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NEAR EAST REGION

February 18, 1968

Our major policy objectives and problems for 1968 can be summarized under four major headings.

I. Arab-Israel Problem.

Our objective is to achieve a settlement of the Arab-Israel dispute along the lines of the President's five points of June 19, 1967. Short of a general settlement, we would like to see progress on some of the major points at issue.

The main issue we face is how actively to involve ourselves. On the one hand, we worked hard to put Ambassador Jarring in the middle. On the other, his mission may not even get off the ground unless we persuade the Israelis to take a step toward the Arabs or persuade Jarring to listen less and begin injecting some ideas of his own. We may soon have to decide such questions as the following:

--To what extent are we prepared to weigh in with suggestions, encouragement and political suasion to sustain and support Jarring's effort? Is now the time to surface suggestions on the substance, strategy and tactics on issues such as the status of Jerusalem, refugees, termination of the state of belligerency, steps toward withdrawal and the economic aspects of a Middle East settlement including desalting? Is now the time for us to become more active behind the scenes?

--If the Jarring mission founders, we shall have to consider whether and how to continue the search for some early progress on individual issues, (e.g., reopening Suez, Arab acceptance of right of passage through Straits of Tiran, at least limited Israeli withdrawal from occupied territory). Should another effort be made through the UN? Should the USG itself take the lead in sponsoring some limited effort toward accommodation? Will there be an opportunity for some limited collaboration with the Soviets in bringing the Arabs and Israelis closer on any of the outstanding issues?

II. Soviet Threat.

Our objective is to counter Soviet influence in the Near East and Mediterranean. We cannot avoid facing the question of whether we are losing the Near East to the Russians.

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The main issue is that the Arab defeat in June broadened opportunities for Soviet influence at a time when our resources and maneuverability are increasingly restricted. While the Soviets are more active--their recent firmer involvement in the Yemen has larger implications for their relations in the Arabian Peninsula, and beyond--we are for the moment increasingly passive whether we want to be or not. The questions are how much more we would like to do and how hard we are able--given other priorities--to fight for Congressional support of a more vigorous effort.

--We have been consulting with our NATO allies on the Soviet threat in the Mediterranean area. We are aiming for some common view of the threat and, hopefully, for some useful exchange of views on how our policies might be attuned to the common Western interest with hopes of increasing Western European involvement. But progress is slow, and there is some question whether this is not too weak a reed to lean on.

--We are keeping in close touch with the Governments of Saudi Arabia, Iran, and Britain particularly with a view to countering Soviet (and Chinese) ambitions in Yemen, South Yemen, and the Persian Gulf. But without a peace settlement our position with the Arabs continues to erode, and the British seem determined to withdraw from their position in the Gulf.

III. Relations with the Arabs

Our objective is to retain our friendly ties with the Arab moderates at least, and to improve our relations with the other Arab states to the extent opportunities and our interests permit.

The main issue is how actively we should try to resume relations with the states that broke with us last June. On the one hand, there is much to be said for a low-key diplomatic relationship without aid ties to broaden our presence as widely as possible. On the other, there is something to be said for the argument that a constructive Arab attitude will not be possible until the radicals come to their senses and that we should concentrate on our moderate friends and just leave the radicals to themselves (and the Soviets for the time being).

--We must certainly be sensitive to the need to indicate our desire to remain on good terms with the Arab moderates, giving them a clear alternative to casting their lot increasingly with the radical states of the area and with the Soviets. This may require actions by us in the political, economic and military supply fields, depending on individual requirements. Now that Israel seems more conscious of the need to block the Soviet thrust, our hands seem freer, especially in Jordan. What more can we do? Should we, for example, seek a more meaningful US military presence in the Arabian Sea area?

--The question of how to deal with Nassar stands out as a special problem. On the one hand, it is tempting to argue that the sooner he disappears from the scene, the sooner the Middle East can get down to constructive regional efforts--and therefore we should just let him stew in his own juice. On the other, there is sound argument for keeping our lines open to the more reasonable pro-western elements in the UAR.

IV. Arms Limitation

Our objective is to slow down or stop the Near East arms race.

The main issue is that an honest try for arms limitation will require a dogged effort to bring the USSR abroad, as well perhaps as some parallel effort with the regional states to avoid another round in the arms race. We have a better opportunity than ever to achieve some sort of limitation in the next few months, but if we are not prepared to make a major effort, we should accept the consequences of a new round.

--We can continue to seek opportunities for multi-lateral agreement to limit shipments, such as by registration with the UNSYG as the President has proposed. But we have met little success so far.

--We can continue a policy of restraint in our own arms supply to the area, but unless the USSR restrains its shipments we will soon have to meet Israel's needs. Therefore, we may have a last opportunity this spring to engage the USSR in some limitation arrangement.

--French decisions on arms supply may well assume increasing importance in the area. It seems doubtful at this point that we can count on influencing the French one way or the other, in the absence of major developments also involving Soviet policy.

--We are concerned over Israel's retaining its options to produce nuclear weapons and to procure strategic missiles. Despite their immediate deterrent effort, Israeli following up on either of these options would undercut any chances of limiting the arms race. We should press for Israel's adherence to the NPT at the appropriate time, exploring the possibility of some useful collaboration with the Soviets in that connection with a view to general restraint in supplying arms to the region.