

Crossroads At Camp David

A full report on the push for war, and the options for peace

As this issue of *Executive Intelligence Review* reaches our subscribers, the Camp David summit will be beginning. The Middle East, and the world community of nations, stand at a crossroads between world peace and world war.

In this special report, our Middle East analysts have pulled together the facts on the hard push toward war, and the forces opposing the war drive, to delineate the best and the worst U.S. options at Camp David.

Our coverage features an in-depth analysis by Contributing Editor Lyndon H. LaRouche, Jr. on the British strategic assessment that the Soviet Union will allow Israel to invade the USSR's ally, Syria — telling why the British plan will lead straight to nuclear confrontation between the Soviets and the U.S.

Also included is a documentary report on the already active Israeli plans to invade Lebanon, and the shocking scandal of Zionist and Falange lobbying among U.S. Congressmen and others.

1. The Camp David Lineup

The Camp David summit meeting, which is expected to last one week, will be the most important event of the Carter Administration's tenure thus far. At stake is not only the credibility of the Presidency, but world peace.

Both President Carter and the Zionist lobby have announced that the Camp David summit is to be the showdown for the Carter Administration. While Carter has admitted in interviews that he considers his political future to be dependent on a successful summit, the Zionists have mobilized their full strength to prevent the American government from acting plainly in its own interests. Prime Minister Menachim Begin of Israel, following an Aug. 20 Cabinet meeting, said bluntly, "I warn against the submission of an American plan, since America is not a party to the conflict." Since that statement, Israel, the world Zionist movement, and British intelligence have waged an intense campaign to intimidate the Administration. All manner of warfare against Carter has been threatened, from cheap political blackmail inside the Democratic Party to Big Lie-style mass propaganda, even to the as yet unspoken threat of assassination of the President of the United States.

The Arab position was stated clearly by a leading ambassador from the Arab world at the United

Nations: "We do not want President Carter to act in our interests, in the Arab interest. We want him to act in the interest of the United States itself." Said an Egyptian diplomat, "Carter must make his choice. America cannot afford to abandon the unlimited opportunities for trade and exports to the Arab world. A peace settlement would open a new era in our relations."

According to the tentative schedule of the Camp David summit, President Carter will first meet separately with President Sadat and Prime Minister Begin, and then the three will meet together. In addition, Sadat and Begin will meet at least once alone, without President Carter. Each man will have a number of leading aides present, in part for political insurance should the meeting fail. Begin will be flanked by Foreign Minister Moshe Dayan and Defense Minister Ezer Weizman, while Foreign Minister Ibrahim Kamel will accompany Sadat.

Two interesting nonattendees are Deputy Prime Minister Yigal Yadin of Israel, and War Minister Abdel Ghani Gamassi of Egypt. Yadin, who at first was apparently set to attend the summit, was undercut when half of his party, the Democratic Movement for Change, quit the government and crippled Yadin's political base. The absence of Gamassi is

perhaps more significant: he is the well-respected leader of the Egyptian Armed Forces, and has a wide following. Perhaps the general staff of the Army did not want Gamassi tarnished by accompanying Sadat to the expected Camp David debacle — and this is an indication that Sadat's own political career is fully on the line at Camp David.

What does "success" mean at Camp David? It most certainly does not mean the mere absence of a dramatic breakdown of the talks, for the meeting must achieve a real and tangible result. Success, in this context, is not the issuance of a vague and indefinite communiqué with a pledge to continue the negotiations in the near future, for Egypt demands far more than that.

Make no mistake about it: success at Camp David means an Israeli commitment to turn over the West Bank to sovereignty of the Arabs for Palestinian self-determination. Anything less than that will bear the most ominous implications for Middle East and world peace, and will require the immediate cooperation of the United States and the USSR in the United Nations to avert a thermonuclear holocaust.

Here is a brief summary of the Israeli, Egyptian, and U.S. negotiating positions going into the Camp David summit.

