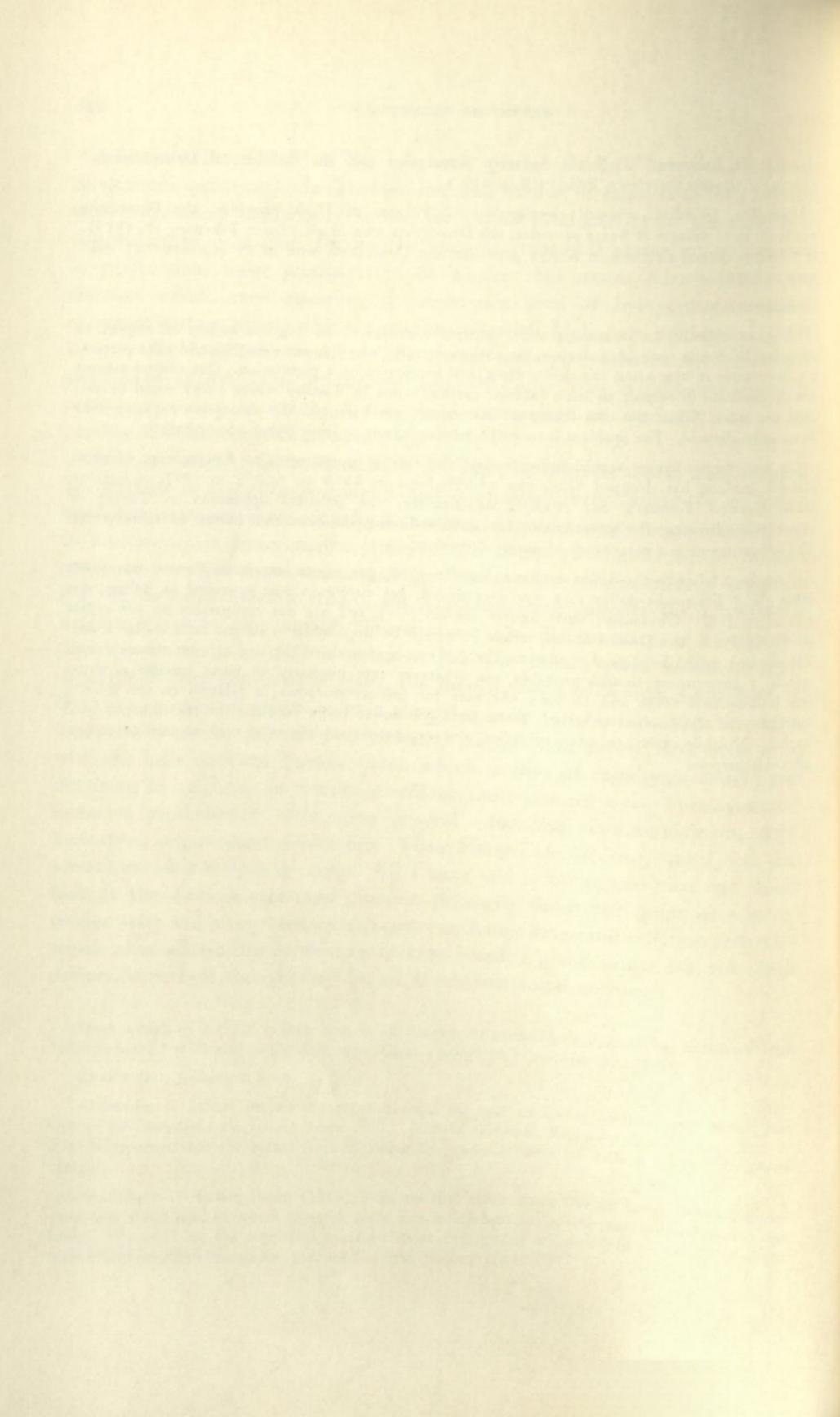
<sup>6</sup> Examples: In village council elections in 12 villages of Uçak province, the Democrats won in 10; in 15 villages of Bursa province, the Democrats won in all (*Zafer*, February 17, 1959). In 91 village council elections in Konya province, the Democrats won in 83 (*Cumhuriyet*, February 24, 1959).

<sup>7</sup> Robinson, *op. cit.*

<sup>8</sup> A major difficulty in measuring the "absorptive capacity" of a given society in respect to investment is that it rests on a decision as to how much "social investment" should take place—i. e., investment in upgrading the skills, vigor and incentives of a population. One cannot assume a static condition in respect to such factors, certainly not in Turkey where heavy social investment continues. When the two forms of investment are balanced the absorptive capacity may be virtually unlimited. The problem is to strike a balance, not to limit either one or both.

<sup>9</sup> In fact, recent figures would indicate that the rate of investment, as a percentage of gross national product, has dropped from the 14.4% high in 1954 to 11.7% in 1957. (*Türkiye İktisat Gazetesi*, February 26, 1959.) Significantly, the political opposition in Turkey is currently condemning the government for both inducing inflation and failing to increase the level of investment as a percentage of national product.

<sup>10</sup> At the 2.8 lira-to-the-dollar exchange rate in 1957, per capita income in Turkey was \$384. When the 9 lira-to-the-dollar rate was introduced, *per capita* income expressed in dollars was reduced to \$167. Obviously, both figures are arbitrary and are not comparable to *per capita* income figures in the United States, where it would be impossible to subsist on a dollar a day. Therefore, it might be argued that even the 2.8 rate undervalued the lira. Under these circumstances, a government should probably use whatever rate necessary to move specific products into international trade and to vary the rate for import purposes in relation to the relative essentiality of the product involved, fewer liras per dollar being required for the most essential imports. Multiple exchange rates, subsidies, and/or specific trading taxes may be used to accomplish this purpose.



## REPORT ON THE MIDDLE EAST AND THE COMMUNIST WORLD

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FIVE YEARS AGO Russia revitalized its traditional pressure on the Middle East with a bewildering array of economic, military, political, and propaganda techniques. Having been rebuffed in Iran and Turkey following the second world war, the new moves leapfrogged into the Arab states, particularly Egypt, Syria, Yemen, and more recently Iraq. These countries, where nationalist ferment and anti-Western sentiment ran high, had had little contact with the Soviet Union, and so seemed to be more susceptible to its blandishments.

Five years of constant if somewhat contradictory efforts, however, have led to deep and inextricable commitments and heavy involvement in the area's problems with only limited success, primarily in increasing the area's instability and raising Soviet prestige somewhat. These five years have also demonstrated the virility and hardihood of the nations of the Middle East, and in most cases the ability of their leaders to perceive eventually, if not immediately, their own self-interest.

### I

It is well to be clear on precisely what the Communist countries—the Soviet Union as the leader of a bloc including Eastern Europe and mainland China—have done in the Middle East. These activities, in which the Communist countries have taken the initiative in each case, can be grouped into a number of categories: (1) expanded trade, (2) a limited amount of economic assistance, (3) significant amounts of military assistance, (4) increasing exchanges of nationals, (5) large-scale propaganda activities, (6) Soviet support of Middle Eastern policies, and (7) sporadic intensification of local Communist party activities.

The Middle East has exported steadily increasing quantities of its goods to Communist countries since 1953. The six leading trading partners—Egypt, Iran, Lebanon, Sudan, Syria, and Turkey exported 8 per cent of their combined exports in 1953, 20 per cent in 1956, and 32 per cent in 1958. Egypt's exports

have been expanding since 1950. In 1951 Egypt sent 9 per cent of its exports to Communist countries. By 1957 the proportion had risen to 47 per cent. A slight dip took place in 1958, largely a result of a decline in Soviet and Czech imports. The Soviet Union is the leading importer, followed by China, Czechoslovakia, and East Germany. Syria's exports have increased phenomenally since 1955 when something over 1 per cent went to Communist countries. In 1957 17 per cent and in 1958 37 per cent went to China (the leading Communist importer), the Soviet Union, Rumania, and Czechoslovakia. Of the total Turkish and Iranian exports in 1958 Communist countries received more than 25 per cent. The Soviet Union is Iran's principal trading partner among Communist nations; in the case of Turkey, Eastern Europe is in the lead. For the Middle East as a whole, Egypt, Turkey, and Syria, in that order are the leading exporters to Communist countries, while the Soviet Union, Czechoslovakia, China, and East Germany are the principal Communist importers.

Communist countries have consistently run a deficit with the Middle East, exporting in 1955, for example, only one-third of their imports. Even so, the area's imports from Communist countries have climbed steadily from 5 per cent in 1953 to 16 per cent in 1958. Egyptian imports, principally from the Soviet Union, Czechoslovakia, East Germany, and Poland are now 28 per cent of total imports, as opposed to 6 per cent in 1954. Iran's imports, primarily from the

PERCENTAGE OF SELECTED MIDDLE EASTERN COUNTRIES' TRADE  
WITH THE SOVIET UNION, EASTERN EUROPE, AND MAINLAND CHINA,  
1938, 1948, 1951-1958

	1938	1948	1951	1952	1953	1954	1955	1956	1957	1958
Exports:										
Egypt	9.2	12.0	9.3	17.4	12.2	14.2	26.7	34.1	46.6	43.9
Iran	9.8	.9	4.2	22.4	9.2	14.6	6.0	16.8	22.7	25.8
Lebanon	6.5	3.6	4.0	5.6	3.1	5.2	3.8	4.6	6.9	9.4
Sudan	.7	1.5	.4	.6	.1	.8	2.7	3.1	5.3	6.7
Syria	—	—	.4	.8	—	.5	1.4	7.6	17.3	36.9
Turkey	11.6	9.3	7.8	5.5	7.3	16.5	21.9	19.6	18.4	25.6
Total	9.4	6.5	6.0	10.6	7.6	11.7	14.7	19.6	27.6	32.0
Imports:										
Egypt	9.6	9.6	6.4	10.0	7.1	5.9	6.8	14.4	25.5	27.9
Iran	36.4	3.5	10.4	27.3	13.0	14.0	13.4	10.0	16.4	10.4
Lebanon	—	—	2.3	2.7	1.9	2.3	2.6	2.3	2.9	2.6
Sudan	—	1.4	2.9	3.0	2.3	8.0	2.9	5.6	3.2	5.2
Syria	—	—	2.6	3.4	2.4	2.6	2.9	4.0	7.7	8.2
Turkey	11.8	6.9	4.8	3.7	5.5	9.4	18.4	14.6	16.8	17.9
Total	13.4	7.6	5.7	7.1	5.4	7.2	9.6	10.0	14.9	16.1

Source: *Direction of International Trade* and U.S. Department of Commerce.

