## SECRET/SENSITIVE

After a brief delay to resolve some seating problems, the Geneva Peace Conference got underway in two public sessions in which the principal participants -- Egypt, Jordan and Israel -- made public statements largely with an eye to public consumption at home. On the whole, each struck a posture designed to protect himself -- Egypt against the charge from Syria that it may be moving toward an agreement separate from the other Arabs, Jordan that it is less Arab than its brothers, and Israel conciliatory in tone but maintaining its substantive position in the face of right wing election rhetoric against the Geneva Conference. Tomorrow the Conference has one closed session focusing on the organization of its future work, and it is likely that a sub-group will be set up to deal with the question of military disengagement and to give at least the outward appearance of continuing the session until the parties can get down to serious business shortly after the Israeli election.

On the seating issue, Israel proved both reasonable and flexible. Fahmi (Egypt), who obviously is reflecting Egyptian concern that it may be exposed here in Geneva due to Syrian failure to participate, insisted on seating arrangements which avoided their being next to the Israelis and the Soviet Union as would have been the case if the normal UN alphabetical seating practice had been followed. The Egyptian alternate plan would have the Jordanians seated next to the Israelis, but Prime Minister Rifai, who reflects King Hussein's suspicion of Egyptians, took the view that he was not going to permit himself to be used by the Egyptians in this regard. After a round of talks I had before the Conference opened with Waldheim, Gromyko and Fahmi, the issue was resolved with the U.S. being seated between Egypt and Jordan, and the Soviets being seated between the Israelis and the empty Syrian place at the seven-sided table.

At the Conference itself, Waldheim, who chaired reasonably well, opened the proceedings with a brief non-substantive, ten-minute speech describing the U.N. role in an entirely acceptable way. There were no new surprises in the public statements of any of the participants.

Gromyko gave a short and relatively restrained speech, stating standard criticism of Israel and supporting the Arab position on return to the 1967 borders. The most significant thing in Gromyko's speech was the emphasis on the need to accept Israeli sovereignty and its right to national existence. In this connection, at Eban's request, I have arranged for him to call on Gromyko, using the grounds that it is normal at conferences for participants to pay a courtesy call on the chairmen.

I spoke next and in my brief statement, I sought to strike a note of accommodation and reconciliation. Stressing the main question before us at this historical conference -- how to move to peace -- I made four principal points in this regard: the need to maintain the ceasefire; some realistic appreciation of what can be accomplished in a reasonable time frame; the need for early disengagement of forces as an essential first step; and above all, the essentiality of realistic negotiations between the parties themselves, who will have to live with the results. I reiterated your commitment to a major effort to achieve a peaceful settlement, and I devoted some paragraphs on your general foreign policy approach and the place of the Middle East within it.

I was followed by Egyptian Foreign Minister Fahmi, who while reiterating all standard Egyptian positions in uncompromising language and sharply critical of Israel at certain points, yet kept his rhetoric within reasonable bounds and stressed frequently that the Egyptian objective is a peaceful settlement recognizing the sovereignty of all states in the area. I had had a session with Fahmi in the morning and will be having dinner later with him this evening, and it is clear to me that Sadat has taken a real risk in coming to Geneva, since lack of progress will give the extremist, such as the hardliners in Syria and the militant Palestinian elements a real opportunity to undermine him if in the coming weeks we cannot achieve a significant disengagement agreement. Fahmi feels it is essential that the Conference be at least politically and juridically in session and that some kind of work group sessions be held next week on the question of disengagement. Otherwise, he feels that Egypt may not be able to return to the Conference table in January. I have therefore asked Eban whether it would be possible to get an Israeli military representative to Geneva sometime next week, on the understanding that the Egyptians appreciate that during this last week before the Israeli elections, their respective representatives would largely go through the motions. Eban understood and said he would undertake to try to do this. He is querying Jerusalem on this this evening.

Jordanian Prime Minister Zaid Rifai, obviously with an eye to protecting his flank in the Arab world, gave a considerably more hardline speech than Fahmi, with repeated charges against the Israelis, and with few of the references to the need for peaceful settlement which were found in the speech of the Egyptian Foreign Minister. At a luncheon meeting I had with him right after the morning session, Rifai explained that this "was all politics" in the Arab world and that it should not be taken seriously. I believe the Israelis understand this, although I expect that any possible progress on

disengagement between the Jordanians and Israelis is very apt to lag behind the understanding between the Egyptians and Israelis. Rifai told me in our meeting that what he wants from Israel is a small four-kilometer symbolic move away from the Jordan River, where the present Israeli positions are located. His argument is a very simple one: such a fourkilometer move to higher ground would have no adverse strategic impact on the Israeli situation, but would have an important political impact which would be helpful to the Jordanian position in the Arab world. In their view it therefore, serves Israeli and Jordanian interests in helping assure in the long run that Hussein's influence in the West Bank would be uppermost rather than the radical Palestinian elements. While there may be a certain logic in all this, I doubt that even after the Israeli elections, such an idea will be very attractive in Jerusalem. I believe that Israelis are more apt to move in the direction of de facto arrangements with the Jordanians designed to create and strengthen Hussein's authority in the West Bank, primarily in returning Jordanian administration to various cities in the West Bank.

The day's proceedings were wound up by Eban's speech in the afternoon session. His statement was punctuated with many of the oratorical flourishes for which he has become world renowned; while expressing skepticism regarding Arab intentions, it was nevertheless moderate in tone and an eloquent plea for reconciliation, while maintaining a very firm position on the substance of the settlement and the need for Syria to make available its POW list.

While the atmosphere could not be characterized as one of reconciliation, the parties were careful to keep all doors open. Tomorrow at the closed session, we will establish a work group and thus get some movements toward discussion on disengagement. In order to avoid giving the impression that the conference has met briefly and has suspended until early January, it will formally remain in session, and both we and the Soviets as well as the parties will be keeping on hand our respective heads of delegations who will have an opportunity to engage in further informal consultations.

Finally, your strategy is working well. We are the only participant who is in close touch with all the parties, the only power that can produce progress, and the only one that each is coming to in order to make that progress.