

Article 1...

The Shape of the Post-Gulf War, Middle East

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Mr. SIMON. Mr. President, through a mutual friend, Myron Cherry of Chicago, I have had the opportunity to come into contact with Jawad Hashim, former Presidential adviser to Saddam Hussein, who is familiar with most of the major leaders in Iraq and very familiar with the economic situation there.

Recently, he sent me a paper titled 'The Shape of the Post-Gulf War, Middle East.'

Considering his background, it contains important insight and suggests that we ought to be paying much more attention to the postwar situation.

I am pleased that Secretary of State Jim Baker, in his recent testimony before our Foreign Relations Committee, has focused on that.

But Jawad Hashim's statement contains so much insight into the overall situation, that I urge my colleagues of the House and Senate to read it.

I ask to insert it into the **Record** at this point.

The statement follows:

The Shape of the Post-Gulf War, Middle East

- An Opinion (by Jawad Hashim, M.Sc. PH.d.)

1. On Monday, January 14, 1991, the New York Times published an article on the effectiveness of U.N. sanctions against Iraq. The article was a summary of the extensive analysis of 115 cases of economic sanctions since World War One. Estimated by Gary C. Hufbauer and Kimberly A. Elliott, the authors concluded that the cost of the embargo would reach 48% of Iraq's Gross National Product, which makes the probability of sanctions succeeding nearly 100% over a short period of time. The reasons for that probable and dramatic success were attributed to the following factors:
 - (i) 100% of Iraq's foreign trade and financial resources are subject to sanctions;
 - (ii) The resulting loss of 48% of Iraq's GNP is twenty times the average economic impact in other successful episodes;
 - (iii) The embargo of Iraq is comprehensive and draconian.

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2. I, for one, always thought that even with 50% chance of success, the sanctions imposed by the U.N. Security Council against Iraq would eventually bring the Iraqi Government to its knees.

The Iraqi economy has for some years been so badly managed that within a maximum period of 18 months there could have been a change of Government. That change could have resulted in a negotiated settlement of the Kuwaiti crisis. It would only be a matter of time for the Iraqi regime to collapse, because oil and credit embargoes were sufficient to create enormous difficulties, bearing in mind that the Government fought an eight-year war with Iran dependent on two main sources of revenue: aid from the Gulf States and credit lines from the United States and other Western countries.

3. On January 17, 1991 at 2:44 a.m., Baghdad time, the war against Iraq erupted. Military communiqués commenced to flow and each warring party is claiming victory or expecting one. It behooves us now to think positively towards working out the best possible scenario which genuinely makes the outcome of this war a starting point towards the solving of Iraq's problems, the Arab countries' problems and the Arab-Israeli issue. But, first I would like to emphasize that the opinion expressed in this document relies on:
 - (i) Personal experience as a Minister and Presidential Advisor who closely worked with Saddam Hussein and the Ba'ath regime during the period 1968 to 1982 and thus privy to a considerable number of very confidential matters including Saddam's perception of the Gulf region in general and Kuwait in particular;
 - (ii) Monitoring the crisis through international media and discussions with American, British, and other Western politicians.
4. I set out three scenarios for post-war Iraq within the context of the Middle East with a view to long-term to stabilize the region politically and economically including the international oil market.
5. This document also deals with three major matters:
 - a background on the Arab region;
 - post-Gulf war scenarios;
 - the international oil market.

But, before doing so, I should emphasize the following:

- 5.1 The majority, if not all, Iraqis strongly believe that Saddam Hussein was created and vigorously supported by the West, despite continuous warnings from many quarters of his ruthless and fearful regime.
- 5.2 The people of Iraq act as they do simply because they are told to, not because they share the regime's convictions. It is, therefore, important to make a very clear distinction between the people of Iraq and the governing regime in order to dispel any doubts or misunderstanding about the role of the Iraqi people. They have been brutalized and downtrodden for the past twenty years. This

war should not be pursued to the point of increasing the suffering of the Iraqis, hence creating internal support for the regime.

