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MEMORANDUM

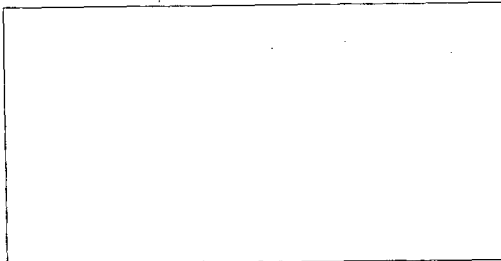
SUBJECT: TROUBLED ALLIANCE: Western Europe, the US,
and the Middle East Crisis

Note

This memorandum does not presume to prophesy the net outcome of the Middle East crisis or of the many issues in negotiation between Washington and its European allies. It does seek to summarize how the Europeans responded to the events in the Middle East and to explain why they acted--or failed to act--in the way that they did. Thereafter the discussion assesses this response in the perspective of their interests in the Middle East, in detente, and in the general atmosphere of the Atlantic relationship. The final section contains some tentative judgments about the short-term outlook in the aftermath of the crisis and the implications for the longer-haul--particularly for security and economic matters.

Precis

The rift between Western Europe and the US that has developed over the Middle East war is particularly serious because it occurs at a delicate point in Atlantic relations. Western Europe's differences with Washington over the handling of the crisis spring in part from Europe's growing dissatisfaction with US policy in the Arab-Israeli dispute. But these



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differences also have roots in specific economic, security, and political issues, and in the growing divergence between us over the fundamental purposes of the Alliance. That divergence has been made even more evident in recent months by the review of Atlantic relationships in the context of the Year of Europe.

Official Western European opinion over the past several years has become increasingly critical of Washington's alleged complacency over the need for an early Middle East settlement and its strong support of Israel's terms for negotiations with the Arabs. Although Israel has retained a measure of popular support in Western Europe since the 1967 war, responsible officials have displayed growing impatience with the Arab-Israeli impasse and concern over the accompanying threat to continued access to vital oil supplies. Some of the Allies, moreover, believe that US support for Israel has facilitated the extension of Soviet influence in the Middle East and has increased the hostility of radical Arab regimes to conservative Arab governments that are most friendly to the West. There is also an element of resentment against the predominant role played by the US and the USSR in an area which Western Europe has long viewed as its own "natural" sphere of influence.

The immediate cause of the rift, however, was the Western Europeans' conviction that the US had failed to consult them fully on its assessments and intentions, while at the same time it was negotiating with the Soviets to arrange the Security Council's cease-fire resolution. The allies also felt strongly that the US, having taken unilateral decisions, then tried to use NATO and detente to gain support for the US approach on matters outside the geographical area covered by the NATO treaty. Their concern was even more aroused by the US decision to alert its forces in Europe without prior consultation. The Allies are still without full understanding of the facts that led to this decision.

Even before these misunderstandings, the ongoing negotiations to devise a restatement of Atlantic principles had exposed the extent to which traditional European-US ties have weakened. A fundamental aspect of the current state of this relationship is Western Europe's desire to develop a stronger "European identity" and to maintain a certain distance from the US.

The familiar concepts of "interdependence," "partnership," and "Atlantic community" no longer evoke the same response on the Continent. These formulas, in fact, no longer command the support of many Europeans, because they have come to symbolize a one-way relationship, inequality, and European subservience to US interests.

Nothing, however, that has happened either in the current crisis or before alters certain realities central to the long haul in US-European relations. Resentful though it is, Europe is not prepared to go it alone. Unless things get very much out of hand, the main casualty is likely to be some illusions about the Alliance, but not the Alliance itself. To the Europeans, the North Atlantic Treaty still reflects the indivisibility of our common security, and the US presence provides the indispensable link to the US deterrent. NATO itself is still the mechanism for coordinating the defense contributions of the members, debating defense strategy, and consulting about common security concerns.

But the North Atlantic Treaty is not a European commitment to a global alliance. The Europeans are under no illusion that NATO provided them any voice in shaping US policies in Vietnam or even in the Middle East. They feel no obligation to underwrite policies they did not help to formulate. They do not believe that the determination of where Europe's broader interests lie should be determined solely by its special relationship with the US. And they consider NATO only one of the many institutions in which the US, Europe, and the rest of the free world must reach an accommodation on matters that unite and divide us.

In the period ahead in which the organization of a European union will remain incomplete, there will be the very practical problem of how to deal both with "Europe" and with its individual members. Certainly the larger countries and to a considerable extent even the smaller ones would be loathe to relinquish the opportunity to "talk directly" with Washington. On the other hand, on those matters that fall within the purview of the European Communities, the individual members can now make only limited commitments to the US. The EC's political consultation machinery is also gradually increasing its cognizance of foreign policy issues affecting Europe as a whole. In the security

area, the Eurogroup has taken on some importance as a mechanism for coordinating its members views on defense spending, arms procurement, and so on.

