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1. THE JORDANIANS HAVE ENERGETICALLY EXPLOITED THE
INTER-ARAB CONSULTATIONS OVER THE US WORKING PAPER
TO ENSURE THAT JORDAN'S VIEWS WILL BE CONSIDERED. HUSSEIN'S
VISIT TO DAMASCUS TUESDAY CAPPED JORDANIAN EFFORTS BUT
ALSO PROBABLY REFLECTED AMMAN'S ANXIETY THAT JORDAN
ULTIMATELY MIGHT HAVE TO CHOOSE BETWEEN ATTENDING GENEVA
WITH EGYPT OR REMAINING ON THE SIDELINES WITH SYRIA.

2. JORDAN'S CURRENT INTENTION IS TO FIND A MIDDLE GROUND BETWEEN EGYPT AND SYRIA TO AVOID BEING DRAWN INTO THEIR STRUGGLE. THEY APPEAR CONCERNED THAT SADAT MIGHT ATTEMPT TO HEIGHTEN TENSIONS WITH SYRIA AS JUSTIFICATION FOR A SEPARATE EGYPTIAN--ISRAELI AGREEMENT. THE DANGER OF SUCH AN AGREEMENT, WHICH WOULD SELL OUT THE PLO AND JORDAN IN THE PROCESS, INCLINES AMMAN TOWARD MAINTAINING CLOSE RELATIONS WITH SYRIA AS A MEANS OF BLOCKING INDEPENDENT MOVES BY EGYPT.

3. WHILE THE JORDANIANS APPEAR BOTH FLATTERED AND WORRIED BY THE ATTENTION THEY ARE RECEIVING FROM OTHER ARAB LEADERS, IT IS LIKELY THAT THE KING WILL DISPATCH A JORDANIAN DELEGATION TO GENEVA IF AT LEAST EGYPT IS ALSO PRESENT. ASSAD'S REMONSTRATIONS TO THE JORDANIANS AGAINST EGYPTIAN INTENTIONS ARE SEDUCTIVE BUT ULTIMATELY NOT COMPELLING FOR JORDAN, GIVEN THE THRUST OF ITS TRADITIONALLY MODERATE POLICY.

4. JORDAN'S INTER-ARAB CONSULTATIONS ARE DESIGNED TO CREATE THE APPEARANCE OF A DELIBERATIVE PROCESS THAT WOULD PROPEL JORDAN INTO THE GENEVA NEGOTIATIONS. THE JORDANIANS HAVE REVIVED COMMUNICATIONS WITH SYRIA AND HAVE PUT THEIR STRONGEST CASE BEFORE ASSAD. HUSSEIN SECRET

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NOW SEEMS ASSURED THAT THE ADOPTION OF SEPARATE POSITIONS REGARDING GENEVA PROBABLY WILL NOT CAUSE AN IRREPARABLE BREACH IN SYRIAN-JORDANIAN TIES. (SECRET)

5. EGYPT-ISRAEL. CAIRO DPA BROADCAST TUESDAY A GERMAN NEWSPAPER'S RECENT INTERVIEW WITH FAHMY AND FOREIGN MINISTRY OFFICIAL AL-BAZ. ACCORDING TO THE REPORT, FAHMY AND AL-BAZ STATED THAT:

--EGYPT HAS SERIOUS DOUBTS THAT THE GENEVA CONFERENCE WILL BE RECONVENED THIS YEAR, SINCE ISRAEL CONTINUES TO REJECT PLO PARTICIPATION;

--ISRAEL IS "PROCRASTINATING" BECAUSE IT FEARS PEACE;

--THE ARABS "REJECT THE IDEA OF A NEW WAR," WHICH THEY WOULD CONSIDER ONLY AS A LAST RESORT;

