

camp by doing this. It was a signal to the Arabs that he acted this way. . . .

Burdman: Would you see Willy Brandt as the appropriate person to do the mediation?

May: I met Brandt in Kuwait after his year-end trip. I think there is a possibility of Brandt being brought in. There are also people in France who could be used. . . .

Burdman: Are there other conflicts that concern you in the area, say from Iran and the Gulf to Northern Africa?

May: I personally am very concerned with the Sahara question. I paid a visit there in 1981 at the behest of Polisario, and I met with the organization's president. The Moroccans have an enemy that is absolutely formidable, and I wasn't brainwashed to say that. I was terribly impressed by the Saharouis or whatever they call themselves. They have immense mastery of the whole area, they've been there for centuries, they have a great knowledge of the desert terrain. . . .

Burdman: Who is aiding them from the outside?

May: . . . Algeria supports them massively, and the whole Algerian people supports this policy. There is some talk of Libya, too, supporting the Polisario, but I have no proof of this.

Burdman: What about the Socialist International?

May: Oh, yes, them too. The Soviets may be supplying them with arms, likely through Libya or Algeria. From the Socialist International standpoint, the French are most active in support of Polisario. . . . In London, they don't have much governmental support, no foreign office person has met them, and we boycott them, which I think is quite wrong. They are a serious political force.

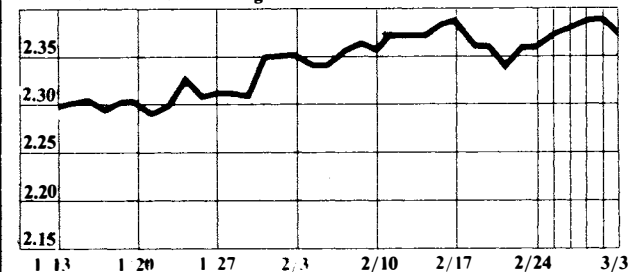
Because of the Polisario fighting, it has become difficult for the Moroccans to back down now, and it will become more difficult as time goes on. Twenty percent or more of the Moroccan budget is tied to the armed conflict, and hundreds of thousands of lives have been lost. Almost every Moroccan family has somebody who has died in the war. There is enormous scar-tissue throughout Morocco on this, and if Hassan backs down, people will start asking what was it all for, what have we done? So Hassan must go on fighting, he has no choice. Then, if a serious threat develops to his regime, there will be an internationalization of the crisis. The U.S. will come rushing in behind him. There are already signs that the U.S. is getting very worried, and so the trend toward internationalization is developing. . . . So, Cyprus and the Spanish Sahara are the two areas where Europe can play a third force role.

I'm cynical about such a possibility in the Middle East, where we have nothing to give the Arabs and no leverage with Israel.

Currency Rates

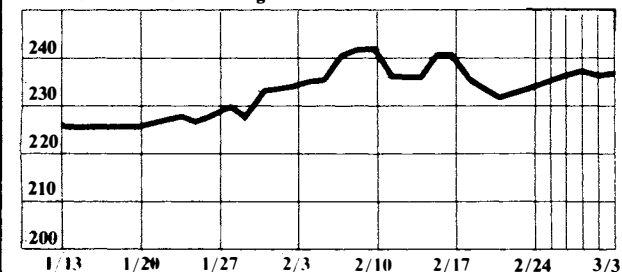
The dollar in deutschemarks

New York late afternoon fixing



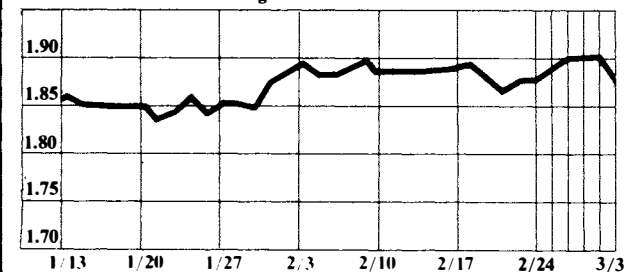
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing

