

THE ARAB-ISRAELI CRISIS

- I. Current Situation In Palestine
 - A. Arab-Israeli tension highest since Israel created in 1948.
 - B. Israel using provocative measures end unsatisfactory armistice with Jordan, Syria, Egypt and Lebanon.
 - Exaggerated border incidents,
 possibly provoked others; executed
 major military operations against
 Jordan.
 - 2. Israel wants UN and West compel Arabs make peace.
 - 3. Sharett forced by extremists to endorse limited retaliation.
 - C. Arabs convinced Israel trying provoke attack.
 - 1. They show no aim to do so, demand
 UN punish Israeli aggression and
 US stop aiding Israel.

Approved For Release 2000 Policy raises

2. New Arab Legion policy raises

possibility larger actions.

II. Dilemma in the UN

- A. Council considering two items: 1) Arab

 item on Nahhalin incident; 2) Israeli

 item supported By WEST
- B. Dilemma: Arabs will discuss whole issue only if condemnation Nahhalin agreed to by West. Otherwise may still walk out. UN action expected Thursday. Condemnation would strengthen Israeli extremists.

III. Prospects

- A. No indication UN action will help.
- B. Failure may force Sharett to more extreme policy or his replacement by ex-prime minister Ben Gurion. With

Lavon and Dayan, Ben Gurion favors

"treat 'em rough" policy.

C. Such an eventuality could lead Israel
Approved For Release 2000/08/30: CIA-RDP80R01443R000200230003-3

SPC212T