strong supporter of a comprehensive, development-based Mideast peace) has fallen under as a result of the scandal surrounding the illegal sale of arms to Syria and the new affair concerning mercury-poisoned Israeli oranges — both British-backed plots to stymie Euro-Arab political and economic cooperation — the West German Foreign Ministry has stated that the EEC will leave the Egyptians and Israelis to themselves. "The West Germans will take a lower profile in the area," concurred several Mideast observers.

Blamed on the synthetic "Arab Revolutionary Army Palestinian Commando," the "oranges affair" in particular has aggravated the deterioration of the Mideast situation, triggering paranoid tirades from Begin and exacerbating Israel's intransigence. In addition, Sadat's

championing of Palestinian rights has also been undermined, despite the PLO's assertion that no Palestinians were responsible for the bizarre event.

The same day that news of the poisoned fruit was leaked, the British press loudly headlined the heightened danger of war in the Middle East, with the *Guardian* blaring, "Cairo Ready to Return to War." Other press played up pessimistic statements by Egyptian Vice President Mubarak in Kuwait, in an effort to "break the illusion of peace." "We know we are dealing with a very difficult and tiresome enemy," said Mubarak, according to the *London Times* on Feb. 1. "Should we fail to achieve peace, we would have to resort to other means, possibly to war." Mubarak pledged to "follow the path of peace to the end, as long as it is clear."

- Nancy Parsons

An Unlikely Alliance In Arab World

An unlikely alliance in the Arab world, led by Saudi Arabia and Iraq, is working to restore the political unity of the Arab world and to prepare for a possible Arab realignment away from the United States and toward Western Europe.

In an angry commentary, the Algerian Press Service last week sharply criticized Iraq, nominally a member of the bloc of Arab hardliners, for providing covert support of the regime of Egypt's President Anwar Sadat. Iraq, the Algerians charged, was "trying to rehabilitate Sadat in the Arab world" and was coordinating this action with Saudi Arabia. What provoked the unusual Algerian report was a decision by the Iraqi leadership not to send a delegation to the meeting of the hardline Arab "Steadfastness Front" that met in Algeria on Feb. 2. The Iraqi decision, which was taken ostensibly because of deep differences between the Iraqi and Syrian parties, had the practical effect of strengthening the Egyptian position by weakening the overall impact of the anti-Sadat bloc in the Arab world that includes Libya, Syria, and Algeria.

According to Radio Jerusalem, Iraq last week took an initiative to reopen the Egyptian embassy in Baghdad — which was closed following last November's meeting of the hardliners — and there were reports that Vice-President Mubarak of Egypt might visit Iraq soon. In addition, the Iraqi press agency announced that it had proposed to Saudi Arabia the convening of an Arab summit conference in Baghdad.

But the indications of a Saudi-Iraqi tactical alliance do not extend merely to the immediate political situation. On a broader level, the Iraqis and Saudis have given signs of close cooperation on the financial and oil fronts as well. Last week Iraq and Saudi Arabia, along with Kuwait, Iran and Venezuela met at OPEC headquarters to discuss the prospects for the declining dollar, and resolved to demand — along with key industrial forces of Western Europe — that the United States take strong action to defend the dollar's value. Iraq, which maintains close ties to the Soviet Union as well as the Gaullist tendency in Europe, and the Saudis, who remain virtually a province of the United States and the Aramco

faction, thus represent together a kernel of the necessary international alignment that must come together to rebuild the world monetary system.

An important indication that the American industrial forces and the Rockefellers may be seeking to use Saudi leverage to gain an upper hand in Washington is that the Saudis are beginning to develop closer relations with pro-gold industrialists in France, Switzerland, and elsewhere. An important Saudi businessman, for instance, has just concluded a major business deal with the big French aerospace firm Dassault, whose interests are widely represented in military and political intelligence networks throughout the Arab world. In addition, the Saudi interests are seeking to provide capital to consolidate the several regional French airline companies into a single unit. Such French-Saudi links are only one example of what is developing into a close partnership, mediated in part by the U.S. — Rockefeller and Texas - but the Dassault linkage will help forge a working relationship between the Saudis and French circles throughout the Arab world.

Where this will be tested is in North Africa. Recently, President Houari Boumedienne of Algeria made an important trip to Saudi Arabia, Iraq, and the USSR where, among the issues discussed, the bothersome issue of the Polisario "liberation front" in the former Spanish Sahara was discussed. The Saudis, Iraq, and the USSR all oppose the Polisario, which is a fraudulent guerrilla group backed by Algeria - and, presumably, they each told the Algerians to rid themselves of the Polisario. Because France supports its allies, Morocco and Mauritania, in their opposition to Polisario's claim to their territory, the Polisario issue has severely damaged Franco-Arab relations in that France is seen as intervening into an Arab dispute. Thus, the crucial question is whether the Saudis and Iraq can effectively resolve the Western Sahara issue in order to improve French-Arab ties. Such an action will provide a firmer basis for rapprochement between the Arabs and the Western Europeans, and will therefore strengthen the negotiating position of Egypt's Anwar Sadat.

- Bob Dreyfus