

policy establishment have decided to stall for time.

To accomplish that objective, and to draw attention away from the failure of Camp David, State Department special envoy Philip Habib will arrive in the region this week to set into motion a new American initiative over Lebanon. That crisis, which worsened again last week, is to be discussed with Syria, Lebanon, Jordan, Israel, and Saudi Arabia, along with the Vatican, with the State Department seeking some roundtable discussion among all parties to the dispute. If that can be set up—which is extremely unlikely—then the U.S. hopes to turn it into a kind of “Camp David north,” in which Syria and Jordan can be set against the PLO by offering them partial Israeli withdrawals from the Golan Heights and the West Bank.

Another initiative is that of John Connally, who proposed a comprehensive plan for a peace settlement based on nothing more than naked American military power, a string of U.S. bases in the area, a new Indian Ocean fleet, and so forth. The sheer scope of the Connally plan (see below), which he has made into the basis of a Presidential campaign fight, indicates that it is designed to serve as a discussion paper for a Middle East policy that can replace Camp David, which Connally says bluntly is incapable of bringing the area to the next phase because of Arab opposition.

And finally, there is Moshe Dayan. Dayan, who is Israel's most sophisticated politician, has been exploring alternatives to the present form of Camp David for a while; but he is committed to ensuring that whatever policy eventually emerges will be merely a linear extension of the Camp David strategy. On the eve of his resignation, Dayan announced that he would support a unilateral dismantling of the military-government apparatus in the West Bank and Gaza and the establishment of “local police forces” to replace the Israeli troops that now patrol the area, as a carrot to induce resident Palestinians to participate in the autonomy talks. Beneath the surface, however, the pot is boiling in Israeli politics. Things aren't moving in Dayan's direction.

—Robert Dreyfuss

## Mideast Institute meet a flight from reality

On October 5 and 6, approximately 800 Middle East specialists, academics, businessmen, and representatives of the intelligence community, gathered together at a Washington hotel to be told what the vast majority of them knew to be a lie: that the Camp David peace approach, “for all its shortcomings,” is still viable, and must, somehow be kept alive.

“I find it unconscionable that President Carter is not getting his due for intervening in securing the Camp David pact,” intoned Hermann Eilts in his keynote address to the conference. Hammering away on this theme, Eilts, former ambassador to Egypt and one of the principal negotiators of the Camp David accords, told the largely bored audience that “without the personal intervention of Jimmy Carter, Camp David never would have happened.” “No president but Carter,” Eilts continued, “has realized the centrality of the Palestinian issue.”

The event at which Eilts was speaking was none other than the 33rd annual conference of the Middle East Institute, entitled “The Middle East After Partial Peace: What Lies Ahead?” The conference's answer to that question was: who knows?

What was remarkable about the conference was not the mere fact that such a large number of top Middle East policymakers had assembled to listen to such drivel. The most striking aspect of the entire affair was the utter bankruptcy of policy being put forth at the conference. Indeed, for the most part, no policy, let alone strategy, was being put forth at all.

To understand what went on at the Middle East Institute conference—and what didn't—it is necessary to understand what, in fact, the Middle East Institute is.

In a nutshell, the Institute was founded at the end of World War II as an outpost of British intelligence in the United States. Formally affiliated with the School of Advanced International Studies (SAIS) of Johns Hopkins University—whose directors proudly describe the Camp David treaty as “a SAIS conspiracy”—the Middle East Institute is also a sister institution of the Ditchley Foundation in London, perhaps Britain's top collection of policymaking aristocrats. The Middle East Institute also operates in coordination with the Council on Foreign Relations in New York, an outgrowth of the Royal Institute for International Affairs and the main policymaker for the Carter administration, and the

Republican and Democratic parties' national leadership as well.

The conference was opened by L. Dean Brown, president of the Institute, and George R. Packard, dean of the School of Advanced International Studies. After calling Camp David "a SAIS conspiracy," Packard stressed the importance of Camp David in the "maintenance of the post-war economic system" worked out at Bretton Woods. Packard's statement reflected the fact that what is really behind the Camp David accords is not concern for peace in the Middle East, but a preoccupation with stopping the consolidation of a new monetary system to replace the International Monetary Fund around the core provided by the European Monetary System.