From our experience thus far in dealing with this developing Europe, no clear guidelines have emerged. The Europeans themselves are divided on what they should wish us to do; in some instances it has been advantageous to US interests that we have waited for a common European policy to emerge; in other instances, we have found it difficult to negotiate changes in European positions that were contrary to our interests.

In any event, the dominant note in Europe right now is ambivalence. Europeans are torn between imperatives of unity and imperatives of interdependence with the US. They are uncertain how committed the US remains to European unity. There is bound to be sharper attention to where the US and European interests parallel and where they diverge. If the process serves to clarify communication, there may be some compensations--however painful the strains will be.

MEMORANDUM

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Annex B: State Department Memorandum on the Allied
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Impact of the Crisis

1. The West Europeans had no collective policy toward the Middle East when the crisis broke and they have none now. Although Israel has retained a measure of popular support during the long stalemate since 1967, official opinion has become increasingly impatient and dominated by growing concern for continued access to vital oil supplies. However, despite these shared attitudes and painful awareness of their lack individually of any real influence in the area, the EC Nine's efforts to concert their Middle Eastern policies have been abortive in the past and largely ineffectual on this occasion. At the outbreak of hostilities, the Nine met, issued a declaration calling for a cease-fire linked to "true negotiations", and agreed to suspend arms shipments to belligerents--a mere ratification of the embargoes they had already instituted individually. A subsequent effort to issue a new declaration failed completely--principally because of France's efforts to condemn "massive" arms shipments to the Middle East (those of Washington and Moscow) and its refusal to have the Nine merely endorse UN resolutions that had been rammed through, it charged, by US and Soviet collusion.

2. Lacking therefore any collective position, all the European countries responded to the crisis according to perceptions of their own national interests, their fears for detente and an energy crisis, and in the case of France and Britain, their modest hopes of being honest brokers. The policies of "even-handedness" typically enunciated were for the most part beneficial only to the Arabs. The arms embargo that France established after the 1967 war applies only to Israel, Syria, Jordan, and Egypt. Although Paris allowed spare parts to continue to flow to Israel after the war started, it swept under the rug Tel Aviv's charges that the Mirages sold to Libya wound up on the Sinai front. Britain is presumed to have continued to honor arms contracts concluded with non-combatant Arab states before the outbreak of hostilities. Rome, facing a politically explosive oil shortage this winter and fearful of the protests of its Communist Party, declined to permit the Israelis to purchase ammunition from US stocks in Italy. The Netherlands was helpful about US overflights from West Germany and took a sufficiently pro-Israeli stance to have since come under severe pressure from the Arabs. Belgium mostly wavered.

3. West Germany and Portugal did agree not to impede the US resupply effort. Portugal did so in anticipation of striking a better bargain in the forthcoming negotiations on the renewal of our base rights in the Azores. Bonn initially accepted our argumentation, but with the achievement of the cease-fire and the Arabs' protests becoming more strident, it abruptly terminated on 25 October any further use of German ports and US bases for the replenishment program. Britain raised obstacles to the use of UK bases by US intelligence planes. Spain announced in advance its denial of US base facilities; Italy, Greece, and Turkey all officially refused both facilities and overflight rights, although neither Athens nor Ankara refused the Soviets a limited number of overflights. On the other hand, neither Italy nor Greece posed any restraints on the operations of the Sixth Fleet from its homeports in those countries.

4. The response in NATO to US overtures that the allies remonstrate with Moscow that its resupply program endangered detente was similarly unenthusiastic. While some of the allies made bilateral overtures to the Soviets, several complained of their lack of information about US diplomatic moves or cautioned that any concerted approach would be counter-productive. Secretary-General Luns observed that the conflict, in which highly sophisticated weapons were used by both sides, might have military implications that should be examined by NATO, and he subsequently argued that Soviet interest in detente is "opportunistic" and "tactical". At the other extreme, a ranking French foreign ministry official emotionally castigated the US for "trying to use NATO and detente to gain support for the US approach to the Middle East situation." At the meeting of the North Atlantic Council on 26 October, the French representative again denounced the US for keeping its Allies in ignorance of its dealings with Moscow, for invoking NATO's support on matters outside the geographical area covered by the NATO treaty, and for alerting its forces in Europe without consultation. Several of the Allies directly associated themselves with France's complaint; all of them share its concern.

*See Annex B, State Department Briefing Memo on the Allied Response to the Middle Eastern Crisis that lists US consultations with the Allies, the Allied response to specific US requests, and public statements on the crisis by the Allies.

Middle East Interests and Policy Divergences

5. To understand why the new war has so sharply divided the US from its European allies, the issues must be examined at various levels--the first being our differences over the Middle Eastern problem itself. Some of these differences are historical and emotional. Although many Europeans would accept that the US presence has been the bulwark against Soviet expansion in the area, not all do. Some still recall that the last attempted assertion of Western European power in the eastern Mediterranean--the Suez Crisis--was strongly opposed by both Washington and Moscow. Others believe that Washington's dogged support of Tel Aviv for a quarter century has facilitated the extension of Soviet influence or set the radical Arabs against conservative regimes that are more friendly to the West. Still others find it unacceptable that superpower rivalry or condominium should be manifest on Europe's southern flank or dominate an area that Europe sees as its own "natural" sphere of influence.

