



The Middle East

The cease-fire was looking stronger this week and hopes for peace were picking up after the signing by Egypt and Israel on 11 November of a six-point stabilization accord arranged by Secretary Kissinger. This turned the situation around, reducing though not eliminating the possibility of new hostilities and perhaps opening wider the door to negotiations on basic issues. New hassling between the adversaries over the interpretation of the latest accord underscored once again that the road to a settlement would be tortuous and require frequent maintenance and repair. Clearly, the role of repairman would, more often than not, devolve upon the US.

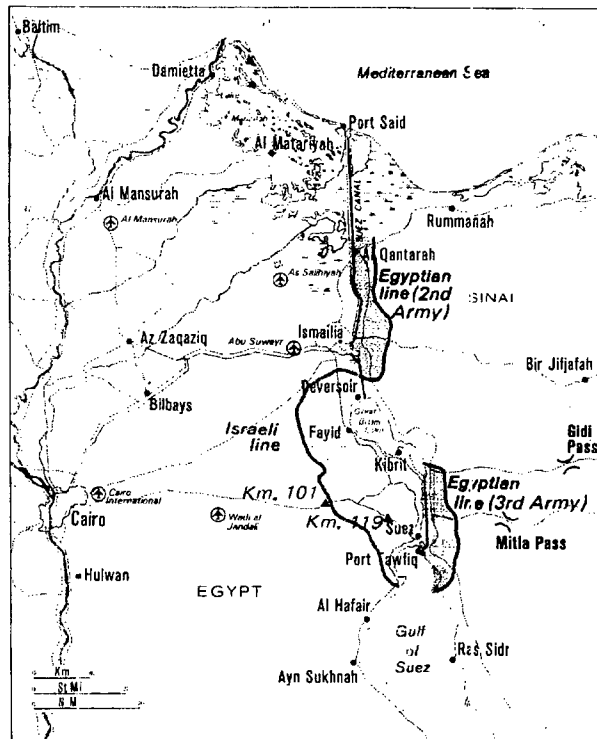
ON THE SCENE

The number and magnitude of reported violations of the cease-fire dropped this week, and the positions of the various forces remained essentially unchanged. There was still a good bit of

artillery and small arms fire along the Suez Canal, and minor skirmishing on the Syrian front. Throughout the week the Egyptians flew occasional defensive patrols, and the Israelis mounted several reconnaissance missions; the latter drew some fire from Egyptian surface-to-air missiles.

The substitution of UN for Israeli checkpoints on the Cairo-Suez road—a prerequisite to implementation of the prisoner exchange pushed by Tel Aviv—was delayed for several days as a result of differences between the UN and Israeli interpretations of their respective roles. The commander of the UN force, Siilasvuo, maintained that his mandate required him to replace all Israeli roadblocks and to exercise primary control over the flow of supplies to Suez city and the encircled Egyptian Third Army across the canal. Israel insisted on its right to exercise "military control" of the road and to monitor the flow of

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supplies. On 12 November the Israelis dismantled a UN checkpoint at Kilometer 119 near Suez.

On Wednesday, following several meetings between senior Egyptian and Israeli officers, the two sides reached a new agreement on implementation of points three through six of the 11 November accord. Israel agreed to turn over the key checkpoints at Kilometers 101 and 119 to the UN force, and Cairo turned over a list of Israeli war prisoners. An Israeli military spokesman subsequently called the list "complete," though it had some 100 fewer names than Tel Aviv had indicated earlier it believed were in Egyptian hands. The first Red Cross flight, carrying home 26 wounded Israelis, left Cairo on Thursday morning with a complementary flight carrying Egyptian prisoners from Israel. The exchange is to be completed within eight days.

The Israelis also agreed not to impede the movement of non-military supplies to the Third

Army and to allow daily provisioning of Suez with food and water. The UN will provide drivers for the resupply operation, as they did for the restricted program Israel had permitted earlier. The Israelis again will have the right to examine the trucks.