Herman Eilts then presented the keynote address. Throwing his weight behind Camp David, Eilts took the occasion to introduce one of the central themes of the two-day conference—that technology and Islam don't mix. "It took a fundamentalist revolution in Iran to show Americans the repellent effect that the excessively rapid introduction of technology in the Middle East can have," stated Eilts. He continued by praising Iran's sudden shift toward feudalism and deindustrialization as "constructive neutralism."

### **No alternatives**

A panel discussion presented by Michael C. Hudson (Executive Director of the Center for Contemporary Arab Studies at Georgetown University), Michael E. Sterner (State Department), William B. Quandt (The Brookings Institution and former member of Zbigniew Brzezinski's National Security Council), and Robert J. Cummings (Howard University) followed Eilts' presentation. Acknowledging that Camp David's momentum is fast petering out, Sterner gleefully stated that "fortunately the rejectionists have not put forth an alternative plan." Then, framing his remarks in the Cold War context of the "growing Soviet threat to the region," Sterner lied about what is at stake: "If the peace process can't be kept alive, Soviet inroads into the Middle East will escalate."

Picking up on this theme, Quandt, who is operating of the Brookings Institution as Zbigniew Brzezinski's "free agent," lauded Camp David as "a sincere attempt for a comprehensive peace settlement" and scored "those cynics who say Camp David does not provide for an overall peace." However, Quandt continued, "we are approaching the end of the period during which Camp David can be pushed forward ... By next year, Camp David will lose its credibility, and then we'll have a problem."

The only solution to the problem, Quandt suggested, is to hound the Jordanians and Saudis into getting on board. "The United States has done very little to get Jordan to cooperate. The same with Saudi Arabia. The

U.S. has also been excessively timid vis-a-vis the Palestinians." Then, in a sharp insult to the Arab world, Quandt dismissed out of hand Arab objections to Camp David. "There is nothing in the Camp David process offensive to the Arabs."

After several hours of reinforcing the audience's sense of helplessness and despair, the conference was opened up for questions and discussion from the floor. One uneasy attendee raised the possibility of a return to the comprehensive peace framework of Geneva in light of the obvious limitations of Camp David. Michael Hudson rudely refused to answer the query, dismissing it as a "procedural question." "A Geneva conference would not be fruitful," he stated. He then went on to lecture the audience on the "dangers of formalism" in considering a joint U.S.-Soviet peace conference.

### **EIR on the scene**

In an effort to fracture the environment and force a return to reality, Robert Dreyfuss, Middle East editor of the *Executive Intelligence Review* demanded that the panelists—in particular, William Quandt—address themselves to "the reality that France, West Germany, and the countries of the newly established European Monetary System have determined to replace the International Monetary Fund with a new set of global institutions." "Part of the package," stated Dreyfuss, "is the expansion of the new European Monetary System and a comprehensive peace that will destroy the Camp David pact. In refusing to cooperate with the Europeans, the Arabs, and the Soviet Union for the establishment of a new monetary order and a comprehensive peace, the U.S. is gunning for war. How do you expect the Arabs to line up behind Camp David when the prospects are so promising of working with the Europeans—who are moving openly toward a break with official U.S. policy by recognizing the PLO—for an overall settlement?"

The dozing audience suddenly became alive with excitement. To put the lid back on the situation, Quandt totally dodged the question. "I have absolutely no knowledge of Europe's monetary moves," stated Quandt. "Nor do I subscribe to the exotic metaphysical connections you have made between economics and politics," he added incredibly. Then, eyeing the audience, he acknowledged: "I'm not much of an economist."

Despite Quandt's curt dismissal of the issue raised, Dreyfuss's question succeeded in striking a chord of positive response from numerous businessmen and intelligence officers at the conference who are horrified by the administration's—and MEI's—insistence on skirting the reality of Camp David's demise. The U.S. is getting locked out by the Europeans. For the remainder of the two-day conference, numerous conference attendees congratulated Dreyfuss on his intervention in

the proceedings and followed up his query with related questions of their own for the panelists to answer.

