



**Directorate of
Intelligence**

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Palestinian Presence in the Persian Gulf



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An Intelligence Assessment

State Dept. review
completed

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*NESA 83-10162
July 1983*

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An Intelligence Assessment

This paper was prepared by  Office
of Near Eastern-South Asian Analysis. It was
coordinated with the Directorate of Operations.
Comments and queries are welcome and may be
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Key Judgments*Information available
as of 8 July 1983
was used in this report.*

The nearly 550,000 Palestinians who live in the Persian Gulf states of Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Oman, and Bahrain by themselves pose little direct threat to the security of their host governments:

- They serve as advisers to the ruling families of several Gulf states or work as teachers, bureaucrats, journalists, doctors, and tradesmen in all the states. Most are hard working, family oriented, and politically conservative.
- They have contributed significantly to the institutional stability and economic well being of their countries of exile and have a substantial economic stake in the stability of their host countries.
- Most Palestinians would be loath to jeopardize their residency by violating the tacit understanding that provides them a haven in exchange for guarantees of noninterference in their hosts' internal affairs.

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Palestinians in the Gulf states, however, have grievances that are exploitable. Gulf Palestinians know that, with few exceptions, they will always be mistrusted as foreigners and potential troublemakers who do not share the Gulf Arabs' concerns or faith in desert democracy, the informal family alliances by which the Gulf governments are run. They resent the restraints on their opportunities and benefits, but there is little evidence that the Palestinians as a group are plotting against their host governments.

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Gulf leaders feel a genuine sympathy for the plight of the Palestinian refugees and generously support the Palestinian cause. Gulf rulers for the most part believe the Palestinians have a right to a homeland and that failure to resolve this issue will be a major source of long-term regional instability.

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Recent events in Lebanon and the prospect of an enforced exodus from there of Palestinian refugees have revived concerns among the Persian Gulf governments about the political orientation of their large Palestinian communities and the impact of a potential new flood of refugees. The concern looms largest in Kuwait, where more than half the Palestinians in the Gulf live.

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Concern has been heightened by threats from some radical Palestinian leaders to retaliate for alleged lack of support for the Palestinian cause by the Gulf states during the Israeli invasion of Lebanon. The Palestinian cause is popular, and the Gulf governments fear that any Palestinian discontent within their countries would spread to natives and other expatriates unhappy with the ruling families.

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Gulf leaders will continue to support Palestinian causes financially and to urge Lebanon not to rescind the travel documentation—legal or illegal—used by Palestinians. Financial aid and diplomatic pressure are used to buy protection from Palestinian threats and ensure the Palestinians a place of return from the Gulf. [redacted]

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At the same time, the Gulf states, individually and under the umbrella of the Gulf Cooperation Council, have begun to implement legal and administrative measures to protect themselves and to limit their dependence on Palestinian labor. The measures include denial of visas to family members of Palestinians already working in the Gulf, selective recruitment to avoid hiring Palestinians, and nonrenewal of work permits for Palestinians whose skills are not essential. [redacted]

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We do not believe the Gulf states will attempt to expel large numbers of Palestinians, a decision that would be difficult to implement and would heighten political and diplomatic tensions. Moreover, expulsion would weaken the economies of the host countries, particularly Kuwait, where Palestinians play a major role in many sectors, and the UAE, where they virtually run the oil industry. [redacted]

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We believe fewer Palestinians will be hired or have their contracts renewed over the next few years if the economic downturn continues and as skilled natives assume management and professional positions. A turnaround in the weak oil market will not reverse this pattern because of project completions and the increasing availability of skilled natives. [redacted]

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The US positions on Palestinian issues will continue to irritate relations between the United States and the Gulf countries. Gulf Arab leaders for the most part support US peace initiatives; many also want to cooperate with the United States in defense, security, or financial matters. But they see pro-US policies as exposing them to popular disapproval. Led by the Saudis, the Gulf Arabs will criticize US support for Israel and urge Washington to recognize the PLO at the same time they encourage the PLO to participate in US-backed peace talks. Saudi Arabia, Bahrain, and Oman in particular will hope to deflect criticism from natives, Palestinians, and other Arabs for maintaining their links to the United States despite Washington's refusal to recognize the PLO or press Israel to withdraw from the occupied territories. [redacted]

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Palestinian Presence in The Persian Gulf ¹ []

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The six oil-rich Arab states of the Persian Gulf—Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Oman, and Bahrain—are a source of financial support and refuge for Palestinians. In what has become a mutually beneficial arrangement, the nearly 550,000 Palestinians have provided much of the talent and labor needed by the Gulf states to modernize their once primitive economies. In return, the Palestinians have prospered, enjoying good salaries, job security, and a stable political environment in which to raise their families. For the most part, they are loyal and law-abiding. The substantial communities, particularly in Saudi Arabia, Kuwait, the UAE, and Qatar, are probably dismayed by the turmoil that threatens the Palestine Liberation Organization (PLO) and the greater Palestinian community in exile, but they have not pressed their host governments for more than the standard expressions of sympathy and support. []

The era of good feeling between Palestinians working in the Gulf and the Gulf governments seems to be ending. Kuwait, Bahrain, and Qatar in particular are limiting the number of Palestinians hired and substituting natives for Palestinians where possible. The Palestinians know their presence is temporary but, according to State Department reporting, do not yet appear anxious that large numbers will be deported. The governments apparently expect those Palestinians whose contracts are not renewed to return to their country of origin—primarily Lebanon or Jordan. A decline in remittances from the Gulf, coupled with the return of significant numbers of Palestinians, could cause political as well as economic problems for Amman and Beirut. []

The Gulf states are generous in their responses to the Palestinians in exile outside the Gulf. They give financial and political support to the PLO to alleviate the hardships of exile for the refugees, to maintain Islamic and Arab claims to the occupied territories,

[]