The new agreement appears to clear the way for implementation of most of the accord of 11 November, but new disputes and delays can be expected. The checkpoint issue, for one, could still cause trouble. Tel Aviv interprets the arrangement as providing for continued Israeli control of the Cairo-Suez road, while a UN spokesman in Cairo has said Israel should now "leave the task of controlling the road" to the UN force. The Israelis continued to reinforce their positions along the road throughout the week.

Moreover, virtually no progress has been made toward implementing the commitment the Egyptians and Israelis made on 11 November to "settle the question of the return to the positions" of 22 October, in a way that will disengage and separate the opposing forces. This continues to be a central aim of Egypt's President Sadat, although he has so far not pressed this objective, putting priority instead on opening lines for essential non-military supplies to the Third Army.

Israeli Prime Minister Meir informed the Knesset on 13 November that Israel is not prepared to withdraw its forces from their present positions to the "imaginary and fictitious line" of 22 October. Despite this flat refusal to withdraw, she did note that Israel has no intention of holding the territory it occupies on the west bank of the canal. She repeated her earlier proposal for a mutual pullback of both Egyptian and Israeli forces to opposite sides of the waterway.

The sensitive question of the Bab al-Mandab Strait was ignored in the mid-week agreement, as it was in the text of the 11 November accord. Israeli spokesmen have, nonetheless, continued to stress that the cease-fire is not complete without an end to hostile acts at sea as well as on land. Transport Minister Peres announced on 12 November that Israel would test claims that Egypt had quietly lifted its undeclared blockade by

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Text of the Egyptian-Israeli Agreement Signed on 11 November 1973

1. Egypt and Israel agree to observe scrupulously the cease-fire called for by the UN Security Council.
2. Both sides agree that discussions between them will begin immediately to settle the question of the return to the 22 October positions in the framework of agreement on the disengagement and separation of forces under the auspices of the UN.
3. The town of Suez will receive daily supplies of food, water and medicine. All wounded civilians in the town of Suez will be evacuated.
4. There shall be no impediment to the movement of non-military supplies to the East Bank.
5. The Israeli checkpoints on the Cairo-Suez road will be replaced by UN checkpoints. At the Suez end of the road Israeli officers can participate with the UN to supervise the non-military nature of the cargo at the bank of the canal.
6. As soon as the UN checkpoints are established on the Cairo-Suez road, there will be an exchange of all prisoners of war, including wounded.

sending ships through the strait "the minute they are ready."

Troop commitments to the UN force for the Egyptian front grew to approximately 3,000 during the week. By Wednesday about 2,100 of these troops were in the Middle East. The effectiveness of the force was still being curtailed by supply and logistic problems. Proposals for a joint Canadian-Polish logistic unit came to nothing when Ottawa and Warsaw failed to agree on a division of responsibilities. Funds needed for the force remain the big problem, despite a second appeal by Secretary General Waldheim.

THE ARAB WORLD

With the agreement on 14 November, President Sadat appeared to have secured the minimal requirements needed to preserve his domestic political position. He must surely be keeping his fingers crossed, however, especially in the light of reports that many Egyptians are grumbling about

too many concessions to the Israelis. Sadat will certainly start raising the pressure for an Israeli pull-back on the west bank of the canal, though he does not seem disposed to insist on the precise lines that existed on 22 October. He knows there is little chance of getting agreement on the positions then held by the two armies.

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Cairo will insist on some genuine disengagement, presumably one that will finally free Suez city and the Third Army from the clutch of the Israelis.

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Syria's President Asad, who has been on the sidelines since the cease-fire, faces unhappiness both at home and abroad over his acceptance of the cease-fire. Leaders of the Sunni Muslim sect and the left wing of the Syrian Baath Party oppose Asad, but reportedly have shelved—at least for a time—any plans to move against the President.

