

## Israel Fighting It Out For Peace Or War

Dec. 17 (NSIPS) — The steps taken this week by the Palestine Liberation Organization (PLO) toward forming a government-in-exile have brought the Israeli government to a crucial juncture: whether to support an overall peace plan for the region that includes recognition of the PLO and the formation of a Palestinian state or to opt for war.

Over the past several weeks, Israeli Prime Minister Rabin has sent out signals to West European government that he is willing to support a peace strategy. Rabin dispatched Jerusalem Mayor Teddy Kolek to Hamburg, West Germany, where he met with city mayor Klose, a close associate of Chancellor Helmut Schmidt. Klose then visited Israel. In addition, Israeli Housing Minister Ofer, who is closely allied with Rabin, traveled to Great Britain and West Germany this month, where he also met with government officials. This week, after a tour through several Middle East countries, long-time Middle East specialist from Britain, Lord Caradon, arrived in Israel. According to the French News Agency, Caradon said he was investigating the possibilities of setting up a Palestinian state and is convinced that a Middle East peace settlement will be worked out "in the next months."

Leading Israeli peace advocate Abba Eban, head of the Mapai peace faction, is supporting Rabin's peace overtures. Testing the waters for a political comeback, either in or outside an alliance with Rabin, Eban launched a campaign for "national recovery" this week. Eban is also calling for relinquishing the occupied territories held since the 1967 war — a plank that he has inserted in the proposed Mapai election platform. In a document written by Eban last summer and distributed by the BREIRA organization in Washington, Eban reveals that there is no historical basis for retaining the occupied lands and calls upon "Israeli leaders to enter the intellectual arena and undertake an educative role."

### *Rabin Under Attack*

According to Eric Rouleau in the Dec. 16 *Le Monde*, Israeli peace advocates have been secretly meeting with PLO officials over the past several months. "Rabin doesn't fail to receive and listen attentively to these intermediaries," writes Rouleau. But the pressure is on Rabin to drop his conciliatory stance, "One cannot underestimate the outcry that would result from a decision to offer all of the West Bank to an organization as disliked as the PLO," Rouleau reports.

The pressure on Rabin is being most openly expressed through former chief of staff Yigal Yadin, an independent candidate in the 1977 elections, who is heading up the newly formed, pseudo-liberal Movement for a Democratic Change; General Ariel Sharon, hero of the 1973 war and head of a right-wing splinter group; and Moshe Dayan, leader of the pro-war Rafi faction in Mapai. According to the American Israeli Public Affairs committee, Yadin and Sharon are coordinating a common strategy to smash both Mapai and the "no longer viable" Likud opposition, thereby forcing the creation of a Yadin- or Sharon-led coalition government of several parties, including the shards of Mapai and Likud. Such a coalition would be easily manipulated by a Carter Administration to block a reconvening of a Geneva conference and prepare for war. A former member of the Israeli parliament was even more explicit, predicting that Sharon and Yadin together will win about 45 seats in the parliament in the elections. Sharon will then proceed to carry out "partial withdrawals" from the occupied territories in an effort to stave off an overall settlement.

However, Rabin survived a vote of no confidence this week, 55-44. The vote was provoked by the fanatic Torah Front party, who accused Rabin for welcoming a delivering of F-15 jets on the Sabbath. The forces around Yadin voted with the extreme right in condemning Rabin.

## Arabs Forming United Trade Bloc

Dec. 16 (NSIPS) — The Arab countries this week finalized plans for the establishment of an Arab Common Market whose aim is to integrate and coordinate trade and development for the Arab sector. According to the Cuban news service *Prensa Latina*, the Arab Economic Council today completed recommendations leading to the market arrangement which has been turned over to the Arab League. This week the Saudi Arabia Finance Minister publically called on his fellow members in the Organization of Petroleum Exporting Countries to take up the Common Market issue — as a means of coordinating regional development — at the ongoing

OPEC meeting in Qatar.

In deliberations leading up to the OPEC meeting, representatives from a number of Arab finance and economic ministries met last week in Baghdad to put the finishing touches on the plan while their counterparts from Arab Industry Ministries convened in Cairo to work out the specifics of future regional economic development. The Iraqi government, a leading spokesman for the creation of a new monetary system, called for the OPEC members to add to the agenda of the Qatar talks the formation of an Arab Oil company. Immediately thereafter, Iraq's second in command

Saddam Hussein began an organizing tour. In Yugoslavia, a leader of the Non-Aligned Movement for a new monetary system, he met with Yugoslavian president Marshal Tito before continuing to Iraq.

