

AIR UNIVERSITY, MAXWELL AFB, ALABAMA

Q **2**

AD A 052788

6 A Turbulent Region in a Turbulent World:
North Africa and the Middle East

21 An Address Prepared for Presentation
to the Air War College

AD NO. DDC FILE COPY

by
10 Ambassador John Patrick Walsh

12 33 p.

11 31 Oct 77

October 31, 1977

DISTRIBUTION STATEMENT A
Approved for public release;
Distribution Unlimited

DDC
RECEIVED
APR 17 1978
REGULATED

Ø14 5ØØ - *the*

Table of Contents

	<u>Page</u>
I. A Preview	1
II. A Current Overview	3
III. Oil and Related Issues	6
IV. Current Diplomacy in the Middle East	14

ACCESSION for	
NTIS	White Section <input checked="" type="checkbox"/>
ODD	Buff Section <input type="checkbox"/>
UNANNOUNCED	<input type="checkbox"/>
JUSTIFICATION	
Res Hr. (Doc FL-88)	
BY on file	
DISTRIBUTION/AVAILABILITY CODES	
Dist.	AVAIL. and/or SPECIAL
A	

A Turbulent Region in a Turbulent World

I. A Preview:

→ The region stretching from the Atlantic to the Aegean Sea and from the Mediterranean to the Arabian Sea, including the Persian Gulf and the Red Sea, encompasses a significant proportion of the world's conflicts. It includes the Maghreb, the Eastern Mediterranean, the central confrontation sector, the Arabian Peninsula and the Persian Gulf, the Red Sea and the Horn of Africa. ^S Covering the southern flanks of both NATO and the Soviet Union, ^S and containing a very high percentage of the world's vital oil supplies, ^S it is of major significance in the continuing quest for global stability. ←

It is not an easy region to comprehend or to explain. Its shifting political sands provide an insecure base for policy formulations in distant capitals. Instead of being Movers of Events in this vast region, the Great Powers could become Pawns. And, it has been the Graveyard of diplomatic dreams, diplomatic policies, and diplomats.

The historical process in the area seems, all too frequently, to be an open-ended continuum with resolution leading to resumption, and each revolution creating a prerevolutionary condition. The legacy of the past hovers

like a miasmic fog within which action begins and ends at "odd hours of the night, implying that it never began and never ended."^{1/} Action and counter-action seem to move in deepening concentric circles involving increasing numbers of actors in the drama. And no one seems able to write the final scene.

American diplomacy is heavily and inconclusively involved in this region. The varied problems and conflicts of the area approach the intractable and the opportunity costs of American involvement are heavy. Dilemmas, paradoxes, contradictions, and frustrations are inherent to the scene. Foresight, moderation, and patience are the hallmarks of a viable policy in respect to it.

^{1/} John Le Carre's description of his continuing saga.

II. A Current Overview:

Four years after the conclusion of the Yom-Kippur War, the Arab-Israeli confrontation remains at an impasse with remote possibilities of a definitive settlement. Sophisticated and active diplomacy have resulted in some shift in terminology on both sides but with little or no change in the fundamental points of dispute. The objective of reconvening the Geneva Peace Conference remains extant, although difficult procedural problems continue to block such a denouement.

Elsewhere in this vast and troubled area, the basic issues remain unresolved and potentially dangerous. In the Maghreb, the future of the former Spanish Sahara territories remains in dispute; Morocco and Algeria continue to bristle over the issue; and the El Polisario insurrection exacts its tolls. Tunisia is essentially inward looking with a looming succession problem as Bourguiba ages.

In the Eastern Mediterranean, the Greek-Turkish dispute over territorial lines in the Aegean Sea is relatively quiescent in part because of declining expectations about the likelihood of substantial oil deposits. Cyprus remains de facto divided. The death of Archbishop Makarios has resulted in the establishment of

an interim Cypriot Government with Presidential elections scheduled for February. Meanwhile, negotiations over the future political structure of the island are at an impasse. Simultaneously, Turkey drifts with a minority government, deepening economic problems, and a deteriorating military position. US-Turkish relations languish in immobility.

