The Third World: casualty of the Persian Gulf war

by Kevin Dunion

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First the war; now the reckoning. It is often said that the cost of conflict is incalculable. This may be true in terms of the lives lost and shattered by death and maiming. However, the financial losses are being totted up by those involved in the Gulf War more quickly than a lawyer's fee-charger. The United States and the United Kingdom have already presented their bills to the world community. Indeed Britain was said to be so successful in securing pledges in advance of the ground war, that some reports claim that the income and expenditure accounts may show a profit, since latest estimate of military costs of $25 billion comes in at the low end of the scale of pre-war predictions.

These costs are dwarfed, however, by Kuwait's claim for reparations against Iraq. Latest estimates from the Al-Sabah ruling family put the figure at some $100 billion, including everything from looted hospital equipment to gold nuggets stolen from the central bank. The cost of rebuilding Kuwait has leaped from $40 billion to $75 billion within a period of one month. Even before the war was concluded, the Kuwaiti royal family was preparing a short list of contractors, leading to a dispute about who was eligible to receive lucrative jobs. Peter Lilley, U.K. trade minister, debriefed reporters on his successful skirmish, which saw the timeframe for applications extended to allow British firms to make the list.

Lost amongst this clamor have been the Third World countries which have, in many cases, had to bear the economic consequences of conflict on top of other destabilizing factors like severe indebtedness or drought. For some like Jordan and Yemen, the war has been an economic catastrophe. In Jordan's case, the cost is put at close to $2 billion, which is a quarter of its GNP and would consume 75% of its export revenue. The most significant feature of Jordan's plight is the stance it took on the conflict. Its difficulty in applying sanctions, and King Hussein's increasingly critical attitude toward the prosecution of the war has cost the country dear. Aid from Kuwait and Saudi Arabia has been withheld, and the United States is currently reviewing its aid program, worth $85 million per annum. Saudi Arabia also cut off oil supplies, forcing Jordan to turn back to Iraq. However, there is no assurance that Iraq will have the capacity to export oil, and sweeping energy-saving measures, including fuel rationing, have been introduced.

Jordan has also had to bear the brunt of refugees, and returning workers escaping the conflict. Over 300,000 workers have returned to Jordan, representing 10% of the labor force. Many of these returned involuntarily from Saudi Arabia. As Palestinians with Jordanian citizenship they had been entitled to an exemption from the requirement to have a named host in Saudi Arabia before receiving a work permit. With the chilling of relations, this provision was withdrawn, forcing the workers to leave, with little prospect of returning.

Jordan's plight compares graphically with that of Egypt. The war cost Egypt ca. $1 billion, around 3% of GNP, and nearly half a million migrant workers have returned. However, the sympathetic stance taken toward the Allies has been well rewarded. The U.S. has already forgiven $13.4 billion worth of debt, and further debts of $5-10 billion owed to wealthy nations are being reviewed. Germany, Japan, France, and Saudi Arabia have announced grants totaling some $1.7 billion, leading to the conclusion that Egypt has been more than compensated for the impact of the war on its economy.

Like a rock dropped into the middle of a pond, the ripples of the Gulf War extend far beyond the immediate area. From Mozambique to Sri Lanka, and as far away as unlikely places such as Paraguay and the Dominican Republic, the economic consequences of the war have been significant. Research undertaken by the (independent) Overseas Development Institute puts the cost to Thailand, for instance, at $982 million, almost exactly the same as to Egypt in dollar terms (although, of course, less as a proportion of GNP). At least 40 low and lower-middle income developing countries have lost more than 1% of their GNP because of the war—mostly through loss of export markets, increased oil prices during the run-up to the war, and loss of concessional oil supply terms, as well as loss of remittances from workers in the Gulf (see table). These figures mask the impact some of these factors have for localized areas within Third World nations. So, while the economy of India as a whole was not severely affected, that of the state of Kerala—which is heavily dependent on cash flows from migrant workers in Kuwait and Saudi Arabia—is likely to be badly damaged. In some cases the

Countries where the impact of the Gulf crisis exceeds 1% of GNP

(millions of U.S. dollars)

