

French-Saudis Agree on Need for Middle East Settlement; Open Way for Substantial Trade

French President Valery Giscard d'Estaing's four day trip to Saudi Arabia on Jan. 22-25 marked an important step forward toward the negotiation of a global Middle East settlement within the coming year. Both parties, led by Saudi King Khalid and the French President, fully endorsed the need to bring the longstanding Middle East conflict to an end "without delay." This general political statement of agreement on the need for peace in the Middle East set the tone for the negotiation of sizeable foreign trade deals between the two countries, which could be rapidly extended in the coming months.

By agreeing to push for a rapid solution to the Middle East conflict, the Saudis and the French have, in the words of the London Times journalist Paul Martin, thrown a direct "challenge to the Carter Administration" to cease stalling on this issue; they have simultaneously laid the basis for Europe to play a much greater role in getting the peace settlement off the ground.

King Khalid himself took the lead in shaping the political discussions during Giscard's trip in his interview to Agence France Presse on Jan. 23. During the interview Khalid called on France to play an "imminent role" in rallying the rest of Western Europe to publicly support a global settlement, including mutual recognition of the legitimate rights of the Palestinians. As part of Khalid's effort to directly involve France in the organization and conduct of the peace settlement, the Saudi King suggested France should participate in a Geneva conference.

Giscard, faced with a tough political battle back home, could not afford politically to leave Riyadh empty-handed. He at the very least met Khalid more than halfway by declaring to the press shortly before his

departure from Saudi Arabia on Jan. 25 that "there is no reason for the Geneva conference participants to believe that the chances will be better in the future...than they are now." Although Giscard vetoed immediate French participation in Geneva discussions, he left the door open for a future seat by stating that if at some point France's presence was deemed "desirable" she would certainly attend.

The final joint communique released on Jan. 25 also reflects a parallel concern on the part of the Saudis and the French for the evolution of the international economic situation. Both delegations renewed their commitment to work for a "more equitable and rational new world economic order, which they esteem to be indispensable to international peace and stability." One aspect of this effort was recognized to be the extension in depth of the Euro-Arab dialogue.

The very positive political tone of the Giscard-Khalid meetings have already borne fruit through the negotiation of a series of preliminary trade deals. In addition to concluding contracts with the French nationalized oil companies Elf-Erap and CFP to increase imports of low-priced Saudi oil to 42 million tons over the next three years, agreement was reached on the construction by the French of a nuclear energy research center in Dharan, Saudi Arabia. At this point, it also appears that Saudi financing of a multibillion franc British-French armaments industry in Egypt has been assured, while discussions are still underway for a 3.5 billion franc housing construction program with the French. At least one report has suggested that plans may be afoot to reconstruct the devastated city of Beirut, Lebanon using French technology and Saudi money.

Cyprus Issue To Be Settled "NATO's Way"?

A week before his inauguration, Jimmy Carter announced that one of the focal points of his foreign policy would be the Cyprus question. Indeed Carter did not even wait until his formal assumption of power: the Turkish forces who are occupying 40 per cent of the Island quickly stepped up the expulsion of the Greek Cypriots from Turkish controlled territory — an act which has rapidly increased the tension on Cyprus to an extreme point. Just how Carter plans to "deal" with the issue of Cyprus has been explicitly described by the Communist press of Greece and Cyprus.

Rizospastis (newspaper of the Greek Communist Party — KKE), Jan. 16:

Multisided conspiracy — encouraged by the position of Karamanlis' government — is being presently carried

out by the American imperialists through the "mediation" of the EEC in order to impose the NATO partition "solution" on Cyprus. As our correspondent reports from Nicosia and as it is now confirmed by NATO circles, the aim of Carter's "initiative" around Cyprus is the Americanization of the British bases there and to ensure U.S. military presence on the island.

The BBC reportedly revealed that "there may be a shift in the dominance over the bases and in the orientation of their purposes," adding that the exchange of a "just" (NATO) solution of Cyprus "may be the American presence in Cyprus instead of the British."

