

Middle East International

The US: Floundering About in the Middle East Quicksand

American society seems convulsed by an internal self-evaluation provoked by the taking of hostages in Tehran. With students demonstrating outside Iran's Washington embassy and veterans marching to demand a cut-off of food and trade with the Ayatollah's Islamic Republic, a commentator on the front page of Sunday's Washington Post noted in Nixonian language that Americans "are protesting that their country is a pitiless, helpless giant". From Washington, Mark Bruzonsky reports.

For President Carter the crisis has already proved a political boon, a much-needed opportunity for the embattled White House to assert strength and determination. Yet for American interests throughout the Middle East region there may be many now-obscured negatives. Hostile public sentiments difficult to contain have been inflamed

and may rub off on all Arabs and all of Islam. Furthermore, the freezing of Iranian petrodollars is sure to create much uneasiness among even the most pro-American Gulf countries. Says one astute Washington observer closely tied to the Saudi government, "I very much fear that Carter's actions make short-term political sense but will create much long-term damage and uncertainty."

Signalling the intensity of emotions here, a former ambassador to Afghanistan and Morocco recently suggested a complete break in relations with Tehran, confinement of Iranian diplomats here, and consideration of military action should the hostages be placed in mortal danger. Speaking at Georgetown University's Center for Strategic and International Studies (CSIS) seminar on 14 November, Ambassador Robert Neumann went on to note that even a "declaration of war" should not be ruled out, though this would not necessarily mean open

hostilities with Iran.

At the same seminar for government staff experts — CSIS being a right-of-centre think-tank where Henry Kissinger now resides — there was general agreement among the panelists that the Palestinian autonomy talks are now "dead in the water". "The Arab-Israeli negotiations will completely bog down in the months ahead and Sadat is likely to be exposed as a person who has sold the Arab birthright for a mess of pottage," Center Executive Director and former Deputy Under-Secretary of State Amos Jordan prophesied.

Further, the panel unanimously expressed the opinion that the US "must become far less dependent on Gulf countries as we would be very lucky to have 10 years of stability there as modernity impacts on the governments". The only dissension arose over whether or not Saudi stability could be counted on as an exception to the rule.

ISRAEL'S ECONOMY: A WARNING

On 19 November a commission of the World Jewish Congress issued a report forecasting the possibility of Israel's economic collapse if urgent measures are not taken to restructure the Israeli economy and halt the escalating inflation rate now exceeding 100% per annum.

"If present inflation trends are permitted to continue," the report ominously warns, "the burden of servicing the ever-growing foreign debt will become intolerable. As the size of the foreign debt service rapidly approaches the total external resources (gifts and borrowing) that can be mobilized, very sharp reductions in both private and public consumption would become unavoidable. The entire financial structure based on external supports would collapse. The very economic foundations of the country would be seriously threatened."

To date, actions by the Israeli government to counter such possible developments "have been far less than adequate", the report continues.

"Partial or half-way measures which compromise with perceived political expediency will not suffice to cope adequately with the problem," the report adds. It then goes on to outline the urgent need for forceful fiscal and monetary measures, budget cuts, productivity increases and labour force shifts.

Among the specific recommendations made are:

- deferring the retirement age
- increasing the number of working hours
- increased participation in the labour force, especially by females
- reducing excess public service employment
- amending employer-employee working rules to motivate and reward increased worker productivity.

Chaired by Baron Guy de Rothschild, the 33-member commission is composed of important Jewish financial and academic experts from throughout the world. It was created in November 1978 to "study the possible consequences of peace in the Middle East for Israel, for the Jewish communities throughout the world (the diaspora), and for the interrelations between Israel and the diaspora".

Last September the commission held meetings in Israel from which Monday's interim report resulted. Early next year the commission is expected to visit Egypt.

Ahead to '81: A Greater U.S.-Israel Storm

Mark A. Bruzonsky

Another presidential election looms—and American Middle East policy is again subordinated for about a year to the political circus mandated by American-style democracy.

For Israel this American election is more crucial than ever. Economically desperate, Israel relies on an American umbilical cord, now weakening. The Jewish state's political isolation could become psychologically unbearable if U.S. Government attitudes begin shifting even as far as have those of Western Europe—which, for the first time, is a real possibility. Israel's strategic/military position, with or without the West Bank, is largely a function of American arms and perceived American determination. And most crucially, in the longer run, basic American public attitudes toward Israel will be heavily influenced by the tone and content of the incoming administration.

For the Palestinians the next American president will help determine whether an evolving Palestinian national leadership—embodied today in the Fatah core of the PLO, whose two-state approach much of the previous Palestinian generation would have condemned as a sellout to Zionism—will remain a viable political force. Creation of a Palestinian state, of whatever kind, can be accomplished without American enthusiasm, but not against American opposition.

