CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence 25 June 1967

INTELLIGENCE MEMORANDUM

Arab-Israeli Situation Report
(As of 11:00 A.M. EDT)

UNITED NATIONS

- Resolutions which now are crystallizing within the Latin American and non-aligned groupings at the UN appear to spell trouble for an approach linking a call for troop withdrawal directly with the other elements necessary for a long-term solution to the Arab-Israeli conflict. The Arabs have probably not yet given their blessing to these resolutions -- which are still in a formative stage--but they have been consulted at some point in the deliberations of both groups. Moreover, when the General Assembly President suggested to the Arabs on 23 June that he put a mid-week deadline on the submission of new resolutions, the Arabs urged him to wait until the end of this week. The Soviet Union may have played a role in "coordinating" the non-aligned draft, for which Yugoslavia has been the moving force.
- 2. The relatively balanced Mexican concept for a resolution seems to have been transmuted in a working group of six Latin Americans (Mexico, Chile, Colombia, Venezuela, Panama, and Trinidad) into a memo which now calls for the withdrawal of Israeli forces to the lines existing on 4 June 1967 as the "prior indispensable basis" for the establishment of conditions of peace. The use of peaceful means to solve existing controversies should then "consolidate" these conditions. In talking with the US mission, the Chilean delegate (Pinera) defended this language on the grounds that the situation would be as it was before the hostilities but that "Israel would now be protected by its superiority since the Arab military equipment had been destroyed." The mission had previously reported that although Pinera was promoting

the Mexican ideas, he appeared to be trying to work out something acceptable to the Arabs which might be unacceptable to the US.

3. Pinera commented that the idea was to build a solid majority around a "reasonable text." The majority he envisages is based on the Latin Americans, OCAM, a few English-speaking Africans, a few Asians, and the "liberal" West Europeans (Scandinavians, Austria, Ireland). He would hope to pull over such "non-aligned" as Nigeria, Kenya, Zambia, and Indonesia. Full Latin American support for the six-nation memo still seems questionable, however. The Chilean also made a strong point about the necessity of having a separate international status for Jerusalem-presumably the Old City--"as proposed by the Pope."

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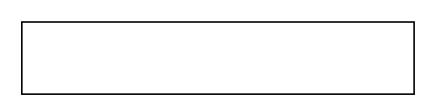
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According to Pinera,

the six-member Latin American group intends to speak to the non-aligned group (radical Africans and Asians, and Yugoslavia) on Monday afternoon following a full Latin American group meeting.

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- of. Despite various predictions that a "simple" withdrawal resolution is likely to succeed in the Assembly-Italian Foreign Minister Fanfani, for example, says 72 per cent would vote for unconditional withdrawal-there is considerable recognition that such a resolution would in fact accomplish little. Whether or not realization of this is general enough to influence votes for a resolution which omits condemnation, "calls for withdrawal, and refers the serious problems back to the Security Council, remains to be seen. Fanfani is apparently thinking in terms of an alternative which would in effect be a public statement of principles by the Assembly, including withdrawal, which would then be subject to Security Council decision.
- 7. Meanwhile, more consideration is being given to the need of finding a mediator between Arabs and Israelis. The Brazilian foreign minister has suggested finding two nations—one with access to Israel and one with access to the Arabs—to undertake a mediatory role. The Canadian foreign minister thinks the "ideal course" would be withdrawal of both the formal US and USSR resolutions now before the Security Council and substitution of an agreed recommendation to the Council to select someone to bring about negotiations; if that fails, he would act as an intermediary.
- 8. King Husayn is expected to emphasize the refugee problem in his speech tomorrow to the Assembly, stressing in particular Israeli "violation" of the 14 June Security Council resolution on refugees. Reportedly, Husayn will concentrate forcefully on both the "old and new" refugee problem.
- 9. Two members of the British UN delegation expressed similar views on the eventual necessity of Israel having to abandon all the occupied territory, including the Old City of Jerusalem. The "only two acceptable alternatives" for Jerusalem, according to one UK official, were restoration of Jordanian control of the Old City or a new internationalization of Jerusalem, as opposed merely to international safeguards for the holy places. In London, meanwhile, Foreign Secretary Brown is coming under considerable fire from the press over his remarks in the UN warning Israel against trying to hold on to Jerusalem and making territorial gains from its victory.



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ARAB STATES

10. Initial Arab press reaction to the Johnson-Kosygin summit meeting was relatively restrained; there were some indications of apprehension that a US-USSR "deal" was in the works concerning the Middle East. One Egyptian commentator yesterday stated that during this crisis, "any amount of bargaining, no matter how small, would mean surrender to the plot and to some of the plotter's goals." Today, however, perhaps in a gesture to reassure its listeners, Cairo radio quotes the semi-official Al-Ahram and says that reliable sources in New York have learned that Soviet Premier Kosygin "adopted a firm stand on the Middle East crisis during his meeting with Johnson," and that "the Soviet Union had not changed its stand." Some Israeli papers today also expressed fears that an agreement which might be reached in the Johnson-Kosygin talks would be at the expense of Israel.

25X1 division into pro-West neutralists and pro-East neutral-

division into pro-West neutralists and pro-East neutralists has become sharper with the pro-East factions receiving substantial support from recent Soviet diplomatic support of the Arab position in the UN and elsewhere.

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- visited Bethlehem on 22 June, but there has been insufficient reporting on other parts of the West Bank to determine whether the situation there is typical. is almost no flour, powdered milk or canned goods in the town, and the inhabitants are slaughtering their cattle because of a feed shortage. Friction between local Christians and Muslims is increasing. The Christians believe the town was shelled because the Muslims refused to surrender. Israeli soldiers spent over \$80,000 in Israeli money after the town fell, but Arab merchants have subsequently been forbidden to use Israeli money and have no way to exchange it. The Israelis have forbidden travel to Jerusalem, but Bethlehemites with shops in Jerusalem face confiscation unless their shops are opened.
- Press reports from Baghdad today indicate that the Iraq Petroleum Company pipeline to the Mediterranean through Syria will be reopened next week, but oil will be sold only to selected countries. The Iraqi Cabinet reportedly approved the decision to reopen the pipeline, but specified that oil be shipped only to France and Turkey.

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SOVIET AND EAST EUROPE

- Assembly session admitted that the Soviet role in the General Assembly was aimed merely at achieving a propaganda victory and restoring Soviet prestige in Arab eyes. He noted that the focus of action will have to go back to the Security Council.
- 18. He indicated that the USSR is aware the Assembly session will not induce the Israelis to withdraw from Arab soil. He voiced the possibility that "indirect" talks might be held between the two sides if some token withdrawal of Israeli forces were made—or even a promise of withdrawal. In the long run, he stated, the Middle East situation could be stabilized only if some system of "security arrangements" could be constructed.
- 19. The Soviet implied that Moscow had been worried about the fate of Nasir after the Arab defeat, fearing that he might have been replaced by "hotheads" who would have continued the war, thus placing the Soviets in a delicate position.
- 20. Czech Communist Party secretary Vladimir Koucky is scheduled to arrive in Cairo on 26 June for a three-day visit as President Novotny's personal envoy. His delegation includes representatives of the party, the foreign trade and defense ministries.
- 21. Another Czech entourage, headed by the secretary-general in the foreign ministry, Pleskot, is slated to arrive in Damascus on the same day. Both delegations are expected to begin negotiations for additional Czech aid.

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