--THE ARABS ARE PREPARED TO RECOGNIZE THE EXISTENCE OF ISRAEL, TERMINATE THE STATE OF WAR, AND ESTABLISH NORMAL RELATIONS AND SECURE OPEN BORDERS IN EXCHANGE FOR A FULL PEACE. (UNCLASSIFIED)
6) EGYPTIAN MILITARY. DIRECTOR OF MILITARY INTELLIGENCE
SHAWKAT IN A CONVERSATION SEEMED VERY DISCOURAGED
PEACE PROSPECTS. HE IS CONVINCED THAT THE ISREALIES WILL
PREEMPTIVELY ATTACK THE ARABS AND SAID THAT THE EGYPTIANS
WERE ALREADY CONSIDERING MILITARY OPTIONS AVAIL
THEM. SHAWKAT REMARKS APPEAR TO INDICATE AN --
RESTIVE AND DISCOURAGED ATTITUDE ON THE PART OF
EGYPTIAN MILITARY OFFICIALS WHO FEAR THAT A GENEVA SETTLE-
MENT MAY BE SLIPPING FROM EGYPT'S GRASP. (SECRET/NOFORN)

7. ISRAELI ECONOMY. SCATTERED WORK STOPPAGES CONTINUED
IN ISRAEL FOR THE FOURTH DAY TUESDAY, AS WORKERS
STRUCK IN PROTEST OF THE GOVERNMENT'S NEW ECONOMIC
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POLICY. A PROTEST MARCH WAS HELD IN BEERSHEVA, ACCORDING
TO AP. EMBASSY TEL AVIV REPORTED THAT A TELEPHONE POLL
CONDUCTED BY THE DAHAF ORGANIZATION, WHICH HAS A RELATIVELY
GOOD REPUTATION, SHOWED THAT 50 PERCENT OF ISRAELIS
SUPPORT THE ECONOMIC MEASURES, 12 PERCENT SUPPORT THEM
WITH RESERVATIONS, AND 21 PERCENT ARE OPPOSED. THE POLL,
HOWEVER, REFLECTS ONLY A LIMITED URBAN SAMPLE AND
APPEARS TO BE SOMEWHAT BIASED TOWARD MIDDLE CLASS RESPON-
DENTS, NOT THE POorer GROUPS. (LIMITED OFFICIAL USE)

8. DMC-SETTLEMENTS. HAARETZ REPORTED THAT THE ENTRANCE
OF THE DMC INTO THE CABINET WILL NOT PREVENT THE
ESTABLISHMENT OF SETTLEMENTS ON CONTROVERSIAL WEST
BANK SITES IF THE ESTABLISHMENT OF THOSE SETTLEMENTS
WAS DECIDED ON PRIOR TO THE DMC'S JOINING THE CABINET.
IN A RELATED DEVELOPMENT, ISRAELI PRESS REPORTS ALLEGED
THAT SIX ISRAELI SETTLEMENTS ON THE WEST BANK WOULD BE
MOVED OUTSIDE THE BARBED-WIRE PERIMETER OF ISRAELI
OUTPOSTS AS THE RESULT OF A DECISION BY THE MINISTERIAL
COMMITTEE ON SETTLEMENTS. THIS MOVE WOULD RETURN THESE
SETTLEMENTS TO WHOLLY CIVILIAN STATUS, THE REPORTS SAID.
COMMITTEE CHAIRMAN SHARON, HOWEVER, DENIED THAT THERE
WAS ANY INTENTION OF REMOVING THE SIX GUSH EMUNIM
SETTLEMENTS FROM THE BOUNDARIES OF IDF CAMPS.
(UNCLASSIFIED)

9. ISRAEL-LAWS. ACCORDING TO JERUSALEM RADIO, JUSTICE
MINISTER TAMIR HAS SAID THAT HE INTENDS TO REVOKE
THE REGULATIONS WHICH PERMIT "ADMINISTRATIVE DETENTION"
OF PERSONS CONSIDERED TO BE A SECURITY THREAT TO THE
STATE. ISRAELI SECURITY FORCES HAVE USED ADMINISTRATIVE
DETENTION FREQUENTLY IN THE WEST BANK AND GAZA AGAINST
SUSPECTED ARAB GUERRILLAS. (UNCLASSIFIED)
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10. EGYPT-CZECHOSLOVAKIA. EMBASSY CAIRO REPORTED CZECH UNEASESS THAT THE EGYPTIANS MAY IMPOSE A COTTON EMBARGO NEXT MONTH. THE CZECHS ARE CONSIDERING APPLYING A COUNTER-EMBARGO. A CZECH DIPLOMAT REMARKED TO THE EMBASSY THAT THEIR NEGOTIATORS WILL REFUSE TO DISCUSS THE RESUMPTION OF MILITARY SUPPLIES IF THE EGYPTIANS RAISE THE ISSUE. (CONFIDENTIAL)