Israel: Taking The World To The Brink

What unites the fractious Israeli government on the eve of Camp David — indeed, with the support of the entire Labor opposition as well — is the blunt determination to force Anwar Sadat to abandon Syria, Jordan, and the Palestine Liberation Organization and sign a bilateral Sinai peace agreement. Sadat's past flirtation with that dangerous option, including a history of secret Egypt-Israeli intelligence contacts, has whetted the Israeli appetite. The Israelis are prepared to take the world to the brink of World War III to achieve the pressure-cooker atmosphere they believe necessary to compel the Egyptians to ink a separate deal.

The Israeli strategy is not a serious negotiating position. They intend to break Sadat's will, to simply subjugate Egypt to Israel's design, and they are prepared to threaten full-scale war in Lebanon to achieve their aim. The rapid buildup of the Lebanon crisis since July was characterized by an Arab diplomat as Israel's buildup of a "bargaining chip" to trade off at Camp David for Egyptian capitulation.

If Israel believes that it will face a U.S.-Egypt bloc prepared to use leverage to force Israeli concessions, most observers agree that Jerusalem is ready to detonate Lebanon and plunge the area into war to avoid Camp David altogether. But if they determine that Carter will be indecisive, then Begin and Dayan believe they can simply sit tight — let the status quo fester. Carter's prestige will then drop precipitously, and Sadat will be forced into a desperate crisis.

Israel is seeking a settlement on its own terms. Their ultimate goal was stated in the *New York Times* opinion column by Zionist Edgar Bronfman, who proposed a "Middle East Treaty Organization" (METO) based first on Israel and Egypt in an anti-Soviet alliance.

Most analysts in Washington and in European capitals believe that a separate peace or a METO strategy will lead to unending bloodshed and crisis in the Middle East. It is obvious that several pro-Soviet or nonaligned regimes would have to be toppled by coup d'état or war for such a strategy to work.

Egypt: Toward A Comprehensive Peace

The Egyptian negotiating position at Camp David is, in fact, very close to what President Sadat has stated repeatedly in recent weeks. Most recently, in opposing an Israeli proposal for a "permanent partial peace," Sadat said, "I shall work for an overall peace based on justice, and there is absolutely no room for partial solutions or separate settlements or a third disengagement agreement."

The bottom line for Sadat is to win an Israeli acknowledgement that the West Bank is Arab sovereign territory, and a commitment to negotiate a timetable for withdrawal.

In exchange, Sadat is certainly prepared to offer to accept final Israeli borders that include some minor adjustments of the pre-June 1967 frontiers, which were themselves mere ceasefire lines from the 1948 war.

The other area in which Egypt is interested is a discussion of a major regional development effort in which Israel would play an important role. Clearly, Sadat would need full American support for this to supply the needed technology and capital credits. However, Saudi Arabia is reportedly ready to back such a plan with enormous wealth.

In the negotiations Sadat's ace in the hole is the broad international support for the Egyptian stand. France and West Germany, the architects of the Bremen monetary plan, have joined hands with Saudi Arabia to support President Sadat. Japan, Italy, and the other Arab and African states also generally support Sadat and his position in the talks. Even the Soviet Union is a silent partner at Camp David in Sadat's corner. The importance that Sadat places on Western Europe was signalled by the announcement from Cairo that Sadat will stop in Paris on his way to Camp David and will return to Egypt via Bonn, West Germany.

According to Egyptian officials, if the Camp David talks end in a stalemate, as they expect, then Egypt will join Saudi Arabia in calling for a new Arab summit to unify the Arab position, after which the entire matter will be taken to the United Nations Security Council for action.

The U.S.: Carter In International Crossfire

To President Carter has fallen the task of forcefully reconciling the Israeli and Arab position in the national interest of the United States. Two conflicting sets of interests are concentrating their pressure on the White House to resolve the U.S. decision-making process in their favor.