Jordan's King Husayn, largely out of pique at being ignored by Arab leaders who have been

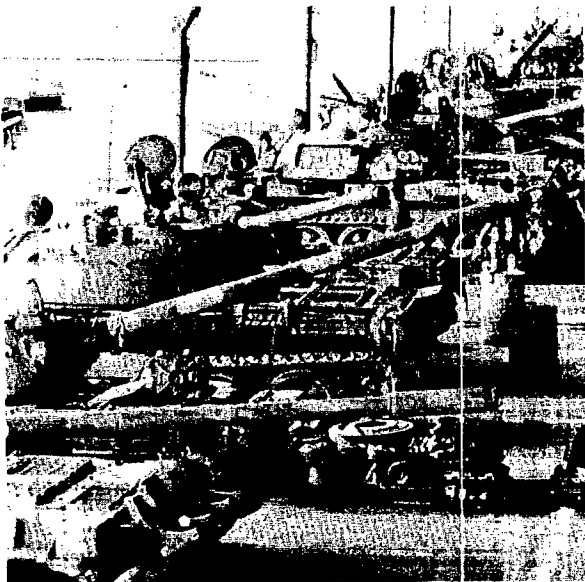
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traveling about and conferring with one another, recently made two whirlwind tours himself. He called on the leaders of several small Persian Gulf states, Saudi Arabia, and Syria. Most of these states are said to have urged Husayn to press Jordan's claim to the West Bank. In an effort to do that and to undermine fedayeen claims to represent the West Bank, the King publicly has placed heavy emphasis on UN Resolution 242—which calls for Israeli withdrawal but ignores the question of a Palestinian state. Husayn revealed that he was not at present considering resurrecting his own controversial plan for a United Arab Kingdom, which would give Palestinians a semi-autonomous area, including the West Bank. Husayn insisted, nevertheless, that Israel's withdrawal from the West Bank was for him the first order of business.

Libyan President Qadhafi, angered by Cairo's acceptance of the cease-fire, is actively campaigning against the six-point accord. Breaking his long silence early this week, Qadhafi told interviewers that Great Power intervention to halt the Arab-Israeli conflict was to be condemned.



Captured tanks being repaired by Israelis

ARAB OIL INCOME RISES

Arab oil revenues will reach a record \$4.3 billion in the first quarter of 1974, even if production is cut back 5 percent a month. While output during the first three months of 1974 will be only two thirds of the 1973 level, revenues will be some 70 percent more than last year.

Price increases during 1973 have in most cases more than doubled the revenues per barrel reaching the Arab governments. The October price increase alone more than compensates for lost production. Arab oil revenues for 1973 are expected to exceed last year's income by 54 percent. Oil exports will average 1 million barrels per day more than in 1972, a 7-percent increase despite the cut-backs.

Although the Libyan leader stopped short of publicly denouncing Egypt's handling of the war and its aftermath, his remarks betrayed a deepening rift with Sadat and an unwillingness to cooperate in future peace talks.

Fedayeen leader Yasir Arafat is still struggling to unify factious Palestinian organizations behind a program of participating in a future peace conference and backing the creation of an independent Palestinian state. Arafat and some of his associates are convinced of the desirability of participation, but have been unable to gain the support of the leaders of several radical groups.

Arafat reportedly was to have led a high-ranking delegation that included the heads of all significant fedayeen organizations to Moscow early this week, but fedayeen unity failed and the trip was postponed at the last minute. Moscow is eager that the fedayeen present a united front and make the trip, if only to augment Soviet bargaining power in any future negotiations.

Saudi Arabia's King Faysal is also trying to foster fedayeen unity, primarily out of a desire to see Palestinians brought under a relatively

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moderate leadership. He reportedly has threatened to cut off the critically important financial support he provides if the fedayeen fail to attend a peace conference.

Arab foreign ministers are scheduled to meet in Cairo at the end of next week to prepare for a summit meeting in Algiers this month. Several important Arab leaders, including Sadat and Faysal, have reservations about the usefulness of such a meeting, but they may now feel that the tender bud of Arab unity would be seriously threatened should they push ahead on their present course without at least appearing to solicit the advice of other Arab leaders.

OAU foreign ministers will meet early next week in Addis Ababa to try to cash in on the action of many black African governments in breaking relations with Israel. They want assurances that oil supplies to OAU members will not be disrupted and that the Arabs will mount an effective oil boycott of the white regimes of southern Africa.