The central area remains plagued by the basic confrontation issues which aggravate its other problems. The militant Begin Government has considerable domestic popularity but the economic problems of the country appear intractable in the absence of a peace settlement and there is substantial concern about the trends of American policy. Lebanon remains war-torn and essentially divided. Syria has substantial economic problems which have been heightened by the costs of its continuing involvement in Lebanon. Domestic unrest is demonstrated by relatively high levels of violence. The Assad Government is heavily dependent on the largesse of the oil producers and is in bitter conflict with the Iraqi Government. The Iraqis have an uncertain future although they are benefiting from substantial oil revenues. Jordan is relatively tranquil marked by some economic progress. Egypt is confronted by massive economic and social problems and is locked into disputes with Libya

and the Soviet Union. The military exchanges in July between Egyptian and Libyan forces could be repeated. Libya continues to amass military equipment and Qaddafi remains as troublesome as ever. The Palestinian Movement, which suffered substantial losses in Lebanon, is badly divided.

The Persian Gulf and Arabian Peninsula areas are bright spots in the otherwise somber regional picture. Fueled by vast oil revenues, the modernization effort continues at a hectic pace, creating its own problems. Iran and Saudi Arabia are particularly prominent in the modernization process. Saudi Arabian influence in the Arabian Sea and Red Sea sectors has continued to grow, although there is some uncertainty about the consequences of the assassination of the North Yemen President.

On the other hand, the Horn of Africa and the Red Sea areas are in turmoil. Ethiopia, despite assistance from the Soviet Union, Libya, and Israel, is in an advanced stage of disintegration. The Eritrean insurrection has had considerable success, and the Somalis have made deep inroads into the Ogaden region. Continued bitter fighting will occur with uncertain results. Meanwhile, the Sudan struggles with its fractious domestic issues while maintaining a militant anti-Soviet and pro-Egyptian posture.

III. Oil and Related Issues

The postwar era has been marked by a boom in the world economy, unprecedented in world history. Although uneven in its incidence, its benefits have spread across the world. This vast economic surge was fundamentally fueled by the ready availability of cheap oil.

The era of cheap energy is over and the world is confronted with the painful requirement to adjust to much higher energy prices which are permeating through the global economy. The costs involved are probably incalculable although clearly wrenching. The ultimate consequences to the economic and political stability of the world will be most serious.^{1/}

Furthermore, the security of oil supplies is in question. This reflects heavy international dependence on a small number of oil suppliers, the nationalization of the oil industries by the exporting countries, and the reality of the Arab oil boycott of 1973-1974. In addition to the physical threat to the security of oil supplies, the supply of oil and natural gas in the years ahead will tighten relative to demand. As a minimum, this will create strong upward price pressures. It could also lead to dangerous international competition for limited supplies.

The Middle East is a vital factor in the world oil scene, possessing about sixty percent of the global proven

^{1/} See the author's article in the July-August 1977 issue of The Air University Review, entitled "The Energy Problem in a Global Setting."

reserves and providing a roughly similar proportion of the oil sold in international markets. Eight of the thirteen members of the Organization of Petroleum Exporting Countries (OPEC) are in the region. Saudi Arabia, possessing about 26 percent of the global reserves and about the same percentage of the productive capacity of the organization, is the most significant member of OPEC. Since it also has a unique ability to expand its off-take, its global significance will grow at least through the first half of the next decade. In the years ahead, Saudi production levels will be a major factor in determining when the global oil supply and demand curves cross.

In addition to the cost consequences of the vast surge in oil prices, the international payments system has become heavily burdened with adverse consequences for global production and global trade, including the expansion of trade restrictions. Despite spectacular increases in their import demand, the oil exporters, particularly in the Arabian Peninsula, have amassed extraordinary levels of financial resources.^{1/}

^{1/} OPEC's financial resources approximated \$130 billion at the end of 1976 and will exceed \$160 billion by the end of this year. Saudi Arabia, Kuwait, and the Union of Arab Emirates will account for about three-quarters of this increase.

These financial surpluses have been placed in the financial markets of the oil-importing countries, particularly the United States; and these markets have served as intermediaries to help finance the current-account deficits incurred by oil-importing countries. But differences in the geographical patterns of current account imbalances and their placements have been such as to cause considerable international financial and economic strain.

There are many uncertainties in the global economic outlook and in the international energy situation. But there is little reason for sanguinity. In the absence of highly effective energy conservation programs and the realization of existing goals for nuclear power production, it appears probable that global oil production and demand will be in rough balance in a few years. Thereafter, demand is likely to exceed supply with predictable pricing consequences.

