

DIRECTORATE OF INTELLIGENCE

WEEKLY SUMMARY Special Report

France's Policy Toward the Middle East

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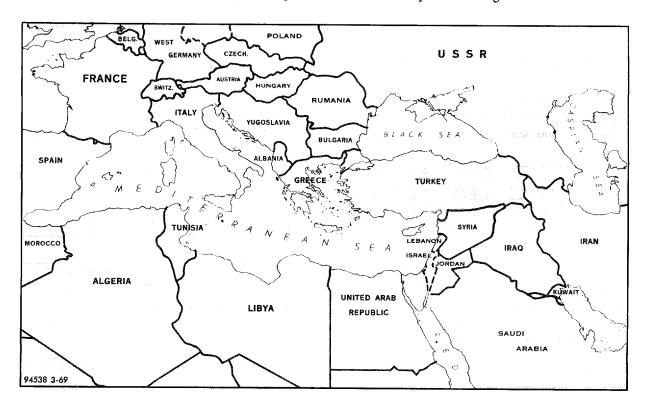
7 March 1969

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FRANCE'S POLICY TOWARD THE MIDDLE EAST

French policy toward the Middle East from the mid-50s until 1962 was shaped almost entirely by two events; the 1956 Suez conflict and the Algerian imbroglio. The French decision to join Britain in supporting Israel's military expedition against Egypt in 1956 caused most of the Arab states to break relations with France. Paris' effort to suppress Algeria's armed rebellion assured continuation of this anti-Arab and pro-Israeli policy. Not until 1962, when France granted Algeria its independence, was De Gaulle in a position to make major changes in that policy.

De Gaulle was sensitive to the decline of French influence in the Middle East after World War II, and he set about trying to restore it by a variety of means. A key move was to begin gradually to loosen or at least obscure the close ties France had with Israel—a move that found great favor with the Arabs. By 1967, with only a minimum of economic and arms assistance, he had succeeded in restoring normal diplomatic relations with the Arab states and had built up a favorable political image. So successful was French diplomacy in the region that, despite Israel's military success in June 1967 with a French-equipped air force, it was with the US and Britain—not France—that the Arab states broke relations. Since 1967, De Gaulle has moved even closer to the Arabs and has continued to seek a major role in any Middle East settlement, preferably through some kind of four-power arrangement.



INCREASING HOSTILITY TO ISRAEL

France had begun to move toward the Arab side even before hostilities broke out in 1967, but the shift toward a "pro-Arab neutrality" was dramatically illustrated when, at the end of the conflict, De Gaulle decreed an arms embargo that in effect hurt only Israel. The embargo, coupled with De Gaulle's public condemnation of Israel as an aggressor and his demand that Israel return the areas it had conquered, foreshadowed his later, harsher stand against Israel.

At a press conference in late 1967, De Gaulle described the Jews as "an elite people, confident in themselves and domineering." The

description was taken as a further indication that he was anti-Israel. The reaction in France was so negative that he was obliged to send letters to the Grand Rabbi of France and to former Israeli premier Ben-Gurion to quiet charges that he was anti-Semitic.

Shortly afterward, the French Government dealt another blow to Israel by lifting the embargo on arms to those countries that had not participated in the war and permitting fulfillment of all contracts with any Middle Eastern countries concluded before June 1967. The item most vital to Israel—aircraft—remains embargoed. This continuing refusal to ship the planes became Israel's key grievance against France.

DE GAULLE SPEAKS

On the Jews

Some people were even afraid that the Jews, until then scattered, who had remained what they had been at all times, that is an elite people, confident in themselves and domineering, might, once reassembled on the sites of their past greatness, turn into an ardent and conquering ambition the very moving wish nursed for some 19 centuries: next year in Jerusalem.

On the Arabs

Arabs are nothing. Never have Arabs built roads, dams, factories. After all, perhaps they don't need them.

On a settlement between them

The obvious fact is that, failing the international intervention which France has always proposed, the course of the conflict will develop inexorably: threatening tension, conquests, the appearance of resistance, reprisals, and, finally, the unleashing of hatreds. This escalation is leading the Middle East to bloody chaos and the world toward being torn apart.