MIDDLE EASTERN TRADE WITH THE SOVIET UNION,  
EASTERN EUROPE, AND MAINLAND CHINA FOR 1938, 1948, 1951-1958  
(millions of U.S. dollars)

	1938	1948	1951	1952	1953	1954	1955	1956	1957	1958
Exports to:										
Soviet Union	18.8	52.7	31.4	55.6	24.2	32.4	44.3	41.3	120.7	135.5
Albania	.1	—	—	—	—	—	—	—	—	—
Bulgaria	.5	1.6	1.7	3.3	7.1	3.5	4.6	7.6	8.2	10.9

Czechoslovakia	9.5	31.5	40.2	27.8	21.1	32.0	53.0	86.0	73.9	66.5
East Germany	—	—	—	1.4	4.5	10.2	16.2	25.4	40.4	51.7
Hungary	2.1	6.0	13.0	14.6	15.4	11.2	22.7	14.0	11.2	18.5
Poland	6.6	3.8	6.6	7.7	7.2	22.7	23.5	25.2	34.5	27.1
Rumania	6.7	3.0	11.0	2.1	2.0	14.4	16.4	13.6	15.2	19.2
Mainland China	1.2	.8	.9	9.1	10.9	12.2	26.0	28.2	53.9	52.8
TOTAL	44.2	99.4	104.8	121.6	92.4	138.6	206.7	241.3	258.0	382.2
TOTAL Middle Eastern Exports	544.2	1638.1	1944.5	1438.8	1616.7	1724.6	1978.0	1874.0	1772.7	1672.2
Imports from:										
Soviet Union	27.0	46.9	39.5	55.3	21.8	25.5	41.8	48.6	96.2	115.9
Albania	—	—	—	—	—	—	—	—	—	—
Bulgaria	1.5	3.2	2.8	3.	7.5	5.5	6.1	5.3	8.1	10.0
Czechoslovakia	10.7	47.6	32.1	40.0	32.2	36.8	48.4	51.9	62.5	59.8
East Germany	—	—	—	6.2	1.5	8.6	17.6	24.0	36.2	48.4
Hungary	3.8	6.6	16.1	13.4	14.9	14.4	18.2	17.8	17.4	27.0
Poland	7.1	5.5	6.3	7.9	10.0	20.6	26.5	15.9	22.7	28.8
Rumania	14.6	5.7	11.9	6.2	5.5	12.3	25.0	24.9	15.1	32.7
Mainland China	1.1	8.0	1.9	1.5	5.8	13.1	13.2	11.9	45.9	17.7
TOTAL	65.8	123.5	110.6	133.5	99.2	136.8	196.8	200.3	304.1	340.3
TOTAL Middle Eastern Imports	494.7	1568.4	2190.8	2245.4	2091.8	2191.5	2474.7	2595.6	2620.9	2795.0

Source: *Direction of International Trade* and U.S. Department of Commerce.

Soviet Union, declined in 1958 to 10 per cent of its total imports after having reached a peak of 16 per cent in 1957. Syria's imports are well below exports but were 8 per cent of its total in 1958, double the proportion in 1956. Turkish trade has been approximately balanced, with Communist countries providing 18 per cent of total imports in 1958, double the level and triple the proportion in 1953.

It is undeniable that the Soviet Union has been successful in directing a substantial portion of Middle Eastern trade toward its own bloc. One of the principal attractions to increased trade has been the offers of substantial amounts of credit for economic development and for military equipment. Agreements during the past five years have led to a total of \$1.3 billion in credits to the Middle East. Economic commitments are somewhat greater than military assistance.

Egypt has been the principal beneficiary, with over \$600 million. More than one-half of this amount has been for arms. Syria follows with more than \$300 million and again, military assistance has been almost one-half. Recently Iraq has become an important recipient of Communist arms, probably more than \$100 million on credit. Only in March, 1959, was it learned that the Soviet Union has also committed itself to \$138 million in economic credit to Iraq. Yemen, Turkey, and Iran have also received relatively small amounts of credit. Egypt, Syria, and Iraq have received large development loans—\$175 million for Egypt and \$168 million for Syria—and Egypt has been guaranteed at least \$100 million for the first stages of the Aswan High Dam. The

Soviet Union has led in the credit extension, but Eastern Europe has undertaken a number of projects, both on their own and as sub-contractors under Soviet credit.

Moreover, each year Communist countries have enlarged their exchange

SINO-SOVIET CREDIT EXTENDED TO THE MIDDLE EAST  
January, 1954 — December, 1958  
(millions of dollars)

	Total		Military		Economic	
	Committed	Utilized	Committed	Utilized	Committed	Utilized
Egypt	626	340	311	25	215	315
Development Loan	175	10	175	10		
Aswan Dam	100	0	100	0		
Other	351	330	36	15	315	315
Iran	3	3	3	3	—	—
Iraq	258	100	138	—	120	100
Development Loan	138	—	138			
Arms	120	100			120	100
Syria	323	198	195	70	128	128
Development Loan	168	20	168	20		
Other	155	178	27	50	128	128
Turkey	13	10	13	10	—	—
Yemen	59	27	42	10	17	17
Total	1,282	678	702	118	580	560

programs. These consist in student exchanges, tourism, delegations of professional, scientific, and cultural groups, and exchanges of periodicals and other literature. In the 1958-1959 school year there are 335 Egyptian students in the Soviet Union and 51 in Eastern Europe. Iran has 26 students in East Germany and Iraq has 7 in Czechoslovakia and 7 in East Germany. Jordan and Lebanon each have two in East Germany and the Sudan has 40 in East Germany. Syria has 180 in the Soviet Union and 159 in Eastern Europe, while Yemen has 5 in East Germany. Thus, a total of at least 815 students from the Middle East are studying in Communist schools. Delegations from youth, cultural and athletic groups, trade union and cooperative organizations, and technical and scientific groups, as well as trade delegations, have been sent by Egypt, Syria, Iran, Turkey, and the Sudan to the Communist countries and groups from the latter have been entertained in Middle Eastern countries.

The Middle East has been host to an increasing number of technicians from Communist countries, ranging from agricultural specialists to industrial and military professional groups. Of the 2,250 technicians from Communist countries in underdeveloped countries in 1958, 950 were in the Middle East. Egypt alone was host to 410 technicians. These figures do not include military specialists and trade promotion groups which are also present in substantial numbers.

The Middle East has been subjected to a steady barrage of propaganda, sometimes subtle, sometimes crude, but all designed to raise the prestige of

Communist countries, denigrate the West, and emphasize the identity of interests between Middle Eastern and Communist countries. It is conducted by word of mouth, radio, the press and other publications, and in public statements by Soviet leaders and diplomats. Foreign language, particularly Arabic, publication increased in 1958 and Radio Yerevan joined Tashkent and Prague in broadcasting to the Middle East in Arabic.

Some Middle Eastern countries, notably the Arab states, have received important support for their attitudes and policies. It was easy, of course, for the Soviet Union to support and even encourage the tendency of the Middle East to mistrust the West. Less easy was the abandonment of Israel, to whom the Soviet Union had not only extended diplomatic recognition promptly, but also to whom, through Czechoslovakia, it had sold arms. But support of the Arab nations required the Soviet Union to identify itself with them in their dispute with Israel.

Up to the present time it has been the Soviet Union which has supported the policies of Middle Eastern countries, rather than the other way around. Recent developments in Iraq have introduced a complication in Soviet policy support. With the two revolutionary Arab states in conflict, the Soviet Union has had some difficulty supporting both but so far has tried to avoid strong opposition to either group, even though it is evident that the newly developed Soviet-Iraqi friendship has the inside track at the moment.

Under favorable circumstances local Communist parties have emerged in the Middle East, throwing their weight behind Soviet influence. Although in Egypt the Communist movement has had little success because of President Nasir's pronounced anti-Communist attitude, local parties have had transitory influence in Iran, Syria, and now Iraq. Local parties exercise their greatest influence in crisis situations, drawing their strength from nationalism, anti-colonial feeling and the general poverty and instability of the area.

## II

It is difficult to remain unimpressed in the face of the developing economic relations between the Middle East and the Communist world. It is not enough, however, to leave it there, since the extent to which these elements contribute to Communist influence has also been conditioned by how the Communist countries have performed under their agreements and the reaction of the Middle East to Communist realities, in addition to their promises and commitments. In general, Middle Eastern countries have been disappointed and frustrated in their economic relations with the Soviet area, disturbed over the techniques employed and over the heavy dependence which is developing, and have become increasingly sensitive to the political implications of the trade.

One of the principal elements which has been disconcerting is the pricing policy used in the trade. Sheltered under nonconvertibility and bilateral trade and payments agreements and operating with a centrally planned economy in which prices bear no relation to cost, the Communist countries ostensibly accept world market prices in their trade. For technical reasons, the result is an automatic deterioration in the terms of trade of the trading partners of Communist countries. Even on those occasions when Communist countries have paid premium prices, the gain has operated only as an offset, perhaps only partial, to the automatic loss to Middle Eastern countries. Furthermore, there have been many occasions when the Communist countries have overpriced their exports, sometimes by substantial amounts.

At first it seemed to some Middle Eastern countries that selling at premium prices was smart business. Some countries, particularly Egypt, have lost their Western markets, however, because Communist countries bid prices beyond that which Western countries would pay. Then the Communist countries have re-exported the Egyptian imports to the same Western markets which Egypt had lost, at prices below those which Egypt had been paid. When the Western markets became permanently alienated and imports from Communist countries did not measure up to those which Egypt could have obtained from the West, it became apparent to Egypt that its trading position had deteriorated. The situation has been aggravated for nearly all of the countries by the inordinate delays experienced in getting imports from Communist countries, a fact in most cases tantamount to raising the import price.

The slow deliveries have resulted in an export surplus for Middle Eastern countries. Under ordinary circumstances this would be desirable, but this export surplus is in the form of nonconvertible balances which are not even transferable among the Communist countries. The delayed deliveries have been particularly noticeable in Communist economic assistance under lines of credit. While the arms on credit have been delivered with alacrity, delivery of the goods for development purposes is now only about 15 to 20 per cent complete, a fact which has taken some of the luster off the impressive Communist promises. Satisfactory Soviet performances on some of the credit deals has also been wanting. On the Aswan Dam, for example, Soviet technicians are insisting on digging open ditches rather than the diversion tunnels that the long-standing plans had contemplated.

There have been other factors: The Soviet Union has demonstrated that it is not an experienced world trader. Communist goods are often inferior. Servicing of equipment from Communist countries is difficult and parts are not easily available. Targets specified in the agreements are chronically underfilled, particularly on the Communist side, which forces the Middle East to cut down its exports in order to avoid accumulating even larger balances. While trade

has grown substantially, it has done so in an erratic fashion—by a tremendous jump in one year, by a small bit in the next, and then another large increase, often creating an impression of unreliability and instability.