6. These background differences go far to account for the fact that for some time we and our allies have not looked at the Middle East with the same perspective nor shared the same sense of urgency about the need for a Middle Eastern settlement. This divergence over priorities has, of course, been aggravated by the problem of oil supplies. With most of the European countries relying on Arab sources for about 70 percent of their imports of crude and with several of them having no nationally-owned oil companies, the "oil weapon" has a clout in European capitals that it does not have in Washington--especially so when the US has by no means committed itself to share its own sources in the event of an emergency. Moreover, for the Europeans, the oil question is closely linked to the longer-term commercial and political relationship that they hope to have with the Arabs. So long as deliveries are periodically disrupted by war, Europe will find it difficult to move ahead with schemes for converting the oil trade into a more durable and mutually beneficial association with the Middle East based on trade preferences, investments, technological aid, etc.

7. Finally, there has also emerged in the last few years increasingly sharp differences over tactics on how to move toward a settlement. Tel Aviv's insistence on "total security" is in

European eyes an excessive claim. Moreover, the Europeans think Israel's refusal to explore alternatives to bilateral negotiations with the Arabs based on its territorial holdings is made possible on the one hand only by the US commitment-- and made necessary on the other by Moscow's commitment to its Arab clients. As the Europeans see it, this had led not only to stalemate, but to the virtual denial of a voice for Europe in the bargaining over real estate in which its interests are at least as immediate as those of the dominant powers. Ostensibly, US acceptance of the Four Power talks was a gesture to those interests. But while the US quickly found that those talks would become an instrument by which the French and British could join the Russians in pressing for an imposed settlement, the two European powers soon found that the talks were quickly frustrated by the basic conflict between the Big Two.

The Detente Equation

8. The rift between us and our Allies over the new crisis has its roots not only in divergent interests in the Middle East itself but also in Europe's views of the broad spectrum of superpower relationships--and more particularly, in the uncertainties associated with the movement from Cold War to detente. Although both the US and Europe have contributed to that movement, the two sides have too frequently been out of phase: the excesses of enthusiasm and eagerness that the US has often worried about in the Allies' approach have often been followed by similar concerns on their side that the US is too euphoric.

9. The balance sheet that the Europeans draw up on detente leaves them ambivalent and uncertain. On the one side they see the negotiated settlement of the Indochina war, the strategic arms limitations agreements, the improved communications between Moscow and Washington, the better prospects for trade, and so on. In principle, and to a very considerable extent, in practice, they applaud these achievements as gains for themselves. On the other side, however, they worry about the risks of strategic parity, the signs of growing isolationism in the US, strains in the relationships between the superpowers and their allies, and bilateral agreements that have unclear meanings for the common security.

10. Although comment so far is skimpy, the events of the past three weeks have doubtless raised on the other side of the

Atlantic the same questions about the parameters of detente that those events have raised on this side. If it is the special responsibility of Moscow and Washington to prevent an outbreak of hostilities that carries the risk of nuclear confrontation, the Europeans ask, why was the consultative machinery not operative prior to hostilities in this instance? If Moscow and Washington could find a meeting of minds after the resupply efforts of both, why could they not have reached such an understanding before? And if such a meeting of minds was reached, then why should there follow an alerting of US forces and an atmosphere of imminent danger comparable to that engendered by the Cuban missile crisis?

11. It is too early to know whether the answers to these questions will find general acceptance in European opinion. One determinant will be whether the facts, including those about the Soviet posture, are made known more clearly to the European allies. But even with those facts in their possession, the Europeans may assess the circumstances differently and arrive at different conclusions.

12. Some will very likely agree that the achievement of a cease fire without an even more dangerous confrontation is proof of the effectiveness of the channels of bilateral communication that have been established between the two superpowers. But it must also be anticipated that other, less reassuring conclusions will also be reached. As noted, some--like Luns-- have already said that the crisis demonstrated that the foundations of US-Soviet detente are basically flimsy and meaningless. Those Allies that have complained about a disconcerting lack of information on US intentions will conclude that the price of detente is the absence of any sharing of confidences within the Alliance. And given the recriminations that have been exchanged across the Atlantic, a substantial number of Europeans will be confirmed in the view that when the chips are down, the US decides, it consults after, and it expects from those consultations an endorsement of actions it has already taken.

Broader Atlantic Attitudes

13. Fundamentally, therefore, the cross-Atlantic dispute over the Arab-Israeli war is only another manifestation of problems that have occupied us in the past. The specific issues are economic, security, and political, and in various

ways and in a variety of fora we have in recent months been chipping away at those differences with some success. But they are all subsumed within the broader question of the kind of relationship we want to have in the future with a slowly uniting Europe which has replaced imperial responsibilities with economic and commercial interests around the world. It is US relations with this new Europe and with our Canadian and Japanese allies that Dr. Kissinger raised in his speech of last 23 April.

