

TOP SECRET

| ROUTING | | | |
|------------------------------------|------------------|--------------|----------------|
| TO: | NAME AND ADDRESS | DATE | INITIALS |
| 1 | HR | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| | ACTION | DIRECT REPLY | PREPARE REPLY |
| | APPROVAL | DISPATCH | RECOMMENDATION |
| | COMMENT | FILE | RETURN |
| | CONCURRENCE | INFORMATION | SIGNATURE |
| REMARKS: | | | |
| | | | |
| FROM: NAME, ADDRESS, AND PHONE NO. | | | DATE |
| | | | |
| | | | |

~~Top Secret~~
(Security Classification)

[Redacted box]

[Redacted box]

Access to this document will be restricted to those approved for the following specific activities:

NATIONAL INTELLIGENCE DAILY CABLE

Thursday 10 August 1978 CG NIDC 78/186

[Redacted box]

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

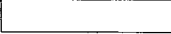
State Dept. review completed

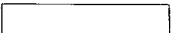
~~Top Secret~~
(Security Classification)

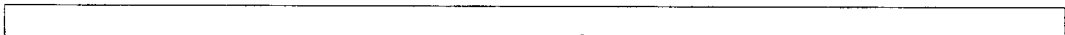
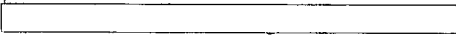
TOP SECRET





EGYPT-ISRAEL: Expectations

 The reaction of Egyptian officials, military men, and intellectuals to the announcement of the tripartite meeting at Camp David next month has been overwhelmingly positive. The danger may be that expectations have been raised unrealistically high and that there could be a reaction against Egyptian President Sadat's policies if the talks do not produce measurable progress. Public statements of Israeli officials reflect concern that the US will present a peace plan.

 Egyptian media are emphasizing the emergence of the US as a "full partner" in the peace process, a catch phrase that, to the Egyptians, means that the US will present its own proposals. Radio Cairo is stressing that the outcome of the conference will depend on the role of the US, particularly its ability to put pressure on Israel.


 Sadat agreed to the meeting with Israeli Prime Minister Begin and President Carter after being informed that there are new elements in the negotiating process--that is, that the US has given Sadat assurances about the support it is prepared to provide.

 The Egyptians are apparently taking satisfaction in what they see as Sadat's successful brinkmanship, particularly because the summit meeting comes against a background of growing conviction that the peace process was on the verge of collapse. Officials are relieved that there is still hope for Sadat's initiative. There are notes of cynicism--some see the meeting as a face-saving device for Sadat, more show than substance--but so far the prospect has reinforced Sadat's position and increased Egyptian confidence in the US role.

 In a statement to reporters on Tuesday, Begin denied that the US might present its own peace plan and emphasized that such a plan would run counter to the direct negotiations that the summit is designed to promote. Deputy Prime Minister Yadin said in an interview that Israel will reject any US proposal that does not fully meet Israeli security requirements. Begin will reportedly interrupt his vacation today for a special cabinet discussion concerning preparations for the summit.



~~TOP SECRET~~



[redacted] Begin said he accepted the US invitation because it is an opportunity to continue direct peace talks "without prior conditions." He indicated that he continues to stand by Foreign Minister Dayan's statement last month that "it will be possible to find a solution" to the West Bank - Gaza Strip sovereignty issue if the Arabs accept Begin's limited self-rule plan--a semantic sleight-of-hand that does not commit Israel to make major concessions.

[redacted] The Israeli press has reacted ambivalently; it has expressed hope that face-to-face talks will generate new momentum but has also warned that the US may step up pressure on Begin to make fundamental concessions on the West Bank issue. Some leading papers have speculated that the US may confront Begin with its own peace proposals, a persistent concern to many Israelis who fear that US demarches would favor Egypt and thus provoke a crisis in US-Israeli relations. [redacted]