Profile of a Typical Palestinian Worker in the Gulf

A Palestinian who lives and works in the Persian Gulf states represents a wide variety of interests and work experiences. Several common themes characterize his role in the Gulf and the perceptions he has of his status:

- *Male. Age 20 to 50. An older Palestinian may have his family with him, but male dependents over the age of 18 must have work or leave the country.*
- *University educated or technically trained.*
- *Required to have employment before entering the country and can stay only for the length of that contract.*
- *Employed by the government as a doctor, teacher, accountant, or technician, or by the private sector in banking, construction, or service industries.*
- *Remits part of his salary to an extended family living in Lebanon, Jordan, or the occupied West Bank and Gaza territories.*
- *Middle class in economic status. Circumspect and apolitical to avoid attracting the attention of security authorities.*
- *Prefers Western education, lifestyle, and political institutions but is careful not to appear critical of fundamentalist religious practices.*
- *Supports moderate PLO political positions but is increasingly uncomfortable with internecine political wars within the Palestinian movement and disillusioned by the lack of meaningful support from the Gulf Arab community.* []

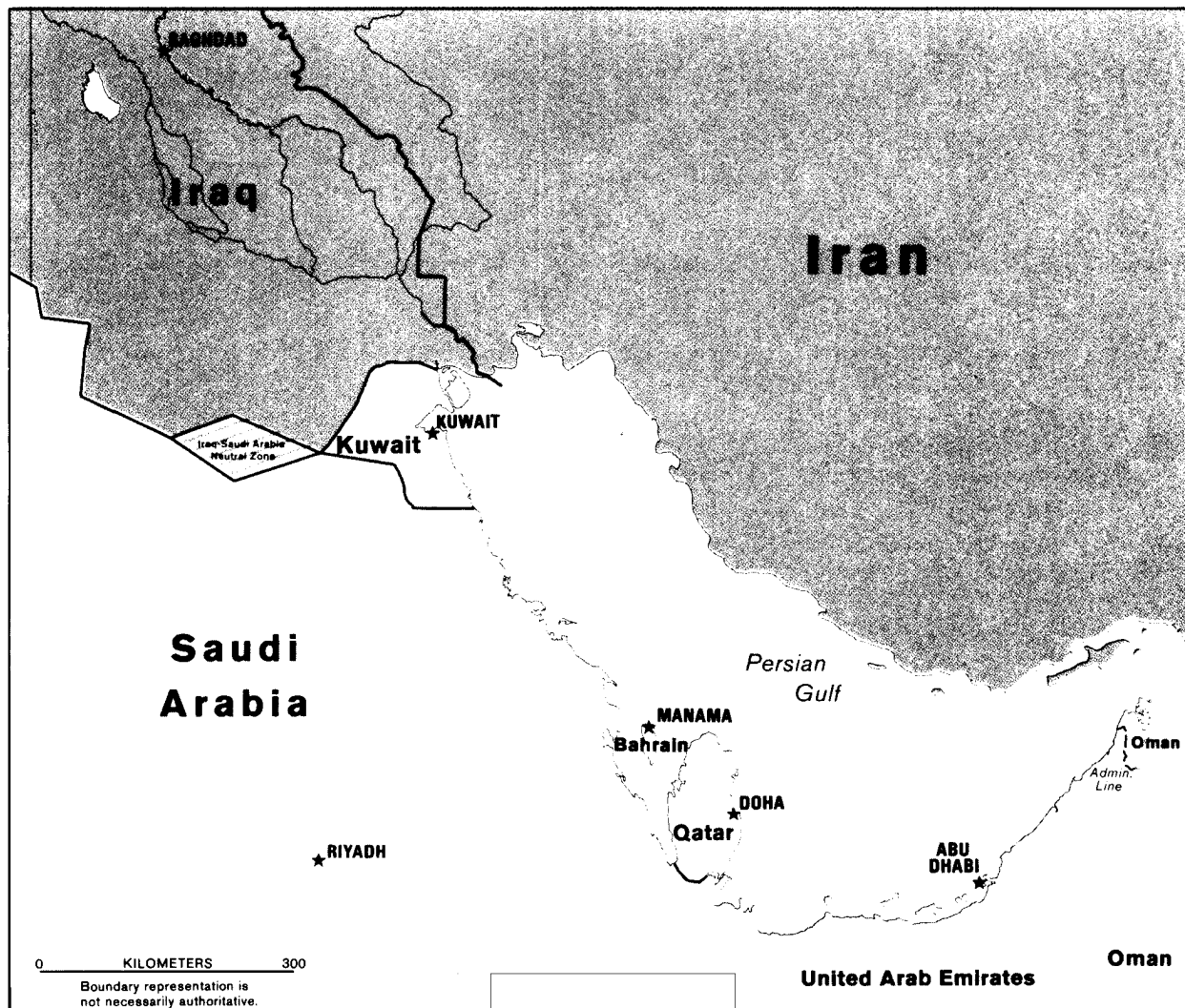
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Table 1
Palestinians in the Persian Gulf

Country	Total Population	Estimated Native Population	Estimated Palestinian Population	Palestinians as Percent of Total Population
Saudi Arabia	8,500,000	5,500,000	125,000	1
Kuwait	1,562,000	609,000	350,000	22
UAE	1,200,000	255,000	50,000	4
Qatar	244,000	50,000	25,000	10
Oman	900,000	700,000	2,000-3,000	^a
Bahrain	360,000	240,000	1,500	^a

Total worldwide Palestinian population est = 4 million.

Total in Gulf = 550,000.

