

## The Saudi Question

*The following interview is with a U.S. Middle East strategist close to the Committee on the Present Danger.*

**Q:** Do you think the latest events in Egypt will isolate the Saudis and what do you think the Saudis will do?

**A:** It is clear by now that the Carter Administration has no clear priority for the Middle East. Obviously Carter will not go to Geneva. As a result by June the Saudis will move towards the 10 per cent increase.

**Q:** How do you know that the Saudis are considering moving with the rest of the OPEC countries?

**A:** They will have to. We are picking up rumors here, that in June if the Carter Administration does not show any signs for Geneva the Saudis will retaliate by agreement with the rest of the OPEC members. And you know what? Carter will follow his anti-Arab policy. But this will cost the U.S. the Middle East. Another thing is that an anti-U.S. Saudi Arabia means war.

**Q:** Are you serious — the Saudis will push for war?

**A:** No, Sadat will. Remember what happened in 1973. As for the Saudis they will have to take an anti-U.S. policy, or else they are finished and their tendency will be to re-ally themselves with the rest of OPEC. As far as I'm concerned the situation in the Middle East will become very sensitive by June, but the signs will start to come after Vance's trip.

## The Saudis Will Back Sadat

*The following evaluation is by John Campbell, member of the Council on Foreign Relations and specialist on Middle East affairs.*

Sadat seems to have temporarily backtracked on imposing austerity ever since the riots. The extent of the riots really surprised the world. Not only students took part, you know. You expect students to do such things. But the workers took part too, alongside the students. It was really something astonishing, something incredible. I don't know about Salem, but I do know that Kaissouni will disappear from the cabinet. He is too tainted, labeled as the proponent of the Open Door policy. He'll be out soon.

For Sadat, the whole affair was quite a setback. But it is still too soon to say if he will make any real shift one way or another. Sadat's situation depends on the army in the last analysis. So far, Sadat has been clever enough to keep the army happy, that has been his first priority. But now he is seriously weakened. It is hard to predict if and when the army will move against Sadat, but that is always a possibility.

As for the Saudis, they will support Sadat. Up to now, they have been cautious about handing money out to Egypt and have wanted guarantees. But now they see that in the long run the guarantees may be too costly in terms of Sadat's stability. I think you'll start seeing the Saudis and other oil-rich states start funneling funds back into Egypt.

## Israeli Hawks Outflank Rabin

Israeli Defense Minister Shimon Peres, in collaboration with Israel's other leading hawks, has virtually destroyed any chance moderate Prime Minister Yitzhak Rabin had to win the renomination of the Labour Party for the upcoming Israeli elections. Peres' success in outflanking Rabin brings to the fore in Israel a clique of generals committed to complying with a Carter Administration policy for a Middle East war.

Despite Rabin's pro-peace orientation, his failure to rally the Labour Party around an alternative peace program has left him vulnerable to Peres and proclaimed candidacy. The Peres operation, which is in fact under the direct command of Cyrus Vance and the Carter Administration, is specifically aimed at blocking any agreement by Rabin to reconvene the Geneva peace talks. Faced with a series of well-timed scandals which led last month to the suspicious suicide of Housing Minister Avraham Ofer, Israel's leading dove and Rabin ally, Rabin abandoned any plan he had to organize his candidacy around an overall peace settlement.

### *The Eban-Peres Axis*

Collaborating directly with Peres is former Foreign Minister and erstwhile dove, Abba Eban, who this week

withdrew from the race for the Labour Party nomination and endorsed Shimon Peres in an effort to channel some of the peace vote away from Rabin and for Peres. Said Eban: "In 1974, when the Labour Party nominated Rabin for the premiership, I thought that Mr. Shimon Peres had a greater chance of creating a unified and harmonious team, and I have not changed my views since then."

The pro-socialist Mapam party, an important pro-peace force in the current Labour Party coalition government, has threatened to break off its cooperation with the Labour Party if Peres wins the nomination. In addition, high level old-time Labour Party members are deserting the party and joining Gen. Yigal Yadin's newly formed Democratic Movement for Change, which is closely linked to the Washington-based Institute for Policy Studies. Its progressive veneer barely camouflages its pro-war orientation.

Yadin's synthetic movement is recruiting rapidly. Gen. Meir Amit, director general of the Labour Party-linked Koor Industries, the giant Histadrut conglomerate, quit the Labour Party this week to join up with Yadin, despite strong appeals by many Labour Party members to remain in the party.