Saudi Arabia, the United States, and the Soviet Union will have particular significance in terms of supply and price developments. Unless the Saudis substantially increase their current off-take levels, global supplies of crude oil will tighten sooner than would otherwise be the case. Entry of the Soviet Union and/or the other Eastern European countries into the world oil market would have the same effect. Conversely, if the United States curbs its voracious import demand, market conditions would be eased. Maintenance of

current U.S. import levels would push oil prices higher and would have serious consequences for the American economy and the international financial structure. In the current year, the United States will expend more than \$45 billion for imported hydrocarbons, which will, in turn, contribute to an import imbalance in excess of \$30 billion and a current account deficit of about \$18 billion. Outlays of this magnitude cannot be indefinitely maintained. The softening of the exchange rate of the dollar and the apparent shift of some OPEC resources into harder currencies are harbingers of things to come.

International oil demand has been relatively slack in the summer and fall of this year, reflecting the flatness of the global economy. This has resulted in some OPEC price-shaving and may have contributed to Saudi decisions to reduce output.

The OPEC oil ministers will hold their annual meeting, beginning on December 20, in Caracas. In anticipation of price increases, international oil demand may stiffen prior to that date. This, combined with the fall in dollar values and some increase in the cost of imported goods, could provide the rationale for an OPEC price increase, possibly of ten percent, effective January 1, 1978.^{1/}

Increased production from the North Sea and Alaska, accompanied by relatively low economic growth rates in the

^{1/} Prince Saud al-Faisal, the Foreign Minister of Saudi Arabia, at a National Press Conference on October 26, said he expected a "moderate increase" to be announced at the December OPEC Meeting.

industrial countries, will probably stabilize the demand for OPEC oil at about current levels through 1979. Thereafter, if not somewhat earlier, market forces are likely to drive-up world prices. OPEC could anticipate this development by further price increases, effective January 1, 1979, or earlier. In any event, it seems apparent that the world will have to adjust to substantial increases in oil prices which, in turn, will influence the spectrum of energy and industrial prices. Energy costs are significant factors in the world's inflationary, production, and employment problems.

Saudi Arabia will play a determinant role in respect to the timing and magnitude of these price movements. At about 8.1 million barrels a day (mmbd), its output is well below its current capacity of 10-11 mmbd. Its projected capacity for 1985 approximates 18 mmbd. While the latter level would probably fall short of indicated world demand in that year, it is by no means certain that the Saudis would be prepared to reach those off-take levels. In recent months, Sheikh Zaki Yamani has indicated that the Saudi Government will not permit sharp and limitless increases to satisfy future demand and that it expects the importing countries to take the necessary conservation actions. He has also suggested that future increases in Saudi production would be related to the establishment of

peace in the Middle East, including the return of Israel to its 1967 borders, and to the adequate transfer of technology to Saudi Arabia.

In view of the existing and projected oil demand and supply equation, the oil exporting countries possess great power in world affairs. It is unprecedented in the annals of history that the weak should hold such power relative to the strong. But it is also unprecedented that strong countries should be so unresponsive to a looming threat to their well-being and security.

Oil is, however, a two-edged sword. The Arabs have resorted to embargoes in the past and could do so again. OPEC, as a whole, has afflicted the world with a vast surge in prices and could do so again. If repeated, either action would have devastating consequences for the oil importing countries, endangering world economic and political stability. These developments in turn would endanger the physical safety of the frail oil exporting countries, would dry-up their oil markets, would impede the flow of needed technology, and would jeopardize their heavy financial investments in the industrialized countries. Under these circumstances, the threshold to war could be low. This suggests the acute need for accommodation between the oil exporting and importing countries. It also highlights the imperative need for effective energy

programs in the industrial countries, including the establishment of adequate strategic oil reserves. In these respects, time is of the essence. And nowhere has the response been so inadequate as in the United States.

Four years after the imposition of the Arab oil embargo, we continue to drift with the issue, seemingly oblivious to the steady deterioration in our domestic energy position and our growing dependence on vulnerable external oil supplies. In the process, we are providing the basic underpinning for the OPEC price structure and contributing to the likelihood of destructive price increases in the future. We are holding to a course that will lead to disaster with the only substantive question relating to its timing.

Defense Secretary Harold Brown has stated that

"The present deficiency of assured energy resources is the single surest threat that the future poses to our security and to that of our allies. We now spend annually over \$100 billion on our armed forces. If we hand to others the capacity to strangle us and our allies by cutting off our and their oil supplies, then this expenditure does no more for us than to create a useless, encrusted modern-day Maginot Line."^{1/}

^{1/} Address on October 26, 1977 in New York before the Council for Financial Aid to Education, New York Times, October 26, 1977.