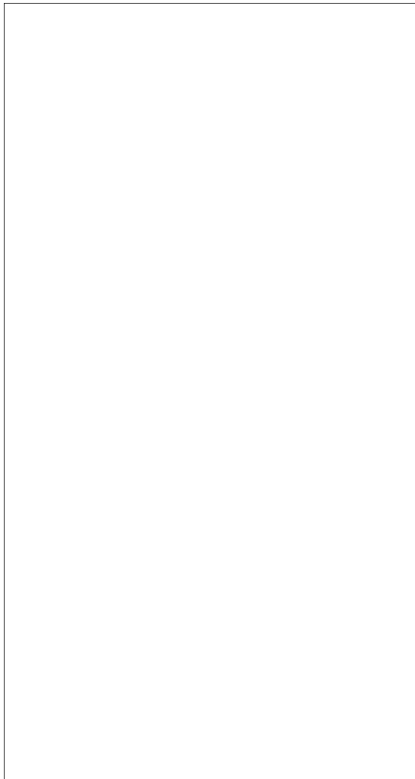
^a Less than .5 percent.



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Table 2
Palestinian Representation in the Gulf States

Country	PLO Status	PLO Representative
Saudi Arabia	Full diplomatic status (Riyadh and Jidda)	Rafiq al-Natshah (Riyadh) Afif al-Mas'ud (Jidda)
Kuwait	Partial diplomatic status	Awni Battash
UAE	Full diplomatic status	Anis al-Khatib
Qatar	Full diplomatic status	Yassin Talib al-Sharif
Oman	No office	None
Bahrain	Full diplomatic status	Wafa Abd al-Rahman Nabhan



[Redacted]

and most importantly, to buy protection from Palestinian and Arab hardliners unhappy with the ruling families. [Redacted]

The exceptions to this are Bahrain and Oman. Manama is publicly sympathetic with the Palestinian cause in order to stay within the Arab mainstream and avoid retribution, but it offers little else to the movement. Oman does not even permit the PLO an office in the country. According to embassy reporting over the years, neither Amir Isa nor Sultan Qaboos has much sympathy for the Palestinians. Dependent on their richer neighbors for military and economic aid and facing what they consider to be more serious threats closer to home, the two rulers are unwilling to expend their limited resources on a distant cause.

[Redacted]

Saudi Arabia and the Palestinians

The Palestinian Diaspora. Saudi Arabia is one of the staunchest and most generous backers of the Palestinian national movement. It has aided the Palestine Liberation Organization since its inception in 1964 and has sheltered more than 100,000 Palestinians since the 1948 Arab-Israeli war. PLO chief Yasir Arafat is a frequent visitor to the kingdom. The Saudis permit the PLO two offices and urge its recognition by other countries and organizations.

[Redacted]

The attachment of many Saudis, including King Fahd, to the Palestinian cause is genuine, but a main purpose of Saudi support is to protect the kingdom

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Table 3
Gulf States Aid to PLO

Country	Annual Aid Commitment Agreement at 1978 Baghdad Summit (million \$ US) ^a	Support to Jordanian-PLO Joint Committee for Occupied Territories
Saudi Arabia	71.43	43
Kuwait	39.29	24
UAE	28.57	17
Qatar	16.43	10
Oman	None	None
Bahrain	None	None

^a Agreement was for a 10-year period; actual payments may be lower in 1983 because of declining oil revenues. [redacted]

from retribution by Palestinians critical of the ruling family and its ties to the United States. Saudi leaders' support is directed mostly toward the more moderate Fatah faction. [redacted]

On an ideological level, aid to the Palestinians is viewed as a moral obligation incumbent on the Saudis both as Arabs and as self-appointed protectors of Islam's holy places, especially Jerusalem. Under terms of the 1978 Baghdad Summit agreement, Riyadh pledged \$71.4 million a year to the PLO. The Saudis also donate \$43 million to the Jordanian-PLO Joint Committee for the Occupied Territories and provide limited humanitarian assistance—vehicles, supplies, medicine, and money—to Palestinian leaders and institutions in the West Bank and Gaza. In addition to their Baghdad payments, the Saudis collect a "liberation tax" of 5 percent from all Palestinians in the country, which is apparently turned over to the PLO. The government reportedly collects a 2 percent levy from all Saudi government employees, which is donated to a humanitarian fund for the Palestinians. The State Department estimated in 1977 that these levies amounted to about \$11.6 million. [redacted]

Despite this aid, the Saudis do not have much leverage on Palestinian policymaking. Unlike Syria and Iraq, Saudi Arabia does not control a surrogate group within the PLO that it can use to advance its goals.

Riyadh has virtually no influence with the more radical factions that receive aid from Syria, Libya, and the Soviet Union and are openly hostile to Saudi policies. As long as Syria has a presence in Lebanon and controls Saiqa, the second largest PLO group, Damascus is likely to have more influence with the Palestinians than Riyadh. [redacted]

Palestinians in Saudi Arabia. Palestinians in Saudi Arabia prefer to keep their support for Palestinian issues low key to avoid attracting attention or suspicion. Even so, the Saudis probably monitor the Palestinian community more closely than any other foreign group for signs of disaffection or political troublemaking. [redacted]

The PLO is the only Palestinian organization officially permitted in Saudi Arabia. Its principal offices are in Riyadh and Jidda. They are headed by conservative Muslims close to Arafat. There are 15 small non-PLO Palestinian offices termed Popular Committees for the Families of Martyrs and Fighters, which are headed by prominent Saudis. [redacted]

Riyadh does not discourage Palestinian immigration into the kingdom, but it does restrict entry to Palestinians carrying Jordanian or Lebanese passports. Most Palestinians live as permanent residents scattered throughout the kingdom's urban centers and are subject to the same legal restrictions as other foreigners living in Saudi Arabia. There are no refugee camps in the country. Palestinians must be sponsored by a Saudi patron and must have a two-year renewable residence permit. The government will not issue exit and reentry visas for Palestinians unless they have a signed statement from the regional PLO office that they have paid their liberation tax. [redacted]

Palestinians are permitted to remain in the country after retirement only if they have acquired Saudi citizenship. Only about 1,000 Muslim Palestinians—for the most part professionals who have resided in the kingdom for long periods and proven their political reliability—have been granted Saudi citizenship by the King, the only Saudi official empowered to do so. Children born to foreign parents in Saudi Arabia do not automatically acquire Saudi citizenship. They must take the citizenship of the male parent. [redacted]

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The Palestinian community is estimated to number between 108,000 (the official Saudi figure) and 140,000 (the official Palestinian estimate). US Embassy sources believe the figure is near 125,000. The major influx of Palestinians came to Saudi Arabia before the Arab-Israeli war of 1967. There also are about 168,000 Jordanians in the country, some of whom are Palestinian by birth. Most of the Palestinians in the kingdom are in the 25 to 45 age range, and virtually all males of working age are employed.