- 5.3** War is no more than the climax of tragedy that touches the most extreme elements of human spirit. It is no more than the eruption of hostilities and violence with huge loss of human lives within a political event. Unless this war comes to an end quickly, the world will be living its effects for decades to come. Hence it is imperative for the United States, Britain, and indeed the international community to focus as a matter of urgency on the political and economic structure within which the Middle East should be reshaped. This point is of great importance because since August 2, 1990, the American Administration focused only on the ‘**diplomatic**’ and military aspects of the crisis.

From the debates in the American Congress, the British Parliament and from various analyses, it is quite apparent that there has not been enough thinking about the shape of peace. Indeed, the ‘**new world order**’ has not even been defined in proper and clear terms seeming to remain some ethereal hope.

- 5.4** It is widely accepted that with power comes responsibility. Hence, it is for the United States and Britain in particular to frame a genuine peace plan for the region and to bring about its implementation. Iraq, naturally, is outmatched in all departments of the allied war machine and military intelligence. This in itself places a special burden on the United States to refrain from and indeed to resist any impulse to destroy Iraq. It is not in the world's long-term interests to reduce Iraq and its people to some primitive level of existence.

The outcome of this war and so in effect its ultimate aim should be the attainment of a final settlement of the regions problems leading to a stable political climate.

If the war drags on and Iraq's infrastructure is destroyed and the Ba'athist regime stays in power, then the Americans, British, and other allies will be perceived by the people of the Arab region as vengeful crusaders. The war would then cut the deepest wounds and millions of Arabs would turn to embrace fundamentalism fueled with feelings of anger and resentment of their present rulers, the United States, and the West in general.

I suspect that Egypt will be the first casualty in this event.

- 6.** Historically, Iraq and Iran were the two major regional powers in the Gulf because of:
- (i)** their population and levels of cultural and educational achievement;
 - (ii)** their enormous economic resources.

Other Gulf states (Saudi Arabia, UAE, Qatar, Oman, Bahrain) put together cannot match Iraq or Iran in these terms.

7. The Arab Region: Background

- 7.1 The Arab region has been and, of course, still is a troublesome part of the world. The region is like the human body and tends to reject foreign objects even if that object could be a possible curing medicine.
- 7.2 The early forties witnessed most Arab countries achieving independence. Since then, they have been ruled by a variety of Government structures. Democracy, however, is non-existent and no Arab king or president is accountable to his people.

It is interesting to note that between the early forties and 1989 the Arab region has witnessed a number of coups and attempted coups. As far as I can recall, they were as follows:

•	Syria:	15 attempted coups; 8 successful;
•	Iraq:	17 attempted coups; 6 successful;
•	North Yemen:	9 attempted coups; 4 successful;
•	South Yemen:	4 attempted coups; all successful;
•	Libya:	7 attempted coups; 1 successful;
•	Morocco:	5 attempted coups; none successful;
•	Jordan:	4 attempted coups; none successful;
•	Egypt:	4 attempted coups; 2 successful;
•	Lebanon:	4 attempted coups; none successful;
•	Tunisia:	5 attempted coups; one successful;
•	Oman:	4 attempted coups; 2 successful;
•	U.A.E.:	1 unsuccessful attempted coup;
•	Qatar:	1 successful coup;
•	Bahrain:	1 unsuccessful attempted coup.

- 7.3 As a result of all these attempted coups, whether successful or not, the people of the region suffered politically, economically and socially.

There are also recognizable phenomena in almost all Arab countries, which may be summarized:

- Revocation of each countries constitution and replacement with **'Provisional Constitutions'** which are, in turn, abrogated every now and then to be replaced by yet further **'provisional'** codes.
- The creation of revolutionary courts, special courts and similar bodies, with no right of appeal in the majority of instances.
- Centralization of government authority and the restriction of personal freedom.
- Creation of one-party systems and the prohibition of multiple party organizations.
- Continuous in-fighting in attempts to seize power and rule by the barrel of the gun leading to horrifying abuses of human rights.
- The fall of five monarchies: Egypt (1952), Tunisia (1956), Iraq (1958), Yemen (1962), and Libya (1969).