By decision of the United Nations and with the presence and guarantee of its forces, it probably would be possible to determine the precise delineation of frontiers, conditions of life and security on either side, the fate of refugees and minorities, and modalities concerning free navigation for all in the Gulf of Aqaba and the Suez Canal. also international status for Jerusalem....For such a settlement to be implemented, a great power agreement would be necessary....

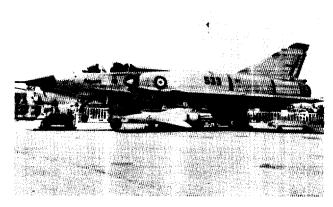
Before the June war, Israel had contracted, and in part paid, for 50 French Mirage V jet fighters, a simplified version of the Mirage III. Israel already had 65 of these, and they were the key element in the Arab defeat. The Israelis continued to hope the embargo would be lifted and, in April 1968, paid the final installment on the Mirages. De Gaulle, however, privately stating his conviction that Israel, if given the Mirages, would "take over Cairo and Damascus," maintained the embargo.

There were numerous reasons for lifting it: the possibility of economic retaliation by Israel; the chance that French aircraft sales to other countries would be hindered by fear of a similar embargo; the deterioration in France's economic situation, which heightened the need to keep up production in key industries; Israel's strong legal claim to the planes; and continuing domestic pressures and widespread criticism. None of these pressures had the slightest effect on De Gaulle.

The crowning blow against Israel came on 6 January 1969, when De Gaulle, ostensibly as a rebuke to Israel for its earlier raid on the Beirut airport, imposed a total embargo on all arms to Israel, including spare parts which had continued to flow after the earlier embargo. Almost the only remaining symbol of France's former intimacy with Israel was thereby erased, and De Gaulle had once more conclusively demonstrated his sympathy for the Arab cause.

POLICY TOWARD THE ARABS

The growing hostility toward Israel was accomplished by an increasing cordiality toward the Arabs. Immediately after the June 1967 hostilities, despite the embargo and the denunciation of Israel's resort to aggression, De Gaulle sought to maintain a somewhat balanced position between the two sides. He did not entirely support Arab views of how to resolve the crisis, and



FRENCH MIRAGE III

French officials stressed that France's aim was to take a neutral position between the hostile parties. At that time, he may still have hoped to play a mediating role. By early 1968, however, De Gaulle apparently decided that there was greater advantage to supporting the Arabs more fully even at the cost of alienating Israel. He may have reasoned that since neutrality was bringing him no closer to the major role in the Middle East that he wanted for France, the best course was to espouse the Arab cause.

The harvest that France has reaped so far has been slim. In no country, with the possible exception of Lebanon, has France really made its presence felt. Some commercial agreements have been signed, limited technical assistance has been provided, the French cultural presence has been increased, and numerous Arab leaders have made the pilgrimage to Paris. In the key areas of arms sales and oil, however, Paris as yet has made only a few significant breakthroughs.

France has held arms discussions with Lebanon, Libya, Saudi Arabia, Syria, Iraq, Kuwait and Jordan. Thus far, the only major sale has been to Lebanon, which has bought 12 Mirages. The only other major arms contract, which called for the sale of 54 Mirages to Iraq,

was abrogated by Baghdad after one payment. The French have stressed that renegotiation of the contract would be welcome, and there are some indications that Iraq may be reconsidering. French Minister of Defense Messmer's recent visits to Saudi Arabia and Kuwait have led to speculation that these two countries are considering major arms purchases, but no contracts have been made public.

In comparison with the volume of French arms sales to Israel before the embargo, the sales to the Arabs have been insignificant. The basic limitation on expanding such sales is that France is competing with the USSR, which either gives away its military equipment or sells it for a price so low that France is unwilling to compete. If the Arabs should decide to diversify their sources of supply so as not to be too dependent on any one country, the UK and particularly the US might then come into the picture. Thus France, which

could lose an estimated \$556 million as a result of the embargo on Israel, is unlikely to recoup its losses by a substantial expansion of sales to the Arabs.

