Worldwatch

Iraq-Iran conflict causes worry

By Richard Salt

While a concerned, oil-hungry world watches, the conflict between Iraq and Iran continues to escalate, as fighting expands out into the Persian Gulf. The two countries have a long history of uneasy feelings. The treaty providing for joint administration of the Shatt al Arab waterway signed in 1975 by Iraq's President Saddam Hussein and the crowned Shah of Iran was a shaky one at best. Few observers were surprised, then, when Hussein abrogated the treaty, declaring his intent to take back the land "unseized" by Iran.

Coming as it did on the heels of about ten months' border clashes between the two nations, Hussein's statement was tantamount to a declaration of war. Indeed, Tehran radio announced early this week that "all waterways near the Iranian shores are declared war zones," and Iraq's Defense Minister, General Adnsa Kharraish, said, "Whether it has been declared or not, it is, in fact, war." Both countries have been following the same basic strategy: go for the oil fields. Iraq's first major offensive into Iran was to bomb Ashahan, site of one of the world's largest oil refineries. Iran, in turn, has been mounting attacks on the capital city of Baghdad and a petrochemical complex near Behsari, the Iraqi oil terminal for the Persian Gulf. Earlier in the week, President Carter said the US would not intervene in the conflict, and called upon the USSR and all other nations to do the same. Similarly, Moscow has refused Iraqi requests for additional arms and denied an Iranian request to cut off all Iraqi aid, saying they will remain neutral in the conflict.

With the repeated attacks on the oil fields, both nations have cut off their oil exports, and concern has grown. The effect of the cutoff will probably not be fully felt for a couple of weeks as there is presently a glut on the international oil market, but prices in the spot market, where uncontracted oil is sold, have already started to rise in response to this latest development.

In addition, concern has started to escalate into action on the part of the US. As Iran has threatened to blockade the narrow Strait of Hormuz, Carter has consulted with other nations and the military on ways of preventing such a closure.

Roughly 60 percent of the world's oil passes through the Strait, which Iran said it will close if any outside nations interfere in the conflict. For the time being, then, the world can do little more than talk, and wait.

MIT's economic situation will be an Undercurrent

(Continued from page 1) city of students and employees, especially an increase in minorities and women, as a high priority. He also addressed the broader issues of the "working enviroment." He said that such attention to the state of MIT as a workplace was increasingly important "as economic conditions take some of the attractiveness out of being a professor."

Gray spoke in broader terms about the economic bond in which the Institute currently finds itself, and which Gray stressed as the greatest problem facing MIT when he addressed last October. "Budgetary questions will be there as an undercurrent until this country gets inflation under control...and that may be some time away."

Gray said the Institute "meased through with a surplus this year." He said next year's projected deficit of $1 million could still be eliminated if MIT is successful in negotiations currently underway with the government over the precise composition of research overhead. MIT is attempting to include a greater share of library costs and equipment depreciation under the "overhead" umbrella. Discussing the impression he hoped the inauguration events would give to observers, he cited the week's three symposia as being typical of "the life of the place...the intellectual substance."

He said that they showed more than any other activity during the week that "MIT was working on the future, and making the future."