

ROUTING

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NATIONAL INTELLIGENCE DAILY CABLE

Friday 18 November 1977 CG NIDC 77/268C

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NATIONAL SECURITY INFORMATION
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ISRAEL: Euphoria and Suspicion

President Sadat's impending visit has generated euphoria in Israel, reflecting a deep desire for both peace and Arab acceptance. By breaking the Arab taboo to meet Israeli leaders in Jerusalem, the Egyptian President has enhanced-- however tenuously--his credibility and has put a dent in the deep-seated Israeli distrust of the Arabs. In Egypt, reaction is shifting from enthusiasm to apprehension that Sadat may have conceded too much to Israel.

Israeli satisfaction is heavily tempered by suspicion of Sadat's motives and intentions, especially in official circles, and by the fear that Sadat may make Israel appear to be uncompromising unless Prime Minister Begin can demonstrate more flexibility.

Begin is a shrewd, skillful politician with deep ideological and religious convictions who does not compromise easily. But he is also a deeply emotional man sincerely committed in his own way to peace, and with a flare--like Sadat--for the bold and unexpected move.

Both men have expressed a desire to achieve a genuine resolution of the Arab-Israeli conflict in their lifetimes, and the sense that their time may be growing short may have an effect on their exchange. In this unprecedented situation, which is developing a dynamic of its own, we cannot rule out the possibility that the two leaders may depart dramatically from their conventional positions.

The reaction in Egypt has begun to shift from enthusiasm to apprehension. Many sophisticated Egyptians believe that Sadat has conceded too much to Israel and fear that the trip will, in effect, endorse Israel's current borders and Jerusalem as its capital. There apparently is also considerable skepticism about Sadat's justification for the visit, with many believing that Sadat is acting more on behalf of the US--and perhaps at its direction.

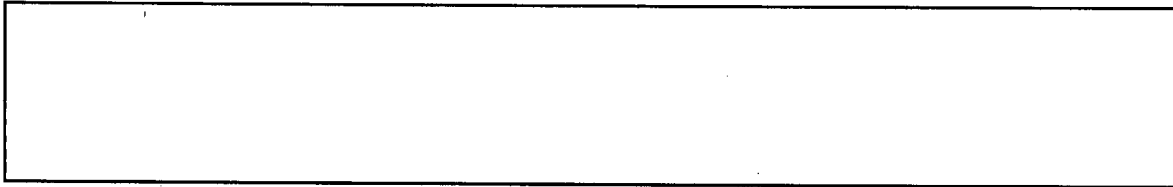
Foreign Minister Fahmi's protest resignation yesterday--followed hours later by the resignation of his designated successor, Minister of State Muhammad Riyad--has added to public concern. Fahmi for some time has been critical of Sadat's

handling of relations with the US and the USSR and has been especially concerned that Sadat has relied too heavily on the US in arranging peace talks.

[] The resignations of Fahmi and Riyad will be widely interpreted as a sign that the Egyptian foreign policy establishment strongly opposes Sadat's decision and that his visit will help the US but may seriously hurt Egypt. No other cabinet members of Fahmi's stature have shown any signs of preparing to desert Sadat, but some have previously sympathized with Fahmi's views and may be considering their options should Sadat's gambit fail.

[] Sadat has given no indication of being deterred either by the resignations or by the uneasiness of his colleagues, nor has he tried to allay fears by defending his motives.

[] The Egyptian President probably scheduled the visit as soon as he did in the hope of handicapping any efforts to organize a forceful opposition to his initiative.



SYRIA-EGYPT: Asad's Reaction

[] *President Asad indicated deep distaste for President Sadat's actions yesterday in both a news conference and an official government statement. Although Asad did not say directly that he might opt out of Geneva, he did seem to be warning that this is possible.*

[] Asad has seen his continued participation in preparations for Geneva as the only way to prevent Sadat from moving ahead alone. If he comes to believe that Sadat ultimately intends to make a separate deal, Asad may conclude that there is little utility for Syria in going to Geneva.

[] Asad's opposition to Sadat's decision is consistent with his cautious approach to negotiations. This is based on his perception that Israel is not prepared to make adequate

concessions and on his concern to avoid a failure that his domestic opponents could use against him. By standing for Arab solidarity and protecting his flank with the Palestinians, Asad has preserved a tactical flexibility that enables him to avoid the kind of risk Sadat is now taking while retaining the ability to respond to any major concessions Israel might make in the future.

[redacted] Should the Sadat visit somehow restore momentum toward Geneva in a manner acceptable to Saudi Arabia, Jordan, and perhaps even the Palestinian moderates, Asad would be under strong pressure to endorse Sadat's achievement. Should the visit prove a failure, however, the Syrian President would be in a position to obtain the support of the conservative as well as the radical Arab states. [redacted]

