

~~Top Secret~~¹³⁴

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Monday 21 November 1977 CG NIDC 77/270C

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State Dept. review completed





MIDDLE EAST: Sadat's Knesset Speech

 Egyptian President Sadat's speech to the Israeli Knesset contained no departures from Egypt's terms for a peace settlement, nor did it propose any new specific ways for negotiating a settlement. True, his promises before undertaking his historic visit, the Egyptian President delivered a direct, forceful restatement of the primary Arab requirements for a peace agreement, bowing to Israeli sensitivities only in avoiding, when possible, language--such as direct references to the Palestine Liberation Organization--that would have added a contentious tone to the occasion. Attention is now focusing on the private talks between Sadat and Begin and the peace proposals each side is expected to offer.

 In his speech, Sadat wanted to impress upon both the Israelis and the international audience that the fact of his presence before the Knesset demonstrated his acceptance of Israel and the sincerity of his peace effort; he also wanted to evoke through repeated references to religion and morality the responsibility of both sides to work for peace.

 These themes were intended not only to break down what Sadat has called the "psychological barriers" to peace, but also to provide justification to other Arabs for his decision to visit Jerusalem. In more direct, political terms, Sadat reminded his Arab critics that Egypt, as the "largest Arab state, which bears the heaviest burden and top responsibility for war and peace," has the right to make such a decision.

 Although Arab criticism of Sadat has reached a point that would make any public retreat at this time almost impossible, Sadat's message to the Israelis was more blunt than most Arabs probably expected. His statement that the Arabs would never negotiate over the principle of a complete Israeli withdrawal from the Arab territories occupied in 1967, including Arab Jerusalem, and his declaration that Egypt would not conclude a "separate agreement, a partial peace, or a third disengagement" put Sadat firmly on record as supporting his fellow Arabs and the unity of Arab ranks.

 Sadat's boldest statements, however, affirmed Arab demands that the Palestinians be given a homeland. He not only reminded the Israelis that their "first ally," the US, has come





to recognize the need to satisfy the Palestinians, but he also charged that Israel--"having found the legal and moral justification to set up a national home on land that did not all belong to Israel"--must understand the insistence of the Palestinians on establishing "once again" a state on their land.

[] Sadat mixed these very pointed remarks on Arab demands with emotional appeals for a unity of purpose between Arabs and Israelis, which seemed to cushion the sting for his Israeli audience. Nevertheless, his message to his fellow Arabs--that, although he has moved out ahead of them, he still remains totally committed to their cause--was clear and may calm opposition at least from his moderate allies.

[] In his reply, Israeli Prime Minister Begin acknowledged Sadat's courage and reiterated Israel's standard position on peace talks, including the position that everything is negotiable. Begin indicated his readiness to hold further discussions in Cairo or a neutral place to clarify problems before reconvening the Geneva peace conference, but otherwise his speech contained no surprises or hints of greater Israeli flexibility.

[] The immediate impact of Begin's speech may be to dampen expectations that a dramatic breakthrough on the negotiating front will result from Sadat's visit. Attention, however, is likely now to focus increasingly on the results of the private talks between Sadat and Begin. At Saturday's special Israeli cabinet meeting, Begin reportedly was authorized to present Sadat with a peace plan, apparently similar to the one he showed President Carter in July. Sadat told US newsmen on his flight to Jerusalem that he also was bringing peace proposals.


[] Thus far, we have seen only press speculation on the nature of these private discussions. Jerusalem Radio quoted an unidentified Egyptian journalist who accompanied Sadat as saying that the Egyptian President is seeking Israeli recognition of the right of the Palestinians to their own entity, but not one under the leadership of the Palestine Liberation Organization. In return, Sadat is said to be prepared to accept an Israeli defensive presence along the ridgeline of the West Bank.

[] Two of Israel's most influential hardline daily newspapers today expressed surprisingly strong confidence in Sadat's motives. One prominent correspondent, who is known to be close





to Prime Minister Begin, indicated that Begin would meet Sadat more than halfway on the Sinai issue and would go beyond what he had promised in his talks with President Carter.

 Another well informed, hardline Israeli columnist maintained that Israel would have to consider concessions beyond the Sinai and that if Begin failed to demonstrate flexibility he could undermine his government's domestic standing. The Israeli press in general has been urging the Begin government to match Sadat's gesture. 