### **Khomeini embraced**

One of the most disturbing panels took place the afternoon of Oct. 5. Speaking as part of the panel, James A. Bill, a professor at the University of Texas and one of the architects of the revolution in Iran, presented what amounted to an apology for the feudal, fanatic Ayatollah Khomeini. At the end of his speech, Bill made six "policy suggestions" for the U.S. to follow:

(1) The U.S. should admit some of its past errors in Iran, i.e., its hesitancy to openly back the Khomeini takeover.

(2) The U.S. must begin speaking favorably of the Khomeini revolution.

(3) The U.S. must begin studies on Iran's culture, religion, and related matters to better appreciate and spread appreciation of the Khomeini takeover.

(4) The U.S. must send a new breed of foreign service officers to Iran who appreciate Khomeini.

(5) The U.S. must express its support for Khomeini by sending in agricultural and technological aid.

(6) The U.S. must not contact exiled Iranians who want to drive Khomeini out of power and establish a republican form of government committed to industrialization.

The following day, during a question-and-answer session, EIR editor Drefuss challenged Bill and the officers of the Middle East Institute to explain this outrageous endorsement of Khomeini in light of the fact that Europe and the Arabs—as well as the U.S.S.R.—will soon put an end to the Khomeini cancer that has overrun Iran "because he threatens the economic development and political stability of the entire region." Panel moderator Dayton Mak punted: nobody is qualified to answer Dreyfuss' question, he said.

### **Doom and Gloom**

The rest of the conference was doom and gloom, with no solution in sight. James H. Noyes of the University of California at Berkeley ticked off a series of catastrophes that are about to engulf the Middle East: Iran is on the verge of disintegrating, affecting the world's oil supplies; Iraq could disintegrate as well; the Gulf states are also on the brink; the Soviets are building up a "beachhead" in South Yemen and Afghanistan. Endorsing Bill's six-point program for U.S. policy toward Iran, Noyes talked of the "growing panic in the U.S. over the collapse of Iran's role of policing the Gulf," a role that the U.S. can readily fill. "We are extraordinarily vulnerable in the Gulf," Noyes shrieked, plugging proposals for a U.S. military intervention.

—Nancy Coker

## **John Connally urges armed takeover**

*In a major policy statement that harked back to the coldest days of the Cold War, Republican presidential candidate John Connally called this week for a U.S. military takeover of the Middle East from the Mediterranean to the Persian Gulf and Iran.*

*Connally pledged a massive increase in U.S. naval presence in the Indian Ocean, the creation of a new Fifth Fleet, American bases in the Persian Gulf and Oman, U.S. air force bases on the Sinai peninsula, and the establishment of a Middle East Treaty Organization linked to NATO and committed to "taking on the Soviet threat" to the region.*

*To entice "moderate" Arab states into tolerating the plan, Connally endorsed "self-determination" for the Palestinians and the possibility of an "independent entity" in the occupied West Bank and Gaza after Israel withdraws.*

*Almost as soon as the plan was made public, it drew sharp denunciations from Western Europe and the Arab world. When asked about Arab opposition to the Connally plan, Sam Hoskinson, a former CIA agent who is campaign coordinator at Connally-for-President headquarters, replied, "tough shit."*

*Hoskinson, who authored the plan along with such other Connally consultants as Fletcher School professor W. Scott Thompson, Wall Street lawyer Rita Hauser, Charles Walker, and the Committee on the Present Danger, also voiced the negative attitude toward Europe the candidate will adopt in his presidential race. Connally has already stated his opposition to the European Monetary System, and has endorsed the genocidal Pol Pot regime of Kampuchea.*

*The presidential policy statement released by Connally is the first sign of a serious statement on an issue by any contender except for Democratic Party candidate Lyndon LaRouche. Connally's efforts, however, runs directly counter to LaRouche's development-oriented, Europe-linked Middle East peace formula.*

*Excerpts of the Connally proposal follow.*

In some quarters, there is presently a notion that no serious attempt to achieve a comprehensive Middle East settlement should be pressed until after our elections in 1980. Advocates of this course propose that our government try merely to keep the peace process alive by focusing on preparatory discussions, peripheral issues and frequent expressions of faith and optimism until our presidential election is out of the way.