NATIONAL SECURITY COUNCIL

INFORMATION 6033-X

SECRET/SENSITIVE (XGDS)

November 2, 1973

MEMORANDUM FOR:

SECRETARY KISSINGER

FROM:

HAROLD H. SAUNDERS WILLIAM B. QUANDT 11.18 2.

SUBJECT:

Strategy for Middle East Peace Settlement

During Your Trip

During your trip, you will probably have to spend some time discussing your efforts to stabilize the ceasefire. The purpose of this memo, however, is to look beyond that.

A primary objective will be to develop sufficient understanding on a general concept for moving toward an Arab-Israeli peace settlement so that negotiations can begin at an early date on a concrete first step beyond stabilizing the ceasefire. This will be difficult to achieve because of the widely divergent views and expectations by all of the parties. The Arabs will press for assurances of full Israeli withdrawal, or at least a major Israeli pullback, as a precondition for entering into negotiations; the Israelis will strongly resist making any concessions at this stage and will insist on negotiating a framework for peace before any withdrawal.

Assuming that the present ceasefire can be stabilized and an exchange of prisoners can be accomplished, the key issues to be addressed in this longer perspective will be the following:

--Acceptance by the Arabs that negotiations must begin before all issues of a final peace settlement have been resolved and that they must proceed step by step. It may be necessary to develop some general heads of agreement in order to get the Arabs involved in the process, but the ideal would be to avoid this and begin the negotiations on the basis of Resolutions 242 and 338. The point to

XGDS-3
DECLAS-Impossible to Determine Date.
BYAUTH-Dr. Henry A. Kissinger

be established now is that the negotiations have to move ahead by stages, without guarantees of the outcome in advance. There will be great pressure from the Egyptians to get your commitment that Israel will eventually be required to pull back to pre-1967 lines, and you will have to hold to the position that this cannot be settled in advance of negotiation.

and to start the process of negotiations, it will be necessary to work out soon the terms of a serious first step. The Israelis are apparently thinking of an exchange on the Egyptian front where the parties would return to the pre-October 6 ceasefire lines, to be followed by a disengagement of forces from the Canal on both sides, after which the Canal could be reopened to international shipping. The Egyptians, by contrast, speak of a "disengagement stage" which would leave their forces in place on the east bank of the Canal, while Israeli forces withdraw to a line east of the passes, thereby creating an intermediate zone to be filled by UN forces.

--Timing of a peace conference and disengagement of forces. The current Egyptian position is that a peace conference would be convened "at the same time as the disengagement zone is set up separating forces east of the passes." From the Israeli point of view, this is unacceptable. Israel will insist, and we should try to convince the Egyptians of this, that no disengagement of forces from the October 22 lines can take place until peace negotiations have begun, unless the disengagement is on Israeli terms, e.g., return to the pre-October 6 lines along the Canal. The Egyptians need to understand that serious progress toward a settlement cannot be made in the absence of negotiations because only then will it be possible to provide a framework which Israel might regard as justifying a first withdrawal.

--The question of Palestinian participation in peace negotiations will have to be dealt with soon. The Israelis will be very tough on this issue, and it may be impossible to get their agreement to anything other than a Palestinian representative participating as part of a Jordanian delegation. King Hussein will also be very sensitive to how this issue is handled, and it would be best to be non-committal on this until you have talked with Hussein. [See Tab F on Palestinians.]

--The Arab oil-producing countries will have to be made to understand, perhaps with some help from President Sadat and King Hussein, that it will be impossible for the United States to engage in the type of diplomatic activity the Arabs expect under the threat of an oil embargo. As we move into an active phase of negotiations, it is to everyone's interest that the Arab oil producers begin to ease up on the embargo. A confrontation over oil will not be conducive to progress toward a peace settlement.

--Assuming that some early progress on a first stage of an Egyptian-Israeli settlement can be made, the issue will arise of arranging a comparable step offering something to the Jordanians, Syrians, and Palestinians. Egypt can afford to get somewhat out in front of the other Arabs, but there will be limits on how far Sadat can go unless some momentum is also being sustained on other fronts. Until a concrete step on the Egyptian front has been accepted, however, we can probably afford to stick with a general position of favoring parallel progress on all fronts once negotiations are underway.

The key to getting Egyptian and Israeli agreement on a tangible first step will be to find comparable concessions that each side can offer in negotiations. The problem will be that the Egyptians can offer Israel primarily symbolic concessions, apart from the release of prisoners and lifting the blockade at Bab al-Mandab. The Israelis have long sought Arab recognition, face-to-face talks, and an end to the state of belligerency, but these concessions will not weigh heavily in comparison to Arab demands for Israeli withdrawal of military forces from occupied areas. Consequently, if progress is to be made in negotiations, it will be essential to provide something concrete in the way of Arab concessions at the outset in order to get the first stage of Israeli withdrawal of forces. The issue is dealt with in more detail at Tab E.

Issues that may arise at each of your stops in Arab capitals are dealt with in separate tabs. A tab is also provided on the current position of the Palestinians. These tabs are arranged as follows:

Tab A - Morocco

Tab B - Egypt

Tab C - Jordan Tab E - First Stage of a Settlement

Tab D - Saudi Arabia Tab F - The Palestinians