The first set of interests is under the command of the Sovereign Order of the Knights of St. John of Jerusalem. In the United States, the chief collaborators and agents of the Knights include the Kennedy wing of the Democratic Party, California's Jerry Brown, the leadership of the AFL-CIO, Henry Kissinger, the pro-Zionist mafia in the Senate Foreign Relations Committee led by Senators Jacob Javits (R-N.Y.) and Clifford Case (D-N.J.) and a large and important section of the U.S. Administration including Vice-President Mondale, National Security Advisor Zbigniew Brzezinski, Secretary of Energy James Schlesinger, and Treasury Secretary Michael Blumenthal. This broad faction, in coordination with the U.S. Zionist lobby, is mounting what they hope to be a credible threat to Carter's chances of reelection in 1980 to prevent the President from putting the necessary pressure on Israel.

To the extent that President Carter focuses on the real and imagined political threat from the Maltese Order's U.S. Zionists, then he will lose sight of the enormous bloc of international allies who are demanding that the U.S. exercise its power to achieve a peace settlement in the Middle East.

That bloc, the second set of interests impinging on Carter's decision-making process, is led by the architects of the Bremen-Bonn agreements, Lyndon H. LaRouche of the U.S. Labor Party, West German Chancellor Helmut Schmidt, and French President Valéry Giscard d'Estaing. The heads of state and national leaderships of Italy, Japan, Saudi Arabia, Iran, Mexico, and the Vatican unanimously support President Carter's efforts to ignore the Zionist blackmail and bring about a peace-and-development policy for the Middle East. Within the Administration, Secretary of State Cyrus Vance and the State Department and Defense Secretary Harold Brown generally support the position of the Schmidt-Giscard bloc.

What Carter does not generally realize is that, with this international support, at least 70 percent of the U.S. population is prepared to support Carter in a peace policy for the Middle East. Even American

Jews, a U.S. Labor Party survey discovered, are seriously alienated by Israeli threats to Lebanon and Begin's intransigent position.

What, then, are the prospects for Camp David?

The Mondale-Brzezinski forces, the Zionists, and the *Washington Post* are trying to create the impression that President Carter is prepared to introduce U.S. forces into the Middle East to "tie down" a settlement, including the presence of American forces in the occupied West Bank and the establishment of a U.S. air force base in the Sinai! An unsubstantiated article in the *Washington Post* and an offhand comment by Jody Powell, the White House press secretary, that such ideas were "under consideration" created a stir in Washington on Aug. 30, and President Carter's remark that he would be "reluctant to do so" did not quell the speculation. Informed Washington sources indicated that the *Washington Post* story was a deliberate factional effort on Brzezinski's part to force the hand of the Administration.

However, the U.S. Administration may be ready to introduce what State Department spokesman Kenneth Brown yesterday called a "generalized American presence" in the Middle East to guarantee a settlement. This emphatically does not include U.S. armed forces, but may include some sort of international peacekeeping effort involving non-U.S. forces, including especially French troops in a United Nations-sponsored force. The *Philadelphia Inquirer* this week reported that Washington was considering an American civilian presence on the West Bank to monitor the security situation, but not American forces.

France has reportedly privately offered to supply troops for the West Bank to guarantee security to all parties concerned.

"The bottom line," said a State Department source, "is to get the Israelis to agree to self-determination for the Palestinians." A call from Jim Wright, the majority leader of the House (see below), lent support to the idea that this is the American position for Camp David. It is likely that the Administration will offer a "package," even if it does not call it a "plan," that would include the elements of Carter's policy this far: true peace, mutual recognition, Israeli withdrawal from occupied territories including the West Bank, and the establishment of a Palestinian homeland.

In this, according to State Department informants, the economic development component will be crucial, and the U.S. is prepared to discuss a massive economic program for the entire area.

Left unsaid is the answer to the question: What happens if Israel flatly rejects U.S. and Egyptian proposals and insists on retaining the West Bank? In Washington, no one was prepared to answer that one.

ISRAEL: Economic Collapse, Security Hysteria Increase War Danger

The press reports excerpted below indicate an unprecedented psychological warfare campaign by the Israeli government against its own population.

A media blitz is filling the Israeli public's ears with innumerable warnings of terrorist attack, dramatized on television as 'public service announcements,' while citizens are subjected to unbearable bomb-scares and raiding party drills. The Israeli Defense Forces have gone so far as to buzz their own cities with jet fighter planes, bringing complaints from the Jerusalem mayor. Repression of West Bank Arab residents has also been stepped up.

