

Saddam Hussein began an organizing tour. In Yugoslavia, a leader of the Non-Aligned Movement for a new monetary system, he met with Yugoslavian president Marshal Tito before continuing to Iraq.

Concurrent with the formation of the Arab Common Market, the Organization of African Unity formed an African Common Market while the Arab League established a liaison office to the African bloc.

Gearing Up Production

In the next month, four pipelines leading into the Mediterranean will have been opened, including the reactivation of Saudi Arabia's huge trunkline running through Lebanon which carries a capacity of 400,000 barrels a day. The pipeline was closed two years ago because of slumping demand. But new political arrangements between Europe and the oil producers to break with the dollar and expand trade based on oil for technology agreements has insured new markets for fuel.

According to the Dec. 6 issue of *Oil and Gas Journal*, a full \$67 billion in surplus from the oil producing sector will be invested in downstream development including state-owned refining capacity, transport capacity, both pipelines and tankers, and petrochemicals. Conservative

estimates are that such investments will give the 19 producer countries almost 20 per cent of their own refining capacity, over the next 4 years, giving them increased freedom from the oil companies in marketing their oil resources. Such projections however are based on the assumption that the producers will not enforce further nationalizations of their oil resources which the Iraqi call for an Arab oil company is designed to expedite.

An unusual agreement was signed this month between British Petroleum and Iraq whereby BP will lift 80,000 barrels a day of Iraq's fully nationalized oil. Similarly it is rumored that the British firm may be invited to return to Libya to operate a field nationalized from BP in 1971 which has a potential capacity of 400,000 barrels a day, markedly increasing Libyan production. While it is still widely held that the Saudi Arabians with the largest reserves in the world, at 150 billion barrels, will stick to their production ceiling of a yearly average of 8.5 million barrels a day, the president of Texaco and other oil executives are quoted in *Oil and Gas Journal* that soon Saudi Arabia may go considerably higher than the set ceiling figure. Such a decision will be totally dependent upon a new financial and economic pact with Europe.

AFRICA

British, African Initiatives for Speedy Rhodesian Settlement Accelerate

Dec. 17 (NSIPS) — British Foreign Secretary Anthony Crosland and United Nations Representative Ivor Richards this week announced initiatives to bring about a speedy and peaceful settlement of the Rhodesian situation, and indicated that if Rhodesian Prime Minister Ian Smith continues with his "over my dead body" stance, they are prepared to accommodate him.

The British initiatives indicate that they are prepared to virtually take over the Rhodesian government and army during the transition period. In addition to appointing a "Resident Commissioner," essentially a Governor General replacing Smith as the chief executive, according to the *London Observer* Dec. 13, some Government officials are in favor of sending in British military officers to take command of the Rhodesian army, and "phase it out," to replace it with troops of the Zimbabwe People's Army (ZIPA).

Speaking to reporters Dec. 14 after the Christmas adjournment of the Geneva conference on Rhodesia, conference chairman Richards announced that he will tour the front line states (Mozambique, Tanzania, Botswana, Zambia and Angola), Rhodesia and South Africa starting on Dec. 28. Ignoring Smith's description of a direct British role in Rhodesia as "ghastly," Richards said: "Britain has to play a direct role. The purpose of my going to Africa is to define that role." Richards called on the front line states to play a greater role in the settlement, announced that he would be continuing talks with the nationalist delegations during the adjournment, and

"regretted" that the Rhodesian delegation in Geneva has failed to play any positive role in the talks.

The significance of the Richards trip was underlined by Foreign Secretary Crosland, who told Parliament on the same day that "Richards is going to Africa with my authority behind him..." and added that the transition may very well be settled in Richards' talks before the reconvening of the Geneva conference on Jan. 17.

The British have mobilized several large industrial concerns in South Africa to pressure the Vorster government into cooperating with their initiatives. One major British firm, Marks and Spencer, has decided to pull out of South Africa completely, while British Leyland, the British auto company, is "reassessing" its position in the recognizing of black trade unions at its many plants in South Africa.

While certain British leaders may be under the illusion that they are creating an innocuous moderate leadership for independent Rhodesia, it is clear to other African leaders that in the context of the new world economic order this is a mere pipe dream. "If Britain does not move," Tanzanian President Julius Nyerere told a Nigerian Television interviewer recently, "there will be a battle between ZIPA and Smith, and ZIPA will win, and a radical government will be installed, and this will make me very happy. But it is not necessary.. if a settlement can be worked out and a moderate government installed now. In that case radicalization can take place more gradually as I am doing now in Tanzania. This I prefer."