

Iraq Calls For New Monetary System Minus Dollar Debt

Aug. 5 (IPS) — An article in the July 29 issue of the Baghdad Observer, the semi-official daily of the Iraqi government called for a "new world monetary system which would be rid of the domination of the American dollar." This call to reconstitute the disintegrated world financial system, with "sufficient room for the socialist countries" and the Third World, is the latest effort in the Iraqi campaign to unify the Arab sector behind a policy of development.

Combined with the July 17 call by Iraqi President Ahmed Hassan al-Bakr for an Arab joint military defense against Israel and a series of Iraqi proposals for Arab "economic integration," the article, by Dr. Abdul Sagban crowns efforts by Iraq to consolidate a united Arab bloc participation in International Development Bank-type trade arrangements.

The Iraqi regional organizing drive is provoking intense reactions in the two pivotal Arab countries: Syria and Egypt. In Syria, the shaky CIA-run regime of Hafez Assad has become desperately isolated and escalated its attacks on Iraq, including armed incursions across the Iraq-Syrian border.

This week Egyptian Economics Minister Zaki Shafii announced that Egypt may declare a three-year moratorium on its outstanding debt. "I will not ask the people to tighten their belts anymore," declared Dr. Shafii, according to the Aug. 2 issue of Akhbar el-Yom, a right-wing Cairo weekly.

The political extermination of the CIA Assad dictatorship in Syria and the reorientation of Egypt toward the pro-development nonaligned bloc — both objectives of the Iraqi campaign — would create the conditions for the rapid coalescing of the crucial Arab sector of the IDB. Iraq and Algeria are already coordinating their actions to this effect.

The preliminary proposal stated in the Observer was linked to two key

points; First, the development of labor power in the Arab world, and second, multilateral trade arrangements between the Arab sector as a whole with the Comecon and the European Common Market (EEC).

Hitting the "lack of coordination between the development plans of the Arab countries," the article demands the "acceleration of economic development in the Arab countries, through a rapid and steady increase in real income per capita throughout an extensive period of time."

Once development motion is achieved, long-term trade accords can be established in order to secure capital equipment and raw materials necessary for Arab development. "These agreements can be made between Arab blocs, such as the Council for Arab Economic Unity and its Common Arab Market, on the one hand, and the EEC, African states, and the Socialist countries, on the other."

Complementing the Iraqi drive for Arab economic integration, the Baghdad press is recording the response to the July 17 Bakr speech on Arab political and military cooperation from Arab press and political figures. While favorable responses from Lebanese, Kuwaiti, and Palestinian sources is reported, the most important positive responses cited are those by Egypt.

Favorable coverage of the Bakr speech appeared in several Egyptian newspapers, and Rose al-Yousef, a pro-socialist Egyptian weekly, published a three-page spread praising the Iraqi initiative.

By calling for a solid Arab front, Iraq has exposed the sordid ties between Syrian Intelligence and Assad's clique, on the one hand, and the CIA and Israel's Shin Beth on the other. Since the Bakr speech, simmering unrest in the often-purged Syrian military has begun to crest.

Attacking Syria's "false leftist auctioneering," Baath writer Sabah Salaam charges: "The illegitimate birth of the Syrian regime is an indication of the immoral style of the renegades...and their rightist reality." Salman then recounts how Assad's fellow conspirators staged the CIA coup in 1966 against the Baathist regime in Syria.

"A coup against the coup is the expected consequence," warns Salman, "against the origin of the crime that has been committed" against the Baath.

In Syria itself, an "atmosphere of tension" now prevails in Damascus, according to the Iraqi party daily Thawra. Amid constant repression and mass arrests, Syrian Intelligence has even seized three issues of Falastin ath-Thawra, weekly organ of the Arafat-controlled Palestine Liberation Organization — for attacking the hated, pro-imperialist King Hussein's Jordan!

With almost no allies in the Arab world except Jordan and unreliable Libya, the Assad regime is on the brink of collapse. Continued paranoid deployments of Syrian troops to the Iraqi border are certain to trigger a mutiny by Syrian pro-socialist officers.

With Iraq concentrating maximum political effort on toppling the pro-war agent Syrian regime, Iraqi approaches toward Egypt are designed to nudge Egyptian President Anwar Sadat into a pro-Soviet Arab nationalist stance — under pressure from the Egyptian working class and pro-socialist layers.

The Egyptian Finance Minister ended an extended stay in Moscow earlier this week with an invitation for the Soviet deputy foreign minister to visit Cairo and continue negotiations on Soviet-Egyptian economic cooperation. According to all sources, the Egyptian press has halted a long anti-Soviet campaign, indicating that an accord may be reached during the Soviet delegation's visit to Egypt.