Most important, however, has been the realization by the Middle East of the intimate coupling of trade and politics from the point of view of the Communist countries. This, of course, many countries realize, but all countries must learn it for themselves. Egypt, for instance, has taken an increasingly firm stand against the Communist propaganda and psychological warfare which has accompanied the trade. Responsible Syrian leaders, seeing their country drifting toward Soviet control as a result of economic, psychological, military, and political factors, and the activities of the indigenous Communist party, chose to unite with Egypt rather than lose their identity completely. Egypt is again now disturbed greatly over the inroads of the Soviet Union in Iraq, partly a result of arms deliveries and promises of economic assistance. There can be little doubt that Communist countries, particularly the Soviet Union, view trade as an avenue of economic and political influence and control. And there can be little doubt that much of the Middle East has begun to realize the full implications of such trade.

### III

It may be useful to examine more closely the relationship between the economic capabilities and priorities of the Communist countries in supplying the arms and economic development needs of the Middle East. There is no question but what the Soviet Union is a powerful industrial country, capable, in some absolute sense, of making great quantities of arms, machinery, and equipment available to many countries. There is also no question but what the Soviet Union faces many commitments—first to itself, in order to maintain its present growth and military prowess, second to Eastern Europe and mainland China which must be supplied to avoid defection and maintain economic viability within its bloc, and third, to free world countries which the Soviet Union hopes to detach from Western influence.

This order of priority implies that the Middle East will receive a high priority only when there is a definite possibility of bringing some country under Soviet influence. The full capability of Communist countries cannot be brought to bear year after year upon situations in which the calculation indicates only a chance of success. The Communist bloc has made progress in recent years, but its members are economically strained.

The Middle East annually absorbs nearly as much machinery and equipment as all of the Communist countries export. The net exports of machinery and equipment of Communist countries are about one-third of the Middle Eastern

imports of these items. In 1956 Egypt alone imported almost as much machinery and equipment as the net exports of these items by all of the Communist countries combined. The Soviet Union itself is a substantial net importer of capital goods and most of the capital goods it does export go to Eastern Europe and mainland China. Furthermore, a considerable portion of East European capital goods exports go to the Soviet Union and China.

The present level of machinery and equipment exports to the Middle East is almost negligible. The Soviet Union exported less than \$1 million in 1955, \$7 million in 1956, and less than \$10 million in 1957. Polish machinery and equipment exports, less than 15 per cent of total exports in 1956, were divided evenly between the Soviet Union and the rest of the world. In 1957 Poland shipped Egypt 346 freight cars, Turkey \$412,000 in metal products, and other Middle Eastern countries even less. Czechoslovakia and East Germany have been the leading Communist exporters of machinery and equipment, but even so have supplied only a small fraction of the requirements of the Middle East.

Perhaps more important than economic capability is the question as to the extent to which there is an economic basis for large-scale trade between the Middle East and the Communist countries. It is an important part of the dogma of Communism that the Soviet state, and now the Soviet bloc, be independent of foreign sources of supply. In recent years this concept has been interpreted less rigidly, but there is no evidence that the Soviet Union will develop economic ties to the point where it must depend upon supplies not under its control. All lines of production, in agriculture, in extractive industries, in industry, are advancing in the Soviet Union according to plans which are aimed at self-sufficiency. Even dependence on rubber will be eliminated by recent technological changes.

Aside from the Soviet preference for autarky and a production structure which provides for even very high-cost internal supplies, there is also the fact that the basic economic relationship of the Communist world to the Middle East may be more competitive than complementary. The Middle East has little capital goods export capacity, a growing attribute of the Communist world. Given the plans of the Soviet area for continued industrialization, however, it is unlikely that capital goods in any quantity will be made available to Middle Eastern countries.

In the principal export of the Middle East—oil—there is growing competition. The rapid growth of this industry in the Soviet Union has permitted enlarged exports during the last two years and a substantial reduction of imports. Soviet production at present is two-thirds that of the Middle East and plans indicate that the Soviet Union may surpass Middle Eastern production in the next decade. Already the Soviet Union exports more than five times its imports

of crude oil and more than three times its imports of petroleum products. The combined crude oil and petroleum products exports of the Soviet Union in 1957 were nearly \$400 million. Small compared to Middle Eastern exports, Soviet oil shipments are nonetheless growing rapidly, and may increasingly become a competitive threat to the Middle East in the West European markets.

Cotton is another item in the specific Soviet plans for self-sufficiency. In addition, the Soviet Union in 1957 exported three times as much cotton as it imported and in 1956 six times as much. In other agricultural products the Soviet Union not only fulfills its own needs, but is also a large net exporter, supplying the deficit in Eastern Europe as well as shipping outside the bloc. Although some Middle Eastern countries could supply quality food products not produced in Communist countries, planned consumption levels in those countries are so low that to develop a significant market is not likely.

Thus, the economic relations between the Middle East and the Communist world stem less from economic motives and capabilities of the latter, and more from Soviet political decisions and objectives. While in general the Communist countries possess substantial capabilities, their resources are strained and the desire to provide the Middle East with capital goods must certainly be tempered by very high internal priorities and commitments elsewhere in the world. The cost of large-scale support to the Middle East may be very high, perhaps prohibitively high, since the competitive nature of the two areas may well override the more limited complementary aspects.

#### IV

Speculation about the future of relations between the Middle East and the Communist world must rest upon an assessment of the outstanding elements of these relations so far and upon the role of these two areas in the world. First, the Communist world has made a very substantial commitment to the Middle East. Second, the attraction and impression of the Middle East were initially drawn by the novelty and the potential benefits of Communist efforts. Third, Communist countries have not performed notably well in commercial relations. Fourth, there appears to be little economic basis for a significantly higher level of trade than now exists and economic considerations may indeed involve a retrenchment from the present level. Fifth, the Soviet Union has become embroiled in an inter-Arab rivalry which must necessarily jeopardize its relation with one side or the other. Sixth, the durability of Middle Eastern states has been demonstrated by their gradual awakening as to the political intent of Communist trade.

These factors combine to form a pattern. The Middle East, except for Iran and Turkey, which have had centuries of bitter experience with Russia, have

in the last five years received an important but painful lesson in power economics and power politics. In this educational process, Israel has become completely alienated. Egypt and then Syria were wooed but not won and when the latter appeared to be approaching the Communist model too closely, Arab nationalism asserted itself. All the while, the Middle Eastern trading partners of Communist countries were also being educated and disillusioned at times by Communist trading practices—at least to the point where some in the Middle East have become increasingly cautious about the trade and demanded more and more assurances that the trade would not be harmful.

The Iraqi revolution and the subsequent upsurge of Soviet and Communist influences have resulted in the second significant instance where Soviet foreign activities have been nonadditive or counter-productive. The first—Syria—was a conclusive defeat for Soviet strategic interests. To the extent that Iraq falls under Soviet influence, Egypt will be alienated. If Egypt reaches a *rapprochement* with the Iraqi régime, then Soviet influence will probably decline, as it did in Syria. It is some small comfort to realize that the Soviet Union is faced with a dilemma akin to that repeatedly faced by the West. The Soviet Union is damned if she does and damned if she doesn't.

Any conceivable resolution of the present uncomfortable Iraqi situation is not likely to benefit the Soviet Union. If pressed hard, Iraq would probably choose closer relations with Egypt to success for the Communist element in the country. If there is a Communist takeover, it is unlikely that Egypt would stand idly by. Soviet arms would be pitted against Soviet arms with all of the potentially dangerous consequences of local war. Yet the present highly unstable condition cannot long persist—Iraq will gravitate toward Arab unity or become increasingly committed to the Soviet Union and Communism.

On the other hand, in Iraq and in the Middle East generally, the Soviet Union can hardly retreat or even balk at fulfilling at least a considerable portion of existing economic commitments. To do so might result in a nearly complete collapse of Soviet influence in the area. Only sustained efforts will build for the Soviet Union the kind of prestige which will maintain the present neutral position of some of the Arab states and their querulous attitude toward the West.

From the Middle Eastern point of view, the Communist countries constitute a useful foil only to the extent that each country in the area can interpret Soviet actions as being exclusively directed at Israel and the West and to the extent that material assistance comes in significant volume. If the Communist bloc fails to provide large-scale assistance, does so in such a way as to jeopardize help from other sources, or takes sides in internal disputes, then the attraction will wear off quickly.

It is possible that the zenith of Soviet and Communist influence and capacity for trouble-making in the Middle East has been reached: There is no reason to believe that the Soviet Union will cease to be an important element in the problems of the Middle East for an indefinite period, but the plateau of Soviet influence in the future may be below its present level. In the absence of a strong economic basis for trade and in view of the gap between Communist promises and their practices and performance, there appears to be no decisive factor that can maintain or increase the role of the Soviet Union in Middle Eastern affairs.

There is little room, however, for complacency in the Middle East or in the West. The intractable problems of the Middle East remain—the Arab-Israeli dispute, the crushing poverty, the struggle for markets, inter-Arab rivalries—and these may periodically flare up. These situations the Communist world will try to exploit and even the gradually maturing and increasingly responsible behavior of Middle Eastern nations will not automatically assure successful resistance to the attempted encroachment of the Communist world.



## UTILITY AND SELF WILL IN THE MIDDLE EAST

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WHEN I CHOSE this subject, ladies and gentlemen, I did so knowing that I should unfortunately not be able to hear yesterday's papers read to the morning session. In fact my choice of the subject was rather a fortuitous one in that it arose out of a frustrating week-end three weeks ago in which I was delayed in an air journey by fog over the Atlantic seaboard and had a great deal of time for reading on my hands. In the course of this reading I was led to reconsider the utilitarian political philosophy of old Jeremy Bentham and its application to the nationalism of our own age, particularly in the Middle East.

I need not, I suppose, remind you that the cardinal principle of Bentham's political creed was 'the greatest happiness of the greatest number.' One might—although I don't propose to do so here—examine how that was derived from the tradition coming down from John Locke and through Thomas Jefferson.

But what is not so often realized, I think, is the contribution which this utilitarianism of Bentham made to the more enlightened of the imperialists of the late 19th and early 20th century. Obviously the earlier stages of imperial expansion were not much concerned with the greatest happiness of the greatest number. They were more truly concerned with Number One, they were more frankly predatory. And that is whether we consider the British "nabobs" who enriched themselves under the auspices of the East India Company in the 18th century, or those cosmopolitan financiers with two or three passports who battered upon Egypt in the mid-19th century, or again the expanding palefaces who harried the American Indians off the lands most utilizable for agriculture and in some cases appropriated them a second time when their inferior lands were found to conceal oil or mineral deposits.