14. Most Europeans initially saw in Dr. Kissinger's suggestion that we draw up a new set of principles to revitalize the Atlantic relationship a wholesome return of American interest to Atlantic affairs and a welcome endorsement of the new "Europe" as a significant power on the world scene. For a variety of reasons, however, that welcome has gradually petered out. To begin with, since the invitation followed upon several years in which US relations with Europe were almost totally dominated by loud disputes over commercial and monetary matters, some Europeans found cause for suspicion even in the timing of the invitation. Moreover, they worried that the invitation proposed to deal with--and presumably to link--the various unresolved issues between us; that it referred--somewhat cryptically they thought--to the need to review strategic doctrine in the light of our changing situation; and that it was also to include Japan.

15. As the Europeans were also quick to recognize, Dr. Kissinger's bid was tendered to a "Europe" that does not exist. That the Six became the EC-Nine the previous January was a notable achievement; the Communities--with their institutions, the customs union, the single agricultural market, and an expanding range of common policies--have in fact, political as well as an economic significance; and the agreement reached at the summit meeting of October 1972 to establish a "European Union" during this decade was a serious if still unelaborated commitment. But the present community is a construction of delegated powers that remain very limited; the powers of its institutions are jealously circumscribed by the member states; and the arrangements by which those members are attempting to concert their foreign policies are still only consultative in character. "Europe" per se is therefore not equipped to address the range of questions raised by Dr. Kissinger. Far from feeling any special affinity for Tokyo, it regards Japan principally as a problem and a competitor. And of all the

basic issues on which the European countries lack a consensus, their positions on the future shape of a European defense organization and its link to the US are the least formed and the most ambivalent.

16. Europe's hesitant response to Dr. Kissinger's overture has therefore been a source of impatience, irritation, and frustration all around. For their part, the Europeans feel that they deserve a greater understanding of the still-amorphous state of European union. They think that if the US wants to hear a "European voice" it must allow Europe time to decide what it wants to say. Although they accept that there are still issues that can only be treated bilaterally between the US and the individual countries, they believe that there is growing number of issues which require that the bargain be struck between the US and the collective Europe. When the US tries to reach preliminary understandings with the three or four larger members, those left out suspect that the tactic is to "divide and rule" or to create a European "directoriate" that would further impede integration. As for the US insistence that it participate in the EC's deliberations before its policies are "set," the Europeans feel this a claim to privilege that Washington itself would never reciprocate.

17. Thus, what started out as an endeavor to reaffirm an identity of Atlantic interests that we take for granted has tended instead to demonstrate the extent to which those ties have weakened. Certain key words that have become points of controversy in the negotiations are symbolic of the distance between us--and of the European desire to maintain that distance. The French could be brought to participate in the exercise at all only if it were accompanied by a commitment from their partners to proceed further to develop a "European Identity". The Europeans have consistently rejected what they call "globalization"--that is, they will not allow the US to lump the issues together in one bargaining pot and they resist in particular any attempt by Washington to bargain its security commitment against European monetary and commercial concessions. Similarly, the concepts "interdependence," "partnership," and "Atlantic community"--the standard descriptions of our common aspirations for years--are now close to anathema to many Europeans, and not just to the French. They have become so because, in European eyes, these terms seem in too many instances synonyms for a one-way relationship, inequality, and European subservience.

18. It is in this perspective--of a relationship that is already troubled--that the consequences of the new rift over the Middle East must be weighed. Since it is unknown whether the recriminations will continue and what further harm they will do, and since one can only speculate on the conclusions that both sides will finally draw, any damage assessment must necessarily be very tentative. Nevertheless, there are a few observations that can be made--some applicable to the immediate future--some for the longer haul.

Crisis Aftermath: Short-Term Outlook

19. With respect to our differences over the Middle East itself, this may initially be a case in which nothing succeeds like success. The Europeans will share the general relief if the cease-fire is now followed by negotiations. That satisfaction, however, may be shortlived. Should the talks proceed under US and Soviet auspices, Europe will be reminded once more of its exclusion. If it is the Arabs' scenario to further deploy the oil weapon when those talks reach a dead end, it is Western Europe (and Japan) that will bear the brunt. Thus Europe is going to put strong pressure on the US for two things--to participate in an oil-sharing scheme and to push Israel to respond to Arab demands. And how well the US companies succeed in servicing those countries in which they still dominate the market will determine what part of the market--if any--they continue to hold.

20. That the crisis and its aftermath will facilitate early progress on the broader range of trade and monetary issues between us is unlikely. Some of these issues are of long standing, they grew out of genuine differences of interest, and in the end they will have to be settled by give-and-take at the bargaining table. But the crisis is not going to make it easier for the US to do business with Europe in this area. For example, although the Arabs do not appear as yet to have seriously considered using the "dollar weapon", the possibility that they might adds urgency to the problem of the dollar overhang. A Western Europe, less competitive because of rising energy costs or facing balance of payments problems resulting from them, is not likely to be more liberal-minded in the multilateral trade talks. But far more important than these speculative possibilities is the question of atmosphere. Although the Europeans have stoutly resisted any "linkage" of issues on our part, their own response on specific questions will be a function, at least in part, of the state of the total relationship.