[redacted] we believe Riyadh still may prefer them to other expatriates whom they regard as even less trustworthy. [redacted] 25X6 25X1

Palestinians do not play a key role in the Saudi economy, and few hold government positions. Those few who have official posts—primarily in the Foreign, Oil, and Planning Ministries—usually have resided in the country since the late 1940s and 1950s and have been granted Saudi citizenship.

The Palestinians have no illusions about their status in the kingdom. They know it depends on their good behavior. We concur with the Embassy's assessment that few Palestinians in Saudi Arabia would give up their comparatively secure lives in the kingdom for an uncertain future in a Palestinian homeland. Palestinians legally in the country enjoy good pay, a comfortable standard of living, and relatively secure working conditions. Most are well educated and have their families with them. Although many Palestinians may see themselves as more sophisticated politically, cosmopolitan, and qualified than their Saudi counterparts, they are unlikely to engage in political opposition. [redacted] 25X1

[redacted] They are denied access to sensitive petroleum installations in the Eastern Province, ostensibly for security reasons. [redacted]

Kuwait and the Palestinians
The Palestinian Diaspora. Kuwait generously backs the Palestinian movement. [redacted] the reasons for the support are humanitarian concern for the refugees and the presence in the country of a large Palestinian community, but the aid also reflects the government's fear of terrorist reprisals. Kuwait's relations with the PLO are close and cordial, and it is a frequent host to PLO leaders, many of whom once lived in Kuwait and whose families reside there. PLO chief Arafat visits Kuwait regularly to obtain financial assistance, to brief the Amir and other high-ranking government officials, and to take the pulse of the Palestinian community. Like the UAE, Kuwait occasionally pushes diplomatically for Western and Asian recognition of the PLO. [redacted] 25X1 25X1

The largest number of Palestinians are employed as teachers. Many others hold professional jobs in engineering, medicine, banking, and business. The remainder are small shopkeepers, construction workers, technicians, and mechanics. Manual workers generally stay in Saudi Arabia for about two years, white-collar employees four to six years, and those at the management level for longer periods, some as long as 10 years.

The PLO collapse in Lebanon last summer and rumors that Lebanon intended to reduce the number of resident Palestinians underscored Kuwaiti fears of a massive influx of immigrants. [redacted] 25X1

Palestinian white-collar workers are well paid, earning almost as much as US and British nationals and more than Arab and other non-Western expatriates. The average pay for skilled workers in the late 1970s was \$2,300 per month. Many management employees were earning up to \$4,000 monthly. Teachers, who receive free amenities such as transportation, housing, and medical care, earn the least take-home pay of the professional groups.

[redacted] 25X1 25X1 25X1

Outlook. The policies of the Saudi Government do not appear to threaten legally documented and employed Palestinians. The country's manpower needs are such that foreign workers, including Palestinians, will be required through the next decade. Despite Saudi misgivings about Palestinian loyalties [redacted]

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[Redacted]

[Redacted]

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Under the Baghdad Summit agreement in 1978, Kuwait gives \$39 million annually to the PLO; it also contributes \$24 million a year to the Jordanian-PLO Joint Committee for the Occupied Territories. Kuwait underwrites Fatah—which was founded in Kuwait by Arafat in the late 1950s—and has made small contributions to the Democratic Front for the Liberation of Palestine as well. Kuwait collects a liberation tax for the PLO from Palestinian government employees and urges private employers to do the same. [Redacted]

According to the Embassy, local Palestinians strongly favor moderation by the PLO. They supported Arafat's efforts to seek an accommodation between the PLO and Jordan. Both the Palestinians in Kuwait and Arafat himself probably expect little else from the country beyond its traditional adherence to the Palestinian cause and continued haven for the emigre Palestinian community. [Redacted]

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Kuwaiti leaders are cautious in voicing any support for Middle East peace initiatives. Publicly, they rarely disagree with PLO policies, insist they will support whatever the PLO accepts, and criticize the United States for not dealing directly with the Palestinian organization. [Redacted]

Palestinians in Kuwait. More than half of the Palestinians in the Peninsula—approximately 350,000—live in Kuwait as virtually permanent residents. They form a cohesive, vocal community that contributes significantly to the economic well-being of the country. For the most part, Kuwait's Palestinians appreciate the security and relative freedom they have enjoyed over the past several decades. [Redacted]

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[Redacted] Kuwaiti security concerns mean any Middle East peace proposals will be judged less on merit than on the likelihood of their stimulating reprisals. [Redacted]

[Redacted]

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In return for support, Kuwait expects the PLO to behave inside Kuwait and to help authorities police the Palestinian community. The local PLO leadership is fairly docile, headed by unambitious, politically conservative Fatah representatives who are longtime residents of Kuwait. Prominent Palestinians living in Kuwait include PLO Deputy Chairman Salah Khalaf, the local PLO representative Awni Battash, Fatah regional representative and Palestine National Council Deputy Speaker Salim al-Zanoun, and PNC Foreign Affairs Committee Chairman Khalid al-Hassan. [Redacted]

Palestinians are 22 percent of Kuwait's total population of 1.5 million. According to a 1978 Embassy assessment, they comprised 38 percent of the work force and nearly 20 percent of all government civil servants (approximately 25,000 employees). [Redacted]

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[Redacted] Palestinians hold more than half of the middle-level managerial positions in Kuwait's private and governmental financial institutions. Palestinians serve as advisers to the Amir and the ruling family and hold responsible positions in the Defense and Interior Ministries. [Redacted]

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In addition to the officially sanctioned PLO and Fatah offices, the Kuwaiti Government tolerates the radical Popular Front for the Liberation of Palestine (PFLP) and the Democratic Front for the Liberation of Palestine (DFLP). [Redacted]

Kuwaiti society is highly stratified. Palestinians as Arabs and Muslims are accorded higher status than other Arabs, and certainly more than non-Arabs.