STRONG WORDS IN ISRAEL

Mrs. Meir's domestic political foes increased the intensity of their criticism of her government this week, belaboring it both for alleged unpreparedness and for the conduct of the war and what came after. Last weekend leaders of a right-wing opposition group came out against the six-point agreement. Among other criticisms, the group contended the agreement in effect lifted the siege of Egypt's Third Army.

Particularly damaging criticism came from a leader of the group, General Sharon, who led the Israeli breakthrough on the west bank. Sharon has charged that his superiors failed to reinforce his troops and enable them to exploit the advantage they had achieved. Sharon, a popular figure, had retired from the army earlier this year to enter politics.



Israeli troops inspect supplies for Egyptian Third Army

These political attacks have included the argument that the present government has no mandate to negotiate for Israel since the government's term of office formally ended on 28 October. Elections, postponed by the war, are scheduled for 31 December.

In response, Deputy Prime Minister Allon conceded that, although Israel wanted to negotiate a settlement of basic issues with the Arabs, substantive talks could not be held before the elections. He added, however, that no opportunity should be missed for beginning the talks, even before a new Israeli government is elected.

Notwithstanding the bitter words and opposition demands that the government resign at once, Mrs. Meir is safe enough until the elections. Her ruling Labor Alignment has a heavy majority in the Knesset, and there are no signs of significant defections from its ranks. The main opposition force has but 31 of the 120 seats, and its leaders are clearly hoping to capitalize on the government's present predicament.

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and Damascus, that it was important for Washington and Moscow to cooperate.

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The cabinet announced last Sunday that the Prime Minister had proposed a full investigation into the circumstances surrounding the war. Mrs. Meir pledged that an investigation would be conducted "without fear or favor." A separate inquiry by the army was also announced.

Moscow may also step up its dealings with Arab leaders other than Sadat. Syrian President Asad, discomfited by Sadat's recent action, wants to visit Moscow soon to seek Soviet assurances that Damascus will be kept abreast of moves toward a peace settlement and to request a continued flow of Soviet military equipment. Moscow is showing renewed interest in the Palestinians. There are even rumors that Moscow will re-establish diplomatic ties with Tel Aviv.

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Meanwhile, the TASS representative in Cairo has acknowledged to US officials that Moscow, under Egyptian pressure, sent "a limited number" of surface-to-surface missiles to Egypt in mid-October. The Soviet claimed that the missiles are under exclusive Soviet control and are manned by Soviet crews. SCUD short-range missiles are indeed in Egypt, but reports on who controls them are conflicting.

THE SOVIET ANGLE

The Soviets have reacted to the latest agreement with coolness, probably reflecting irritation that US activity in the Middle East has overshadowed the Soviet role. The perfunctory treatment accorded the restoration of US-Egyptian relations also suggests that Moscow is concerned that, despite Soviet military aid, Cairo is looking to Washington for a Middle East settlement.

Moscow's military resupply effort to the Arabs declined again last week. Sea shipments are running approximately at pre-war rates.

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To counter this, the USSR is almost certainly searching for a way to recoup. First Deputy Foreign Minister Kuznetsov told US Embassy officials last week following his return from Cairo

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Brezhnev Weathers the Crisis

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The weeks since the outbreak of hostilities in the Middle East have handed Brezhnev and his colleagues a series of difficult choices, requiring them to weigh Soviet equities in the Middle East against detente with the US. The results of the balancing act are, of course, not yet in, but the present reading is that Brezhnev's internal political standing is sound.

During the summer and early fall, detente, trade initiatives, and European security talks had come into conflict with internal security priorities. Official Soviet handling of emigration, dissidence, and freer movement matters was uneven, and Soviet media treated these issues in such a way as to suggest differences in the party and government. Brezhnev himself was notably defensive about the achievements of his detente policies in his last speech before the Middle East war.



Initial Soviet handling of the Middle East crisis seemed designed to give Moscow maximum credit in the socialist and developing world. This approach, in effect, foreclosed sniping by those Soviets who are skeptical of detente and concerned about its competition with other foreign policy objectives.