21. As for detente, the suspicions of Moscow in Western Europe--more lively than Washington once anticipated--will in some quarters be deepened, and some Europeans will calculate still higher the risks of relaxation. To the extent that any Europeans had exaggerated expectations, this may be a gain. But, while detente may originally have been a French idea, many West Europeans now view it as a game between the two superpowers that has relegated Europe to the sidelines. The questions they will therefore ask are whether the outcome was a manifestation of the continued reliability of deterrence in an era of strategic parity or whether there is already a negative tilt against the West. And they may wonder whether the new lines of communication between Washington and Moscow better serve to avoid confrontation or to maintain condominiums.

22. Whatever answers to these questions Europe eventually reaches, it seems doubtful that the last few weeks have increased Europe's confidence either in itself or in its relationship with the US. At the meeting of the North Atlantic Council on 26 October, the British and the Dutch voiced understanding of the special responsibilities that the US bears as a superpower. As Ambassador Rumsfeld noted, however, they as well as the others knew that they had been exposed to risk without their consent, and they were "embarrassed" to have been ignored. While Europe may have appeared deaf to our common interests, the Europeans feel that those interests should have been determined in common.

The Longer Haul

23. Whether Europe will see for itself any ready avenue of escape from a dilemma that derives basically from its inequality is also doubtful. To the extent that Europe feels its security the more precarious, the indicated course is to cling more strongly to the US presence--whether it is threatened by MBFR, Washington's budget problems, or the negotiations in SALT II. But it has also become a political imperative in Europe to seek to draw some line between itself and the US. Thus, there will be new calls to expedite the movement toward a European construction that is meaningful--politically, militarily, and economically. The shocks administered by the Middle East crisis may stimulate such calls, but this kind of traumatic experience is unlikely to make materially easier the problems that the integration movement regularly encounters.

24. The counterpart of an uncompleted Europe's dilemma is the difficulty that the US will continue to have in knowing how to deal with it. During the Year of Europe discussions, convinced "Europeanists" urged Washington to "act as if Europe already existed." To do so could encourage the development of a more united Europe; it would not necessarily meet all the practical concerns of either side. Europe's structure is likely to be messy for the remainder of the decade at least. Moreover, the labored progress it has made toward unification has assured that--particularly in the economic area--its efforts to establish a regional identity will coincide with and sometimes complicate the efforts to institute the new rules that are required to regulate the entire industrial free world.

25. Nevertheless, a complete rupture between the US and Europe is not conceivable in the foreseeable future. Resentful and shaken though it may be, Europe is not prepared to go it alone, it has no way to counter the leverage that Washington has because of Europe's ultimate dependence on the US for its security, and it will console itself that in most other areas of the world there is no such divergence between Europe and the US as the war in the Middle East has revealed. Therefore, unless things are permitted to get very much out of hand on both sides, the main casualty of the Middle East crisis is likely to be some illusions about the Atlantic relationship, not the Alliance itself.

26. To the Europeans, the North Atlantic Treaty remains an essential. The Treaty still embodies for them the solemn recognition by both sides of the indivisibility of our common security. It provides for the continued presence of US forces that remain in European eyes the visible and indispensable link to the US deterrent. After the failure of the European Defense Community, the North Atlantic Treaty made is possible for Bonn to make a contribution to the common defense without awakening the fears of the past. It still performs that function, and indeed, it has helped to mitigate concern over Germany's political and economic revival. With the qualified exception of France, NATO is the mechanism for coordinating the defense contributions of the individual members, debating strategy, and consulting about policies that affect the security of the geographic area to which the treaty applies. The North Atlantic Council is also a forum in which we may consult about policies which, although not military in character, may affect our common concerns.

27. But for the Europeans, there are a number of things that NATO and the Treaty are not. It is not a global alliance and it is not synonymous with The West. Europe is under no illusion that NATO gave it any role in the making of US policy toward Vietnam--or even Israel; it feels no obligation to support policies that it did not help to shape. Similarly, while France is the author of the concept of an "independent Europe", European opinion quite generally now accepts that decisions on where Europe's interests lie cannot be determined solely by its special relationship with the US. In the broad spectrum of problems involved in the multilateral trade negotiations and in the talks on international monetary reform, the Europeans are fully aware--and they expect Washington to be aware--that while there must be cooperation between us, there is also competition. In their view, not NATO, but the OECD, the GATT, the IMF, the Group of Twenty, and so on, are the venues in which the required bargains should be reached. Even in the security area, we have had to accept the advantages and the problems associated with the movement toward the emergence of a "European" policy--such as the establishing of the Eurogroup and the caucusing of the EC Nine at the Conference on Security and Cooperation in Europe.