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Nonetheless, social and economic discrimination creates tensions between the native Kuwaitis and Palestinians. [redacted]

The Palestinians are not newcomers to Kuwait. Many—33 percent according to an Embassy estimate in 1978—have been residents more than 10 years. Many have deeper roots than the Bedouin who were granted citizenship in the 1960s to bolster the “native Arab” population. Regardless of the length of their residence in Kuwait or the services they have rendered, few Palestinians have been made citizens. A naturalized Kuwaiti of Palestinian origin told the Embassy recently that only 50 Palestinian families had been awarded Kuwaiti citizenship, and then only because of their close association with the ruling Sabah family. Nonetheless, even they are second-class citizens; they can own land and engage in business without a Kuwaiti sponsor, but they cannot hold office and cannot vote in National Assembly elections until they have been naturalized citizens for 20 years. [redacted]

Palestinians receive lower salaries than Kuwaitis for comparable work and are denied government stipends, social allowances, and pensions available to natives. Only native or naturalized Kuwaitis can own land, commercial establishments, and shares in the local stock market—the principal sources of private wealth. Palestinians must have a Kuwaiti partner in any business venture and cannot own more than 49 percent of the company. Palestinians are entitled to medical benefits and to elementary and secondary schooling for their children if the child is enrolled before the age of 7. Palestinians can apply for admission to Kuwait’s university but face a quota. [redacted]

Outlook. Kuwait for many years had an open-door policy regarding Palestinian immigration. Because of its oil wealth, ambitious modernization schemes, and manpower shortage, Kuwait welcomed the talented and highly skilled Palestinians. Any male 18 years of age or older who had valid employment could enter the country and look forward to a secure and prosperous life. [redacted]

Kuwait was preferred for noneconomic reasons as well. It was a relatively open and permissive environment where Palestinians could form clubs and support networks as long as they were apolitical. This was in direct contrast to the other Gulf states. [redacted]

There are signs that the relatively open atmosphere in Kuwait is disappearing. Fearful of threats to its security and caught in an economic downturn because of the drop in oil revenues and a local stock market crash, Kuwait is considering ways to reduce the number of Palestinians it shelters. First indications that new restrictions were being considered came following the Israeli invasion of Lebanon in June 1982. Believing that PLO fighters and refugees would flock to Kuwait, Kuwaiti officials set strict limits on visas and banned appointment of non-Kuwaitis (Palestinians) to civil service jobs. They also tightened security along the long border with Iraq to stop illegal crossings and weapons smuggling. [redacted]

[redacted] Kuwaiti apprehensions increased during the summer of 1982 as the situation in Lebanon deteriorated and Beirut appeared ready to reduce drastically its Palestinian population and eliminate *laissez-passer* documentation for Palestinians living abroad. Kuwait began a crackdown on illegal aliens, threatening stiff jail sentences, financial penalties, and deportation. No residence permits or entry visas were to be granted to new workers or to families of workers already in Kuwait. [redacted]

The Kuwaiti Government probably will not implement all of these restrictions. Similar restrictions were suggested in 1978 but not strictly enforced. [redacted]

[redacted] Palestinians with valid work permits and needed skills are probably secure in their jobs for the next several years at least, but the number of Palestinians in government and management positions or without skills will probably decline if the economy continues its slump and Kuwaitis replace them. [redacted]

The Palestinian community in Kuwait, however, still feels secure enough to lobby the government for tough measures in support of Palestinian causes. In August [redacted]

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1982, after the defeat in Lebanon, Palestinian protesters staged a massive rally in Kuwait City and petitioned the government to sever its relations with Washington, stop oil sales to the United States, withdraw its assets from US banks, boycott US products, and improve relations with other countries more supportive of Arab causes. [redacted]

The UAE and the Palestinians

The Palestinian Diaspora. The UAE was one of the first of the Gulf states to extend diplomatic recognition to the PLO. Abu Dhabi is a major financial backer of the organization and a staunch supporter of the PLO's bid for international recognition. Under the 1978 Baghdad agreement, Abu Dhabi gives more than \$28 million yearly to the PLO and contributes \$17 million to the Jordanian-Palestinian Joint Committee for the Occupied Territories. In addition, the federal government collects a 5-percent tax on the salaries of Palestinian government workers for contribution to the PLO. UAE leaders have included demands for recognition of the PLO when bargaining with European and Japanese visitors over commercial and diplomatic relations. [redacted]

Federation President Shaykh Zayid is a passionate advocate of Palestinian rights. He was particularly indignant about the plight of the refugees in Lebanon following the Israeli invasion last summer. He also sharply criticized the United States for not giving the Palestinians more support. [redacted]

Zayid's concern for the Palestinians also is dictated by political necessity. He rules an often uneasy alliance of seven semiautonomous shaykhdoms in which only one person in five is a native. The 50,000 Palestinians in the country form a cohesive and vocal community that lobbies effectively for Palestinian causes and, Zayid believes, could undermine the stability of the federation if aroused. [redacted]

Lax immigration and security practices have made the UAE relatively safe for a variety of unsavory radical Arab and Palestinian factions. These factions