As the tension eases, Brezhnev's grasp of power seems firmer than ever. He has apparently been able to preserve the essence of his detente policies while maintaining other Soviet interests in the world and answering to political considerations at home. The October Revolution celebrations on 6-7 November were the occasion for another surge in his personality cult. His unofficial party deputy, Andrey Kirilenko, paid his boss effusive tribute in the customary holiday speech, always a highly coordinated leadership product. Furthermore, this year's record harvest will work to his political advantage.

Brezhnev's very pre-eminence underlines his ultimate responsibility for Soviet policy setbacks. He had maintained a relatively low profile on Soviet policy in the Middle East, but his hand was more apparent this time around. For the Soviets, the balance sheet in the area is mixed. Once again, the USSR engaged in a crisis involving direct political and military risk. Arab gratitude for this continues to be highly dubious, as do the Soviet Union's prospects for increasing its influence in the area. More important for Brezhnev, however, is the fact that Soviet-US detente has been strained. In the past, he has derived considerable political capital from his strong personal identification with improved Soviet-US relations, and much will now depend on his ability to come up with concrete new achievements in detente.

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EC Buys Time on Middle East

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The embarrassment—and even shame—with which many Western Europeans reacted to the EC's pro-Arab declaration on the Middle East last week is being tempered to some extent by arguments that, after all, the stand was intended not as a moral statement but as a safeguard for essential economic interests. A feeling prevails that if the declaration "works"—that is, if it results in a relaxation of Arab oil restrictions or in an Arab willingness to overlook unpublicized oil sharing with the embargoed Dutch—much of the uneasiness over the community's Arab-leaning position will be assuaged.

Much of the criticism of the Nine's Middle East stand focused less on substance—which is, after all, much the same as earlier EC statements or UN resolutions—but on its timing, which placed the community at odds with the US. Critics point to Europe's "schizophrenia" in distancing itself from the US while depending on Washington to provide a settlement that would get Europe off the hook. This contradiction was evident in French Foreign Minister Jobert's speech before the National Assembly this week and will continue to be apparent in the US-European discussions about Atlantic declarations in the EC and NATO forums.

The declaration has allowed the Nine to claim a new-found unity on a crucial foreign policy issue, however, although there is still great concern that tensions among and within EC member states will eventually destroy this facade. European oil reserves are apparently sufficient for immediate needs, but the greater the pinch, the greater will be community pressures for equalizing available supplies. On the other hand, domestic pressures will rise in the relatively well off states—France and Britain, for example—to preserve their favored position vis-a-vis the Arab suppliers.

These problems have been shunted aside for the moment by the EC's wait-and-see attitude, representing, in effect, EC agreement to let Paris and London use their "influence" with the Arabs. One consequence of this attitude is general confusion in Brussels as to what, if anything, the community and its institutions should do about the energy crisis. The Europeans hope that the political declaration will ward off an increase in Arab demands, but they also fear that too much overt activity on the oil front might provoke the Arabs to further cutbacks.

Although the Arabs have generally been pleased with the EC declaration, they seem, on balance, still to be enjoying the apparent "reverse colonialism" they are applying to Europe. Thus far, they have shown little concern over mild EC hints that economic and trading arrangements under consideration with the Mediterranean states might suffer if the "oil weapon" continues to be used.

The energy situation has meanwhile contributed urgency to a search for compromises in other EC areas. Pompidou's call for summit meetings was one such attempt to take advantage of the Middle East conflict in order to assure a showing of unity. The French are also pushing for EC action against inflation, in large part in order to provide cover for unpopular domestic measures. Moreover, Paris has suggested some apparent concessions in order to move to the so-called second stage of economic and monetary union next year. Germany, meanwhile, has said it is prepared to proceed with establishment of a regional fund—although only at a token level—which is a major interest of the UK, Ireland, and Italy. None of these measures is likely to have a significant economic impact, however, and any momentum in these areas could end abruptly if community solidarity on energy proves unattainable.

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