28. Nor has this been as troublesome as might have been feared. Despite our initial apprehensions about the role of the EC Nine in the CSCE, we have found the Nine's positions quite adequately hard-headed, and their prior coordination has usefully contributed to unity and purpose on the Western side. Although MBFR touches upon Europe's basic security requirements, the Western Allies resumed the negotiations with the East this week in Vienna in better order than had earlier seemed possible. The differences we have with Europe about the new international payments system are unlikely to be ironed out until well into 1974, but some limited progress has been made toward the outlines of an eventual agreement. Despite the raucous dispute this week over agriculture, the organization of the future trade talks has begun.

29. Whether the question is the immediate Middle East crisis or the ongoing economic and security problems facing the US-European relationship, the dominant note in Europe right now is ambivalence. Europeans are torn between imperatives of unity and imperatives of interdependence with the US. They are uncertain how committed the US remains to European unity. Whether the current crisis continues to intensify these

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misgivings or impels all parties toward more serious efforts to resolve them is still to be tested. There is bound to be sharper attention to where US and European interests parallel and where they diverge. If the process serves to clarify communication, there may be some compensations, however painful the strains will be.

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Annex A: Elaboration on the Positions of Key European
Allies and Canada

United Kingdom

London claims to be following an "even-handed" policy toward the Middle East. On balance, however, historic links, vast financial interests, and a heavy dependence on oil from the area make it pro-Arab. Still, the government cannot ignore the substantial pro-Israeli sentiment in the country. Both major parties have sizeable numbers who support Israel. In the case of the opposition Labor Party, these include a significant number of its intellectuals and donors. By tilting toward the Arabs, however, London hopes to retain some good faith among the Arab states in order to play a key diplomatic role in settling the dispute. Although their offers to contribute to an emergency force were refused, the British are participating in the airlift of troops and supplies to the ceasefire areas.

The British already have expressed their concern that the Soviets are bent on altering the balance of power in Europe in their favor as well as undermining the military and political effectiveness of NATO. The Middle East conflict is going to make them even more conservative and conscious of security, particularly in the MBFR talks. Late last week, Prime Minister Heath emphasized that "questions of national security and military need should be looked at with a cautious eye." During the initial round of the MBFR talks, the British were the most skeptical and recalcitrant of the Western countries. Although they have been less stubborn in recent months, following a re-evaluation of their force reduction policy last summer, they also submitted a long paper to NATO analyzing Soviet motives in participating in the talks. London feels that Moscow will not adopt a serious negotiating posture in Vienna and will try to prolong the force reduction exercise as long as possible.

London still places high value on its ties with the US and wants to cooperate on many international matters, particularly in trade and monetary negotiations. Nonetheless, the British are impelled toward a more independent stance by their growing perception of the extent to which US and British interests diverge on certain issues--as in the Middle East,

where London saw its investments and its oil supplies threatened by US action--and by their developing ties with Europe. London still is at some pains to prove its "European credentials" to skeptics, particularly the French, and such proof is sometimes at Washington's expense.

The government is trying to soft-pedal US criticism of its European allies over the Middle East. A Foreign Office spokesman earlier this week said that the government has no intention of fueling the public debate and that ministers will say as little as possible on the subject of alliance differences. Other spokesmen have indicated that London assumes that Washington's criticism was not directed at the UK but at the other European countries. In contrast, much of the British press has been highly critical of recent US actions and the handling of the Middle East crisis in all respects. In the opinion of much of the press, the US should have consulted its allies before the alert. Moreover, many newsmen feel that US actions have shattered hopes for a "year of Europe" and frayed Atlantic relations. As one editorial in the highly respected London Times noted, there was "puzzlement, even pain" that Prime Minister Heath's loyalty to the President through some dark moments should be forgotten.

France

A key objective of France's position on the Middle East is designation of the Security Council as the "appropriate auspices" for settlement negotiations, thereby assuring Paris a "great power" role in the process and in the subsequent implementation. After the hostilities broke out, the French canvassed the nations involved, seeking a ceasefire directly linked to negotiations for an overall settlement. In addition, Foreign Minister Jobert made an informal mediation offer.

French representatives have reiterated that any agreement must comply with Security Council Resolution 242 and that Israeli withdrawal must be complete. Moreover, the US and USSR must use their influence with the belligerents--a position somewhat in conflict with France's rejection of superpower initiatives--and must cease arms resupply. Paris does not consider its own deliveries--ostensibly limited to non-belligerents--a problem.

These positions reflect France's continued determination to resist having any significant aspect of its foreign policy subsumed in a broader context, particularly one such as NATO, where the US view is predominant. They also further illustrate French resistance to notions of "partnership" and "interdependence" with the US. If France were included among the "great powers" in any settlement of the Middle East problem, however, this would ease its embarrassment at being excluded from the US-Soviet consultations. Paris would hope to gain credit with the Arabs by defending their interests in the negotiations.

The French have been sharply critical of Washington's alleged failure to consult and inform NATO about its Middle East initiatives, and of its attempt to "exploit" NATO and detente to gain support for those initiatives. A ranking Quai official expressed France's displeasure with recent events and emphasized its disagreement with the US view of the Middle East situation. He criticized the US and Soviet resupply efforts, Washington's failure to exert pressure on Israel in the past six years, and the US presentations on the Middle East to NATO. In the North Atlantic Council, Paris took the lead in upbraiding the US for asking for diplomatic support while withholding vital information.

