carefully planned by Interpol and its French, Bavarian, and Israeli allies — backfired. Throughout France, the Gaullist political machine that mobilized, along with Arab support, to force the Daoud release has now turned its wrath against Poniatowski and President Giscard d'Estaing with a force that may topple the Giscard's Atlanticist regime. Le Monde, France's leading daily, has accused Poniatowski of virtual treason in sabotaging

Daoud Comments on His Arrest

PLO leader Abu Daoud delivered the following remarks in a telephone interview conducted with reporter Bob Graham printed in the New York Post Jan. 14:

"I am a member of Al Fatah and proud to be a member," Daoud said in perfect English, "but we have no contact with such people as Black September. The rumors that I am a terrorist and planned the Munich affair are propaganda created by the Israelis."

The 39-year-old Palestinian laughed when he answered questions about his reported involvement with terrorist groups: "I too have heard these rumors. Yes, I have heard them. But they're not true."

"I am also a father of six children and I understand how fathers of children feel when their relatives are killed." "I was sorry for those killed in Munich. I felt the sorrow that many people felt."

"The Israelis wanted to get me out of France because they are worried about close ties between France and the Arab nations. They are trying to ruin that connection."

"The Israeli secret police used propaganda to force the French police to arrest me illegally and get me thrown out," Daoud said. "I know that the man who arrested me for the French is one of the Israeli secret police."

French-Arab relations, causing Poniatowski to dive for cover rather than face up to the accusations. According to the Washington Post, Poniatowski "at first gave out conflicting accounts of the arrest and then retreated into silence as the government embarrassment and Arab criticism grew."

In the course of the affair, the Arabs exerted powerful pressure on France, especially Algeria. "Once again, the Elysée administration has unveiled its anti-Arab face, which had long replaced that which, at a certain moment, made France into a friend to the Palestinian and Arab cause," wrote El Moudjahid, the Algerian daily. The English language Koweit Times said: "The Arab world expects the French government to act very carefully over this arrest. Any other action... could have serious consequences on the presently healthy and friendly Arab-French relations." In addition, the PLO's second-in-command, Abu Iyad, told a rally in Beirut: "Someone in the French government is trying to sabotage French-Arab relations." Le Monde pointedly noted that Abu Iyad meant Poniatowski.

West German Chancellor Helmut Schmidt's refusal to acquiesce in the Strauss request to extradite Abu Daoud contributed to the rapid collapse of the Daoud affair. Schmidt's decision received critical support from members of his cabinet, including Justice Minister Vogel, who asserted that government would reject the Bavarian application for extradition if it were outweighed by "grave considerations," such as "high priority foreign policy interests," — an allusion to growing Euro-Arab cooperation around oil.

Abu Daoud's release was a major defeat for the Carter team as evidenced by their reaction. Outgoing Secretary of State Henry Kissinger announced, "We are outraged," while the New York Times attacked France as "foolish, abject, even cowardly." Israeli Foreign Minister Yigal Allon charged that Paris had "failed the international test of courage and integrity." Although this Interpol operation failed, the ease with which the Interpol apparatus could so easily operate across national borders, using its agents with impunity, underscores the vulnerability of Europe to another, more successful operation in the future, unless the Interpol-Institute for Policy Studies network is taken apart.

Egypt's Sadat Continues to Back PLO, Push United Arab Front at Geneva

Egyptian President Anwar Sadat continued diplomatic and political actions this week that indicate his refusal to be part of a plan by the U.S., Israel, and Syria — piloted by Carter advisor Zbigniew Brzezinski — to undercut the Palestine Liberation Organization. Western press reports to the contrary, Egypt is insisting on maintaining

firm support for the PLO, a position that placed Egypt in opposition to Syria throughout the civil war in Lebanon.

The reason for Egypt's persistent stand is simple. Sadat realizes that in the overall context of a Middle East peace settlement, the PLO is an important vehicle to restore normality to Soviet-Egyptian relations, a