1		ID ADDRESS	DATE	INITIALS			
2		+7				(Security Classification)	
3	l	<u>r r v</u>				· · · · · · · · · · · · · · · · · · ·	
4					CONTROL N	10	
ACTI		DIRECT REPLY DISPATCH	PREP	ARE REPLY MMENDATION			
COM	MENT	FILE	RETU	RN			
EMARK	CURRENCE	INFORMATION	SIGN/	ATURE		·	
		`					
	<u></u>					·	
FR	COM: NAME, A	ADDRESS, AND PH	UNE NU.	DATE			
	· · · · · · · · · · · · · · · · · · ·						
	. ·		·				
			×				
•				s document	will be restricted	to	
			nnroved f	for the follow	ving specific acti		
					ving specific acti	vities:	
-					ving specific acti	vities:	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
•		NAT1	ONAL IN		CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
-		NAT1	ONAL IN	NTELLIGEN	CE DAILY CAB	vities: LE	
		NATI Thursday	26 Octo	NTELLIGEN	CE DAILY CABI	vities: LE	
		NATJ Thursday	ONAL IN 26 Octo NATIONA	NTELLIGEN ober 1978	CE DAILY CABI	vities: LE 78/250	
		NATJ Thursday	ONAL IN 26 Octo NATIONA	NTELLIGEN ober 1978	CE DAILY CABI	vities: LE 78/250	
		NATJ Thursday	ONAL IN 26 Octo NATIONA	NTELLIGEN ober 1978	CE DAILY CABI	vities: LE 78/250	
		NATI Thursday Unau	NATIONA thorized Dis	NTELLIGEN ober 1978	CE DAILY CABI	vities: LE 78/250 ons	
S	tate Dept.	NATJ Thursday	NATIONA thorized Dis	NTELLIGEN ober 1978	CE DAILY CABI	vities: LE 78/250	
S		NATI Thursday Unau	NATIONA thorized Dis	NTELLIGEN ober 1978 L SECURITY sclosure Subje	CE DAILY CABI CG NIDC	vities: LE 78/250 ons	-

TOP SECRET

Approved For Release 2007/03/28 : CIA-RDP79T00975A030900010042-2

ISRAEL: Current Negotiations

Despite the Israeli cabinet's approval with changes of the draft peace treaty with Egypt, popular concern over the negotiating process continues. Israeli popular reaction to US Assistant Secretary of State Saunders' Middle East visit has been sharp and overwhelmingly critical, reflecting uneasiness over the Camp David accords and US intentions. To dampen these anxieties, Prime Minister Begin has sought to reassure the public and his coalition partners that the current negotiations will not be rushed to a hasty conclusion.

Many Israelis remain distrustful of Egyptian President Sadat. They believe Israel has paid an exorbitant price for the accords and fear Sadat will renege on Egypt's treaty obligations once he has regained the Sinai.

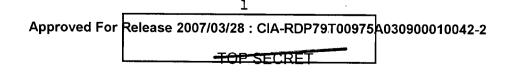
Even those who accept Sadat's sincerity bemoan what they see as asymmetry in the agreements--tangible land for an intangible peace--and fear that Israel has made peace with Sadat, not Egypt. They are worried about the durability of that peace once Sadat leaves the scene.

Most Israelis also believe the US is not acting impartially. They are angry over what they perceive to be a US tilt toward the Arabs on such matters as the linkage of Israeli-Egyptian and Palestinian issues and the Jerusalem question, and indeed believe the US may be taking a harder line than Egypt on these issues.

The Israeli press has been particularly critical of the substance of the US response to Jordanian King Hussein's questions and of the timing of Saunders' visit at a critical juncture in the negotiations with Egypt.

To mollify critics, the Begin government has let it be known through press leaks that it has taken sharp exception to what Israel views as US efforts to encourage the Jordanians and West Bank residents to join the negotiations by giving the Camp David accords an interpretation not shared by Israeli leaders.

Begin also stressed in an interview Tuesday that there is no need for haste in the current negotiations and that he does not expect a treaty to be concluded by 19 November. Begin's decision to hold an extensive debate in the cabinet this week, which lends an air of greater deliberation to



-TOP-SECRET-

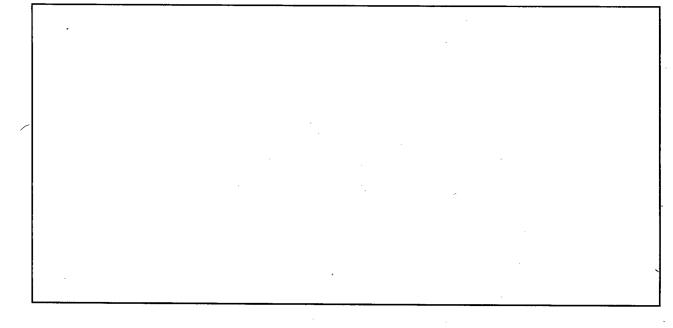
Approved For Release 2007/03/28 : CIA-RDP79T00975A030900010042-2

the present negotiations, is probably intended in part to pacify coalition hardliners. Begin and the rest of the Israeli negotiating team have been roundly criticized within the ruling coalition for not consulting with the rest of the government before signing the accords reached at the Camp David summit.

In the past few weeks, the Israeli military government on the West Bank has sequestered additional land that may be earmarked for "fleshing out" several existing settlements.

Israeli authorities have set aside three locations comprising almost 2,000 acres, allegedly to prevent Arab villagers from building near Israeli military installations. Two of the parcels are near Israeli settlements, and the Arabs fear the third site may be used to relocate another Israeli settlement.

Begin has been under considerable pressure within the governing coalition, particularly from Agriculture Minister Sharon and leaders of the youth faction of the National Religious Party, to "flesh out" existing West Bank settlements. They fear that Begin might succumb to US pressure and agree to extend the three-month freeze on new or expanded settlements on the West Bank.



Approved For Release 2007/03/28 : CIA-RDP79T00975A030900010042-2

-TOP SECRET

25X1

.