And for much of the conservative, pro-West Arab world, especially Saudi Arabia, American leadership is a major factor determining the uncertain future. Cairo too has now firmly cast its lot with Washington—though readers of Mohammed Heikal's brilliant description of Egyptian-Soviet friendship from 1955 through 1972 (*Sphinx and Commissar*) will be cautious in predicting future Egyptian foreign policy should the "peace process" lose momentum, Egyptian economic problems prove intractable (as many expect), or Anwar el-Sadat pass into history.

And yet, it is for America itself that the next president's Middle East Policy, or Jimmy Carter's postelection initiatives, will be most crucial. "The great danger to world peace is the Middle East and the oil fields," Senator Henry Jackson recently noted. "I see the Palestinian question as the key to the whole American economy," Andrew Young simplistically indicated during October. "How we resolve Palestinian rights and Israeli security is the most critical issue of our day." And the reigning secretary-general of OPEC has spoken of oil, the Arab-Israeli quarrel, and the teetering international economy in terms of sparks threatening World War III.

The Middle East region indeed has become the pivot of a multilayered international geopolitical and geoeconomic struggle. Although the Israeli-Palestinian dispute is rather minor when considered in terms of numbers of people, breadth of territory, or degree of wealth, it has become the symbolic fulcrum on which Arab attitudes toward the U.S. are balanced. There can be no guarantee that successful U.S. efforts to resolve the Israeli-Palestinian tangle finally and fairly will

result in a more stable, more amicable region, thus protecting Western oil and strategic interests. But the presumption is a reasonable one, and the one on which prudent statesmen must place their bets.

Whatever American initiatives come during the post-election 1981-82 period, it cannot be assumed that these efforts will arise from a sell-Israel-for-oil desperation. Indeed, U.S. policy since the 1967 war has been remarkably stable in terms of central attitudes and goals—from the Rogers Plan of 1969 through the Ford-Kissinger "reassessment" of 1975, to the Brookings Report the following year and the Camp David two-step approach mandated by Sadat's go-it-alone strategy. What has recently been and will again be principally different is the *intensity* of American efforts as the stakes in an overall Israeli-Arab settlement (which in practice now means Israeli-Palestinian accord) have so dramatically escalated.

American Middle East policy under Carter has been touted so much and distorted so much that putting it fairly and in perspective is challenging. As was noted three years ago in a much-discussed article in these pages, the "Brookings Report seems the harbinger of an impending American peace plan." "No matter who occupies the White House and who runs Foggy Bottom in a few months' time, 1977 is shaping up as a year of possibly unprecedented political confrontation between Israel and the U.S." ("U.S. and Israel: The Coming Storm," September, 1977). Much the same can be said for 1981, though Israel's overall ability to resist American efforts to create a Palestinian homeland while securing its pre-1967 frontiers has substantially diminished.

Before looking further ahead, a glance backward at the mistakes of Carter's Middle East diplomacy seems imperative. By mid-1977 definite American preparations were under way for a resumption of the Geneva conference (in recess since December, 1973) at which the PLO would participate as part of a united Arab delegation. (See my interview with Ismail Fahmy in *Worldview*, September, 1979. Fahmy was Egypt's foreign minister from 1973 through the Sadat visit to Jerusalem in November, 1977.) But toward the end of the first year of the Carter presidency it began to appear as if, once again, Israeli determination to withstand pressures for an uncertain American-sponsored arrangement would prevail. The collapse of the October 1 U.S.-Soviet Joint Statement after a wave of domestic protest is one from which the Carter people have never fully recovered.

Sadat saved everything—and in doing so put himself and Egypt at the head of the Arab line for Washington's largesse and affection. But only far-reaching Carter promises to Sadat saved the Egyptian-inspired "peace process" from total collapse. Now Middle East history is being written very differently from the way it would have been but for the last-minute Camp David deals and assurances—primarily between Egypt and the U.S.

Today that same "peace process" is again in serious doubt. Moshe Dayan has termed the autonomy talks "barren negotiations." Abba Eban states that the "chief objective" of the

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Begin government "is to ensure permanent Israeli rule" over the occupied territories. James Reston, writing in the *New York Times* in October, noted that Washington "has tried its best to come to some kind of compromise with Begin about the Palestinians and the West Bank, without success, and without admitting it, has about given up and turned its mind to other problems." And Bill Quandt, the National Security Council Arab-Israeli expert who last summer resigned in quiet protest, told a Washington audience recently that though "the U.S. has not given up on a broad comprehensive peace, we are coming to a point where other issues are becoming priorities and domestic politics demands more attention." "We are coming close to the end of the period where Camp David can be made to bring about a larger agreement," Quandt noted, adding that soon "an alternative strategy" will be urgently needed.

Meanwhile, Carter's Middle East troubleshooter, Robert Strauss, has worked his way into a part-time diplomacy, part-time Carter cheerleader position. Even Strauss's friends have taken to describing him as "incompetent" for the Middle East portfolio and too busy with domestic politics.