Country	Oil cost/ (benefit)	Non-oil cost	Total cost	% GNP
Low income:				
Middle East				
Yemen	(570)	1400	830	10.4%
South Asia				
Bangladesh	130	115	245	1.4
Pakistan	560	295	855	2.4
Sri Lanka	140	125	265	4.0
Sub-Saharan Africa				
Benin	40	—	40	2.2
Chad	25	—	25	2.5
Ethiopia	115	—	115	2.0
Ghana	50	—	50	1.0
Kenya	125	—	125	1.5
Lesotho	15	—	15	2.0
Liberia	20	—	20	2.0
Madagascar	50	—	50	2.1
Mali	35	—	35	1.9
Mauritania	10	—	10	1.2
Mozambique	20	—	20	2.0
Rwanda	35	—	35	1.6
Sudan	75	305	380	3.8
Tanzania	80	—	80	2.8
Lower middle income:				
"Front line" states				
Jordan	200	1,570	1,770	31.5
Turkey	1,210	2,150	3,360	4.9
Egypt	(1,215)	2,200	985	2.9
East Asia				
Papua/New Guinea	60	—	60	1.8
Philippines	470	160	630	1.6
Thailand	980	—	980	1.7
Latin America & Caribbean				
Costa Rica	75	—	75	1.7
Dominican Republic	150	—	150	3.4
Honduras	60	—	60	1.4
Jamaica	70	—	70	2.6
Nicaragua	45	—	45	1.4
Panama	60	—	60	1.4
Paraguay	105	—	105	2.8
North Africa				
Morocco	260	150	410	2.0
Sub-Saharan Africa				
Botswana	35	—	35	2.8
Ivory Coast	110	—	110	1.1
Mauritius	50	—	50	2.6
Subtotal cost for low income countries			**$3,200**	
Total cost			**$12,100**	

dollars cost of the war appears tiny—Mauritania's losses are put at only $11 million, which would barely count as a rounding up figure on the Allies' and Kuwaiti calculations. But to a severely indebted and chronically poor nation like Mauritania, this represents 1.2% of GNP and over 2% of its total export earnings. It is all too easy to let one's eyes glaze over at statistics like these, but if a country were to suffer a loss of 1% of GNP through an earthquake, or hurricane, this would be regarded as a national natural disaster for which international aid would be mobilized.

No such aid is currently forthcoming, despite the fact that the total bill to these 40 most affected Third World countries comes to only $12 billion, less than the amount of the debt writeoff given to Egypt alone. The compensating arrangements which have been established through the Gulf Crisis Financial Coordination Group have been applied very narrowly—to Jordan, Turkey, and Egypt. Existing World Bank and IMF provisions are inappropriate—as aid from these sources is very conditional and is extremely slow to be disbursed. Countries like Sudan which were previously in dire straits, have already had their borrowing facility withdrawn, so that they are ineligible to apply to the IMF for assistance. The Gulf crisis has cost Sudan nearly $200 million (ca. 3% of GNP). Yet sympathy for Sudan from the wealthy bilateral aid donors like the U.K., U.S., or Germany is nonexistent given Sudan's support for Iraq in the war. [The Gulf Crisis Financial Coordination Group consists of 24 countries, comprising most of the OECD countries plus some Gulf states: Saudi Arabia, the United Arab Emirates, Qatar, and Kuwait—ed.]

It is not right that the Third World should be obliged to pass around the begging bowl yet again, and called to account for their stance in the conflict ("Are you, or have you ever been, a supporter of Iraq?"). The war was, it is claimed, U.N.-sanctioned, and more than ever before, the U.N. structure, and its resolutions have been used to justify and then settle the conflict. Overlooked amongst this has been Article 50 of the United Nations Charter, which awards compensation to countries who are disadvantaged as a result of Security Council decisions. Article 50 should be implemented in respect of those who lost economically as a result of sanctions and war. This would allow the aid to be non-discriminatory, to be mobilized quickly, and to have fewer conditions attached to it, than if country-by-country requests were made to the World Bank. The money can be readily found. Firstly the World Bank (a U.N. institution) is recording record profits (due to high interest rates) and could be instructed to apply a proportion of these to a special fund to assist Gulf war-afflicted economies. Secondly the major oil exporters experienced a windfall with a jumpy market forcing oil prices up after the invasion of Kuwait in August last year. These governments could be asked for additional pledges to the International Development Agency.

