

less than one week. Public opposition played at least some part in this decision.

Iraq's main refineries are still operating and are expected to be able to meet military and civilian needs well into 1991. By reducing the amount of additives and catalysts used in the refining process, this period could be extended further, although this will necessarily entail reduced performance for military and civilian vehicles.

As in other sectors of the economy, shortages of spare parts and skilled labour could shorten the period Iraq is able to maintain petroleum production. Equipment confiscated from Kuwait will probably be of little value to Iraq's less technologically advanced refining sector.

Public Morale

With the notable exception of gasoline rationing, the public response to the deterioration in economic conditions has been muted.

Living standards have declined as a result of the sharp rise in prices for goods on the free market. As plants are forced to close, more Iraqis will face unemployment and the loss of income.

The Iraqi public has had considerable experience coping with shortages and is aware of the possible consequences of criticizing Saddam Hussein and his regime. Therefore, as long as essential services are maintained and basic necessities are available, widespread public discontent is not likely to surface.

Pressure for change is more likely to come from within Saddam Hussein's own Ba'ath party and among the ruling elite. In the past, Saddam has been able to insulate his party supporters from the economic hardships suffered by others. As the impact of sanctions widens, Saddam will find it increasingly difficult to shield the party elite from deteriorating economic conditions.

Impact of Sanctions on Exports

Since sanctions were imposed, Iraq's crude oil exports have virtually stopped.

Iraq has made several attempts to entice countries to purchase oil. These include offering to sell it to developing countries at a discount. To date, there is no