We refuse to grasp the nettle created by our incompetence and profligacy. We are unwilling to pay the costs of rectification, which will grow with the wasted days. We are failing the test of responsible citizenry and democratic government.

IV. Current Diplomacy in the Middle East

The diplomatic stakes in the Middle East are of global import.^{1/} As such, they have merited the intense attention devoted to them by the regional and exogenous governments. While the issues are multiform and complex, the Arab-Israeli conflict is the centerpiece.

Since its assumption of power in January 1977, the Carter Administration has focused to a greater extent on the Arab-Israeli conflict than on any other foreign policy issue. It has apparently believed that, if this problem could be controlled and at least some progress made toward a comprehensive solution, the other issues in the region would be manageable. In the process, President Carter has engaged his personal prestige to an unusual degree in the complex diplomatic maneuvering which seems inherent in this problem. Whether this has been wise is a matter of opinion, but it highlighted his appreciation of the precariousness of the continuing conflict, the potentiality of Great Power polarization and confrontation in the region, the critical dependence of the industrial countries on unimpeded supplies of Middle Eastern oil, and the domestic sensitivity in the United States in respect to the safety of Israel.

The immediate American diplomatic objective has been the reconvening of the Geneva Peace Conference with target

^{1/} See the author's paper, "The Middle East and Its Global Impact," July 1, 1977, for greater detail and background.

dates which have gradually shifted from the summer, to the fall, and to December. The latter date remains possible but appears increasingly doubtful. Despite extensive diplomatic probes and varying formulations, the procedural obstacles to reconvening the Conference remain unresolved. In essence this narrows down to the wide gap between the Arabs and the Israelis over the question of the participation of the Palestinian Liberation Organization in the Conference. Conflicting views over other aspects of modalities probably could be reconciled but they are hardly relevant unless this problem can be resolved.

There has been some but, to date, not enough flexibility on each side in respect to these procedural issues. This raises inevitable questions about the sincerity of the expressed desires of the conflicting parties to participate in a reconvened Peace Conference. Each holds tenaciously to its procedural conditions and each should be -- and probably is -- concerned about the potential consequences of a painfully assembled Conference which might be pre-doomed by the negotiating inflexibility of the two sides. At its best, such a Conference, if reconvened, might only be a step in a long, arduous negotiating process with an uncertain conclusion. At its worse, it might be as short-lived as the December 1973

Conference with a dangerous heritage of heightened regional tensions. The road to peace in the Middle East remains protracted and uncertain.

The shifting political sands of the Middle East constitute difficult terrain for diplomatic efforts. The regional protagonists essentially view their conflicting interests on a zero-sum basis. Popular sentiments necessitate negotiating caution, and compromise proposals are apt to be measured with a shallow teaspoon. Time disappears in the process. The beleaguered Israelis fiercely protect their perceived interests with strong support from within the American polity. The latter reality is a limiting factor on American diplomatic flexibility. The Arabs, on the other hand, are constrained by the complexities of alliance relationships and diplomacy. Inter-alliance relationships are frequently in flux and full confidence and coordination is seldom a reality. Indications of negotiating flexibility by an individual state are likely to arouse suspicions of a sell-out and inspire counter-action within the Arab ranks. Shadings in diplomatic phraseology can imply negotiating flexibility but their implications are likely to be challenged by one or more of the diverse elements within the confrontation grouping or from the supportive second-tier Arab states. Nevertheless, the Arabs have

substantially altered the adamant position of "no negotiation, no recognition, no peace" with Israel which was adopted at Khartoum in 1967.

There are substantial variations within Arab ranks in respect to the desirability of reconvening the Geneva Conference. Egypt and Jordan were the sole Arab participants in the abortive December 1967 meeting. Since then Saudi Arabian diplomacy, accompanied by heavy Saudi financing of the confrontation states, has become a significant factor in the settlement efforts. In the interim, the Saudis have buttressed the Egyptians, contributed to the current uneasy and incomplete settlement in Lebanon, and have influenced the willingness of Syria to participate in a Geneva Conference. The divided Palestinians continue to play a complex wild-card role, suspicious of the intentions of the Arab governments and protective of the leadership role assigned to the Palestine Liberation Organization (PLO) at the 1974 Rabat Summit Conference. The Rejectionist Front of Iraq, Libya, and certain of the Palestinian groupings^{1/} remain adamantly opposed to negotiations with Israel at Geneva