But when we have deprecated this initial and predominantly self-regarding character of white expansionism alike in the Middle East or in East and South Africa or in North America and elsewhere, we have then to recognize that it was followed by another phase in which the most responsible men, while they were still imperialists, *were* moved by considerations of the greatest happiness of the greatest number, even though they would not necessarily have acknowl-

edged the influence of Bentham and other motives of self-interest inevitably distorted their judgment from time to time.

When I speak of responsible men in this connection I am thinking of men like Lord Cromer in Egypt, of Marshal Lyautey in Morocco and also of Theodore Roosevelt, whose centenary you were celebrating last year. And in case you should be startled that I should associate a President of the United States with these European imperialists, the fact is that Roosevelt associated himself and his policies with those of the imperial European powers of his day. This, for example, is what he said in London in 1910 after he had spent nearly a year traveling in Africa: "Mankind as a whole," he said, "has been benefited by the noteworthy success that has attended the French occupation of Algiers and Tunis just as mankind, as a whole, has been benefited by what England has done in India; and each nation should be glad of the other's achievement. In the same way it is of interest to all civilized men that similar success should attend alike the Englishman and the German as they work in East Africa. Exactly so it has been of benefit to mankind that America has taken possession of the Philippines. . . ."

It is not worthwhile belonging to a big nation unless the big nation is willing when the necessity arises to undertake a big task. I felt about you in the Sudan just as I felt about us in Panama when we acquired the right to build the Panama Canal."

"Now as to Egypt"—and then he went on to say that he hoped the British would hurry up and get on with their civilizing job in Egypt, as he hoped they would; or if they felt they were no longer prepared to do so, that they would get out. And then he said, "Remember . . . that I who address you am not only an American, but also a radical—a real, not a mock, democrat . . . a man who feels that his first thought is bound to be for the welfare of the masses of mankind and his first duty to war against violence, injustice and wrongdoing wherever found. I advise you only in accordance with the principles on which I myself acted as an American President in dealing with the Philippines and with the West India Islands."<sup>1</sup>

That was what Theodore Roosevelt said in 1910 and of course ten years later, after the disruption caused by the First World War, the situation had radically changed and President Woodrow Wilson placed a new emphasis on self-determination. In terms of European politics this was entirely logical; but it was far less clear in 1919 that the principle of self-determination could be immediately applied outside Europe. Not even the most starry-eyed liberal could imagine then that the tribes of Tanganyika or of Southwest Africa were immediately ready for independence.

It is important to recall that the unwillingness to grant immediate independence to the former Arab provinces of the Ottoman Empire was not

entirely due to the acquisitiveness of Britain and France and Zionism, important as that factor was. It was also due to a genuine belief that these Arabic-speaking territories did need a period of administrative guidance before they were ready for independence. And in the case of Iraq, which was the first of the Mandated Territories to achieve its independence and sovereignty in 1932, Dr. Majid Khadduri, whom I was glad to see here with us in this conference—Dr. Khadduri has very frankly demonstrated<sup>2</sup> that the period of political and military factiousness which immediately followed, from 1933 to 1941, was due far less to any interference by outside influences than to the spirit of intrigue which dominated Iraq's rulers at that time and took precedence over considerations of the greatest happiness of the greatest number.

In fact if we review the recent history of the Arab countries I find myself driven to the conclusion that those politicians who have followed Bentham's ideas of utilitarianism most closely, are not the popular leaders but the conservatives: Nuri al-Sa'id rather than his opponents, and in Egypt men like Muhammad Mahmud or Sidqi Pasha, rather than the Wafd.

Now to move further into our present situation. We have seen the principle of independence advancing with staggering speed since the end of the Second World War starting with Burma, India and Indonesia, moving on to Ghana and now apparently about to embrace some new political entities whose names even are unfamiliar, like the Congo Republic and "Mali" or small entities like Cyprus and perhaps Nyasaland. The British garrison in the Suez Canal Zone has gone and only the Panama Canal Zone remains as a survivor of pre-1914 imperialism. Independence is the catchword and we are told that the process is irreversible, as it probably is.

But at the same time let us not imagine that independence automatically produces the greatest happiness of the greatest number, if that's what we're after. One of the difficulties of Bentham's principle, in fact, is precisely that it does not say how this happiness shall be measured or by whom. As an almost contemporary critic of the idea, the English theologian Frederick Denison Maurice, remarked as early as 1866: "I cannot tell what happiness is, or how it is to be distributed among the greatest number, or how the greatest number is to be ascertained. If it could be put to the vote of the greatest number what they would have for happiness, I have no security that they would not decide for something profoundly low and swinish."<sup>3</sup> I think we must concede that he was right when we consider either the impact of your TV commercials or the British popular press.

President Theodore Roosevelt, to return to him for a moment, believed that he and other North Americans could measure happiness for the Filipinos better than their former Spanish rulers could and, for the time being at least, better than the Filipinos themselves. Lord Cromer believed that he could measure

happiness for the greatest number of Egyptians, for the time being at least, better than the Khedive Isma'il or the confused Colonel 'Arabi or Mustafa Kamil efendi. It is the fashion these days to decry paternalism; I heard paternalism being deprecated in the panel discussion that I was able to get here for yesterday afternoon; and yet I am not sure that we can say that the world has progressed, if we move forward from the paternalism of the 19th century into what seems to be an era of increasing juvenile delinquency in the mid-20th. You may feel that the term "juvenile delinquency" as applied to the emerging states is a mischievous exaggeration; but there is no doubt that there is a deep-seated malaise which it would be foolish to ignore.

For example, newspaper reports in the last month concerning the Philippine Republic convey an impression of an economic and administrative malaise which is leading that country's rulers to 'project' their problems in recriminations against the United States, some of which may be justified but others of which are undoubtedly exaggerated. Or again in Egypt, thirty years of internal self-government moving on to independence, led to the total discrediting of that Wafd Party, which had certainly come out with the votes of the greatest number even if it had not insured their greatest happiness. The military régime which succeeded it and swept aside the constitution in 1952 has, it would seem, had to soft-pedal its agrarian and other reforms as being too slow to produce results and has been boosting its popularity since 1955 by the easier means of nationalism.

We have an extraordinary situation today, a situation which no one could have foreseen, I think, after the Iraq Revolution of last July, in which the leaders of the U.A.R. and the leaders of Iraq are abusing one another by every means of propaganda at their disposal, just as the rulers of Egypt and Nuri's propagandists were doing before the revolution. In that respect nothing has seemed to change. I have been irresistably impelled these last two weeks, viewing that, to see how accurately it coincides with some remarks of that great Polish novelist, Joseph Conrad, sixty years ago in his novel *Nostromo* when he was describing the politics, as he saw it, of a Central American Republic in the late 19th century and in which he spoke of 'the continuous political changes, the constant "saving of the country" . . . a puerile and bloodthirsty game of murder and rapine played with terrible earnestness by depraved children.'<sup>4</sup> Now, doesn't that description apply very accurately to what was going on in Mosul a few days ago and to this exchange of insults from the radios of Cairo, Damascus and Baghdad today?

Ladies and gentlemen, let us rid our minds of cant and face the facts. In the world today, or in a large part of it, the Benthamite test of utility has been tacitly discarded and what we are witnessing is not—if Dr. Allen will allow me to say so—is not the exercise of self-interest but the dizzy expansion of the

personality cult and undisciplined self will, what C. S. Lewis calls "the intoxicated will which slowly poisons the intelligence and affections . . . the terrible slavery of appetite and hate and economics and government which our race knows so well"<sup>5</sup> and which is not confined only to the struggling and emergent nationalities but also infects the responsible statesmen of our own countries—I am thinking of Anthony Eden and John Foster Dulles who, as well, from time to time, assert the personality cult and undisciplined self will.

I read a few days ago of the 'triumphant' return of Colonel George Grivas to Greece and how he said: "I leave Cyprus with my conscience clear." He also left Cyprus with 203 Greek Cypriots who had been done to death by his own partisans in the futile quest of Enosis and who would have been alive today if the EOKA had been prepared to make the compromise in 1955 which they have made in 1959. And he is only one example, you can think of the others for yourselves, of this undisciplined self will which is so characteristic of nationalism in a large part of the world today.

Doubtless each one of these men, around whom a personality cult has been built, began with a sincere desire to promote the greatest happiness for the greatest number and such men may probably still believe that they are seeking that end. But, as such men settle into power an 'Establishment' forms around them and their ability to judge what is best for their people is distorted by the importance of keeping the Establishment in being. Gamal 'Abd al-Nasir in his "Philosophy of the Revolution" tells us that when he and his young colleagues ousted Farouk in 1952 he had imagined that the whole nation was ready and prepared, waiting for nothing but the vanguard to lead the charge, against the battlements, whereupon it would fall in behind in serried ranks, ready for the sacred advance toward the great objective.<sup>6</sup>

But in 1958, when Colonel Anwar Sadat had been entrusted with the task of organizing the entire people of the United Arab Republic in a 'National Union,' he wrote that such an organization, "will revive our confidence in ourselves as a people; will develop our confidence in ourselves as a revolution; will bring together all our revolutionary spirit and will canalize it upon a number of persons of exceptional revolutionary temperament so as to make them the leaders of our revolution." Earlier he had declared: "We have found in the person of Gamal 'Abd al-Nasir a leader, a guide, a symbol. The summation, the symbol of the National Union, is Gamal 'Abd al-Nasir . . . The incarnation of the Union is Gamal 'Abd al-Nasir . . . He is the incarnation of our aims and common interests . . . He is the mark of the Revolution in each one of us."<sup>7</sup> Surely, ladies and gentlemen, the personality cult can hardly be carried further.

When he announced the confiscation of the Suez Canal in 1956 'Abd al-Nasir said, "We shall do whatever we like." And the same indulgence of self will, making allowances for the different local circumstances, characterizes many of

the self-appointed leaders of nationalism today. For the moment, they can command the applause of their followers in whom it is much easier to kindle national pride than to raise their living standards. Certainly man does not live by bread alone; but the words of the leader do not necessarily come out from the mouth of God either. They can come out of the mouth of hell.

Over a large part of troubled Asia, over the Middle East and now in Central Africa, millions of politically illiterate people have been or are now being committed to the wills and judgments of self-appointed demagogues only one degree less ignorant than the masses themselves. Once installed in power in the sacred name of self-determination, these men proceed to stifle all opposition and impose the machinery of their 'national union' in order to perpetuate their own domination.

