



DEPARTMENT OF STATE
BRIEFING MEMORANDUM

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To : The Secretary

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

Analysis of Arab-Israel Developments
SITREP NO. 14, 0700 EST, December 22, 1976

In a news conference yesterday afternoon, Fahmi and Khaddam announced that Sadat and Asad agreed to establish a "unified political command" to study ways of uniting their two countries. While this step is far less ambitious than a union of the two states, it illustrates a growing consensus between Cairo and Damascus. This action, which we regard as primarily designed for maximum show with little impact on institutional unity, has potential significance at the international level.

In the first instance, this move completes the informal linking of the confrontation states:

- Egypt and Syria by yesterday's announcement;
- Jordan and Syria through a series of actions since March 1975; and
- Lebanon and Syria by the Syrian occupation of the country and support for Sarkis.

Egypt and Syria have also held open the door to Libya by specifically mentioning the dormant Confederation of Arab Republics. Syria is the obvious linch pin in these relationships and is probably the prime mover behind the Egyptian-Syrian announcement. While no Saudi reaction has yet been heard, we assume the Saudis will support this closer Egyptian-Syrian cooperation.

Closer ties between the two states suits Syrian foreign policy goals. Asad was able to:

- reduce the Iraqi threat by further isolating Baghdad and illustrating that Damascus is taking active steps toward Arab unity, while their rivals merely talk;

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- guarantee in part, at least, that Sadat will not again negotiate a unilateral peace agreement with the Israelis;
- expand Syrian activity in the peace process beyond the "Eastern front," thus reducing the possibility of inter-Arab disagreements; and
- strengthen his internal position by further legitimizing his role in Lebanon.

Sadat also benefits from closer relations with Syria. Yesterday's agreement has none of the liabilities of the 1958 United Arab Republic which saddled Nasser with a shaky Syrian regime riddled with internal problems and which was condemned by the conservative Arab states. Syria under Asad is a solid partner, and closer cooperation is undoubtedly sanctioned by the Saudis. In addition, Sadat may hope that this move:

- could result in increased aid from the Gulf States;
- may facilitate better relations with the Soviet Union through Syrian good offices, resulting in greater flow of arms;
- enables Sadat to demonstrate to the Egyptian people his role as the leading force for Arab unity.

With regard to the Arab peace initiative, closer Syrian-Egyptian ties could significantly alter the current balance:

- Asad and Sadat would be able to sell previously unpalatable positions to their respective peoples in the name of Arab unity.
- Sadat can resist US pressure by using as a shield the need to preserve Arab unity.
- The Palestinians will find it difficult to play the major Arab participants off against each other as a means of avoiding having to accept a more reasonable approach.
- The Israelis will meet firm Arab resistance to any return to step-by-step.

Fahmi and Khaddam noted that each state will be able to send its own delegation to a peace conference unless they agree to send joint representation. In this way, no doors were closed to any workable approach to negotiations.

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According to Embassy Tel Aviv, the Israeli media have said that Rabin's resignation has caught all Israel's political parties by surprise, and each is making frantic efforts to prepare for the likelihood of spring elections. Nevertheless, the leaders of the various parties say they are willing and able to meet Labor's challenge.

It appears that the opposition Likud Party is maneuvering to unseat the Labor government in the aftermath of Rabin's resignation. Jerusalem Radio reported that Likud has contacted the National Religious Party and other small Knesset factions with a view toward forming an alternative government to that of Labor. Likud is said to have already secured the support of 57 Knesset members, the same number as Rabin.

Embassy Tel Aviv commented that Israeli law provides that--unless the Knesset votes to dissolve itself--President Katzir must consult within 21 days with the heads of the various political parties to determine whether another political leader could garner majority support in the Knesset to form a government. If not, Katzir may leave the caretaker government in place. Likud appears to be attempting to round up enough backing in order to confront Katzir with a consensus that would put Likud in power. In our view, however, Likud probably will fail to achieve the necessary majority, leaving Katzir to endorse Rabin's caretaker government until the elections.

Concerning the effect of early elections on the peace process, AP quoted diplomatic sources in Israel as saying that spring elections could enhance prospects for a Middle East peace settlement by the end of 1977. However, in the period before a new government is elected, the current momentum toward negotiations will likely slow.

In Lebanon, an early morning clash yesterday between Saida and the pro-Iraqi faction of the PFLP-GC flared into a major firefight when Syrian troops intervened and shelled the rejectionists.

