

DEPARTMENT OF STATE

BRIEFING MEMORANDUM

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To : The Secretary

From: NEA - Alfred L. Atherton INR - Harold H. Saunders

Analysis of Arab-Israeli Developments No. 295, November 19, 1977

Arab reaction to the Sadat visit has become increasingly hostile and violent.

- --anti-Sadat demonstrations broke out in Beirut and several Libyan cities;
- -- Egypt Air offices were bombed in Beirut and Damascus;
- --Palestinian demonstrators attacked the Egyptian Embassy in Athens, killing at least one person; and
- --one was killed and two wounded in a rocket attack on the Egyptian Embassy in Beirut.

Sadat has found little support in the Arab world for his trip. The shrill attacks from the PLO, Iraq, Syria, and Libya appear to have intimidated some states such as Lebanon, Jordan, Sudan, and Morocco, all of whom have their own political reasons for avoiding a clash with Sadat detractors. Only Tunisia has come out firmly behind Sadat.

Particularly disturbing was the hostile response from Saudi Arabia. King Khalid issued a statement this afternoon disassociating Saudi Arabia from Sadat's

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visit and criticizing it for dividing the Arabs. Earlier, Prince Saud appeared angry with Sadat when discussing the trip with Ambassador West.

Soviet media continue to portray the Sadat trip in negative terms but have kept their criticisms at a routine level. Among the central press, only the second-ranking Sotsialisticheskaya Industriya (Socialist Industry) has launched an editorial attack on Sadat for his "readiness to conduct separate negotiations" with Israel. There has been no reaction from the Soviet leadership, and the Kremlin so far has been relatively circumspect about setting forth its own views on the visit and its potential consequences.

At the same time, however, Moscow has lent its implicit backing to opponents of the visit. Soviet media have launched a heavy propaganda campaign to publicize the views of Sadat's growing host of Arab critics. TASS and Radio Moscow on November 17 and 18 promptly reported Fahmy's resignation and statements opposing Sadat's initiative by other Arab leaders, including Assad, Qadhafi, and the PLO.

The Kremlin seems most concerned that Sadat's bold move, which Moscow apparently did not anticipate, may undermine prospects for Geneva talks. Moscow media are emphasizing that Sadat is undermining Arab unity and making a concession to Israel that will only fuel Israeli intransigence. In addition, the Soviets are probably genuinely uneasy about the possibility that the trip could lead Sadat to go along with alleged Israeli and US schemes to avoid talks at Geneva.

Treatment in Israeli media of Sadat's visit has continued to be euphoric but with notes of caution. One theme has been that, while the visit itself is significant, no momentous developments should be expected. Begin and others, aware of the Arab fear

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that Israel and Egypt are moving toward a separate deal, have emphasized that there is no intention to split the Arabs and that the Israeli focus is still on Geneva. Some editorialists have also picked up on Gur's remarks that Israel should be prepared for an Egyptian military "trick," noting the return of Egyptian units to the Suez Canal area from the Libvan horder and the recent Egyptian maneuvers.

Furthermore, the Israeli media reflect the view, held by Dayan, that Sadat's historic initiative has placed Israel on the defensive in the peace process and in the position of having to respond in kind, if only to counter the world-wide publicity. Reuter noted that Israeli Poreign Ministry planners were trying to work out a reply to Sadat that would be viewed as reasonable. Dayar editorialized that the visit "could drive a wedge between Israel and her friends abroad" and could even divide the Israelis.

In considering the content and tenor of his response to Sadat's speech, Begin and Dayan undoubtedly realize that they cannot send Sadat home empty-handed. Begin's position at home is sufficiently strong that he probably could carry the government behind a bold gesture of his own. His recognition of the historic significance of the occasion might also lead him in that direction. He probably is also aware that Sadat's visit could touch off an unprecedented internal debate in Israel over longheld assumptions about dealing with Arabs. Under the circumstances, we doubt he would be willing to give up anything of critical importance to Israel's security or that he would go against his own convictions regarding the West Bank.

Against this backdrop, we have some speculative thoughts about Begin's options that may be of interest to you:

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"-Begin could stress his willingness to visit Cairo and, if an invitation were extended, accept it on the spot. The Israeli press has focussed on this possibility as a gesture of similar weight in international opinion to Sadat's trip. This, however, would hardly be viewed as an Israeli "concession" by the Arabs.

- --Begin could declare a moratorium on Israeli settlement activity in the occupied areas-- a particular concern to the Egyptians. This would arouse sharp internal Israeli reaction which he would probably rather avoid.
- --Begin could signal Israel's willingness to make very generous concessions in the Sinai, but this line would reinforce the Arab conviction that Sadat was striking a separate Israel-Egyptian deal.
- The Begin, aware that the Palestinian representation issue is a major stumbling block to Geneva and that Israel has already taken a big step domestically by agreeing to "Palestinian" participation, could go a step farther by expressing a willingness to consider favorably Sadat's proposal that an American of Palestinian origin represent the Palestinians in Geneva.