Concurrent with the formation of the Arab Common Market, the Organization of African Unity formed an African Common Market while the Arab League established a liaison office to the African bloc.

#### *Gearing Up Production*

In the next month, four pipelines leading into the Mediterranean will have been opened, including the reactivation of Saudi Arabia's huge trunkline running through Lebanon which carries a capacity of 400,000 barrels a day. The pipeline was closed two years ago because of slumping demand. But new political arrangements between Europe and the oil producers to break with the dollar and expand trade based on oil for technology agreements has insured new markets for fuel.

According to the Dec. 6 issue of *Oil and Gas Journal*, a full \$67 billion in surplus from the oil producing sector will be invested in downstream development including state-owned refining capacity, transport capacity, both pipelines and tankers, and petrochemicals. Conservative

estimates are that such investments will give the 19 producer countries almost 20 per cent of their own refining capacity, over the next 4 years, giving them increased freedom from the oil companies in marketing their oil resources. Such projections however are based on the assumption that the producers will not enforce further nationalizations of their oil resources which the Iraqi call for an Arab oil company is designed to expedite.

An unusual agreement was signed this month between British Petroleum and Iraq whereby BP will lift 80,000 barrels a day of Iraq's fully nationalized oil. Similarly it is rumored that the British firm may be invited to return to Libya to operate a field nationalized from BP in 1971 which has a potential capacity of 400,000 barrels a day, markedly increasing Libyan production. While it is still widely held that the Saudi Arabians with the largest reserves in the world, at 150 billion barrels, will stick to their production ceiling of a yearly average of 8.5 million barrels a day, the president of Texaco and other oil executives are quoted in *Oil and Gas Journal* that soon Saudi Arabia may go considerably higher than the set ceiling figure. Such a decision will be totally dependent upon a new financial and economic pact with Europe.

AFRICA

## British, African Initiatives for Speedy Rhodesian Settlement Accelerate

*Dec. 17 (NSIPS)* — British Foreign Secretary Anthony Crosland and United Nations Representative Ivor Richards this week announced initiatives to bring about a speedy and peaceful settlement of the Rhodesian situation, and indicated that if Rhodesian Prime Minister Ian Smith continues with his "over my dead body" stance, they are prepared to accommodate him.

The British initiatives indicate that they are prepared to virtually take over the Rhodesian government and army during the transition period. In addition to appointing a "Resident Commissioner," essentially a Governor General replacing Smith as the chief executive, according to the *London Observer* Dec. 13, some Government officials are in favor of sending in British military officers to take command of the Rhodesian army, and "phase it out," to replace it with troops of the Zimbabwe People's Army (ZIPA).

Speaking to reporters Dec. 14 after the Christmas adjournment of the Geneva conference on Rhodesia, conference chairman Richards announced that he will tour the front line states (Mozambique, Tanzania, Botswana, Zambia and Angola), Rhodesia and South Africa starting on Dec. 28. Ignoring Smith's description of a direct British role in Rhodesia as "ghastly," Richards said: "Britain has to play a direct role. The purpose of my going to Africa is to define that role." Richards called on the front line states to play a greater role in the settlement, announced that he would be continuing talks with the nationalist delegations during the adjournment, and

"regretted" that the Rhodesian delegation in Geneva has failed to play any positive role in the talks.

The significance of the Richards trip was underlined by Foreign Secretary Crosland, who told Parliament on the same day that "Richards is going to Africa with my authority behind him..." and added that the transition may very well be settled in Richards' talks before the reconvening of the Geneva conference on Jan. 17.

The British have mobilized several large industrial concerns in South Africa to pressure the Vorster government into cooperating with their initiatives. One major British firm, Marks and Spencer, has decided to pull out of South Africa completely, while British Leyland, the British auto company, is "reassessing" its position in the recognizing of black trade unions at its many plants in South Africa.

While certain British leaders may be under the illusion that they are creating an innocuous moderate leadership for independent Rhodesia, it is clear to other African leaders that in the context of the new world economic order this is a mere pipe dream. "If Britain does not move," Tanzanian President Julius Nyerere told a Nigerian Television interviewer recently, "there will be a battle between ZIPA and Smith, and ZIPA will win, and a radical government will be installed, and this will make me very happy. But it is not necessary.. if a settlement can be worked out and a moderate government installed now. In that case radicalization can take place more gradually as I am doing now in Tanzania. This I prefer."