It may be, by a miracle, that the greatest happiness of the greatest number will result, to a greater degree than it did under imperial tutelage. It may be, as Mr. Gallagher told us before the recess, that some of the more fruitful forms of Western cultural influence can continue to permeate in the absence of Western control. I hope they can. I hope it is true that what we are witnessing in these countries is merely growing pains. But there is the risk also that these may not be growing pains but degenerative pains. After all, the Western Roman Empire did not collapse in the Fifth Century at a single stroke, except perhaps in a peripheral province like Britain; but if you will study the history of Merovingian France and of Lombard Italy, what you find there are two or three centuries of slow economic and administrative decay from the Fifth century through the Eighth.<sup>8</sup>

In the later Roman Empire intelligent men had realized that something was seriously wrong, but no one could then foresee a dark age in Western Europe which lasted three or four hundred years. It could happen again—in the Middle East, in Southern Asia and in Africa. And in conclusion let me revert again to Frederick Denison Maurice, my English theologian of a century ago, who wrote: "If (the) doctrine of rulers reigning by the Grace of God is tossed aside as an obsolete doctrine . . . then I can see no hope of growth, nothing but endless vicissitude: a continued return to the point from which we started: republics succeeding monarchies; empires swallowing up republics, theories trying to do justice for facts; facts overwhelming theories; men crying for liberty of thought, then crying as loudly for an iron despotism which shall crush all thought."<sup>9</sup>

He wrote that in 1861. Is it a bad description of the Middle East in 1959?

<sup>1</sup> *Presidential Addresses & State Papers and European Addresses* (Homeward Bound edition, vol. 8), pp. 2312, 2317, 2318.

<sup>2</sup> *Independent Iraq* (1951).

<sup>3</sup> Quoted by Alec Vidler: *The Theology of F. D. Maurice* (1948), p. 195.

<sup>4</sup> *Nostromo*, p. 49.

<sup>5</sup> *Perelandra*, ch. x.

<sup>6</sup> *Egypt's Liberation, the Philosophy of the Revolution*, (1955), p. 32.

<sup>7</sup> Extracted from *al-Ittihad al-Qawmi* and translated by Andre Miquel, *Orient*, no. 8 (Paris, 1958), pp. 165, 162.

<sup>8</sup> Since this paper was read to the Conference I have been struck by the similarity of thinking in the Catholic sociologist Christopher Dawson's latest book *The Movement of World Revolution* (1959), especially the following passages:

'We are witnessing far-reaching attempts to establish relations between Eastern and Western culture and to create an organized system of world order, and both of these movements are the direct products of nineteenth-century Western ideas. No doubt it is only too easy to conceive the breakdown of these attempts and the return by way of oriental and African nationalism to a system of closed cultures. But this offers no real prospect of a new creative culture cycle. Rather it suggests the coming of a new dark age and the gradual decline of the standards of culture.' (pp. 16-17).

'As a means of evoking common loyalty and common action within a single society, there is no denying the value and efficiency of nationalism. But as an ultimate principle of human action, it is morally inadequate and socially destructive. Left to itself, it becomes a form of mass egotism and self-idolatry which is the enemy of God and man. This has always been realized in some degree by the great civilizations of the past. All of them have admitted the existence of a higher law above that of the tribe and the nation, and consequently subordinated national interest and political power to the higher spiritual values which are derived from this source. . . .

'Now, in so far as nationalism denies this principle and sets up the nation and the national State as the final object of man's allegiance, it represents the most retrograde movement that the world has ever seen, since it means a denial of the great central truth on which civilization was founded, and a return to the pagan idolatries of tribal barbarism' (p. 154).

<sup>9</sup> Quoted by Vidler: *Theology of F. D. Maurice*, p. 196.



## RECENT UNITED NATIONS ACTIVITIES IN THE MIDDLE EAST

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THE RECENT United Nations mission to Jordan had its origins in the events of spring and summer last year, when there broke out again one of those frequent crises which have afflicted the Middle East since the end of the Second World War.

In this case, you will remember, the problem was first centered in Lebanon where that sharply divided population cast aside for a moment the convenient myth, which it had hitherto preserved, of an equal balance between them and thus providing themselves with a sort of *modus vivendi*, and broke into serious conflict which, it was alleged, was assisted and aggravated from outside. It was this, of course, which led to United Nations action by the Security Council and the establishment of the United Nations Observer Group in Lebanon.

At the same time, you will remember, at the request of the Lebanese Government then in power, United States forces had also landed in Lebanon to assist in maintaining the stability of the country against possibility of outside influence.

There had also occurred in July—with great swiftness and unexpectedly—the revolution in Iraq. This led to the Special Assembly of the United Nations in August. The outcome of that was the Resolution of August 21, which turned out to be a much better result than anyone could have expected when the session was first called. At that time it was difficult to see what might be the outcome and the situation could have moved dangerously in any one of a number of directions.

To the surprise of many people, the Assembly passed a unanimous resolution, sponsored by the Arab Governments themselves, which drew attention to and reaffirmed the principles enshrined in the Charter of the League of Arab States to the effect that the members will respect one another's independence, and noted that this was fully in conformity with the Charter of the United Nations. Further, in its operative clause, the resolution requested the Secretary General of the United Nations, in consultation with the governments concerned, to

make such arrangements as would assist in the implementation of what came to be called the "Good Neighbor Resolution."

The Secretary General made two brief visits to the area, held consultations with the governments and reported to the Assembly in a document dated 29 September, when the Assembly was in its regular session. In this report the Secretary General explained the nature of his discussions with the governments of Lebanon, the U.A.R. and Jordan in particular, and stated some of the principles upon which he had tried to put this Good Neighbor Resolution into more practical effect.

His first idea, which he expressed to all the governments, was that he might for a short period appoint an ambassador—a United Nations special representative of himself—in each of the capitals concerned. These Ambassadors would have direct contact, on behalf of the Secretary General, with the governments, and would pay full attention to the practical measures which the governments themselves might take or not take to implement this resolution.

This proposal was unacceptable, particularly to the U.A.R. on the grounds, they said, that to accept this principle would be in fact to accept by implication their involvement in the attacks which were allegedly made on some of her sister Arab Nations. Hence the Secretary General moved on a slightly different tack and secured the agreement of the Government of Jordan to the establishment in Jordan of a special representative with a suitably equipped office, who would be directly responsible for observing the implementation of the Good Neighbor Resolution insofar as it related to Jordan—that is to say, the actions which might be taken by the parties directly concerned toward Jordan, or the action which the Jordan Government itself might take toward those countries.

His function would be to report directly to the Secretary General not in public but in private reports. The Secretary General would, in addition to this, appoint a roving ambassador whose seat would be the Headquarters of the United Nations but whose specific function would be to maintain certain diplomatic relations on behalf of the Secretary General towards these capitals of the Lebanon and the U.A.R. for the purpose of making any representation towards them which might be considered necessary in order to assist in the implementation of the Good Neighbor Resolution.

This proposal was accepted by the governments concerned and consequently even before having presented his report to the Assembly, the Secretary General went ahead with the arrangements for the establishment of the United Nations' presence in this form.

Now, when we talk about the United Nations' presence in the Middle East in this sense obviously something a little different was implied than what had been previously the case, because clearly enough the United Nations is very present in the Middle East and has been almost since the beginning of its

activities. There are many United Nations missions of one sort or another, some quite large and important with established procedures and established staffs, which have been operating there under the Secretary General for a number of years. In this new sense, the United Nations' "presence" clearly implies something a little different from what already existed.

Now, it was to establish this rather vague, somewhat metaphysical entity in the Middle East, in Amman, that we set out under the Secretary General's authority late in September. The Secretary General had chosen Mr. Spinelli, the Head of the Middle East Office in Geneva—the United Nations office in Geneva—to head the mission. I left New York on the 23rd of September, arrived in Amman on the 25th. Mr. Spinelli came shortly after on the 27th and from that time, the United Nations Mission in Amman, the Spinelli Mission, or whatever you might wish to call it, came into being and became a fact.

What was the purpose of the Mission? What were we to do? How were we to operate? The answers to these questions describe, at least, the nature of the presence which got established there. Whether it fell short of the mark or the purpose of the presence which should have been established, is quite another story.

One thing was quite clear regarding this Mission. It was not in any sense a military observation group. There was, as I have said already, in the Lebanon, in respect of a situation which was part of the same general problem, a military observation group of a fairly large and somewhat obtrusive nature which was adjusted to the needs of that situation. It was deliberately made so. On the other hand, the Mission in Amman not only was not to be a military mission (it was in no sense a military observation group) but it was not considered that it should be obtrusive. It had to operate quietly and without unnecessary publicity. The provisions in the Secretary General's arrangements requiring that the representative in Amman would report directly to him and that he would not himself make public reports was an essential feature of the operation. What happened to the reports of the representative would be entirely for the Secretary General himself to decide as the circumstances required.

As he first conceived the scheme, he could have called upon his roving ambassador to make representations to the other governments concerned, or to take such other action as might be deemed advisable. He could have published the reports and made them public to the Members of the General Assembly. He could have used them as a basis of calling together a Security Council meeting. He could have followed any one of these actions had the circumstances required. The basic point, however, which I want to make, is that so far as the Mission in Amman was concerned—and if the reports which

were to be made were reports directly to the Secretary General, not necessarily intended for publication except as the Secretary General himself might decide—the special representative had to operate with a great deal of caution, tact and skill. This I must say Mr. Spinelli did. As a professional diplomat of long experience, a man of considerable intelligence, culture and tact, patient and friendly towards people, he was able to carry out this difficult task and to give to his little mission in Amman some sort of personality, some sort of being, which made its own impact in the situation.

Now, what were the specific functions of the Mission? What were the problems it had to face? First of all, when we went out there in September, we were still very close in time to the events in Iraq which had caused the disruption of the short-lived Iraqi-Jordan union and the tension in Jordan, as might be expected, was very high. The political situation from the point of view of any government was difficult. Secondly, there were still in Jordan the small contingents of British troops which had been requested under the Treaty by the Jordan Government. Many members of the United Nations, including the Arab countries themselves except Jordan, were pressing for the withdrawal of these troops as rapidly as possible. And, of course, part of the development of good neighbor relations was to arrive at a situation in which it would be possible for these, and the United States troops in the Lebanon, to be withdrawn. This did in fact happen fairly rapidly because, for a number of reasons, the situation on the whole improved fairly rapidly.

However, there was at this time—that is in September—still going on a very virulent radio and propaganda warfare, very largely from the U.A.R., directed towards Jordan contrary, of course, to the Good Neighbor Resolution of the General Assembly. However, it is also true that already this had somewhat begun to abate, so that movement was already following the Resolution in the right direction. Nevertheless there were still some fairly violent broadcasts, particularly coming from so-called clandestine stations which were presumably centered somewhere over the border. These went on for some time. There were also the usual press attacks, the sort of manifestations which Dr. Kirk so well characterized a few moments ago.

