

## Middle East Report by Robert Dreyfuss

### Peres's new options key in campaign

*Is the Israeli Labour Party candidate a point-man for a new European initiative?*

**A**s the infighting heats up in Israel for the June 30 national elections, one of the most controversial issues has become the bout of private diplomacy with Arab leaders that has reportedly been initiated by the prime ministerial candidate for Israel's Labour Party Shimon Peres.

On March 19, Peres had no sooner stepped up off the plane from a trip abroad than he was besieged by Israeli reporters asking him about Israeli television leaks that he had just secretly met in London with Jordanian King Hussein's brother Prince Muhammad, and in Rabat, Morocco, with Moroccan ruler King Hassan.

While Peres neither confirmed nor denied the reports, the ruling Likud Party immediately began to try to make political hay out of the leaks which had probably originated from the Likud in the first place. Peres was specifically accused of having offered to make a deal with the Arab states, involving the return of Arab sovereignty to East Jerusalem. Certain Likudniks went one step further and suggested that Peres had committed state treason. Likud Justice Minister Moshe Nissim even coyly commented that Peres "would not be tried" for having held "unauthorized meetings" with Arab leaders!

But in the view of political insiders in Israel, the Likud's efforts of the past days may boomerang: Peres has insisted that he will pur-

sue many other approaches for a settlement with Arab countries, despite the Likud's hue and cry and this may give some new life to Labour's political campaign in the coming weeks.

From indications over the past days, these approaches may involve Peres's playing the role of a point-man for a new round of European peace efforts toward the Middle East that have the overall intention of constructively shaping the unresolved Reagan administration policy toward the Middle East. According to one Labour Party source, this is the reasoning behind Peres's "looking at new avenues for peace."

From this standpoint, the following facts are worth noting.

Before his meeting with King Hassan of Morocco, Peres had made a short jaunt to Europe, as a continuation of his efforts since December to keep open channels to European leaders.

Hassan had also been in France for a hush-hush series of private meetings with French President Giscard which, intelligence sources suggest, may have laid the groundwork for the Peres-Hassan meeting as part of a new Giscard plan for the region.

According to my sources Peres received indications from Hassan that the Saudi Arabian regime would not be averse to discussing terms for peace with a new Israeli government that would replace the

obstreperous and provocative Begin crew.

On March 23, the *Financial Times* of London from Tel Aviv noted "unconfirmed reports" that Peres was actively considering outlines of a regional deal involving Israel and not only Jordan and Saudi Arabia but also Iraq. The possibility of Iraqi-Israeli relations had heretofore been a taboo subject in Israel; for such a thing to be floated some kind of French angle would undoubtedly come into play, given the chill in U.S.-Iraqi relations.

The next day, the *Financial Times*, possibly pre-empting private discussions, headlined their coverage "Schmidt Linked to Israeli Labour Party Peace Plan." The piece suggested that Chancellor Helmut Schmidt of West Germany may soon "play a role" in Saudi-Israeli talks, and that this role could take shape when Schmidt travels to the Gulf in late April.

During the week, the Saudis summarily rejected any suggestion that they would talk to Israel, and on March 24 an official West German government spokesman denied the *Financial Times* story. These statements, however, may be mere deflections, addressing the shadows of a new political geometry shaping up in several Middle Eastern and European capitals.

Peres's willingness to consider such geometries with an open mind may explain why such exceptional efforts are being launched by Anglo-American intelligence favorites in Israel to hem in his candidacy. In particular, the new "third party" efforts of Moshe Dayan, whose only self-professed purpose is to deny the Labour Party a majority in the June elections, should be seen in this light.