PLO Chief Arafat with UAE President Shaykh Zayid.

have used Abu Dhabi as a staging ground for terrorist operations, including airplane hijackings by the Popular Front for the Liberation of Palestine in the 1970s and the murder in 1978 of the UAE Minister of State for Foreign Affairs during an assassination attempt on the visiting Syrian Foreign Minister. According to the US Embassy in Abu Dhabi, two Palestinian terrorist teams bent on attacking American personnel were arrested in the spring of 1982 by UAE internal security and deported. [redacted]

Palestinians in the UAE. Palestinians came to the Emirates in the late 1960s and the 1970s, when Shaykh Zayid began a massive industrial development program. The Palestinians were especially welcome in a country eager to modernize but desperately short of skilled, Arabic-speaking workers. [redacted]

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The UAE places few restrictions on Palestinians—or other foreign workers. Most Palestinians live and work in the oil-producing emirates of Abu Dhabi, Dubai, and Sharjah. They comprise only 5 percent of the total UAE workforce, but most are highly skilled professionals—doctors, teachers, technicians, and civil servants employed in the middle and upper echelons of the federal UAE and local emirate governments and in the oil industry. Palestinians dominate the information media and education. They are partners with local citizens in construction, real estate, and commercial enterprises. [redacted]

Like all expatriates, Palestinians must have valid resident work permits, which must be renewed periodically. Few Palestinians have been granted UAE citizenship. Approximately half of the Palestinians have their families with them and can be considered virtually permanent residents. Children born in the UAE acquire the nationality of their fathers. Primary and secondary schools are free and open to all Palestinians, and the federal government provides some scholarships for them at local universities. Scholarship aid for study abroad, however, is reserved for nationals. [redacted]

Outlook. Opportunities for Palestinians in the UAE are likely to decline over the next several years, not so much because of security problems but because of the scaling down of industrial projects and the increasing availability of skilled native labor. Higher civil service positions now held almost entirely by Palestinians and other Arab expatriates will be assumed increasingly by younger Emirians returning from university education abroad. A similar development will take place in the private sector as educated sons of the merchant class begin to fill managerial and submanagerial posts now held by Palestinians. Investment opportunities will also be curtailed because of recent UAE measures to protect its nationals by restricting nonnatives from owning land or more than 49 percent of business ventures. Palestinians whose contracts are not renewed will have to leave the country, presumably returning to their country of origin—usually Lebanon or Jordan. [redacted]

Qatar and the Palestinians

The Palestinian Diaspora. Qatar, like its Gulf neighbors, is a staunch supporter of the Palestinian cause. Doha is a frequent stop for visiting Palestinian dignitaries, who usually receive a sympathetic hearing, money, and occasionally are allowed to hold rallies for the Palestinian community in Qatar. [redacted]

A small and timorous country where only one person in five is native-born, Qatar is anxious to avoid antagonizing the PLO. Qatar gives generously to the PLO and the confrontation states. Doha's contribution to the PLO under terms of the 1978 Baghdad agreement is \$16.4 million per year. In addition, Doha yearly gives \$82 million to Jordan, \$121.6 million to Syria, and contributes \$10 million to the Jordanian-PLO Joint Committee for the Occupied Territories. Qatar also deducts 5 percent from the salaries of Palestinian government workers—estimated at 1,300—for the PLO and contributes to the Palestinian Red Crescent Society for the relief of the refugees in Lebanon. Apart from official remittances, the State Department estimated last June that private Qatari financial support for the Palestinians totaled \$4 million in the first half of 1982. [redacted]

Despite its generosity and declarations of friendship, Doha is uneasy in its dealings with the PLO. Qatar closely follows Saudi policy and supported the Fahd peace plan at the Fez Summit in November 1981. We believe Qatar's ruler Amir Khalifa, like the Saudis, would like to see the Palestinians granted a homeland, Jerusalem returned to Arab and Muslim control, and the suffering of the refugees alleviated. He would also like to see the PLO moderate its policies and join in discussions for a negotiated Middle East peace settlement. [redacted]

Qatar rarely presses its views on the PLO hierarchy. The Amir does not have the close relationship with Arafat that the Saudis do and is unhappy with the criticism PLO leaders level at the Gulf regimes when they come to town. During visits to Doha in the spring of 1982 and again in the fall following the Israeli