France's concerns over the Middle East problem are closely related to its skepticism over recent developments in detente. Long fearful of "superpower collusion," Paris has been especially suspicious of US-Soviet intentions since the summit meeting between Nixon and Brezhnev. The French found the agreement on prevention of nuclear war particularly disturbing. Developments in the Middle East are seen as an example of the way in which the superpowers would make major decisions affecting Europe without adequate consultations. Similar fears prevent France from participating in the MBFR talks.

These latest developments have added a new dimension to existing problems in Franco-American relations. France's criticisms of US positions on trade and monetary matters, on MBFR, and on the Atlantic Alliance have centered around the same suspicion: that the US intends both to exploit Europe and, in collusion with the Soviets, to impose policy decisions in Europe. The French government--and the opposition--is split over the thrust of France's Middle East policy. Public opinion remains generally pro-Israeli, even--according to a recent poll--if the Arab boycott should threaten France. Despite this opposition, no change in Paris' pro-Arab policy seems in the offing.

West Germany

West Germany has consistently called for non-involvement in the Middle East conflict, constructive relations with all participants, and a refusal to provide arms to likely belligerents. Nevertheless, Bonn expressed "understanding" for the US contention that the Soviet airlift endangered detente and required a resupply of Israel from depots in the Federal Republic. With the ceasefire, however, the West Germans "requested" that the US halt its resupply effort, citing heavy Arab pressures, fears of a retaliatory oil embargo, and a disinclination to stay out of step with other European states. Bonn was also miffed that Israeli flag vessels were used and that the US had embarrassed Bonn by keeping it in ignorance of this intention.

When the extent of US displeasure with the FRG's position became clear, the West German leaders apparently decided to back off. Secretary Kissinger, after talks with the German ambassador, concluded that the primary concern had been the use of Israeli vessels and that Bonn would not object if the US resumed deliveries in a less obtrusive manner.

Whether West Germany's policies enjoyed widespread public support is hard to gauge. General sympathies for Israel were probably balanced against fears of an oil embargo. Moreover, while some newspapers were critical of Bonn's stand on resupply, others complained of a US disregard for allied sensibilities. In the political arena, the opposition did criticize the government for abandoning the US. That criticism is shared by some in Chancellor Brandt's own coalition.

Differences over the Middle East come at a time when German leaders are having increasing difficulty in reconciling their interests with those of the US and with the demands of European integration. The timing of the dispute over resupply is particularly inauspicious because Bonn currently is renegotiating a bilateral offset agreement with Washington. The gap is fairly wide and Bonn may now offer a new argument: that it cannot possibly condone use of offset funds to support the resupply of belligerents in the Middle East. Nonetheless, all responsible West German politicians see the need for US friendship and support and, despite increased self-confidence and a conviction that US involvement in Europe will decrease, give that friendship a high priority.

The Middle East conflict has probably heightened Bonn's concern that its interests in detente do not fully coincide with those of the US. Specifically, many German leaders fear US and Soviet efforts to establish world-wide co-responsibility will override US relations with the EC and NATO and sometimes conflict with the EC's own perceived interests elsewhere. In general, however, Bonn has avidly supported East-West detente and sees such exercises as CSCE and MBFR as the logical extension of its own bilateral--and largely successful--Ostpolitik into the multilateral arena. The Germans see in MBFR the alternative to unilateral US troop cuts. They want commitments that the Bundeswehr will eventually be cut back and seek to avoid a reduction area limited to the two German states. In CSCE, Bonn wants Eastern agreement to freer movement and no restrictive language on peaceful border changes.

Italy

Although Rome has tried to convey the impression of an "even-handed" response to the Mid-East war, its reaction has been conditioned all along by a fear of antagonizing the Arab oil-producing states. Italy imports almost all of its crude oil. It receives about 66% of its supply from Iran and the Mid-East. About 19 percent comes from Libya alone, where the Italian state oil company's extensive development program there is just beginning to pay off in expanded production. The loss of any of these sources would aggravate a politically-explosive fuel oil shortage that is expected to hit the country this winter.

Rome's reluctance to jeopardize its generally good relations with the Arabs is the best explanation for the refusal to permit resupply of Israel from Italian soil or overflights of Italian territory by US resupply aircraft. In one of the many post-mortems on the conflict, the influential Socialist budget minister has called for an effort to further solidify ties with the Arab oil producers. He envisions a transformation of relations with the Arabs, along with increased technical cooperation, exchanges of goods and services, Arab participation in the building of plants, and granting of stock-holding rights.

Official reaction was also conditioned by the certainty that a tilt toward Israel would evoke strong protest from the powerful Communist Party. The Communists have lately been pursuing a more constructive opposition that has aided the new

center-left government in resolving several sensitive domestic conflicts. Consequently, the foreign minister's official statements have been carefully balanced to avoid antagonizing the government's domestic opponents as well as the Arabs. Post cease-fire statements by government and opposition party leaders indicate a general approval of the government's course. A frequent theme in these comments is that the EC countries can best contribute to peace in the area by contributing to the development of the Arab countries.