The impact of the Gulf crisis would be severe enough for many developing countries, forcing them to seek loans and aid. However, for some of those in sub-Saharan Africa, it comes on top of a catastrophic drought and the cost of internal conflict. Sudan has 8 million people facing starvation, and needs 1.2 million tons of food aid immediately. This is not forthcoming from a world community distracted and disinclined to focus attention on Africa. Ethiopia has 6 million people at risk and needs almost 1 million tons of food. Indica-

New scientific theory waiting in the wings

by Carol White

While conflicting claims about cold fusion are the most dramatic example of experiments awaiting an adequate theory, they are by no means the only case. For example, scientists at the University of California at Los Angeles (UCLA) have produced a bubble of nitrogen gas, which can be made to oscillate and emit extraordinary light flashes. What is involved here is a phonon-photon interchange, in which sound waves are used to generate light pulses of extraordinary intensity.

This is known as sonoluminescence, and the phenomenon has been observed for more than 50 years. New diagnostics, however, have shown remarkable results. Light flashes are emitted from the bubble, which occur over the extremely short time-frame of less than 100 picoseconds (one-trillionth of a second), much shorter than the duration of the sound wave which generates it.

The work was reported at a meeting in Baltimore, Maryland of the Acoustical Society of America held during the first week of May. What occurs is an oscillation by the bubble, which operates like a switch; however, the surprising development is that the switching takes place 10,000 times more rapidly than would have been predicted.

Seth Putterman, a physicist who led the UCLA team, calls the results "spectacular." Considering that they are seeing energy densification in the range of trillionths of a second, 1 billion times shorter than the sound wavelength, this is not hyperbole. A single nitrogen bubble is trapped by a 20-kilohertz sound field in a mixture of water and glycerine. Their experiment was built upon observation of the time necessary for the light pulse to build up, and the time involved during the emission of the light.

The techniques which have allowed scientists to observe this phenomena were developed at the University of Mississippi at Oxford by Felipe Gaitan and Lawrence A. Crum. What they found was that the light is emitted at the point of maximum compression of the bubble. After emitting light, the bubble waits to again rhythmically synchronize with the sound field. The bubble will shrink and expand several times during any given sound-wave cycle, but it will only emit light one time per sound cycle.

Sound energy is apparently absorbed by the bubble as it expands to its maximum size. Then, as it contracts, it delivers this energy in a focused way to a small number of atoms or molecules enclosed in the bubble. Out of this compression a lasing type of phenomenon occurs, with the atoms becoming excited and emitting short pulses consisting of about 1 million photons.

One might expect that the bubble would be destroyed after the light was emitted, but this is not the case. The bubble can oscillate over periods of hours or even days. As yet there is no adequate theory to explain this. Should researchers find that the emission of light occurs within 10 or fewer picoseconds, which some predict, then conventional scientific explanations will be overthrown.

The significance of these results is that they may tie in with phenomena otherwise observed in cold fusion experiments. The idea that a phonon-photon exchange in the palladium lattice is involved in cold fusion, is explored in some theories. Relevant points of comparison are the action of the palladium lattice in somehow allowing the absorption of energy into the deuterium gas over a considerable period of time, up to two weeks, before the emission of energy takes place.

It is also the case that the traditional explanation of low-temperature superconductors, which involves the formation of Cooper pairs, also involves a phonon-photon interchange. So far, this has not been observed in the higher-temperature superconductors, but it is attractive to suppose that cold fusion will some day be explained in terms which are coherent with the existence of both types of superconductor.

Clusters of ions and bubble phenomena have also been observed in "hot" fusion experiments. The question is whether these bubbles are compressible and act to pump out light. Some researchers not working on the project have hypothesized that the bubbles are acting like super-atoms which are undergoing a lasing action.

One might also ask whether the emission of light by the "soap bubble" may not in turn interact with the propagation of the sound. In music, there is a phenomenon akin to lasing, used by *bel canto* singers, which allows the singer to focus his or her voice. This has led Lyndon LaRouche to assert that sound waves must fundamentally be electromagnetic in character.

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tions are, however, that donors are prioritizing the Gulf States and Eastern Europe for aid provision, and are not prepared to augment their budgets to cope with Africa. So these nations end up as double losers. The war weakens already-ravaged economies, and the war deflects away aid resources which they might otherwise have received.

Without such assistance, however, the list of war casualties could still yet grow.