before the October War when I recommended they form an exile government, things would be completely different now. The entire world would have recognized them, but naturally they are not in a position to do this, since Syria does not want an exile government. Syria would like a Ba'ath government for the Palestinians. This is where it stands, unfortunately....

Spiegel: Can you imagine a practical solution to the Arab-Israeli conflict without Moscow?

Sadat: Since the October War the Soviet Union has sent no more arms to me, whereas Syria has received four times the amount of arms they ordered. We have not even received spare parts. The Soviets have not even respected the old, still-in-effect treaties on arms deliveries. The USSR has also refused to support our debt—all this the Soviet Union can't deny.

I have nevertheless invited the Soviet Union along with the other partners. The decision is now for Moscow to make. But if the Soviet Union participates in the negotiations or then tries to create difficulties for us, even though we who bear direct responsibility and are directly affected are able to reach agreement — then we won't accept this.

Then, if we are in agreement with the future settlement, this will go immediately into effect. A Soviet objection to it will have no effect on us. . . .

Spiegel: But all this is still far off. What time appears to you as realistic for the ending of Arab-Israeli conflict? Sadat: 1978. The coming year is the decisive year during which the Arab-Israeli conflict will be ended once and for all.

Moscow On Sadat

The Kremlin is undergoing a "painful reevaluation" of its Mideast and Africa policy in light of recent events, says Hans Lathe, Moscow correspondent of the West German Kieler Nachrichten Dec. 8. Lathe comments that the Soviets say their policies are based on science, but when it comes to these areas they have no realistic policy at all. Pending their strategic reassesment, the Soviets have escalated their propaganda attacks on Egyptian President Anwar Sadat. The most strident yet was a Dec. 5 Tass commentary by top political observer Yuri Kornilov, excerpted below.

...It is becoming evident that the final goal of this nasty political game is a separate accord with imperialism and Zionism against the Arab peoples, an accord for which Cairo is ready to pay any price, and notably, among other concessions, to sacrifice the vital interests of three million Palestinian Arabs.

He is docilely giving in to the imperialists, who are looking to keep the PLO from participating in the settlement of the Middle East conflict, by substituting a small group of Quisling Palestinians. It exactly on these Quislings that Sadat is counting, while looking feverishly in different regions of the Middle East and beyond, and especially in the United States, for suitable candidates he could bring without difficulty on American or Israeli airplanes to the American-Israeli-Egyptian meeting planned for Cairo, and pass them off as representatives of the Palestinian people...

President Sadat is not looking to arrive at a comprehensive solution of the problem. This is a lie, a premeditated lie motivated by his will to justify to the extent possible in the eyes of the Arab world his separate actions with the aggressor. Let us call a spade a spade. It is really a matter of de facto capitulation of Cairo before imperialism, before belligerent Zionism. It is a matter of treason.

Sadat is quoted as follows:

My admiration before German militarism is indescribable. If I would try to describe it, I could not find sufficient words in Arabic to express my immense admiration and love. Hitler has stricken me, and before him I was stricken by the German military spirit.

(Tass concludes:) These declarations of Sadat are very eloquent in describing who is who in Cairo today.

Washington Observers On The Mideast

Egypt's break of diplomatic relations with Syria is having a profound effect on the entirety of Mideast politics. The following are assessments of the impact of Sadat's moves on both the international and inter-Arab level by prominent observers in Washington.

From an interview with a Washington source close to Israeli government circles.

Sadat would rather see a split in the Arab world than a comprehensive settlement. Sadat wants to assign to the Syrians the role of Soviet puppet. His thinking is that, in an overall settlement, his value to the U.S. becomes nil, while if the Syrians exist as a pro-Soviet force, then he

becomes an invaluable ally of the U.S., and Sadat wants the U.S. behind him. So he wants to drive the Syrians into the Soviet camp, into the Rejection Front, into an extremist position.

You see, Sadat believes that U.S. policy in the Middle East is based on a deception, and a clumsy one, one which the Russians will not fall for. Vance is trying to pull in the USSR to support a Middle East settlement as a process, at the end of which process the Russians will no longer have a presence in the Middle East! Sadat thinks the Russians are not stupid enough to fall for this plan, and that the U.S.-Soviet statement has given the Russians a procedural handle by which to sabotage

peace.

The Israelis understand and sympathize with Sadat. Sadat wants to ally with Morocco against Algeria and Libya, with the Sudan against Ethiopia, and with Israel against Syria and Iraq.