It was necessary, if we were to implement, or assist in implementation of the Good Neighbor Resolution, to be able to report accurately on these events. In order to do this we had to have some sort of independent check upon what was going on, to maintain some sort of a monitoring service of radio and press. It was impossible to set up all the paraphernalia of a complete monitoring service; this is very expensive and requires a great many trained people and a great deal of equipment. Moreover, these broadcasts are very thoroughly monitored by a number of governments, which make the results of their monitoring available. What was necessary was that we should at least have

the means and the equipment and the people who could make independent checks and then be sufficiently sure of what was going on to be able to say with certainty and with full documentation that this or that was the case. Hence, the first thing we had to do was set up such a service which could monitor to some extent the radio and the press. This was done and was, in fact, the main part of the work in the early stages.

The other area in which there remained a very serious problem to which we had to give attention and which was of more immediate practical importance to Jordan was the question of communications. Jordan and the U.A.R. did not have diplomatic relations at that time and communications between Jordan and the sea, *via* Syria, were very seriously cut. First of all, the Jordan air services were not permitted to fly over the Northern Province, that is Syria, of the U.A.R. Secondly, the oil deliveries which were normally made to Jordan from Beirut by road had also not been made for a number of weeks. Thus the most important items to Jordan were prohibited and in other respects communications were very seriously hampered.

Jordan, with the technical assistance of the United States, organized alternative traffic via the Port of Aqaba. Nevertheless, the opening of the normal routes was of major importance and naturally the Jordan Government attached great significance to these things as being evidence of the implementation of the Good Neighbor Resolution, evidence of good intentions.

It is not infrequent in the Middle East for results to follow intentions rather slowly. This is not necessarily because people are at the bottom ill-intentioned but partly because things just work like that. In any event it was some time between the promises and their actual implementation in the form of a removal of many of the traffic blocks. However, after the departure of the British troops, which was very successfully effected early in November, the air services were able to resume. There was still a lot of discussion about oil traffic; there were difficulties locally with customs authorities and the same was true with the export of phosphates, but eventually most of these things were more or less straightened out. And one could say, I think, that with the patient assistance which was rendered by the United Nations, and particularly through the Secretary General who carried the burden of bringing to bear the weight of his influence and authority on the governments outside Jordan, the Good Neighbor Resolution was by and large implemented. At least things had moved very considerably in the right direction.

This in fact is what this mission went out for. We may say, I think, that to this extent it was successful. There was one incident which had nothing to do with the basic situation and which came upon us most unexpectedly. It might have been very serious indeed, and it illustrates very well the importance of our having been there. I refer to the incident in which the King of

Jordan left Jordan by air to take a holiday which he had long intended, but was forced to return when challenged over Damascus, being chased by two MIGs and living dangerously for some twenty minutes or so until he reached the Jordan Border.

I don't need to go into the whole story. The flight was taken in completely good faith in the belief that all clearances were in order. In fact, there were some errors which had been committed by someone and the clearances were not in order—so this is really the root of the incident. But this isn't really important in itself. What is important is that this happened when the Jordan Government was still very much on edge, when the U.A.R. was rather slow in implementing the General Assembly Resolution, and when there was still a certain amount of propaganda being made against the government. It was very easy in these circumstances for the Jordan Government, of course, to interpret this event in the most serious light.

Certainly the event, which was necessarily highly publicized, gave rise to a great deal of excitement in Jordan itself and without doubt had it not been for the presence of Mr. Spinelli and the action which he was able to take in getting really to the root of the matter without any sort of publicity at all, the situation might have turned events in the wrong direction. As I say, it was an incident which did not in itself arise out of the general flow of events; it just came out of the blue, but it was one of those incidents which, having happened, might well have had serious consequences. The presence of the United Nations Mission in Amman was certainly a happy circumstance at that moment.

In closing I want to say that the experience of this rather unusual mission gives rise to the speculation that, in certain cases, it may be extremely useful for there to be an extension of the office and personal influence of the Secretary General in the form of a special ambassadorial type of representative at a given time and for given purposes. This is precisely, of course, what this Mission was. It was a sort of ambassadorial mission with functions not dissimilar in some respects from those from the embassy of one country towards another, though in many other respects, of course, very different. The relationship is not the same as that between two sovereign states, but rather a situation in which the office and personal influence of the Secretary General of the United Nations, as important factors in preserving the possibilities of peaceful settlement of disputes, are mobilized in a specific way.

In keeping situations open, in helping people to find a way to negotiation and to more reasoned action before they resort to more violent action from which there is no easy backing down, this sort of extension of the office and person of the Secretary General can be very useful indeed. In situations such as exist in the Middle East and I think are likely to exist there for a very considerable time, in which you may have recurring crises of this and other

sorts, then to the extent that the Secretary General of the United Nations can and does exercise an influence towards calming the situation, towards finding peaceful solutions and towards finding the sort of compromises which it is in the end necessary to make if people are to live together then—given the right sort of representative of the Secretary General, the right sort of approach—this type of mission may have a very useful influence. And in this case the presence of the United Nations, an arm of the Secretary General on the spot, to whom someone can go directly without having to be at the end of a cable with someone in New York, may greatly ease both the task of the Secretary General in keeping the people together and the door of fruitful negotiations open.



*Luncheon Session, Saturday noon, March 21st*  
Presiding: JAMES V. KNIGHT, Board of Governors,  
*The Middle East Institute*

## PRIORITIES OF ACTION FOR SURVIVAL

KENNETH IVERSON

Staff Member, The President's Committee to Study the United States  
Military Assistance Program

I would like to speak to you today, first as an American citizen, and secondly as a former resident of that enigmatic and fascinating area, the Near East.

My concern is with the future of my country and the future of the Near East and other free nations of the world. We all come from nations, in the East and West, which have at one time or other met challenges to their independence. People who want freedom and independence have been willing to sacrifice and fight to obtain this end. But freedom, whether in the form of democracy or otherwise, is not assured by the victories achieved. My countrymen fought in the first world war to make, so they thought, the world safe for democracy only to find that war does not automatically achieve this end. As G. K. Chesterton pointed out at the end of that war, "The world will never be made safe for democracy. It is a dangerous trade." If it is a dangerous game, we love danger. But, today, as citizens of free nations, we face threats which if not properly handled can seriously weaken and destroy our hard won freedom.

There are two threats which I would like to discuss.

One comes from inside our own countries. We all make mistakes, are at times indecisive, selfish, and see only our own problems. We sometimes fail to see that the responsibilities of leadership make mandatory an understanding of the meaning of freedom, and a comprehension of the forces that can slowly and insidiously, or just as suddenly taken from us the freedom we cherish. We may not try to understand the view point and problems of our neighbors with whom we are in dispute. We sometimes can't see the forest for the trees. We may ignore the necessity for economic progress or change. Acts of omissions or commissions can start the forces of hate which can consume us or, if directed, in an effort to hurt others, can only bring destruction upon us.

The second threat, and one which comes from the outside, is Communism. To give perspective to this subject, I would like to refer briefly to history.

It was Patrick Henry, during the Revolution in which we wrested our independence from England, who said, "Give me liberty or give me death." That has been the American heritage and our watchword through the years.

However, the world of 1776, the year of our independence, is not the same as the world of today. Transportation and communication have shrunk its circumference, made far countries neighbors. World politics have also changed. The England which last month agreed with Greece and Turkey to the independence of Cyprus is still strong, but there has been a change in the scheme and balance of power in Europe and the world.

During the past century the powers of Europe, to a greater or lesser degree, all aspire to world leadership. There existed, however, a balance of power that tended to preserve some measure of stability. The sea power of England acted to deter the aspiration of the European nations with their strong land forces. England, moreover, lacked the manpower and interest to dominate Europe, and no nations to the East or to the West of Europe possessed sufficient industrial weapons to constitute a serious challenge.

World War I, the revolution in Russia, followed by the success of the Bolshevik, the Second World War, and technology changed the picture. The balance of power in Europe was destroyed. Technology and the resulting development of air power and long range weapons lessened materially the importance of the sea power of England. There emerged a powerful United States in the West and a powerful Russia stretching from Europe to the East.

What has been the effect in the world of the emergency of these powers?

The military power of these giants has cast a shadow over the world. The first and obvious concern of both the United States and Russia is with their own security and objectives. Russia, determined to force Communism upon the world, has built a large and apparently strong military force. The United States to protect itself and the free nations of the world has had to develop a strong defense.

It is not the purpose of this talk to consider relative military strength of the United States and Russia. It is sufficient to say that so long as the Soviet-Chinese bloc continue their threat, the United States and the other free nations must maintain sufficient military strength to deter their aggressiveness. I hope that I am right in my belief that the United States and NATO are sufficiently strong to stop any military action on the part of the Russian-Chinese bloc.

I also want to state my own firm convictions that it is the military strength of the United States and NATO that has today kept Russia from using military forces to take over all of the free world in the same dastardly manner as it has held on to Hungary. Russia is held in check only because Russia fears the military might of the United States.

Other nations have also met the challenge of both history and Communism. Greece, the cradle of civilization, has suffered the evil of foreign occupation. This country, which cannot live under domination, obtained its independence from the Ottoman Empire in 1819 only to be conquered a century later by the Germans in the second World War. The defeat of Germany released Greece from the bondage of occupation by the Communist guerrillas supported by Albania, Yugoslavia, and Bulgaria attempted to subjugate it. It was only by the greatest effort and with support from the United States that the heroic Greek people overcame this Communist threat.

Turkey has had a long history of experience with Russia. Ataturk salvaged the Turkey of today from the Ottoman Empire. His inspiration and leadership helped Turkey become a strong nation capable of protecting its distinctive position of being both in Europe and Asia. The Turks have fought the Russians thirteen times. They are prepared to defend their nation against Communism whenever the Communists ask for trouble.

The vicissitudes of the Arab countries since the days of the prophet Muhammad have been many. They have had success and failure. Today they are emerging to take their rightful position in the world. Arab nationalism which can be traced back to the prophet Muhammad stood for independence from occupation prior to the First World War. With independence, Arab nationalism today stands for even greater Arab unity and continued freedom from outside control. The Communists believe, however, that the Arab countries are fertile ground for their activities.

The people of Israel have carved out a nation in the Near East and are determined to preserve their independence. There are, however, strong feelings of bitterness and hatred between Israel and the Arabs. Much of the energy of both people is consumed in maintaining armies for protection against the other party. The Communists do all they can to encourage this friction.