### *Syria Aids Peres*

The recent move by 600 Syrian troops into southern Lebanon has provided Peres and his cohorts a timely opportunity to exert maximum pressure on the Labour Party doves. The Syrian move itself was clearly done with the backing of the U.S. State Department. Following the incursion into the south by the Syrian forces, Gen. Mordechai Gur, Israel's chief of staff, warned that "the time has come to take decisions." Foreign Minister Allon, while touring the border region, announced that Israel "would not wait long before acting if necessary." Peres immediately used the Syrian maneuver to revive the "Red Line" concept, pointing out that the Syrians, by going as far south as the town of Nabatiyeh, had transgressed the Litani River "Red Line," a move that could trigger an Israeli military response.

Peres' war games have trapped Rabin. In addition to going along with the Lebanon crisis, Rabin has begun advocating the return of the West Bank to Jordan's King Hussein, a position totally unacceptable to the Palestine Liberation Organization as well as Egypt. The Jerusalem Post reported that Rabin has met several times with West Bank anti-PLO sheikhs such as former Hebron mayor Mohammed Ali Jaabari and Bethlehem's Mayor Freij who contend that the PLO must accept King Hussein's authority on the West Bank. Such moves by Rabin only serve to build the conditions for a new Middle East war, by provoking Egypt, a strong supporter of the creation of a Palestinian state on the West Bank.

### *Brookings:*

#### The Labour Party Is In Bad Shape

*The following is the transcript of a Feb. 1 interview with a Brookings Institution policymaker:*

*Q:* How is the situation in Israel shaping up around the upcoming election?

*A:* Of all Israeli elections this one is probably the most critical. Since the 1967 war Israeli opinion has been increasingly divided...The Israeli electorate is more fluid than ever before and thinks nothing of crossing party lines.

*Q:* Peres is reported by many to have gained the upper hand in the race for the Labour Party nomination. Is this so?

*A:* In my opinion, it's 50-50, and it could go either way. In the past you would never think that an incumbent could get thrown out, but it just may happen...The Peres-Rabin division is not the crucial division, though, because no matter who gets the Labour Party nomination, the party is going to have trouble forming a government. The crucial division is the Labour-Yadin one. Yadin will get 15 to 20 votes according to Israeli polls. This may be exaggerated, but it also may be underestimated — I don't know. But I do know that Yadin's movement is growing. If Peres gets the nomination, Mapam will leave Labour and Peres will be forced to form an alliance with

the Religious Party, a very very unlikely alliance. If Rabin gets the nomination, the doves will be happy but the hawks will leave the party to join Yadin or Sharon. The Labour Party is in very bad shape.

*Q:* If Rabin were to come out strongly on a peace platform, he would probably not be in as much trouble as he finds himself in now. Do you agree?

*A:* That is true, but by coming out for peace Rabin runs the risk of alienating the hawks. So, so far he's kept silent.

*Q:* Eban, long billed as a dove, is now in collusion with Peres. What do you make of this?

*A:* Intellectually, Eban is on Rabin's side, but Rabin threw him out. Eban knows his political future depends on Peres, and that is why the two have struck a bargain and why Eban is supporting Peres.

### The Eban-Peres Deal

*The following is a transcription of an interview with a representative of the American-Israeli Public Affairs Committee:*

*Q:* There is a lot of talk that Eban and Peres are close to each other and are collaborating against Rabin. How much truth is there in that?

*A:* It's true. Eban and Peres are cooperating with each other closely. In fact — and this is known though it is not being publicized openly — Eban and Peres have made a kind of deal that if Peres is elected Eban will be appointed Deputy Prime Minister and be reestablished as head of the Foreign Ministry as Foreign Minister. Of course, Eban is not coming out in the open about this deal. But this is how it will work. The Mapai (Labour Party) nomination will be made at the end of the month.

The fact that Eban threw his hat into the race means that he will get one-sixth of the voting, in effect taking votes from Rabin. This means that Peres will probably win the nomination.

The one catch is Golda Meir who is organizing quite actively against Peres, whom she hates. Meir has strong ties to the old guard in Mapai and the Histadrut and is rallying support for Rabin. Nevertheless, I still think Peres will get the nomination, largely because of the Eban tactic. Rabin and Eban hate each other's guts. But Peres and Eban have similar attitudes about a lot of things and have been cooperating with each other since 1955.

*Q:* How is Yigal Yadin and his Democratic Movement for Change faring?

*A:* Yadin is gaining momentum. Shmuel Tamir's Free Center party has merged with the Democratic Movement for Change. Already two Knesset members have joined — Toledano, who's a cabinet member in charge of Arab affairs, and Yisrael Levi, a high-ranking Histadrut and Labour Party member.