From the Egyptian vantage point, the success of Sadat's mission—and the risk he has assumed by undertaking it—are dependent on the Israeli reaction and, in particular, on how that reaction is perceived in the Arab world.

Sadat's visit will have great importance in three separate but related areas: his position in Egypt; his (and Egypt's) position in the Arab world; and the prospects for a comprehensive settlement. Sadat's dilemma is that he must be seen by Egyptians as having achieved something substantial in terms of the Sinai and be seen by Syrians and Palestinians as having achieved something substantial in terms of their particular

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interests as a means of allaying their suspicions that he is pursuing Sinai III.

Although it would make sense for Sadat to maintain the option of a bilateral agreement for future use, it would seem premature for him to exercise it now. In practical terms, he must first show that his dramatic move has created an opportunity for Syria and the Palestinians to engage Israel in meaningful negotiations and that they have failed to capitalize on it. Only then in our view, would he have laid the groundwork for a separate move with Israel over the Sinai.

The ultimate effect of Sadat's initiative on the prospects for a comprehensive agreement is even more dependent on changes in present Israeli positions. No change, or a change solely on issues of unique interest to Egypt, might indeed derail plans for a Geneva Conference by throwing Syria and the Palestinians back upon each other in opposition to what they would see as Egypt's unilateral diplomacy. What will be needed from Israel, in our judgment, is a gesture that has meaning to all Arabs, preferably with some degree of specific relevance to the Palestinian issue.

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OTHER DEVELOPMENTS

Arab-Israeli:

--Fahmy Resignation: Kuwait's al-Watan said yesterday that, in a telephone interview, Fahmy referred to the Jerusalem visit as "ill considered moves I could not continue to support." Noting that he had tried to persuade Sadat to change his mind, Fahmy opined that "such decisions usually do not pass with ease and are bound to cause reactions on the local, Arab and international scenes." The newspaper added that Fahmy's principal political advisor, Under Secretary Usama al-Baz, had also resigned in protest against Sadat's policies.

Oligram cited a statement by an Egyptian official that Israel has quietly halted its offshore oil drilling in the Gulf of Suez. We note that the Israelis seem to have been disappointed with the results thus far of the drilling effort and by the high financial costs of it.

--Romania-Mideast. Reuter quoted diplomatic sources in Bucharest who remarked that Ceausescu has been busy for at least two months paving the way for a direct Israeli-Egyptian dialogue. Reviewing Begin's visit to Romania in late August and Sadat's arrival three weeks ago, the dispatch claimed that Ceausescu had offered his "good offices" to both sides and helped to relay ideas. between Jerusalem and Cairo.

Palestinians:

- -- Egypt-PLO: The Egyptian government yesterday closed down the PLO's "Voice of Palestine" station in Cairo. The closure was due to anti-Sadat statements broadcast by the radio, Reuter said.
- --Libya-PLO: Baghdad radio broadcast yesterday that a special Libyan envoy conveyed an "urgent and important" message from Qadhafi to Arafat in Beirut the previous night. The details of the message were not given, but it likely was related to Sadat's visit to Israel.
- --West Bank-Sadat: West Bank reactions to Sadat's visit ranged from optimism to protest, with many adopting a "wait-and-see" approach,

there are some indications that west Bank attitudes may be shifting toward displeasure. Bethelehem's mayor Freij informed our Jerusalem Consulate General that PLO representatives had called about 50 West Bank leaders, ordering them to protest Sadat's trip. Gaza's mayor Shawwa was one singled out, and Shawwa has now told Embassy Tel Aviv he will not participate in any ceremonies. Students protested in Bethlehem, and the Israelis have reports of other planned anti-Sadat demonstrations by West Bankers.

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--Soviet Union-Jews: Reuter yesterday cited figures provided by an international refugee resettlement organization based in Geneva indicating that the number of Jews emigrating from the Soviet Union this year has increased by about 20 percent over 1976. About half of the emigrants went to Israel, and most of the rest went to the U.S.

Lebanon:

- -- Israel-Lebanon: Regarding Israeli-Christian cooperation, Embassy Beirut believes that:
 - --Phalange leader Bachir Gemayel is in regular contact with the Israelis:
 - --Gemayel's forces are receiving some Israeli support; and
 - --Gemayel has some ideas about military action leading to a coup d'etat or revolution:

Furthermore, the Israeli connection with Gemayel is a factor in local politics. The Embassy does not concur with Gemayel's conviction, however, that Christian resentment against the Syrian occupation forces will reach crisis proportions in the near future. Meanwhile, an Israeli general claimed in a speech late

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November 17 that the Christians in south Lebanon wanted Israel to "annex" them.

--Shtawrah Agreement: A Soviet Embassy official told Embassy Beirut November 17 that Moscow supported the implementation of the Shtawrah Agreement in south Lebanon, including Palestinian withdrawal. He implied, however, that the Soviets were not putting any pressure on the Palestinians to withdraw. The Saudi ambassador, at the same time, told Ambassador Parker that he would not use his influence to get the Palestinians to honor their commitment, unless the Syrians approved of such a Saudi effort and he received instructions to do so from Riyadh.