In the other sphere where the economic stakes are high—oil—French expectations have outrun actual gains, but some important agreements have been signed. Oil is of particular interest to Paris not only for strategic reasons but also because petroleum accounts for roughly two thirds of French foreign investment. When the conflict broke out in 1967, France was importing approximately one half of its oil from the Middle East. The French had an equity interest of only 6 percent, however, whereas the US and UK together owned 84 percent of Middle Eastern oil.

France's efforts after 1967 were directed at attaining a greater equity in Arab oil, and its first target was Iraq. In February 1968, the French

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SAUDI ARABIA				224	4				
KUWAIT	0								
LIBYA	0		***************************************						
IRAQ				72					
ISRAEL	150	120	7	444	16	77	267*		2

^{*}Does not include 50 Mirage 5's paid for by Israel but embargoed by France and now held in flyable storage in France

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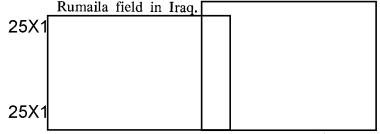
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state-owned oil group ERAP (Enterprise de Recherches et d'Activites Petrolieres) signed an agreement with the Iraqi National Oil Company (INOC) whereby ERAP would act as INOC's contractor in the development of certain hitherto unexplored areas, in return for which ERAP would be entitled to purchase a share of any oil produced on very attractive terms.

Another French company, CFP (Compagnie Francaise des Petroles), in which the French Government holds a minority interest, unsuccessfully sought a similar arrangement in the rich North



The failure of the North Rumaila and Mishraq bids—the most important opportunities available to De Gaulle at that juncture—was a particularly heavy blow. He had courted the Iraqis assiduously, capping his campaign with an invitation to Iraqi President Arif to visit Paris in early 1968. The failure was compounded by the fact that the deal for supplying Mirages to Iraq,

eventually fell through as well.

In April 1968, ERAP and its affiliate signed an association agreement with the Libyan state oil company for exploration and production in two key areas and one marginal one. A separate agreement on petrochemicals was signed at the same time. The Libyan deal was eminently satisfactory to France, which bagged some promising acreage for a comparatively modest price. Moreover, the oil accord represented a significant French penetration into a key Libyan area in which the US,

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and to some extent the UK, had hitherto been predominant. In 1968, ERAP also organized a consortium of European oil companies to negotiate for exploration and production rights in Iran.

MOTIVES AND RELATED DIPLOMATIC ACTIONS

The potential exists, then, for the long-range development of relatively profitable economic and commercial relations with the Middle East, but France up to this point has gained few immediate benefits from its pro-Arab stance. It was for essentially political reasons that De Gaulle abandoned Israel and began to court its hostile neighbors. He hoped that increased influence in a vital area of the "third world" would enhance France's claims to great power status. To the extent that he could persuade the Arab nations to move away from either superpower and align themselves—however loosely—with France, he could more justly claim a seat in the great power councils.

The deterioration of the US and British positions in the Middle East opened the door wider for France, and De Gaulle hoped that Arab reservations about dependence on the USSR would reduce the competition from the Communist camp. A lessening of cold war competition would also reduce the chances of a US-Soviet confrontation, a possibility that De Gaulle came increasingly to fear. Then, too, by favoring the Arabs and pushing Israel aside, De Gaulle established for France a position separate from the US, thereby maintaining France's claim to an independent role in world affairs. Washington's ties to Israel, he may have argued, would ensure Israel's continued existence no matter what France did.

From the beginning, De Gaulle pushed for a four-power (US, UK, USSR, and France) approach to solving the Middle East problem. His awareness that significant negotiations were unlikely until passions cooled made him willing to see the UN take the initiative in the early stages of the conflict, but he never ceased to air the idea that any lasting solution could only be found within the framework of the great powers. De Gaulle's related concern has been to prevent the superpowers from negotiating without France. His fear that France would be excluded from negotiations was intensified by the Kosygin-Johnson meeting at Glassboro in mid-1967 and by the Soviet failure to respond affirmatively to his first quadripartite proposal.