- 7.4** Despite those negative phenomena, Arab countries lived, until the late sixties, amid the euphoria of Arab nationalism and unity.

The rulers, by means of state controlled media and educational systems sold two dreams to their people: economic development and the liberation of Palestine.

The dreams were rekindled, nurtured, and promoted by President Nasser of Egypt and the Ba'ath Party. After the defeat of Arab armies in 1967 and the subsequent death of Nasser in 1970, the call for Arab unity began to fade and the pattern of Arab politics took a new dimension, especially after the huge increase in oil revenues.

The economics of oil in itself introduced new parameters to the region, which became more unstable as its social structure changed and we were (and still are) faced with two distinct strata of the Arab population: the rich and the poor -- the **'haves'** and the **'have-nots'**. Pan-Arab ideology has been further shattered by the conduct and brutality of Arab leaders who were the proponents of that ideology.

- 7.5** Looking at a map we can observe that, from the political view point, the region is ruled by two systems of Government: eight monarchies or family sheikhdoms; and thirteen republics.

Note that the monarchies and sheikhdoms are:

- (i) all (except Morocco) clustered geographically in the South-Eastern part of the Arab region and have common borders with Saudi Arabia;
- (ii) all (with the exception of Morocco) ruled by family and tribal structures;
- (iii) all (except Morocco and Jordan) producers and exporters of oil, enjoying huge financial surpluses but with sparse populations;
- (iv) all autocratic governments depending either on religious or tribal allegiance or both, to justify their legitimacy.

The **'republican'** Arab governments, on the other hand, are very unusual. Though they are **'Republics'**, none of them have any legitimacy, i.e., no government was properly elected by the people. They rule, and justify their rule either by:

- (i) ideology; or
- (ii) dictatorship.

These 'Republics' govern through a variety of structures including:

- Revolutionary Councils;
- National Fronts;
- One Party Systems;
- Leading Party Systems.

It distresses me, as an Arab, that I have never been able to exercise any voting right in my country through a genuine democratic process. The assemblies which those governments created, whether called Parliaments or National Assemblies or Peoples' Assemblies, are no more than phony structures created to provide an aura of legitimacy to the ruling elite. As such they are an insult to the intelligence and dignity of their people -- a denial of freedom.

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7.6 In examining whether or not there are significant differences between Arab 'Monarchies' and Arab 'Republics' in their practice of governing, it is my opinion, there are no fundamental differences at all. Both systems share common ground:

- (i) All systems are no more than dictatorships. Personal, family, and tribal loyalties play an important role in the process of decision-making;
- (ii) All systems live in continuous fear, thus surrounding themselves with various and innovative structures of protection such as: national guards, republican guards, popular militia, and the like. The fire power of these 'guards' is not less than that of each countries regular army;
- (iii) All systems have a strong and powerful internal security apparatus, armed with up-to-date technology, for torture and suppression;
- (iv) All systems follow a policy of spreading fear and threatening physical liquidation making it known that there is no other alternative;
- (v) All systems create, every now and then, external crises to divert attention from domestic unrest;
- (vi) All systems, in one way or another, sell dreams to their people;
- (vii) None of the Arab rulers genuinely attempted to build up democratic institutions in order to develop and allow the evolution of a political system to make the countries they rule more stable, more accountable to their subjects.

All of these factors have created citizens with dual personalities, afraid to express their opinions, unable to enhance their knowledge, and practically living in continuous fear.

Fear attracts as many people as it repels and those afraid can do nothing.

8. The Arab Region: Post-War Scenario

Despite the pain and destruction associated with this war and the anti-American and British feelings in the region, I believe that there comes an opportunity to deal with the outcome of this war in a positive manner and to overcome any difficulty of managing a successful political re-entry. The United States and European allies (especially Britain) should not miss this opportunity to bring into the Arab region genuine political and economic reforms bearing in mind the following points:

- (i) There can be no stability without true political reforms and the establishment of democratic system of Governments;
- (ii) There can be no stable balance of power in the region without a redistribution of wealth to reduce the immense disparity between the 'haves' and the 'have-nots';

- (iii) That the Israeli-Palestinian conflict constitutes the root and the substance of the continuous crisis in the region and Arab countries' increasing military expenditure. It is the focal point of inflammation.