11. USSR-MIDDLE EAST. SOVIET FOREIGN MINISTRY NEAR EAST DEPARTMENT CHIEF SYTENKO IS CURRENTLY TRAVELLING IN THE MIDDLE EAST. HE CONCLUDED A TWO-DAY VISIT TO DAMASCUS ON NOVEMBER 1, FOLLOWING WHICH DAMASCUS RADIO Reported IDENTITY OF SOVIET AND SYRIAN VIEWS REGARDING PLO PARTICIPATION IN GENEVA TALKS. SYTENKO IS PRESENTLY IN AMMAN AND, ACCORDING TO THE SYRIAN PRESS, WILL VISIT CAIRO. (UNCLASSIFIED)

12. SYRIA-PLO. INTERVIEWS WITH TWO PRO-SYRIAN PLO LEADERS APPEARED IN A DAMASCUS NEWSPAPER RECENTLY TO LEND CREDIBILITY TO SYRIA'S CURRENT INTER-ARAB STRATEGY. PALESTINE NATIONAL COUNCIL CHAIRMAN FAHUM REMARKED THAT SYRIAN EFFORTS TO STRENGTHEN ARAB SOLIDARITY COINCIDE WITH SIMILAR MOVES BY THE PLO, AND REVEALED THAT SEVERAL PALESTINIAN DELEGATIONS WILL TOUR ARAB COUNTRIES IN THE NEXT FEW DAYS TO PROMOTE PALESTINIAN VIEWS. A PLO DELEGATION, APPARENTLY TO BE HEADED BY QADDUMI, WILL ALSO VISIT MOSCOW SHORTLY, AS YOU ARE AWARE. SAIQA LEADER ZUHAYR MUHSIN TOLD HIS INTERVIEWER THAT CURRENT EFFORTS TO REACH A MIDEAST PEACE "LACK THE OBJECTIVE CONDITIONS TO ACHIEVE A SETTLEMENT." (UNCLASSIFIED)

13. PALESTINIAN VIEWS. EMBASSY DAMASCUS REPORTED, THAT, ACCORDING TO AN ARAB SOURCE, PCC CHAIRMAN FAHUM CLAIMED RECENTLY THAT HIS RECENT HARDLINE STATEMENTS SECRET

ON THE US WORKING PAPER AND THE US ROLE IN THE MIDDLE EAST HAVE TWO PURPOSES:

--FIRST, AS HEAD OF THE PCC HE WANTED TO BE CONSISTENT WITH RECENT FATAH STATEMENTS;

--SECOND, HE AND OTHER PLO PRAGMATISTS WERE ATTEMPTING
TO CO-OPT THE ISSUE IN ORDER TO PREVENT PLO RADICALS FROM FORCING THE MATTER. (CONFIDENTIAL)

14. WEST BANK VIEWS. FAHD QAWASIMA, MAYOR OF HEBRON, TOLD OUR JERUSALEM CONSULATE GENERAL THAT THE WEST BANK MAYORS COULD ONLY GO TO GENEVA IF THEY ARE "GIVEN THE GREEN LIGHT BY THE PLO." HE ALSO STATED THAT SOME WAY MUST BE FOUND TO ENABLE THE ATTENDANCE OF PROMINENT PALESTINIANS AND PLO REPRESENTATIVES, SPECULATING THAT ONE POSSIBILITY MIGHT BE THE CREATION OF A GOVERNMENT-IN-EXILE. THE CONSULATE COMMENTED THAT QAWASIMA, WHILE PUBLICLY COMMITTED TO THE PLO, ALSO SEEMS TO HAVE BEGUN TO MEND HIS FENCES WITH AMMAN WHERE HE RECENTLY MET WITH PRIME MINISTER BADRAN AND INFORMATION MINISTER ODEH. (CONFIDENTIAL)

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