1/ The PFLP, PFLP-GC, and ALF are particularly adamant on this subject, and they probably have some support from within FATAH and SAIQA.

or any other forum. Soviet diplomacy within the region is byzantine. Its influence is essentially limited to Syria, Iraq, Libya and some of the Palestinian groupings; and it is uneven among them. Its varied objectives include recognition of equality with the United States in the negotiating process. In this respect, it supports the reconvening of the Geneva Conference, which it Co-Chairs, but its advocacy is essentially expressed in terms of Arab procedural conditions. It is handicapped by its lack of diplomatic relations with Israel and Saudi Arabia and by its contentious relationship with Egypt.

In view of these complexities, it has been difficult for the American Government to pursue direct, clear-cut, straight-line diplomacy. Some zigs-and-zags were probably inevitable. Nevertheless, the latter appear to have been more pronounced than would have been desirable. Standards of planning, staff-work, and public enunciations were vulnerable to criticism. In the process, the Carter Administration learned the hard way that the language of the Middle East is coded, is subject to fiercely-held interpretations, and that efforts to influence or cajole one-side are subject to extreme interpretations by the other-side.

On the other hand, it is more difficult to fault the Administration in respect to the intensity of its efforts to move the parties to the dispute toward a

settlement. This is particularly true because of the heavy burdens carried by American diplomacy as a result of the inadequacy of American domestic energy policies.

With manifest opportunity costs in respect to other foreign policy issues, the United States has engaged in a spasm of Middle East diplomatic activities.^{1/} The President has met with the Chiefs of State or top-level emissaries from the relevant countries and has received their Foreign Ministers, as well as the Soviet Foreign Minister, Andrei Gromyko. In addition, the Secretary of State has visited the confrontation and other states in the region in both May and August. He has also carried on extensive conversations with their representatives at the UN General Assembly and in Washington. Meetings have taken place with Gromyko in Moscow, Geneva, New York and Washington.

The discussions which were held in Washington prior to Secretary Vance's August visit to the Middle East should have left little doubt that the road to Geneva would be rocky. Prime Minister Begin, for example, in his private and public statements in Washington had adamantly rejected the possibility of formally including the PLO in the negotiations. While emphasizing his willingness to

^{1/} In an interview published by the Washington Star on September 11, 1977, the President is quoted to the effect that

"If our efforts fail this year, it will be difficult for us to continue to devote that much time and energy to the Middle East." He said that "dozens of other foreign policy issues have suffered to some degree because I have expended so much time on this issue."

reconvene the Conference in October and his willingness to accept the idea of a joint Arab delegation which might include Palestinians, he insisted that questions between Israel and Egypt, Jordan, Syria, and Lebanon, if the Lebanese wished to participate, would have to be discussed on bilateral bases. Furthermore, he left little doubt that the territorial adjustments that Israel had in mind did not include all the territory seized in the 1967 war and that Israel opposed the establishment of a separate Palestinian state. There were substantial differences between his views and those of the Arab governments.

Under the existing circumstances, Vance's mediatory efforts during his August swing through the region were far from conclusive. They did, however, result in some clarification of the views of the parties to the dispute, and they kept the peace effort alive. Also, Egypt, Syria, and Jordan indicated their willingness to conclude a peace treaty with Israel if acceptable terms could be negotiated, but only Jordan was prepared to consider the establishment of diplomatic relations in the event of peace.^{1/} However,

1/ Views differ about the significance of these treaty statements. While they are an enormous advance from the Arab position adopted in 1967 in Khartoum, they are intrinsic to a settlement process and they fall far short of the settlement desires of Israel and those repeatedly stated by President Carter. President (continued on next page)

the joint Egyptian-American proposal of a pre-Conference meeting in mid-September under US auspices was quickly rejected by the Syrians.^{1/}

On September 12, the State Department endeavored to bridge the gap between the two sides on the basic procedural issue. This took the form of an unsolicited public statement that reaffirmed the veto right of the original Geneva participants in respect to additional participants. It also asserted that

"To be lasting, a peace agreement must be positively supported by all the parties in the conflict, including the Palestinians. This means the Palestinians must be involved in the peacemaking process. Their representatives will have to be at Geneva if the Palestinian question is to be resolved."^{2/}

The question of the nature of Palestinian involvement was left vague, apparently because of continuing refusal of the PLO to accept Security Council Resolution 242 and 338

Sadat has said that the establishment of normal diplomatic relations would not be possible for some years after the conclusion of a peace treaty. President Assad has rejected the idea of "normalization" of diplomatic, trade, cultural and other relations after the establishment of a peace treaty. See his interview with John B. Oakes, New York Times, August 26, 1977. However, if the millenium arrived, this might not be the final Syrian position.