On the economic front, Israel's lot worsens at an accelerating rate, as the London Sunday Times reports, culminating with Premier Menachem Begin's misbegotten effort to apply the advice of fascist economist Milton Friedman. Conceivably, British or allied financier circles may see fit to pull the plug on the Israeli pound, plunging the country into a wave of strikes and hyper-inflationary chaos.

Poised on the brink of attacking Syrian troops in Lebanon, Israel needs very little social destabilization to propel it into the fourth Middle East war.

Government Terror and . . .

Excerpted from the Aug. 29 Washington Star article, "Girding for Terrorist Attacks An Everyday Concern in Israel":

In 10 days alone, 12 bombs were found in Jerusalem. A tense and alert public discovered most of them before they went off, so there were no casualties

In light of terrorist attempts to interfere with the Camp David talks, Israelis are taking the bomb threats seriously, and as a result, a wide range of precautionary steps are newly in force.

Buses ... have added security measures. Some drivers have begun using their microphones to remind passengers to look carefully for suspected bombs

Police have been bombarding the air waves and the local press with messages of warning. For the first time, people are even being advised to walk around their homes twice a day to search for explosive devices.

A private group ... has offered a total of \$27,472 in rewards to alert Israelis who discover parcels with bombs inside. The organizers said they would pay \$550 to anyone who finds a bomb and alerts the police. The first few awards were handed out last week.

A program of large-scale anti-terrorist exercises began last week in the major population centers of the country At one exercise in the Ben-Gurion Airport region, air raid sirens were sounded, roadblocks were erected, a practice of evacuating mock casualties was carried out and flares were hurled into the night sky.

With so much media attention devoted to terrorism, it is no wonder that an already fidgety public has seemingly grown more nervous. Adding to the general state of nervousness, Israeli air force jets soar over Jerusalem almost daily. Frequently those on the ground mistake the thunderous sound for a terrorist bomb ... despite requests from Jerusalem Mayor Teddy Kollek to avoid such blood curdling behavior

The rise in tensions throughout Israel has led, inevitably, to a heightened watchfulness by Israeli soldiers on the West Bank The West Bankers themselves are especially upset at the growing number of times they are being asked to leave buses and stand on the roadside as part of the security checks

. . . Economic Nightmare

Excerpts from the Aug. 27 London Sunday Times article, "The Vital War that Israel is Losing":

Israel's finance minister Simcha Ehrlich was due back home from Latin America this weekend, for what his many critics call sarcastically "a short break in his junkets," to face demands from the Labour opposition and trade unions that he resign because of the hopeless mess into which the nation's economy has slithered....

The shock came earlier this month. July's prices index was found to have risen 2½ percent — the month in which, Israelis used to say, "even the inflation takes a Holiday."

The treasury continued to print about £30 million in notes monthly, equalling an annual 12 percent of the budget, and the governor of the central bank foresaw a growth of the foreign trade gap by about £150 million after steady reductions in the past three years of an average £260 million. Israel's total foreign indebtedness now stands at about £5,700 million.

All this proves that the 'economic revolution' of last October has flopped. Applying the textbooks of Milton Friedman, the American Nobel Prize winner and free enterprise and laissez-faire prophet, Ehrlich and his team generously liberalized foreign currency controls and floated the local pound. This brought an immediate devaluation of 50 percent, and another 20 percent since then as the Israel pound's value has been dropping steadily.

A six-month wage, price and tax freeze laboriously clinched last spring pending conclusion of new wage contracts, went by the board as cabinet ministers, Knesset members and the judges got huge raises....

Now they are all holding their breath as the 70,000 teachers from high school principals down, demand the same 40 percent rise which the tax collectors and some technicians exacted several months ago. They threaten to strike until they win, and if they do, the rest of the public servants will demand the same. Then, the money presses will have to produce banknotes much faster and the inflation spiral will wipe out all their gains. Some pessimists fear that then, the economy will collapse altogether.