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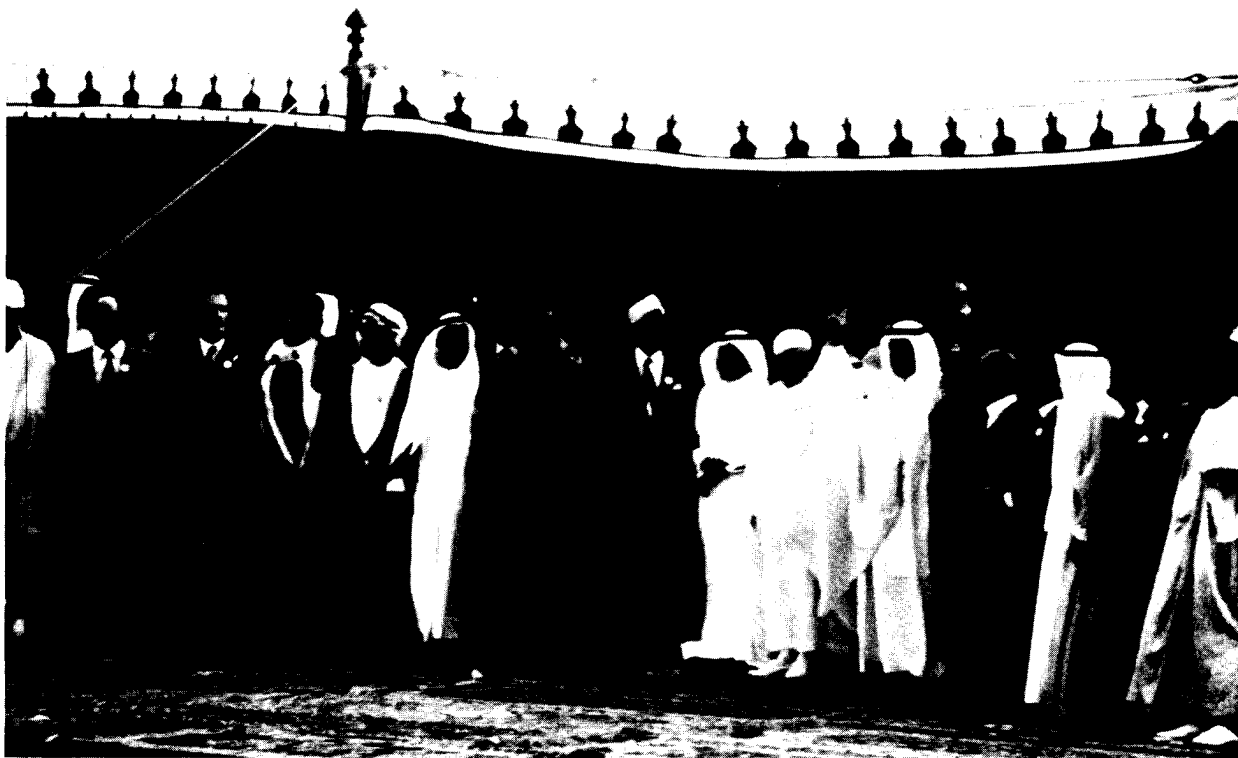
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Arab heads of state at Fez Summit, September 1982 (PLO Chief Arafat standing next to Saudi King Fahd, right center)

Liaison ©

invasion of Lebanon, senior PLO spokesmen castigated the governments of Qatar and the other Gulf states for their failure to support the fighters in Lebanon and their restrictions on the entry of Palestinian refugees. [redacted]

The Palestinian Community. Palestinians first came to Qatar in the late 1940s because of the economic opportunities and stable political environment. Over the years, they shared the benefits and some of the privileges as Qatar prospered and attained one of the highest per capita incomes in the world. Palestinians have also generated resentment among many Qataris because of their talents and the terrorist tarbrush, but the community remains quiescent and loyal. [redacted]

Qatar has approximately 25,000 Palestinians, about 10 percent of the estimated total population. They are well educated and highly skilled and have helped to create the emirate's modern institutions, serve as advisers to the ruling family, and occupy key positions

in the Finance, Petroleum, Education, and Defense Ministries. According to the Embassy, probably half of the Palestinians employed in Qatar work for the government. They hold up to subcabinet level positions. A few Palestinians serve in the Interior Ministry's security force and in the Qatari Defense Force, [redacted]

In the private sector, Palestinians tend to be managers and office directors. According to the Embassy, certain industrial and military areas are off limits to Palestinians. [redacted]

Like other foreign workers, Palestinians are granted entry/residence permits on the basis of prearranged employment. They can remain in the country as long as they are sponsored by their employers. Palestinians are technically eligible for citizenship, but a source of the Embassy reports that only 15 Palestinian families have acquired it. [redacted]

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Qatar has a closed, highly stratified, tribal society, with housing patterns and social strictures defined by class and economics rather than nationality. Although restrictions on housing are nonexistent, there is little assimilation. Children born to Palestinian parents in Qatar assume the nationality of their father. All children in Qatar regardless of their nationality receive free education through high school, medical care, and social service benefits. A 5-percent quota is in effect for Palestinian students seeking entry into Qatar's university, however, and only Qatari nationals are eligible for government grants.

Outlook. Qataris from the Amir down are ambivalent about the Palestinians, as they are about most non-Qataris. They acknowledge the contributions Palestinians have made but feel threatened by their numbers and influence and by Qatar's dependence on their skills. According to the embassy, many Qataris believe the Palestinians are the root of most tension in the region and a destabilizing element in domestic politics. They see the regime's generous support of the PLO as a necessary but onerous form of protection.

[redacted]
[redacted] Doha would like to replace Palestinian workers with native or other non-Qatari Arabs. This is particularly true of Palestinians employed in the government sector. The government has relied on attrition to replace Palestinians with other Arab speakers. It has also begun restricting the entrance to Qatar of family members of Palestinians employed in the country, placed a discreet ban on hiring Palestinians, and reduced the number of university admissions of Palestinian students. Palestinians in large numbers probably will not be fired, but few will be hired or have their contracts renewed.

Oman and the Palestinians

The Palestinian Diaspora. Muscat traditionally has shown little enthusiasm for the Palestinian cause. Pro-Arab nationalist sentiment has never been as strong here as elsewhere in the Gulf. Long an outsider in regional politics, Oman supported the Camp David accords and maintained full diplomatic relations with Egypt when both were anathema in the Arab world.

Oman does not contribute to Palestinian organizations and does not permit the PLO an office or a representative in the country. Government spokesmen have stated Muscat will recognize the PLO only if the Palestinian organization drops its support of the Popular Front for the Liberation of Oman, an Aden-based anti-Muscat faction that has close ties to radical Palestinian factions.

[redacted] Oman's policy may be changing. Omani nationalists, unhappy with the sultanate's isolation from mainstream Arab and Gulf politics, are acquiring broader and more influential roles in the government. They, like many younger Omanis, were disturbed by the carnage in Lebanon last summer and are pressing Sultan Qaboos—Oman's ruler—to adopt policies more in line with Oman's Gulf neighbors regarding the Palestinian issue.

Palestinians in Oman. Palestinians in Oman pose no threat to the country's security. They are few in number and easily cowed by restrictions. Palestinians hold no government positions and play only a marginal role in the country's economy. Government officials tend to lump the Palestinians together with the Soviets, other Communists, and radical Arabs as enemies of the state.