1/ Baltimore Sun, August 3, 1977. The Foreign Ministers of Egypt, Jordan, Syria, and Israel would meet under American sponsorship to discuss procedures for getting to Geneva, as well as the substance of the issues between them. Since it side-stepped the question of PLO participation, that organization was opposed. The Soviets were frosty. President Assad of Syria rejected it on August 4.

2/ Baltimore Sun, September 13, 1977.

which implicitly recognize the state of Israel.^{1/} This vagueness also suggested the possibility that the Palestinians might not be represented by the PLO. Although the statement was well received in Arab circles and coldly received by the Israelis, it has had little substantive effect.

Diplomatic efforts to surmount the procedural obstacles to the reconvening of the Geneva Conference intensified during September and October. This reflected the pressure of time if the December target date were to be met and the presence of relevant officials at the UN General Assembly. Out of the welter of speculation and controversy, there emerged a tentative "working paper" formulated by Foreign Minister Moshe Dayan and Secretary Vance. Following its acceptance on October 11 by the Israeli Cabinet, it was submitted by the United States to the relevant Arab Governments for their consideration. As the month drew to a close, its outcome and the possibility of reconvening the Conference remained uncertain. In essence, it endeavored to meet the Arab desire for a unified delegation including Palestinians, while skirting the issue of PLO participation; assuring the Israeli

^{1/} Ibid. The State Department spokesman said that "we believe the Palestinians are going to have to be involved in the peacemaking process, but how they are involved will have to be resolved by the Palestinians themselves, and the other parties."

desire for bilateral negotiations; firmly establishing UN Security Council Resolutions 242 and 338 as the basis of the Conference; and reaffirming that all the original terms of reference for the Conference remain in force.^{1/}

1/ To the displeasure of the State Department, Foreign Minister Moshe Dayan, irritated by leaks and distortions, released the text on October 13. The contents were, however, public knowledge.

Text of the Working Paper

Working paper on suggestions for the resumption of the Geneva peace conference:

1. The Arab parties will be represented by a unified Arab delegation, which will include Palestinian Arabs. After the opening sessions, the conference will split into working groups.
2. The working groups for the negotiation and conclusion of peace treaties will be formed as follows:
 - A. Egypt-Israel.
 - B. Jordan-Israel.
 - C. Syria-Israel.
 - D. Lebanon-Israel. (All the parties agree that Lebanon may join the conference when it so requests.)
3. The West Bank and Gaza issues will be discussed in a working group to consist of Israel, Jordan, Egypt, and the Palestinian Arabs.
4. The solution of the problem of the Arab refugees and of the Jewish refugees will be discussed in accordance with terms to be agreed upon.
5. The agreed bases for the negotiations at the Geneva peace conference on the Middle East are U.N. Security Council Resolutions 242 and 338.
6. All the initial terms of reference of the Geneva peace conference remain in force, except as may be agreed upon by the parties.

In the great tradition of Middle Eastern diplomacy, the "working paper" initiative has inspired considerable controversy within Israel and within and among the Arab states. Israeli Cabinet assent to the formulation was not easily obtained and, subsequently, Parliamentary questioning was pointed. This, in turn, may have contributed to Israeli emphasis on what the language precluded, along with some blustering about Israeli intentions if the terms were violated.^{1/}

Definitive Arab reactions were delayed by their alliance requirement for consultation. It was apparent, however, that, to varying degrees, each government had reservations about the text. The initial Palestinian response was quick and negative, and the Syrians were not long delayed in taking a similar position. Evidently, the preparation of a unified Arab position will depend on the convening of a Foreign Ministers Meeting. The outcome of their deliberations is uncertain. It is conceivable that they could recommend complete rejection; recommend acceptance with specific qualifications; propose fundamental revision; or simply deadlock. Counter proposals would

^{1/} Dayan, for example, claimed that the language of the paper precluded the presence of PLO representatives at the Conference. New York Times, October 14, 1977. He also stated that the Israeli delegation would "walk-out" of the Conference if the subject of a Palestinian state were raised. New York Times, October 9.

return the ball to an uncertain future in the Israeli court. Ostensibly, the Palestinians will seek Arab agreement to language directly referring to the PLO and to "Palestinian rights."^{1/} If adopted by the Arabs, the procedural negotiations would be deadlocked. At the best, tortuous and time-consuming negotiations stretch ahead.