The people of India and Pakistan made their choice in 1947 to divide their subcontinent. This was a bitter struggle. They will not willingly submit to outside control from any source. The Communists, however, have been successful in electing their representatives in one of the major Indian provinces.

From East to West the people of these countries have struggled for freedom and independence. They have been willing to sacrifice and fight, but freedom won can only be retained by continuous vigilance and effort.

I have already expressed my belief that the Russian-Chinese bloc will not challenge or test the military might of the West. Nevertheless, they are determined to push their interests. The Germans used the Fifth Column. The Communists will try the same tactics and they have greater experience.

Russia wants to dominate the world and superimpose Communism on all people. Hungary stands as the stark example of what this means. We want

and insist upon a form of government which will permit the exercise of justice and make possible the individual developments of the talent God gave each of us.

History has brought forth these two Goliaths.

They are a reality and being a reality they confront the people of the world with a fundamental issue. Simply stated it is—what is the form or the political system under which nations individually and collectively wish to live?

Will the free nations of the world base the development of their individual and collective societies on the concept of justice and the dignity of man? Do they want a form of government of their own choice with commensurate responsibilities to respect the rights of other people and nations? This is what the United States stands for.

Will they be dominated by the concept of Communism? Here the individual is lost, dignity is not considered, justice is the whim of the leader. This is the history and hard reality of Russia and now Red China.

The United States since the end of the Second World War has been actively engaged in this contest. We continued our efforts on a peaceful basis. We supported the fight by Greece against the agents of Russia. Cooperation was given Europe in its program to reconstruct the damage of the war. Russia did not help, but violently opposed this effort to help Europe regain its strength.

The United States has supported the United Nations and other international agencies such as the International Monetary Fund, International Bank for Reconstruction and Development, as examples, in their efforts to strengthen member nations, and organize institutions capable of stabilizing currencies and making effective use of credit for development.

These were efforts to help the peoples develop and strengthen their own economies as well as political and military structures. We support these efforts because we believe that while the results may not necessarily be in our own image, there will develop an international order of nations capable of maintaining freedom and sovereign integrity.

In turn, the Soviet-Chinese bloc has not remained idle. It first chose intrigue coupled with military power. Once Hungary, Czechoslovakia, and Poland were nations. What are they today?

Russia was not in a position, following the Second World War, to be aggressive simultaneously on the military, economic, and political fronts. Conditions, however, are changing as Russia grows in strength.

In 1950 Russia's gross national product was about 33% that of the United States. By 1965 it is estimated that Russia's production will equal 50% of that of the United States.

Russia is now the second largest industrial power in the world. Prime Minister Khrushchev on November 14, 1958, announced that Russia will increase its

gross industrial product by 80% in the next seven years. Steel, as an example, will reach in 1965 the United States production of 1957.

Soviet foreign trade is growing. In two years Russian foreign trade increased by 25%. With a volume of \$8.25 billion, Russia ranks sixth among the trading nations of the world.

The standard of living in Russia is much lower than in many countries of the world. However, Russia plans to increase per capita consumption by its own people about one-third between now and 1965. If Russia does permit the people to eat and consume more it will still be able to continue to support its large military program, continue expansion of its industrial activities and have the strength to continue and expand its economic and trade policy to gain control of nations.

Russia's growth and potential is equaled in the East by Communist China. I will only mention one point. During the first five-year plan Red China increased its gross national product by over 30%.

The rulers of the Soviet-Chinese bloc have utilized their growing strength for the building of military forces, industrial capacity, and foreign assistance at the expense of the standard of living of their own people. The progress of Communism is important. The people are the means. People in Russia and China can be used at the will of the leaders.

Mr. Khrushchev has made clear what he intends to do with this new power. He said recently, "We declare war upon you . . . in the peaceful field of trade. We can win over the United States. The threat to the United States is not the ICBM but in the field of peaceful production. We are relentless in this and it will prove the superiority of our system."

He has also stated his view that, "We value trade least for economic reasons and most for political reasons."

Russia is rapidly increasing its trade. In the Middle East it is focusing on Turkey, Iran, Iraq, and the United Arab Republic.

Since 1954 the Soviet countries have concluded credit and economic agreements with over a score of countries for a total of more than \$2 billion. Over one-fourth of these credits have gone into Iraq, United Arab Republic, Yemen, and Afghanistan.

Several thousand Soviet technicians are visiting and working in countries from the Mediterranean to the Pacific. Thousands of trainees are being invited each year to visit Russia for training.

The objectives of the Soviet-Chinese bloc are clear. Repulsed in Korea and hesitant to continue further aggression in Indonesia, the Soviets have started a vigorous "soft push" in Asia, Africa, and South America. They want to isolate and reduce Western influence. The Soviet bloc would first like to help the countries of the Near East, for example, engage them in trade, reduce,

and remove the friendship of the West and in the end remove their leaders and take over control. Specifically, they want to communize the people of the Near East.

The Russians do not say that they want to Communize the world. They promote nationalism and the freedom to differ. They speak of neutralism and non-interference. In so doing, they are out of character. It was this type of propaganda in the underdeveloped countries that boomeranged in Poland and Hungary and made necessary harsh and repressive measures by Russia.

The Russians talk neutralism but it is these same Russians who cannot live over the years with neutralism. The United States can and expects to do so. We are not interested in taking over nations and controlling them.

The evidence of Russia's intentions is quite clear to us, but apparently it will take even more evidence to convince some countries.

Considering the intense effort of the Russian-Chinese Bloc is it not appropriate to ask if the countries of the Near East can continue as independent nations outside the Soviet-Chinese bloc?

The answer to this question can only be given by the leaders and the people of the Near East. *They* must make their choice.

This does not mean that they should fight Russia; Russia is too strong. The United States, in any event, has said that it will come to the aid of these countries if they need help to defend themselves against Communist military aggression. This form of protection from outside aggression is not new. In the nineteenth century Americans went to work to develop America behind the shield and protection of the British Navy.

The choice is whether the leaders and people are determined to retain their independence and being determined, will exert the necessary effort to direct the energies of their people for constructive purposes. The problem is more difficult than simply saying, yes, we do want to keep our nations free from outside control.

Governments must develop a concept of service to their people. Where necessary they must modify practices which are limited to the role of a policeman which, to a large extent, was the lesson learned under colonialism. There must be economic progress, and this requires political and social institutions to start the wheels of economic development and to keep them going. Decisions must be made as to priority of action. Of major importance to some countries is the question of undue concentration of energy on secondary issues. There must be opportunity for social betterment. People must see a ray of hope.

The problems many of the nations face, which have only recently thrown off the yoke of colonialism, are almost terrifying. It may be of little consolation, but all nations face problems, if not to the same degree. In the United States we are struggling to give meaning to our belief that "all men are created

equal." We recognize the conflict between the negro and the white citizen. We are determined to solve this problem and give meaning to our constitution. This is a tough problem. We may be criticized for the effort but an effort we are making.

The Near East and Asian countries have their own problems. Illiteracy is high. In some countries, as many as 85% to 90% of the people cannot read or write. In other countries the reverse is true. Today the ability to read and write is essential, to meet the competition of world progress.

There are tens of thousands of people who do not produce enough to eat and clothe themselves at a desirable standard. Class and caste distinctions retard progress. Systems of land ownership, which smack of feudalism rest a heavy hand on development.

Governments need to strengthen their ability to serve their people.

On the positive side, there are exciting developments in all of the countries of the Near East. School programs are expanding and improving. Agriculture and industry are increasing in effectiveness as well as in volume. People are discarding some of the social shackles of the past. Leadership is emerging.

Progress, however, is not adequate. It is not adequate, at least to keep pace with developments in other parts of the world. China is increasing its rate of growth faster than India, and faster than the Arab countries. Progress in the United States, as well as in Russia, is at a comparatively fast pace. The gap between the standards of living of the peoples in the Near East and Asia when compared with the progress of the United States and other western countries is increasing. Simply stated these nations are losing ground.

Can not more be done to accelerate progress? If so, what action needs to be taken?

There is no panacea, only effort through leadership will bring success.

Let me be presumptive and suggest several problems that I put high on the list of priority. If they are solved development can be accelerated.

Several nations which are losing ground are consuming energy and resources in preparing to defend themselves from or fight their neighbors. These neighbors are in turn counted among the free nations of the world. Enmities once acquired and developed are hard to eradicate. Enemies across any border loom large. They can be seen and sometimes felt. The disputes are real. However, there comes a time when a choice has to be made between one's enemies. Free nations which are using their energy and resources in opposing each other can so weaken themselves and reduce their ability to move forward and develop that internal friction, dissatisfaction, and confusion are the possible results. The Communists love this type of situation. Is it not more important to resolve existing differences than to take the chance of playing into the hands of the Communists?

One such difference was recently settled, that of Cyprus; Greece and Turkey, along with England, are to be congratulated on the agreement giving independence to Cyprus. Cyprus, Greece, and Turkey can now concentrate their energies and resources more effectively on constructive problems.

Major difficulties exist between India and Pakistan. These countries are in dispute over the diversion of waters from the rivers which originate in India, eventually flow through both countries, and are used by both nations. An equitable division of these waters is important to millions of citizens of these countries who live from the lands fed by these waters. The matter is so serious that a solution must be found or open conflict may be the result.

There are also differences of opinion about the future of Kashmir.

Both countries feel so strongly about the issues that both India and Pakistan are diverting their limited resources to arm themselves for protection from the other. If the dispute could be amicably solved, the resources and energy released could be of substantial value in promoting the economic and social development of both countries.

A settlement could pave the way for the removal of the trade barriers and the resumption of the natural channels of commerce in the subcontinent which could be of major importance to the economic well being of both India and Pakistan.

The Indian-Pakistan dispute is also a matter of *international* interest. The world is watching their struggle. The question is being asked, what is lacking in the leadership of these countries when they do not find ways and means to a just settlement, either with themselves or within the international organizations to which both subscribe?

A settlement would be heartening evidence that each nation was determined to assume its responsibility and obligations to preserve peace.

There also exist difficulties between Afghanistan and Pakistan. The settlement of this problem again would result in better economic relationship to the benefit of both: Afghanistan would perhaps feel less keenly the necessity to accept military aid and help from Russia.

One of the most difficult problems in all of the world is that of the relationship between the Arabs and Israel. This is a touchy and difficult problem even to comment on without attempting a more complete explanation. However, it is a fair assumption that you who attend the Conferences of the Middle East Institute know the history of the creation of Israel and the differences that exist between the people of this newly-created nation and the Arabs.

The energy and resources that go into the armies of the Arab countries and Israel, the time spent on preparing to protect themselves or to harm the other, and the hatred that is generated between these two people drain away

or the importance of developing institutions and structures and the training of people to plan and guide development, but they can understand and see results where there are results to be seen. They can work when there are jobs.