The plan according to which Sadat and Begin are operating is as follows. They will announce after a time that Egypt and Israel have made peace, a separate peace. Then, second, they will announce, Balfour Declaration-style, an Israeli willingness to negotiate other settlements — including a Palestinian homeland or entity — provided that the other parties engage in direct talks. The PLO is excluded from this process; they will be killed off. That is the payoff to Israel.

From an interview with a distinguished Washingtonbased Middle East specialist:

We're in one of those frequent Mideast situations where everything looks like it's falling apart but it really isn't. Egypt and Syria are continuing their old awkwardness in the Mideast, so the question is where the complex of power remains. Look at the way the Lebanon civil war ended, by the Saudis pulling the Riyadh conference together. We're back in that historical mode, and it's up to the Saudis again to pull things together. I see that happening in about a month, at another conference called by the Saudis. What the Saudis are really thinking is unknown, but this much can be said: They're worried about rejectionist influence increasing. And they'll act to change all that around.

From an interview with a Washington-based source close to Energy Secretary James Schlesinger.

Habib is in Moscow to tell the Soviets to rein in their operations and stop f...g up our operation in the Mideast.

Meanwhile, there is a movement in Cairo to pull the Arabs into the Cairo conference. There's a deal in Cairo. The Israelis are ready to offer a great deal: Golan, Palestinians, everything — enough to bring the Syrians back in. The Syrians don't want to be the stooges of Moscow, to get caught with those rejectionist characters.

The number one rule of the past three weeks has been a change in U.S.-Soviet relations. Vance and Brzezinski are on the offensive. This is healthy. It's forcing Carter to take a long look at the Soviets, at what they're doing in Africa. Carter has been *provoked* by the Soviets, and he's finally reacting to what they're doing in Africa. Carter's response will be hard-nosed, more so than six months ago. His recent statements on Cuban involvement were authorized leaks.

The PLO now is *out* and the so-called genuine nationalists of the West Bank are *in*, and unless Arafat comes around, all the way over, and accepts Resolution 242, he'll be dealt *out*. We'll get some kind of homeland deal without sovereignty, with hopes that it will last for years. In the short run, we'll smudge over the sovereignty question, and the autonomy issue, and we'll see a limitation of Israeli settlements. There will be a deal, too, over the Lebanese refugees, offering them cash to smooth over the right-to-return problem.

Dayan Has Begin's Ear

Israel's negotiating stance with Egypt is not finally resolved, but is now clearly working on the assumption that Egypt's recent leanings toward a separate peace should be encouraged. The prevailing view at the moment is that of Foreign Minister Moshe Dayan, who last week openly called for a separate peace "at any time" with Egypt. In London for a state visit, Prime Minister Menachem Begin declared that a separate peace with Egypt was "possible," thus shifting his earlier stance that a separate peace would be regrettable and that Arab disunity was not to Israel's ultimate advantage.

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According to a U.S. correspondent for a right-wing Israeli newspaper, Begin, Dayan, and Deputy Premier Yadin are "all agreed on strategy, but how long this lasts will depend on Sadat. If he leans in the direction of a separate peace, Dayan will prevail, but if he holds firm for a comprehensive settlement, Begin and Dayan will split and Dayan will be on the outs."

The current Begin-Dayan convergence has undoubt-

edly been abetted by Sadat's diplomatic break with Syria. According to France's *Le Monde* Dec. 7, ruling circles in Israel are "clapping their hands" over the Egypt-Syria split since it expedites a separate Egypt-Israel peace.

Begin is also echoing Dayan formulations. On Dec. 7 in London, he bitterly attacked the Soviets and stressed that Israel would welcome a Geneva conference without the Soviets — one of Geneva's two co-chairmen — if Sadat preferred that.

Begin also interceded with British officials to form a bloc against France in the European Economic Community, exactly one week after Dayan in West Germany counselled West German leaders to break with the French "pro-Arab" line. According to the Jerusalem Post, Dayan played upon "dormant anti-French feelings" in West Germany, and was overjoyed that West German officials had privately told him that the country would not recognize the Palestine Liberation Organization.

A Mood For Concessions

Despite this government view, there exists in Israel increasing sentiment in favor of the government formulating a forthcoming position in peace negotiations. Israeli Finance Minister Simcha Ehrlich declared in an