EYES ONLY FOR KNIGHT

1. SIGNIFICANT AREA DEVELOPMENTS


B. OMAN. THE FIGHTING IN DHUFAR HAS BEGUN NOW THAT THE MONSOON HAS ENDED. AS PREDICTED, MOST OF THE FIGHTING IS CONFINED TO THE PDRY-OMAN BORDER AREA, BUT IT IS MUCH HEAVIER THAN EXPECTED. PFLOAG HAS MORE FIRE POWER AND ITS
Fighting competence has improved. The Iranian contingent continues to impress all and the Sultan looks more to Iran as the Arabs drag their feet on support. Should the Sultan be forced to depend more on Iran, Arab-Iran suspicions will grow and chances of Arab-Iranian cooperation in the Gulf will become more remote.

C. Yemen. The powerful conservative northern tribal leaders are tiring of President Iryani's liberal policies vis-a-vis unity with PDRY and softness toward the southern leftists. They are maneuvering to clip Iryani's wings and the return of ex-president Hasan Al-Amri is rumored. Iryani is the only man capable of holding the faction-ridden country together at this time and should be resign or be ousted, the southern regions of the country would be ripe for a new wave of subversion. Ancillary to the Iryani-conservative feud is the fact that the Saudis are closely identified with the conservatives and Saudi motives in Yemen are now becoming suspect once again, at a time when Saudi aid is essential for area security. The liberals ask the question, "Does the Saudi Monarchy really want a strong Republican
D. PDRY. PDRY, LONG THE PRIAH OF THE ARAB WORLD, APPEARS TO BE TRYING TO MEND ITS FENCES. COMPLETELY OUT-CLASSED BY SUCH REACTIONARY STATES AS SAUDI ARABIA, OMAN, AND YEMEN AT THE NON-ALIGNED SUMMIT CONFERENCE, PDRY REALIZES IT MUST BROADEN ITS BASE. ALTHOUGH IT IS HARD TO FATHOM THE ENIGMA THAT IS PDRY, THIS MOVE FOR WIDER RECOGNITION MIGHT RESULT IN LESS ENTHUSIASTIC SUPPORT FOR PFLOAG.

E. THE ARAB-ISRAELI WAR. THE FIRST TWO DAYS OF THE CURRENT CONFLICT ARE NOTABLE PRINCIPALLY IN THEIR LACK OF ANY REACTION WORTH NOTING. THE LACK OF INFLAMATORY RHETORIC AND THE RESERVED (FOR ARABS) MILITARY BULLETINS HAVE PEOPLE TIED TO THEIR RADIOS TRYING TO GET A HINT OF WHAT REALLY IS HAPPENING RATHER THAN IN THE STREETS. THE LARGE PALESTINIAN COMMUNITY IS CALM, THE KUWAIT GOVERNMENT HAS SENT ITS VERBAL SUPPORT FOR EGYPT AND SYRIA AND WARNED AGAINST FOREIGN INTERVENTION. THERE HAVE BEEN NO LOCAL ANTI-AMERICAN ACTS.

F. A TREND WORTH WATCHING. WE HAVE NOTED WITH INTEREST THE SWING TOWARD CONSERVATIVE ISLAMIC PRINCIPLES IN
THE ARAB WORLD. THE LEADERS OF THE THREE MOST POWERFUL
FACTIONS IN THE ARAB WORLD: PROGRESSIVE/RADICAL (QADHAFI),
MODERATE (SADAT) AND CONSERVATIVE/REACTIONARY (KING FAYSAL)
ARE ALL VERY STRONG ON ISLAM. THIS COULD BE THE UNIFYING
FACTOR ALTHOUGH, AT THIS TIME, EACH IS INTERPRETING THE
PRINCIPLES OF ISLAM IN HIS OWN WAY. WE NOTE OF EXAMPLE,
THAT KUWAIT, WHICH HAS ALWAYS INTERPRETED RAMADHAN IN A VERY
LIBERAL FASHION, HAS IMPOSED SEVERER PENALTIES ON THOSE
CAUGHT VIOLATING FASTING REGULATIONS. THIS TREND IS WELL
WORTH WATCHING IN THE GULF, WHERE EVEN LEFTISTS ARE GIVING
LIP-SERVICE TO ISLAM, BECAUSE THE ARABS GENERALLY CONSIDER
THE IRANIANS LAX ON ISLAM AND, AS SHIA'S, HERETICS. 32 IMPDET.