Let me again be presumptuous and say that greater effort, dedicated and unselfish effort, on the part of the men and women of experience, ability and education in the underdeveloped countries is necessary if progress is to be accelerated.

The first two ideas discussed dealt with actions to be taken by the governments of the countries from the Mediterranean Sea to the Pacific Ocean. I would now like to deal with the responsibilities, interests, and actions which should be taken by the United States.

A few days ago the Draper Committee, which was appointed by the President of the United States, to consider the military and related aspects of the Mutual Security Program, submitted its preliminary conclusions. In the letter to the President, the Committee stated that it was their unanimous belief that a basic issue of foreign policy was involved and that there was an urgent need for its early resolution. Let me quote from this letter:

"Simply put, the issue is whether we intend to seek survival in isolation—a state of siege—as the world continues to shrink. This would be the inevitable result if we fail to take vigorous action on mutual security. The positive course—much more in the nature of our people—would be to accept fully the great responsibilities which our generation has partly inherited and partly earned."

The letter concluded with the paragraph:

"We recommend, Mr. President, that every effort be made within the legislative and executive branches of the government to bring clearly before the American people the relationship between the Mutual Security Program and the national interest, and the need for continuity of this program if it is to make its required contribution toward our world position of strength."

We must make our decision, as American people, on the question of isolation, or of active cooperation with the nations of the world.

If our policy is to continue our position of interest and leadership in international affairs, we must be flexible and imaginative to meet changing conditions.

As Americans we can point with great pride to the imagination and flexibility of our policy of supporting the reconstruction of Europe through the Marshall Plan, the concept of making our technical know how available to the world through the Point Four, the Mutual Security Program, to help our friends of the world better to prepare to protect themselves and contain the aggressive intentions of the Soviet-Chinese bloc.

In this day and age, however, we cannot rest on our laurels. As the conditions of the world change, our policies and the way we handle the problems

the very life needed so desperately for the development of their countries and people. The Communists must be delighted.

This dispute also involves, historically and currently, both England, the United States, and the United Nations.

The realities need to be faced. The continuation of what literally is a state of war between the Arabs and Israel can at the minimum seriously weaken these nations and could mean open conflict. Whether we like it or not, this conflict gives the Communists fertile ground in which to work their havoc and gives them the opportunity of eventually controlling the nations involved.

Are not the evils of this dispute of such magnitude that the leaders of the nations concerned, and this certainly includes the United States, must find a solution? It is not enough to say that we are trying. A solution must be found. Justice can and must be the heart of the solution. I do not believe that a solution is not within the grasp of people whose very foundations are built on their belief in justice, the dignity of man, and equality. The alternative is indeed bleak. I believe that with good will and intense effort acceptable answers can be found to some of the problems.

Adjustments will be necessary and each party must be satisfied with less than what it would desire. The beneficial results, however, far outweigh any possible concessions. The removal of the basic irritants between these nations would make it possible for the United States to more effectively work with our Arab friends.

No stone should be left unturned.

There is another problem high on my list of priorities of action.

Free nations must accelerate the development of their economy. There is not a single nation that is doing enough and there is not a single nation that cannot do more. The challenge is to the leadership of the several governments and also to private citizens. Know-how and ability exist in each country. Quite frankly this know how and ability are not being adequately used for the benefits of the nation as a whole.

Many of the nations between the Mediterranean Sea and the Pacific Ocean are called underdeveloped. This is neither complimentary nor is it necessarily an uncomplimentary term. It simply means that there are physical and human resources in the nations in question which have not been developed to any reasonable extent.

The responsibility for development and the rate of development rests squarely on the shoulders of the leaders. Proper leadership can stimulate the people to see the advantages of greater effort and can guide the direction of work and help in making possible the improvement of standards of living. People on the farms, in the towns, and cities want to better themselves. They want advantages for their children. They may not understand theoretical economies

we face must change to meet the issues and permit the attainment of our objectives.

For example:

1. Arab nationalism has been growing by leaps and bounds in the last few years. Today the proponents of Arab nationalism urge greater unity of the Arab people. In American terms, their interest might be expressed as desiring "a more perfect union."

As a sovereign nation our relationships are with other sovereign nations, the Arab nations, as example, and not with movements. I recognize that we must continue to deal with the sovereign nations. However, many Arab people are convinced that we are opposed to Arab unity and Arab nationalism. If we are not opposed to Arab unity we should find ways and means to make our position understood.

We should make clear to the Arab people that the problem of Arab unity is a policy for them to decide, that if it is their decision to unite, without repressions, United States policy would be to give such action our blessing. In giving our blessing, so to speak, we could well draw an analogy to our own history when we molded the original thirteen colonies into the United States of America.

2. There must be imagination and flexibility concerning world trade and credit. Russia is increasing its economic relationship with various countries of the world, through barter, lines of credit, and by methods which the western world considers unorthodox.

Russia has stated that it values trade for political reasons, not for economic reasons. If it can accomplish its objective by unorthodox means, you can rest assured that the world will see an increase in unorthodoxy.

Trade by Russia with countries of the world is not necessarily bad or dangerous to our interest and the interest of the free nations. Trade, however, which results in political domination by the Russian-Chinese bloc is obviously contrary to the interests of the free world.

Russia may attempt to increase its trade with Turkey, Greece, Egypt, Brazil, or other countries to the extent that these countries become dependent on Russia. Will the United States and Europe permit Russia to increase its trade with nations to the extent that their political independence is in jeopardy? I would assume that we would not. This would mean that appropriate policy decisions would have to be made and action taken.

It is not the purpose of this discussion to attempt, if I could, to propose courses of action.

We have, however, in the free world the competence and the strength to design ways and means to cope with the unorthodox techniques coming out of Russia.

Our foreign policy must recognize that the future will bring many tests which will require new methods. It may be necessary, as example, to plan and participate in a free world system of marketing the products of the free world at least to the extent of removing dependence of countries upon Russian trade and thus lessening the political influence which would come through a Russian monopoly of trade with any given country or area.

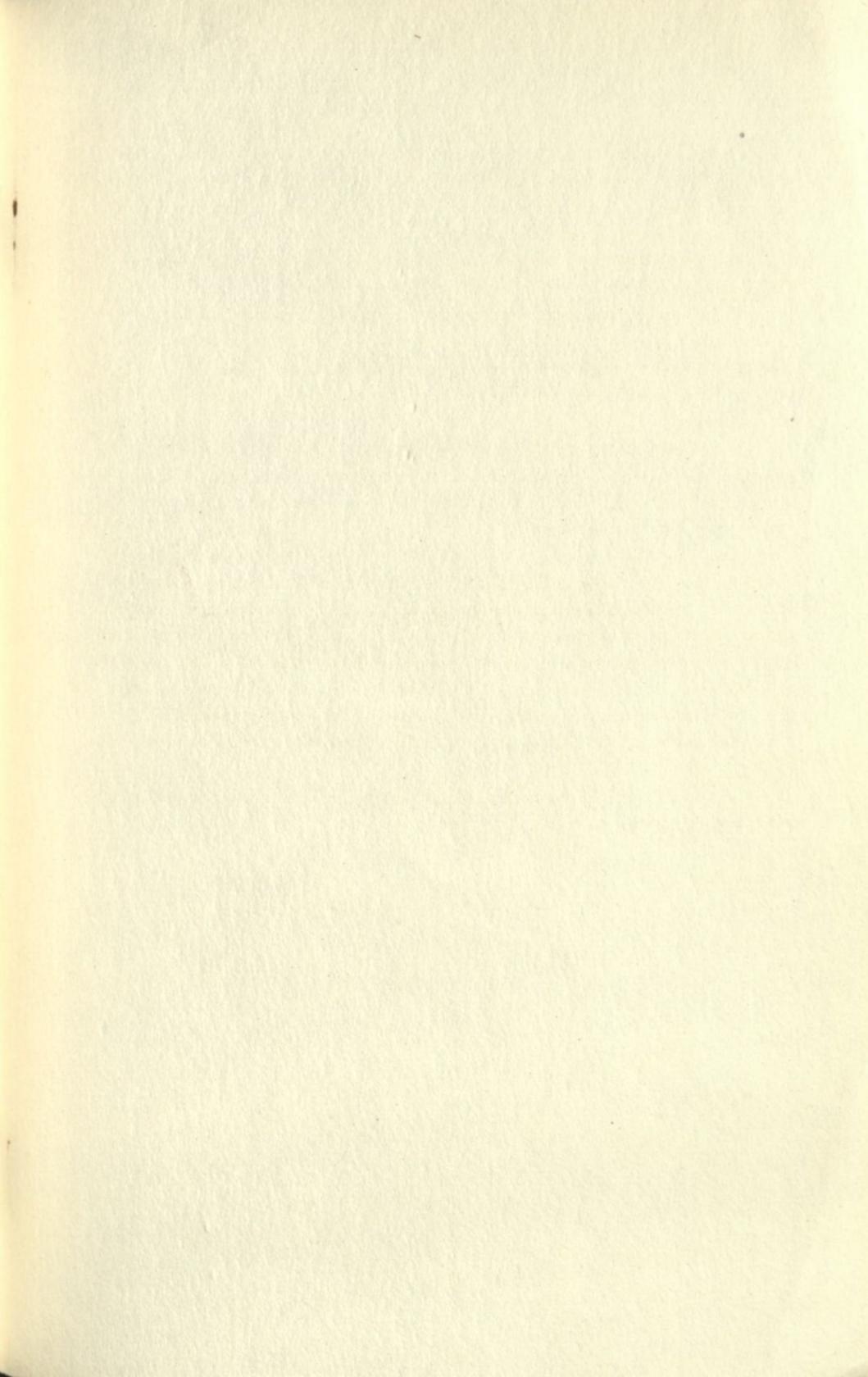
The bases upon which private business is conducted in competition with Russia may require change. In Russia there is no private business yet Russia competes with private business in the world. Government and private business in the United States may find it desirable to go into partnership to meet the challenge.

These are only examples of the policy decisions with which we may be faced.

There is no question of the ability of the people of the United States, in cooperation with the people of Europe and other free nations, to meet the challenge of Communism.

Do we, however, recognize the urgency of the problem? Are we prepared to bring into focus the intelligence and strength of government and private sources to the extent needed, not only to cope with the issue as a defensive action, but to take action which will put us on the offensive? As Americans we prefer to be positive. Positive action generates enthusiasm. A policy to take positive action is necessary. Such a policy will encourage people throughout the world to exert greater effort to strengthen their own economic and social development. We should cope with the problems we face by affirmative action.

As in the case of the countries of the Near East, our policy and our future are for us Americans to decide.



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