The Italian press has taken the US to task for dealing with the USSR over the heads of the allies, and Italian officials have occasionally expressed general misgivings about the effects on the alliance of US-USSR summitry. However, Rome recognizes that only the US can deal authoritatively with situations requiring superpower accord. Two weeks before the outbreak of hostilities, for example, Foreign Minister Moro tried to prod Italy's EC partners into "needling" the US to get talks underway. Moreover, in official Italian reaction presented to the US on 1 November, the Italian ambassador underlined the importance of detente and acknowledged that detente must be based on a dialogue between Moscow and Washington.

Italy has traditionally been one of our most dependable allies and has frequently defended US interests in the face of strong domestic criticism. Rome's reluctance to go along with the US in the Mid-East is the exception rather than the rule. Although the Italian representative to NATO associated himself with the critical statements of the French, the Italians remain favorably disposed to close cooperation with the US. In an editorial that may foreshadow a rethinking of the Italian reaction, the influential daily La Stampa has been sharply critical of Europe's failure to back the US.

Over the longer term, however, Rome's responsiveness to US interests may be lessened somewhat by its commitment to the European Community. While public opinion polls over the last two decades have consistently shown that the Italians feel the closest affinity for the US, recent opinion trends on specific issues suggest that the Italians have begun to identify their interests more closely with their EC partners than with the US. Moreover, a united Europe independent of the US, as opposed to a close partnership with the US, is now clearly the preference of the general public, leading by more than three-to-one among the educated elite. These trends would probably

be reinforced if the EC moved in directions especially favorable to Italian interests, such as the adoption of an effective regional development policy.

The Benelux States

The initial Dutch reaction to the new outbreak of fighting in the Middle East was pro-Israeli, a sympathy born of the fate suffered by Dutch Jews during World War II. Although the Hague joined the other EC states in an arms embargo to the combatants, it otherwise played its usual role of preventing EC endorsement of positions inimical to Israeli interests.

This role has earned the Dutch the special enmity of the Arab states, which on 23 October began imposing complete embargoes on their oil exports to the Netherlands. Rather than modify their policy in response, the Dutch are attempting to stretch out their reserves, to convince the other EC states--by pressure in the EC, if necessary--that The Netherlands problem is a common one, to enlist US help, and to convince the Arabs that Dutch policy has been even-handed.

Thanks to Arab actions, the Dutch have found themselves in the same boat as the US, and few frictions have emerged. The Dutch have suggested that the US has not kept them adequately informed during the crisis, however.

The crisis, then, has tended to obscure differences in perspective and national interest that have been emerging between the US and The Netherlands on political and security issues. The Dutch, with a left-center government for the first time in years, are in the midst of a generational change of political leadership that has been accompanied by a drift away from their traditional role as one of the staunchest European allies. Its new leaders have an almost ideological commitment to detente, evidenced by their active role at CSCE. They have been as supportive of the US on MBFR as any ally, but they have parted company when suggestions have surfaced of prior US-USSR agreement.

The Dutch attempt to move in new directions has created tensions among the politicians and between them and the civil and military servants.

Belgium has tried to keep its head down during the Middle East crisis, to stay in the good graces of all sides, and to

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protect its parochial interests. It embargoed arms shipments almost immediately and declared its neutrality; it has urged the EC states to contribute a contingent to the UN peace-keeping force to bolster this neutral image. It has also sought to reduce exports of some petroleum products, even to other EC states.

The Belgians resented the absence of US consultation during the crisis, apparently more bitterly than most, and declined US urging that CSCE be used as a pressure point on the Soviets. Indeed, Brussels at one point called for an end to "massive" arms shipments to the Middle East, a posture the French unsuccessfully urged on most other West European states..

Even so, frictions with the US have not been as serious over the Middle East crisis as they have been over the detente issues so dear to Belgian hearts, and particularly over MBFR. The Belgians are, perhaps next to the French, the most convinced of the European allies that the US will eventually sell them out. At the preliminary MBFR talks, they were among the most obstinate in promoting a louder voice for themselves and the other European states, going so far as to boycott Allied consultations.

Issues such as the Middle East and US-European relations do not compare in the public mind with the problems the Flemings and Walloons have in living with one another--the issue on which governments stand or fall. The present government is a coalition of the three established parties; and they largely agree on foreign policies.

Luxembourg traditionally feels ignored by the US when important issues are at stake; it has not made much of a fuss about not being consulted during the Middle East crisis. The events of the last several weeks, however, have apparently reinforced the belief that US and West European interests are rapidly diverging. Its primary concern during the crisis has been to assure its oil supplies in the absence of any domestic refining capacity.

The preoccupation is its relations with the other West European states. It is successfully attempting to establish a role for itself in the "new Europe" as a financial hub. It does not expect to exert much influence on such matters as CSCE and MBFR. While Luxembourg would value closer relations with the US, it apparently believes matters closer to home require priority attention.

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