The most controversial development in the summer-fall time span affecting the region was extraneous to it. After some months of bilateral exchanges, Secretary Vance and Foreign Minister Gromyko on October 1 issued a joint declaration in their capacities as Co-Chairmen of the Geneva Conference on the principles and objectives of a new peace conference in Geneva. In essence the statement emphasizes the "necessity of achieving as soon as possible a just and lasting settlement of the Arab-Israeli conflict" which should be "comprehensive, incorporating all parties concerned and all questions." It maintains that the "only right and effective way for achieving a fundamental solution to all aspects of the Middle East problem in its entirety is negotiations within the framework of the Geneva Peace Conference."^{2/} Participation in the

^{1/} Some thought is being given to the establishment of a Palestinian Government in Exile as a means of circumventing the procedural issue in respect to the PLO, but this is a highly divisive issue among the Palestinians. Moreover, it is doubtful that the Israelis would find it more acceptable than the PLO.

^{2/} This peculiar phraseology must have been a Soviet gift to posterity.

Conference should include representatives of all the parties involved in the conflict, "including those of the Palestinian people." It also asserts that the Conference should ensure "the legitimate rights of the Palestinian people" and establish "normal peaceful relations" in the region.^{1/}

1/ The New York Times, October 2, 1977. The full text follows:

"Text of Soviet-American Statement on the Middle East"

Having exchanged views regarding the unsafe situation which remains in the Middle East, United States Secretary of State Cyrus Vance and Member of the Politbureau of the Central Committee of the CPSU, Minister for Foreign Affairs of the USSR A. A. Gromyko have the following statement to make on behalf of their countries, which are cochairmen of the Geneva Peace Conference on the Middle East:

1. Both Governments are convinced that vital interests of the peoples of this area as well as the interests of strengthening peace and international security in general urgently dictate the necessity of achieving as soon as possible a just and lasting settlement of the Arab-Israeli conflict. This settlement should be comprehensive, incorporating all parties concerned and all questions.

The United States and the Soviet Union believe that, within the framework of a comprehensive settlement of the Middle East problem, all specific questions of the settlement should be resolved, including such key issues as withdrawal of Israeli armed forces from territories occupied in the 1967 conflict; the resolution of the Palestinian question including ensuring the legitimate rights of the Palestinian people; termination of the state of war and establishment of normal peaceful relations on the basis of mutual recognition of the principles of sovereignty, territorial integrity, and political independence.

The two governments believe that, in addition to such measures for ensuring the security of the borders between Israel and the neighboring Arab states as the establishment of demilitarized zones and the agreed stationing in them of U.N. troops or observers, international guarantees of such borders as well as of the observance of the terms of the settlement can also be established, should the contracting parties so desire. The United States and the Soviet Union are ready to participate in these guarantees, subject to their constitutional processes.

(continued on next page)

The conceptual origin of the joint statement is somewhat obscure and probably irrelevant. It appears likely, however, that the final text evolved from an original Soviet draft. Advance notification of the likelihood of the issuance of a joint statement was short in terms of time, and consultation on the American side with Congress was clearly inadequate. The resulting furor at home and abroad appears to have surprised the Administration,^{1/} which is surprising in itself. The modalities

2. The United States and the Soviet Union believe that the only right and effective way for achieving a fundamental solution to all aspects of the Middle East problem in its entirety is negotiations within the framework of the Geneva Peace Conference, specially convened for these purposes, with participation in its work of the representatives of all the parties involved in the conflict including those of the Palestinian people, and legal and contractual formalization of the decisions reached at the conference.

In their capacity as cochairmen of the Geneva Conference, the U.S. and the U.S.S.R. affirm their intention through joint efforts and in their contacts with the parties concerned to facilitate in every way the resumption of the work of the Conference not later than December 1977. The cochairmen note that there still exist several questions of a procedural and organizational nature which remain to be agreed upon by the participants to the Conference.

3. Guided by the goal of achieving a just political settlement in the Middle East and of eliminating the explosive situation in this area of the world, the U.S. and the USSR appeal to all the parties in the conflict to understand the necessity for careful consideration of each other's legitimate rights and interests and to demonstrate mutual readiness to act accordingly."

