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Approved For Release 2007/03/07 : CIA-RDP79T00975A030700010036-1

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1			
2			
3			
4			
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EGYPT-ISRAEL: Sadat's Policies

[] Egyptian President Sadat, by suggesting in a press interview on Tuesday that October would be a time of decision for his peace initiative, is trying to create a sense of urgency in order to revive the faltering negotiating process. Even so, Sadat's statement does not appear to be just a tactical ploy, and he probably does intend to shift policies should no breakthrough in negotiations occur. The domestic scene, meanwhile, remains troubled. Negative reaction to Sadat's domestic political crackdown continues, and he has again sought to justify it to a skeptical Egyptian elite.

[] A policy shift by Sadat could begin as early as mid-summer. In his interview, Sadat said any Arab summit should be put off for two months, because his initiative will either gain momentum or prove to be a failure within that time frame. Sadat had not previously suggested that the success or failure of his initiative might be determined that soon.

[] The implication of Sadat's comment is that--in the absence of progress--he may be prepared to acknowledge his effort to secure peace through direct talks with Israel has failed and new tactics are needed. Syrian President Assad has made such an acknowledgment the basis for a reconciliation with Sadat. Visible movements by Sadat toward a reconciliation with Assad would add to the pressures on Israel and the US to produce movement in the negotiations before October.

[] Egypt's media have contributed to Sadat's psychological campaign by drawing attention to Sadat's interview with a *New York Times* correspondent last month. In that interview, Sadat reversed earlier statements and suggested that a new war with Israel is possible. Two Cairo dailies, in nearly identical editorials that suggest official guidance, referred to the interview as a "genuine warning" to Israel that the October 1973 war was not necessarily the last.

[] Sadat on Sunday lectured Alexandria University faculty members who had protested his recent referendum. He held a similar meeting with journalists last week.

[] Reaction among educated Egyptians to the referendum has been almost universally negative. Critics argue that neither the left nor the right presented a real threat to the government, that much of their criticism was justified and should be expected in a democratic system, and that Sadat's tactics have unnecessarily hurt his and Egypt's image. The mass of Egyptians, who tend automatically to support the President, probably do not share these views.

[] Initially, the government has applied the new restrictions to leftists in the media. Five prominent writers, including Nasir's former confidant Mohammed Haykal, have been forbidden to travel while the government prosecutor investigates charges that their writings published abroad have "threatened security of the internal front."

[] Procedures for dealing with the accused appear complex and so blatantly political that the heavy criticism is likely to continue. The prosecutor will apparently submit his case to a special court of three "popular judges" and three laymen. They will pass on their judgment to the People's Assembly for a yes or no vote.

[] Sadat, under questioning by the faculty members, admitted that he wished to keep the proceedings out of the regular criminal system and that the accused journalists had committed no crime under existing law. The retroactive feature of the referendum has been sharply criticized by Egypt's bar association. []