Developments immediately after the June hostilities made it clear that the Franco-Soviet "special relationship" was not as broad or deep as had been advertised. De Gaulle, having made a considerable diplomatic investment in that relationship, redoubled his efforts after Glassboro to keep in step with Moscow on Middle East issues. His increasingly pro-Arab position and the identity of views between Moscow and Paris on certain aspects of the Arab-Israeli dispute facili-

tated cooperation of a limited sort between the two countries.

Until late 1968, the French appeared content to let the UN take the initiative and supported, although lukewarmly, UN emissary Jarring in his mediating mission. A desire to put France decisively back into the diplomatic picture, coupled with a growing frustration over the Middle East impasse and a genuine fear of a new and even more dangerous eruption, prompted Paris in late 1968 to renew its soundings on a possible four-power meeting.

In mid-January 1969, France formally proposed that the Security Council representatives of the "big four" meet, in conjunction with the secretary general of the United Nations, to "seek means to contribute to peace." The representatives, according to the French proposal, would try to implement the comprehensive Security Council resolution of November 1967 dealing with the conflict. In a nod to Moscow, the French suggested in particular that the Soviet "peace plan" be studied as a possible means for resolution of the problem. Although the UK, the USSR, and the US have all agreed to the proposal—the US with the reservation that bilateral consultations must first take place-no meetings have yet occurred.

FRENCH IDEAS FOR A SETTLEMENT

De Gaulle said as early as November 1967, that if agreement between the great powers was achieved, France would be disposed to grant immediate political, economic, and military assistance to see that the agreement was effectively applied. French officials later indicated that France would take part in a four-power "peace-keeping force" which would control Israel's "security frontiers." Such a force should be created, in the French view, by the Security Council, where the focus is on the four powers,

and not by the General Assembly. France's new willingness to utilize the Security Council as a framework for a settlement may stem from a recognition that this approach is the best way to ensure a role for France in any Middle East settlement.

Another long-held French condition for a settlement is that any final territorial changes would have to be freely negotiated, without regard for boundaries established by military conquest. A corollary to this is French recognition of the need to demarcate the frontiers precisely. France would probably expect to use the prewar boundaries as the starting point in negotiations, but would not reject minor modifications.

The French have also stipulated that any agreement must provide for freedom of navigation in the Gulf of Aqaba and the Suez Canal; for a general settlement of the refugee question; for the Arabs' acceptance of Israel's right to exist; and for international status for Jerusalem. In addition, Paris has expressed interest in an agreement to limit arms sales to the Middle East. It would insist that all major arms suppliers be a party to the agreement.

PUBLIC OPINION

The government's conduct during the continuing Middle East crisis, particularly the embargo on arms to Israel, has been widely criticized not only in opposition circles but among Gaullists as well. Nevertheless, a poll taken in June 1967

revealed that, although 58 percent of those questioned were sympathetic to Israel, 59 percent nevertheless approved De Gaulle's policy. In another 1967 poll, 47 percent of those queried believed that, even if the conflict had lasted longer, France should still have maintained its embargo, though Israel's forces were largely equipped with French materiel.

Criticism grew as De Gaulle gradually shifted from a position of neutrality between Israel and the Arabs to a more open espousal of the Arab viewpoint. Several factors have kept the criticism from mounting to significant proportions. The opposition in France has been sharply split on the issue, with the French Communists echoing the Soviet—and thus to an extent the Gaullist—line and the non-Communist left taking a pro-Israel position.

Although Gaullists both within and outside the government have been disenchanted with De Gaulle's position—and particularly with the arbitrary nature of some of his decisions—the limits of their dissidence are set by awareness that he is for the time being their political bread and butter. So the opposition to his Middle East policy is neither strong enough nor united enough to threaten his position. For this reason, and because his policy fulfills several of his key objectives simultaneously, he is unlikely to alter it in any significant way soon.

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