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[redacted] This is the first time since the current truce was established on November 15 that Syrian forces have been directly involved in the sporadic fighting between the different Palestinian groups. According to Reuter, the Phalange claimed that 13 shells had fallen on East Beirut; they accused the pro-Iraqi rejectionists of firing on the Christian sector in an effort to widen the fighting.

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OTHER DEVELOPMENTS

Lebanon:

- Parliament: Beirut Radio announced that Lebanon's Parliament would meet as scheduled tomorrow to hear Sarkis' policy statement and to take the vote of confidence in the new government.
- Press: Embassy Beirut reported that employees of l'Orient-le Jour were allowed to enter their offices in the an-Nahar building and resume work. However, the newspaper has not reappeared, and is unlikely to do so until the use of an-Nahar's printing presses can be negotiated (it uses the same machines as an-Nahar). American reporters commented to Embassy officers that an-Nahar's staff believe that their daily will remain closed for several weeks.

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- South Lebanon: According to AP, clashes reportedly occurred between Christians and leftists in an unspecified area of south Lebanon yesterday. We have no further information on this report.

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ARAB-ISRAELI:

- Al-Baath Editorial: A December 21 al-Baath editorial commented that "several international resolutions and positions have combined to give illusion that new opportunities exist for regional peace." However, the Arab states will will not accept "peace at any cost", nor do they want a settlement in which the Palestinians "are not primary winners."
- UN-Israel: According to our UN mission, Israeli Ambassador Herzog has told Waldheim that his proposed visit to Israel would not be acceptable on the basis of the Egyptian UN resolution. However, Waldheim would be welcome on the basis of resolutions 242 and 338. Waldheim informed Herzog that he anticipated making his Mideast trip at the end of January or early February, if it in fact materializes.

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Palestinians:

--PLO

In the analysis of the PDPFLP, three of the four major groups within Fatah--those of Arafat, Khalid Al-Hasan and Salah Khalaf--are now working closely together to preserve the best possible political position for Fatah. Their roles are complementary, as Fatah endorses the concept of the development of Palestinian-Syria-Egyptian political cooperation. The strength of the various Fatah cliques is dependent upon two separate inputs: Arab country backing and internal organizational numbers. Khalid Al-Hasan's point of view being generally consistent with the political objectives in the Middle East of conservative Arab governments, his influence deriving from such outside backing is on the increase. His strength within the Fatah organization is no greater, however.

--PLA-Jordan: Embassy Amman reported that PLA commander Budayri arrived in Amman December 18 to discuss PLA matters with Jordanian military officials. Ambassador Pickering commented that Budayri's visit is obviously meant as an assertion by the Jordanians that they remain relevant to the Palestinian issue as Mideast developments evolve. It may also signify that Jordan is willing to talk to Palestinian representatives from outside Jordan.

International:

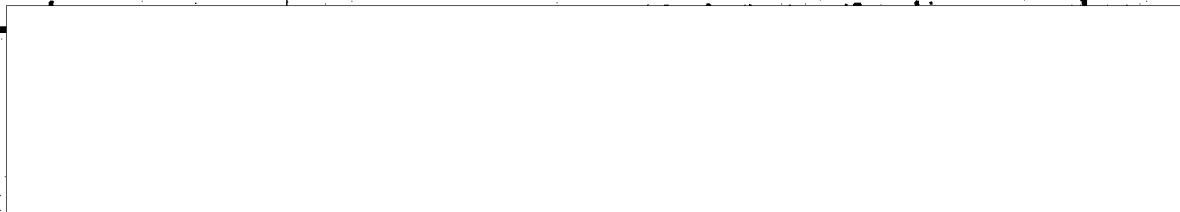
--Husayn's Views: In a conversation with Ambassador Pickering, King Husayn commented that what he had in mind concerning a federation with Syria was largely a strengthening of the Syrian-Jordanian alliance rather than political confederation. Follow-up talks are in the hands of Badran and the Chief of the Royal Court; Ambassador Pickering noted that both are conservative on the issue of confederation. Husayn also observed that Asad is still suspicious about where Egypt is headed and what Sadat wanted from the peace process; the King himself hopes to go to Cairo at a later date. Concerning the PLO, Husayn said he continues to receive overtures from them, and the Saudis raised the possibility of his meeting with PLO moderate Khalid Al-Hassan. In the long term, Husayn believes that East Bank Palestinians and those elsewhere (i.e. West Bank) should be given opportunity to be represented in and influence the leadership of the PLO.

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--Syria Internal: Embassy Damascus reported that both government loyalists such as Chief of Staff Shihabi and dissidents such as Hamoud Shoufi of the Foreign Ministry have downplayed the significance of acts of terrorism (such as Khaddam incident) to the stability of the Syrian regime.

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