1/ In an AP press interview carried in the Montgomery Advertiser on October 30, 1977, the President expressed "consternation" over the reaction to the joint statement. He said,

"In the past, the Soviets have been just a complete obstacle to progress. They have been recalcitrant. They have never recognized the right of Israel to exist or that an absence of complete peace was an obstacle to a solution of the Middle East. They came so far. (continued on next page)

of its preparation and release,^{1/} the textual language, and some of its implications, were inherently controversial.

The ultimate significance of the statement may prove to be ephemeral. Resolution 338 of October 22, 1973 and the subsequent convening in December of that year of the Geneva Peace Conference established the credentials of the Soviet Union as Co-Chairman of the Conference. The joint statement of October 1, 1977 reaffirmed but did not alter that reality. The Conference could not be reconvened without their consent and participation. Nevertheless, the reaffirmation could hardly be expected to warm the cockles of the hearts of the Israelis or their supporters.^{2/}

We looked upon that as a great political achievement to remove a major obstacle. And when it was announced it caused consternation among those who, in my opinion will ultimately benefit most."

"And that caused you consternation?"

"Absolutely..."

This is a puzzling statement. The USSR recognized the State of Israel on May 15, 1948 and has by its acts and statements, including Resolution 242 and 338 and its role as Co-Chairman of the Geneva Peace Conference repeatedly reaffirmed that recognition. In a variety of statements including Resolutions 242 and 338, the Soviets have enunciated their support for a comprehensive and definitive settlement. On the other hand, they apparently have an aversion to a specific reference to "peace treaties." In his New York Times column on October 27, William Safire was particularly harsh in respect to the President's statement.

1/ The parties to the conflict were informed of the statement 48 hours beforehand and were shown the actual copy 24 hours later. The State Department evidently did not expect them to voice agreement since it was a Soviet-American statement that was being prepared. New York Times, October 4, 1977.

2/ See next page

The omission in the October 1 statement of any reference to Security Council Resolutions 242 and 338 which are the legal foundation of the Conference was distressing. Evidently, the Soviets insisted that, if reference were made to these Security Council resolutions, reference would have to be made to certain General Assembly resolutions.^{1/} Incorporation in the text of the objective of resolving the "Palestinian question, including the legitimate rights of the Palestinian people" represented a departure from the customary U.S. reference to the "interests" of the Palestinian people. On the other hand, there was reference to the establishment of the "legal and contractual formalization of the decisions reached at the Conference." Direct reference was not made to the Palestinian Liberation Organization but the text did call for "participation in its work of the representatives of

Secretary Vance in a meeting on October 26 with American Jewish leaders reportedly defended the statement as a mark of moderation by the Soviet Union and said it did not give the Russians anything they did not already possess as co-chairmen of the Geneva Conference on the Middle East. Evidently he did not fully convince the participants. New York Times, October 27, 1977.

1/ There is a vast difference between the significance of General Assembly and Security Council Resolutions and the Soviets are major spokesmen on that point. Resolution 242 and 338 are the sole legal justifications for the Geneva Peace Conference.

all the parties in the conflict, including those of the Palestinian people."^{1/}

The apparent significance of the joint statement has been qualified by a series of subsequent statements. These included President Carter's U.N. speech on October 4, in which he said Middle East negotiations had to be based on Resolutions 242 and 338, and their outcome embodied in a treaty; by a White House statement of October 5, explaining that the Security Council Resolutions were necessarily the mandate of the Geneva Conference, and that no party had to accept the October 1 statement in order to attend; and by the U.S.-Israeli Working Paper which was publicly released on October 13. Nevertheless, as a press report of a meeting on October 26 between Secretary Vance and the American Jewish leaders indicated, the furor over the joint statement had not subsided as the month drew to a close.^{2/}

The procedural obstacles to reconvening the Geneva Conference remain unresolved. Furthermore, no agreement

^{1/} In the course of his October 26 meeting with the American Jewish leaders, Secretary Vance reportedly denied that the Administration was headed toward recognition of the PLO and acceptance of a PLO role in the Geneva Conference. New York Times, October 27, 1977.

^{2/} Ibid.

has been reached on the agenda and the parties to the conflict remain widely separated on settlement objectives. Its reconvening under these circumstances would represent acts of faith, or mere gambles, by the participants and the Co-Chairmen. In fact, Geneva could prove to be a false navigating star on the tortuous path to peace in the Middle East.