Most of the approximately 2,000 to 3,000 Palestinians in Oman are teachers on contract from Jordan. Others work as technicians and laborers in the oil-fields, with a few serving as translators in the government and military. For the most part, the Palestinians are short-term contract workers and live in remote villages. Few have their families with them, and virtually all attempt to mask their Palestinian identity.

To enter the country Palestinians must have passports or refugee documents from a country recognized by Oman. Once in Oman, they can work at any job. They cannot own land, however, and can own businesses

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only if they have an Omani partner; few apparently do. Palestinians, like other foreign workers legally in the country, receive free medical care and education for their dependents if their families have accompanied them. Oman has no higher education facility, and Muscat will sponsor only Omani nationals for study abroad. Palestinians, like other contract workers, must leave the country after their contracts have expired. [redacted]

Outlook. Oman has prided itself on its ability to screen out groups or individuals it perceives to be a security risk. Only recently did Muscat discover, much to its chagrin, that many of its "Jordanian" teachers were actually Palestinians. Muscat may seek to reduce the number by not renewing contracts and by greater reliance on Egyptians, who already constitute the bulk of the country's teachers. Muscat probably will not fire any Palestinians already working in Oman. [redacted]

Palestinians in Oman have few expectations. They are in the country in effect under pretense and are discouraged from staying more than a few years. They have no hopes of becoming citizens. Few opportunities for advancement exist, and Oman offers no real educational benefits for their children, two goals highly valued by the Palestinians. Although little palpable tension exists between Omanis and Palestinians, we believe the Palestinians know they will be the first affected as Oman moves toward replacing expatriates with trained Omanis. [redacted]

Oman's Palestinians know, too, that the Omanis' newfound sympathy for the Palestinian cause is more form than substance. Reporting over the past several years indicates that Muscat is unlikely to ease restrictions on Palestinians or soon recognize the PLO. We believe Omanis in government and private life will continue to regard the Palestinians with suspicion, as contract workers of questionable loyalty whose skills are needed for technical and manual labor. [redacted]

Bahrain and the Palestinians

The Palestinian Diaspora. Bahrain's ability to aid the Palestinians is limited by the country's size and financial resources. The PLO has had an office in Manama since 1974. The government collects 5 percent of Palestinian government employees' salaries

and levies a small stamp tax for the PLO. In addition, it contributes small sums to Palestinian relief organizations. [redacted]

The PLO office in Bahrain is relatively inactive. Its chief, a Palestinian long resident in Bahrain who is employed by the Education Ministry, was handpicked by the government. The office does not seem to lobby, as other local PLO offices in the Gulf occasionally do, to increase support for the Palestinian cause or to ease restrictions on the Palestinian community in Bahrain.

[redacted] Palestinians in the country criticize the local PLO leadership for its passivity but not harshly, because they realize that an activist role might cause the government to further circumscribe their status. [redacted]

Bahrain believes that its support for the Palestinian cause maintains its credentials as a member of the Arab mainstream and reduces the likelihood of criticism of its defense arrangements with the United States. Bahrain is the only Gulf state to allow US naval vessels to use its port facilities. Manama balances this liability by criticizing Washington's support for Israel. We believe Manama is more frightened by the specter of Iranian-sponsored subversion among its substantial Shia population and by the Iran-Iraq war than by a Palestinian backlash. [redacted]

Palestinians in Bahrain. Bahrain's small Palestinian community poses no real threat to the country's well-being. Individual Palestinians have acquired great wealth and influence over the years, but the estimated 200 families of Palestinian origin have never played a significant role as a group in the government or in the country's economic life. Nevertheless, Bahrain's ruling family is suspicious of the Palestinians—as it is of all foreigners—because of the Iranian-sponsored coup attempt in 1981 and the ties between Bahrain's two Marxist opposition groups and the radical Palestinians. [redacted]

Bahrain has never had a large expatriate population. Its oil boom began earlier and ended sooner, and modernization was a more gradual process than in the other oil-rich Gulf states. Bahrain began planning for

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a postoil economy and preparing Bahrainis for technical jobs in the early 1970s and consequently did not become as dependent on foreign labor as its neighbors.

Approximately 1,500 Palestinians live in Bahrain, most of whom probably came in the 1950s and 1960s. Few have migrated there in recent years, and the number of Palestinians in the country has been declining since the mid-1970s. Most have Jordanian documents, although a few have been given Bahraini passports. Only a small number of Palestinians—probably less than a dozen—have been granted Bahraini citizenship. Palestinian children born in Bahrain are entitled to apply for citizenship, but they rarely do so because their parents are ineligible.

Bahrain has no particular restrictions aimed at Palestinians. They live virtually as permanent residents in the country's urban centers. They work as teachers and hold posts in the Education, Foreign, Interior, and Health Ministries. Palestinians advise the Crown Prince and Defense Minister, and the Foreign Minister, and serve in the Bahrain Defense Force. In the private sector, Palestinians hold jobs as managers and skilled workers in law firms, banks, and construction companies. Elementary and secondary education is free and available for all Palestinian children. State scholarships for study abroad are restricted to Bahraini nationals. Palestinians can apply to the Gulf Technical University in Bahrain but are subject to a 5-percent quota.

Outlook. Bahrainis, like other Gulf Arabs, view the Palestinians with envy and suspicion. The government closely monitors the community for signs of antiregime activity and has instituted new hiring policies and immigration regulations to reduce the number of Palestinians in the country. Major industries and government agencies are being encouraged to hire native Bahrainis, preferably Sunni Arabs where possible, as replacements for foreign workers. Like the other members of the Gulf Cooperation Council, Bahrain has tightened restrictions on immigration from all Arab countries and is denying visas to workers without job contracts and to family members of Palestinians already employed in the country. These measures are not all formal ones, nor are they being strictly enforced. Rather, they are offered as guidelines and are being applied unevenly and discreetly.

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