On Nov. 28, the Jordanian Cabinet was reshuffled, with the changed ministries entirely those relating to finance and economics, leading informed observers to speculate that the regime intended to signal a shift in priorities. In a speech following the swearing-in of the new Cabinet, King Hussein stated that a priority of the new government would be the "building of a solid national economy."

Kissinger's Confederation

On the other hand, there is no doubt that King Hussein is strongly influenced in the direction of following Secretary of State Henry Kissinger's prompting toward a "Greater Syria" confederation linking Jordan, Syria, and the PLO. The PLO has rejected any federation plan with Jordan. Syrian President Hafez Assad, who recently got agreement on a "Syria-Jordan union" from King Hussein, is the leading advocate of the plan, and the bloody Lebanon civil war was in part an effort to force PLO acquiescence in the scheme.

In recent weeks King Hussein has held a series of meetings with old-time representatives of the West Bank and Gaza, including the mayor of Gaza and the Arab governor of Jerusalem on Nov. 23. In addition, Bethlehem Mayor Elias Freij is an active proponent of linking the West Bank and Jordan. It is generally considered highly unlikely that the population of the West Bank would accept a return to Jordanian sovereignty, and it has supported the PLO in a wave of strikes and demonstrations. The mayor of Nablus, a West Bank city, in late November "rejected the Jordanian regime's request to the municipality to send a delegation to Amman to swear allegiance to King Hussein," said a PLO broadcast. However, with Israeli encouragement, the king has quietly resumed paying subsidies to several West Bank villages.

In the end, perhaps the oil-rich Saudi Arabians, who support the bankrupt kingdom financially, will make the difference. A possible signal, or warning, was delivered on Nov. 6 when the Saudis announced the withdrawal of their troops stationed in Jordan.

Palestine Central Council Resolution for Palestine State

Dec. 16 (NSIPS) — In a decision made Dec. 14 in Damascus, the Central Council of the Palestine Liberation Organization resolved officially to organize for "the construction of the foundations for an independent Palestinian state" in the Israeli-occupied West Bank and Gaza Strip territories. The resolution likely to be backed up by a decision to form a Palestinian government-in-exile when the full 250-member Palestine National Council meets next month in Cairo, implies Palestinian readiness to negotiate with a pro-peace government in Israel and removes remaining substantive impediments to a Mideast Geneva Conference early in 1977.

Middle East observers expect that the Damascus decision will immediately alter the map of political relations within the Arab sector as a whole. Political sovereignty for the Palestinian resistance movement will provide a concrete basis for the Palestinian intelligentsia and the Palestinian mass base to assume a leading role in formulating development policies for the entire region, in alliance with urbane layers in Egypt, Iraq, Algeria and other Arab states.

Informed PLO sources report, the Egyptian government has "remained steadfast in its support for an independent Palestinian state, there's no questioning that. The Egyptians see a Palestinian state as an important regional force." Egyptian Foreign Minister

Ismail Fahmy, in the context of a series of negotiations with Soviet, U.S., and Italian representatives this weekend for a conference on the Mideast, met with the PLO representative in Cairo accompanied by leaders from the Gaza Strip, to concretize a joint PLO-Gaza delegation to Geneva.

The governments of Syria and Jordan have continued to insist over the past week that any Palestinian state be incorporated into a Syrian-dominated confederation. The latest Syrian strategy, informed sources in Damascus report, is to try to flood the Palestine National Council with scores of malleable reactionaries from the West Bank to destroy the PNC's effectiveness and to undercut PLO hegemony within the Council. An earlier proposal by the Syrian Al Baath newspaper to "expell" the PLO leadership from the PNC met with intense opposition within the Arab sector, including from the Saudi Arabians.

An editorial in the widely read Arabic-language Al-Kuds newspaper calling for West Bank Palestinian leaders. The moderate mayor of Bethlehem, Elias Freij, attacked an Israeli government proposal to place PLO-West Bank-Gaza delegation at Geneva to Jordanian political control. The West Bank is now the scene of student protests in response to Israeli military actions, including the seizure of Arab-owned land and the imposition of a tax on West Bank merchants.