... Observers of the related developments note, in parallel, that the intensive activities of the Atlanticists around Cyprus and around the "suspended issues" on the southeastern flank of NATO will enter a new, decisive

phase immediately after the official inauguration of Carter.

In this respect, the tour of the new Vice President Mondale in Western Europe January 23, has been characterized as very significant... as Carter himself stated its aim is the better "conceptualization" of common policies for the "settlement" of problems, among which the Cyprus issue and the Greek-Turkish relations are a focal point.

The possibility of another tour to Ankara, Nicosia and Athens, for the same purposes, by the U.S. Secretary of State Cyrus Vance is also reported, while unconfirmed press reports indicate that Carter will invite the Prime Ministers of Greece and Turkey to Washington to "settle" their differences.

Also notable is Carter's announcement that he will very soon send a delegation to Athens, Ankara, and Nicosia to submit "new ideas and proposals" from the American government.

Rizospastis, Jan. 14:

The General Secretary of AKEL (the Cypriot Communist Party) Comrade Ezekias Papaioannou, addressing yesterday's Parliament meeting... warned the Cypriot people that "many and various factors impose or are prepared to impose pressure and solutions which are against the interests of the people of Cyprus, both Greeks and Turks. The most reactionary NATO circles are again plotting new anti-Cypriot plans... We also may have new assassination attempts against President Makarios and against other democratic leaders. The dangers of a new adventure are not to be excluded."

Alekos Mihailidis, Parliament representative of the Democratic Party, headed by Spyros Kypriannou, warned of the danger of another coup in Cyprus.

Rizospastis, Jan. 18:

While in two days Jimmy Carter will be officially the new President of the United States, Washington and its Western partners in NATO and EEC are escalating their activities for... the final imposition of their "new" partition plans against Cyprus.

It is now certain that this multi-sided imperialist conspiracy is directly connected with the present tour of Cypriot pro-NATO politician Glafkos Clerides in Europe and the USA for "consultations."

...Political observers in Athens consider that the purpose of Clerides' stop in Athens is to pave the way for the "new ideas" around the Cyprus issue that Cyrus Vance will deliver in his slated visit to Athens (as well as Ankara and Nicosia.)

Prensa Latina, Jan. 19:

According to Haravgi (the newspaper of the Cypriot Communist Party, AKEL) Great Britain is being pressured by NATO to give up its bases on Cyprus. The paper added that imperialism believes that this is the opportune time to realize its old plans to convert the island into an atomic trampoline. There are no doubts that the visits of several official persons from the U.S., West Germany and Britain to Cyprus are tied up with the strategic plans of NATO to impose a solution on the Cypriot people.

New Peace Initiatives

Jan. 28 — During the past few days, a major initiative from President Makarios, with the backing of the Soviet Union, has sought to preempt Carter's plans. On Jan. 27 Makarios and Turkish Cypriot community leader Rauf Denktash held a meeting in Cyprus for the first time since the occupation of the island by the Turkish forces in 1974. The meeting was described by both leaders as a breakthrough. Makarios apparently convinced the Turks to withdraw from a substantial part of that portion of the island now occupied by the Turkish army. The Turkish government has announced the withdrawal of 1,000 troops from the island itself. More importantly, according to a Cypriot diplomat, Makarios won a political concession from the Turkish side on the need for a strong federal government in Cyprus. This is a major change of the Turkish position.

According to Greek press reports, the Soviet ambassador to Cyprus held a meeting with the Turkish leader Denktash just before the Makarios-Denktash meeting. Simultaneously Makarios sent Akel's Papaioannou to Athens to organize Greek political backing for this policy "as a counterbalance to the initiatives and pressures of the Carter Administration." Makarios also moved against Cypriot right-wing terrorist networks, and opened up an investigation in parliament into the activities of the National Guard officials who are suspected of involvement in the 1974 coup against Makarios.