Carter's Camp David "success," coupled with his shuttle-style efforts that culminated in the Egyptian-Israeli treaty, has been described in ways that range from "Sinai-III event" to "historic accomplishment." Whatever one's attitudes, Carter's Middle East diplomacy has entailed a number of specified errors that will burden his successor (or himself), including:

1. *Failure to provide adequate staff for a continuing, sustained Middle East peace effort*: Neither at the White House nor the State Department did the Carter administration bring together a satisfactory team of Middle East experts and domestic political advisors capable of managing the tricky business of U.S. diplomacy in the Arab-Israeli context.

2. *Faulty presentation of the U.S.-Soviet "Joint Statement"*: This effort was to be the centerpiece of the administration's initial efforts to resolve the Arab-Israeli problem. It totally collapsed under the weight of domestic criticism, for which the White House was completely unprepared. Carter's midnight meeting with then Israeli Foreign Minister Dayan at a New York hotel—within hours of the announcement of the Joint Statement—demonstrated the new president's inability to grasp the dynamics of the U.S.-Israel relationship.

3. *Mishandling of the behind-the-scenes U.S.-PLO "dialogue"*: Numerous emissaries traveled between the PLO in Beirut and the White House and State Department in the early months of the Carter presidency. By summer a kind of engagement had been worked out, but why the marriage was never consummated remains unclear. The administration blames the PLO and the PLO blames Washington, but many observers of these developments have concluded that the Carter people never fully understood the evolution in PLO thinking nor the possibilities inherent in more substantial U.S.-PLO contact. The Kissinger Sinai-II pledge not to negotiate with the PLO prior to PLO recognition of Israel has been much more an excuse than an actual roadblock.

4. *Failure to uphold Israel's Camp David agreement on a settlements moratorium*: Whatever credibility the Palestinian autonomy idea had, it soon dissolved when this single sign of Israeli sincerity was wiggled out of by Begin—to meek protests by Carter. As Hermann Eilts notes in this issue of *Worldview*, "President Sadat, not to mention President Carter, *it cannot be emphasized enough*, signed the Camp David accords believing that such a settlements freeze had been agreed

upon." And as Bill Quandt has added, "It was an error of American diplomacy," which has called Carter's ability and understanding into question.

5. *Appointment of Robert Strauss as Middle East troubleshooter*: It was predictable that the inexperienced Strauss would lead the negotiations into a holding pattern. And it is inexcusable that Carter allowed Strauss to become a part-time negotiator, mixing the Carter reelection effort, Strauss's own business interests, and the Middle East negotiations into an inseparable and confusing muddle.

This said, the Camp David approach has accomplished a number of positive things: First, it has given Israel some breathing room to adjust to new realities—especially the inescapable need eventually to address the Palestinian issue as a national problem encompassing 3 to 4 million scattered Palestinians, not solely as a refugee issue or a matter of administering the million Palestinians in the West Bank and Gaza. Second, by acting first and alone, Egypt has proved "normalization" of relations to be feasible between Israel and its Arab neighbors. Third, Carter has helped swing American public opinion toward an appreciation of basic American interests throughout the Middle East region.

Still, the ultimate verdict on Camp David and the Egyptian-Israeli-American treaty must await indications as to whether substantial movement toward an overall settlement has been furthered or hindered.

Soon after November, 1980, American diplomacy will again have to address seriously the gut issues of the Israeli-Palestinian quagmire. The central issues remain much as they were four years earlier. But now Washington has considerably more political leverage than before—and it will be under increasing pressure from everywhere but Jerusalem to use it.

Washington's added leverage is a function of three developments. First, within domestic American politics a Brookings Report-type comprehensive settlement now has a following it lacked in 1976. Furthermore, the "rejectionists" in both the Jewish and Arab camps (in both the U.S. and the region) have been substantially weakened. Second, Israel's dependence on the U.S. has escalated so that American policies, properly promoted, will weigh more heavily with Israeli decisionmakers. And third, perceptions of American Middle East interests within both the executive and legislative branches of the U.S. Government are maturing, forcing Washington to gear up for an even more intensive effort to resolve this prickly dilemma that threatens the entire U.S. strategy throughout the region.

While the struggle for votes begins, and while great efforts are expended to lock potential presidents into inescapable positions, the winds of an American-Israeli struggle are blowing more fiercely than ever before. Israel's friends should once again rethink the dangers of confrontation with the U.S. versus the risks of compromise with the Arabs. It is true that Israel has no good choices. And it should be admitted that Israel faces a perilous future whatever course it chooses (or has imposed on it). But Israel's future might well be more secure if an Israel prime minister boldly followed Sadat's lead rather than allowing Israel to be dragged through the political mud, exhausting itself in the process. The actual outcome may well be the same, but both Israel's sense of itself and the American commitment to the Jewish state will be fully preserved only if Israel grasps the initiative before others impose their will. **WV**