Approved For Release 2007/06/29: CIA-RDP83B01027R000300120029-4 MEMORANDUM FOR: NIOJW · For your monthly "selects", D recommend the Syria-Drag Rapprochement item. Df you want more on the Middle- East, any one of following three country items could be used: The latter item could which Egypt, and Pakistan. serve an informal warning function were by following later, by any atert meno, as John Helgerson discussed with you two weeks ago.) FORM 101 USE PREVIOUS

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NFAC #0327/79

19 January 1979

MEMORANDUM FOR: Director of Central Intelligence

VIA : Deputy Director for National

Foreign Assessment

NIO for Warning RP

FROM : NIO for Near East and South Asia

SUBJECT : Monthly Warning Assessment: Near East

and South Asia

Summary. Some disturbing signs exist regarding internal stability of the monarchy in Morocco and, to a lesser extent, President Sadat's regime in Egypt. Potentially, however, the most destabilizing event in the Middle East is, paradoxically, the increasing rapprochement between Syria and Iraq. Conventional wisdom rejects the likelihood of formal unification of these two Ba'thist rivals, yet the momentum of cooperation between them has been maintained since the Baghdad Summit in November 1978. The reaction of Israel to this rapprochement merits close attention, particularly if the PLO and Jordan join in or are dragged along.

- 1. Morocco. A series of disturbing events have increased our concern for the stability of the monarchy: more leftist activity (students and labor); continued poor economic performance; its solitary position on the Western Sahara; and deteriorating morale in the Army, bogged down in the Western Sahara. In light of events in Iran, it is worth noting that there exists a certain degree of contagion in the overthrow of monarchies.
- 2. Algeria. Events following the death of Algerian President Boumediene on 27 December 1978 have confirmed the assessment in our last warning meeting that we will see collegial rule in Algeria until a dominant figure emerges, with no major policy changes in the interim.

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- 3. Syria-Iraq Rapprochement. In November 1978 we noted the radicalization of the Arab moderates as a result of their weak performance at the Baghdad Summit. We continue to be concerned by the additional steps toward rapprochement between Syria and Iraq. There is a possibility of effective and lasting Syrian-Iraqi cooperation-military, economic, and political. President Bakr's trip to Damascus next week should produce something tangible in cooperation between the two countries; additionally, the PLO and Jordan may well be brought in on the latter part of the "summit." The implications of all this involve possible future Israeli (military) reaction. The Israelis might not allow the Iraqis to fill the currently unexplained, division-size gap in Syrian defensive positions on the southern Golan Heights.
- 4. Egypt. As in Morocco, there are some disturbing signs about internal stability: the rise in consumer prices; a resurgence of the Muslim Brotherhood; clashes between Copts and Muslims; and the stalled peace negotiations with Israel (which is causing some Egyptians to question Sadat's policy, even though Sadat apparently feels the delay is working to his advantage). In light of events in Iran, Sadat sees himself as the new policeman in the region--witness his decision to send 200 tanks to Somalia. Sadat is good at balancing problems but he may be getting close to the point when he has too many balls in the air. The regional role he perceives for himself may blind him to internal developments.
- 5. <u>Lebanon</u>. Signs in the south are ominous again, and the north is marked by procrastination. With the return of good weather in March and April, we expect to see hostilities being renewed as the Christians again try to get rid of the Syrians. Sarkis' weakness during the current lull in fighting means another wasted opportunity for some sort of solution.
- 6. The Yemens. We have inadequate reporting to determine exactly who is fighting whom. (The Italians may be able to give us more information because of the pervasiveness of Italian workers in the PDRY.) Nonetheless, we retain our longstanding cynical view that a coup in either Yemen is possible on just about any particular day.
- 7. Libya. Coup rumors are rampant again. Since we believe that Qadhafi is probably aware of the same coup rumors, the only possible successful coup will be staged by a group we won't know about until after the coup. The report of two squadrons of North

Korean-piloted aircraft coming soon to Libya is an ominous sign. Against whom might they fly--Egypt? Sudan?

8. Pakistan. The Supreme Court may return a decision on the Bhutto case this month. Any decision will increase the likelihood of political instability and civil disorder. If Bhutto is executed, his followers may take to the streets; if he is spared, the Army leadership will be reinforced in its unhappiness with President Zia and more inclined to move against him.

Robert Ames

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