8.1 Scenario One:

- (i) Iraq is laid waste and defeated but Saddam Hussein and the Ba'ath regime remains in power in Iraq;
- (ii) The Gulf States' system of Governments remain the same;
- (iii) Iraq is required to pay war reparations.

8.2 Scenario Two:

- (i) Iraq is destroyed and defeated but Saddam Hussein and the Ba'ath Regime is removed from power and replaced with another military government;
- (ii) The Gulf States' system of Governments remain the same;
- (iii) Iraq is not required to pay war reparations.

8.3 Scenario Three:

- (i) Iraq is decimated and defeated, Saddam and the Ba'ath Regime removed and a civilian transitional government takes over.
- (ii) Gulf states are re-structured as follows:
 - U.A.E., Bahrain, and Qatar becomes part of Saudi Arabia;
 - Kuwait remains part of Iraq;
- (iii) Iraq is not required to pay war reparations.
- (iv) The whole Arab region starts genuinely to proceed towards the democratization of the systems of Government.
- (v) Elections are held under the scrutiny of an international inspectorate.

8.4 The first scenario in particular and the second scenario to a lesser extent have some negative impacts. For if the existing 'systems of government' in the Arab region are not changed to true democratic systems, solidly based on democratic institutions, then for the coming thirty years, the whole region will be much worse off than now because:

- (i) History has shown that 'family' rule leads to political, social and economic disaster.
- (ii) Instead of the 'Palestine' issue, the rulers will find some other issue to create a cover for their military build-up and expenditure, to the detriment of economic growth which, in my opinion, is much more important for the well-being of the local population in particular and the world community in general;
- (iii) The region will face an acute political crisis, not because of the oil surplus and the haves and have-nots, but because of a new element much more important

than oil, namely: the scarcity of water. The issue of water has already arisen between Syria, Turkey, Iraq, and Iran;

- (iv) The defeat of Iraq, though temporarily bolstering the Gulf states, would certainly lead the Arab masses to fundamentalism and boil up in the United States, Britain, and other allies' face and scar them for decades to come. It will also leave open the eastern flank of the Arab region to territorial and political disintegration.

8.5 Scenario-Three may seem far-fetched, but in my opinion it is the scenario which will bring, in the long term, stability to the region and so to the world. It will create three centers of local power in the region: Iraq, Iran, and Saudi Arabia. It would further create a Middle-East that is capable of political modernization based on freedom. The United States and Western democracies, who embraced and encouraged the democratic tendency in Poland and other Eastern European countries must not turn their backs on the horrifying consequences of continuing undemocratic, brutal, and corrupt systems of government in the Arab region.

9. Iraq: Post War

In order to bring this war to a quick end and avoid the alienation of Iraqi people, to reduce their suffering, and to avoid possible militant tendencies in the region, the United States and its Western Allies should move quickly towards the implementation of a post war plan. The plan should consider the following:

- (i) The United States, Europe, and Japan should come up with a form of Marshall plan to rebuild Iraq immediately. The implementation of the plan could be under the supervision of either the 'Regional development Bank' proposed below, under the World Bank, or by way of a Committee of Experts;
- (ii) A regional development bank, akin to the World Bank, be established with generous contributions from the United States, Europe, Japan, and the Gulf states to develop the non-oil exporting Arab countries;
- (iii) All border and water disputes between Turkey, Syria, Iran, and Iraq be referred to the International Court of Justice;
- (iv) Iraq's access to the sea should be resolved;
- (v) All United Nations Resolutions imposing economic sanctions against Iraq should be revoked;
- (vi) All Iraqi foreign assets should be released;
- (vii) A civilian transitional government be set up on the same lines as the Government of post-1958 Revolution, i.e. :
 - A Sovereign Council of three members: a Shiite, a Sunni, and a Kurd. Chairmanship of the Council revolves every six months. The Council assumes the duties of **'President'**.

- A Prime Minister (preferably Shiite) with full executive powers.

Within a maximum period of two years, a democratic election is to be held with full proportional representation.

- (viii) A British style of permanent Civil Service be established;
- (ix) A two house parliament along American lines be established.

10. The International Oil Market

10.1 The international financial community will await the outcome of the Gulf crisis mainly concerned over price and production patterns of oil. Not only because oil is the largest internationally traded commodity, commanding 20% of the world's merchandise trade, but also since any uncontained upheaval in the price and production structure of oil will cause untold damage to the world economy.

10.2 Over the past three decades certain factors have contributed to the present anxiety:

- (i) The high economic growth which the industrialized countries experienced in the post World War II era was fuelled by cheap oil. Due to depressed prices, the proportion of oil of the total energy used was progressively increased from 29% in 1950 to 39% in 1960 and to about 55% in the eighties;
- (ii) In 1973, when the first major oil price increase took place, the shock that followed was not so much a result of the absolute change in the price level, but more importantly the sudden realization that the world could no longer finance economic growth on what has been a cheap source of energy and a building block of many chemically produced products;
- (iii) Since its recognition as an internationally important and vital growth resource, oil has suffered from a singularly incoherent, irrational, and very short-sighted policy of pricing and production.

10.3 This will turn out to be the most crucial issue in the last decade of this century. The destiny of nations and their peoples depends on the orderly conduct of international economic growth.

Can one simply allow 'free market forces' to determine this destiny?

In my opinion, it is the task of the governments of industrialized nations and of oil-producing countries to put the long-term interests of their people at the top of their list of priorities. At the present, we are attempting to share out the inheritance of future generations; the environment in which they will live, without any effective consideration of their future.

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10.4 As an optimist, I believe that, despite the present depressing international situation, there are certain positive elements:

- (i) There is greater awareness and, indeed, recognition of the fact that national economies are much more inter-dependent than previously acknowledged;
- (ii) Pressure for integration and interdependence is likely to increase more rapidly in years to come, triggered by advanced telecommunications, mass media, [Internet], and micro-chip technology in the face of shrinking national resources, environmental, and political forces;
- (iii) There is growing awareness among people of different nations that their problems are becoming more complementary than contradictory.

10.5 Such a situation will eventually impress upon decision-makers, and indeed governments, the need to move from the micro self-interest level to a macro view that takes into account the needs, rights, and obligations of others. To bring stability and discipline to the oil market and hence to the international financial situation, a comprehensive and objective view of the interaction between consumers and producers should be taken. To achieve this we must accept:

- (i) The era of cheap energy is over, and the world cannot depend entirely upon an oil-based energy source.
- (ii) Oil will continue to play an important role in any future supply mix. However, since the mid-seventies, OPEC countries have assumed the unenviable role of the world's residual suppliers. Such a position should continue but through positive dialogue and the realization of commonality of purpose rather than conflict and division.
- (iii) International investment and environmental promoters and managers should avail themselves of the financial surpluses of oil-exporting countries. It therefore behooves the industrialized nations to remove barriers to international investment and to encourage the fruitful investment of oil funds. Such a policy should be coupled with international agreement on the protection of foreign investment and the guarantee of foreign assets. In other words, politically motivated actions which may result in an adverse discriminatory effect on foreign investment must be avoided for the benefit of the international community. This, of course, must be coupled with a stable and planned supply of oil and suitably funded and managed research into alternatives.

10.6 Who should bring together the major consumers and oil producers? Who should set out the agenda that will inspire confidence and stability in the international markets, and lead to long-term policies and objectives?

In my view, the United Nations is perhaps best qualified to organize such an international gathering, because:

- (i) It comprises both major oil producers and major oil consumers;
- (ii) Its leading members are industrial countries, and they are important participants in the G7 and the European Community;
- (iii) Re-enforced by Britain, it enjoys a commonwealth relationship with many developing countries whose interest in the long-term establishment of stability in the financial and economic order is of paramount importance to their national development.

Such a call by the major players in the U.N. for an effort to bring rationalization to the oil situation should be led by the European Community, the United States, and by other non-OPEC producers. Never again should an upwards spiral in oil prices cause the shock and sufferings of the past.

February 5, 1991.