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

"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

"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 condition that Sadat considers vital to repairing Egypt's shattered economy.

Authoritative Palestinian sources dismissed as "distortion" Western press reports that Sadat has shifted Egypt's position in favor of a West Bank controlled by Jordan. The Washington Post claimed that Sadat was in agreement with Syria's position that any Palestinian state on the West Bank must be linked to Jordan in a "confederation" — essentially the Israeli position on the issue. "I read the interview in the Washington Post several times," said one Palestinian official. "At no time did Sadat say what the Post attributed to him. In my reading, Sadat stated clearly that any Palestinian state on the West Bank must first be established independently, and then the government of that state can decide on its relationship to Jordan."

The Palestinian official accused the *Post* and Israel's Foreign Minister Yigal Allon of deliberate misrepresentation of the issue.

Sadat's government has been organizing to guarantee a united Arab stand, including the Palestine Liberation Organization, in support of an early reconvening of the Geneva Mideast peace conference, a proposal backed by the USSR and Great Britain. The prime focus of Egypt's diplomatic effort is to ensure the continued viability of the PLO as an independent political force in the Middle East and to establish a Palestinian state on the West Bank and Gaza as part of an overall solution to the Middle East conflict.

Israel opposes the Egyptian plan and so far has refused to consider the establishment of a Palestinian state on Israeli-occupied territory. The United States, which is actively seeking to prevent the reconvening of a Geneva conference has also nixed the Egyptian peace plan. Various right-wing factions in Syria, Jordan, and Lebanon, meanwhile, are opposing the Egyptians and consolidating under the rallying cry of a "Greater Syria" — to include Syria, Jordan, Lebanon and the West Bank — led by Syrian President Hafez Assad.

Jordan's King Hussein arrived in Cairo Jan. 14 for talks with Sadat. According to reliable sources, Sadat plans to insist that Hussein relinquish any hopes of regaining the Israeli-occupied West Bank, and will issue a joint declaration with Jordan that the PLO, as per the 1974 Rabat accords, is the sole, legitimate heir to the West Bank.

Earlier this week Egypt's Foreign Minister Ismail Fahmi walked out of a conference of Arab foreign ministers in Riyadh, Saudi Arabia, reportedly because the Arab states present — Saudi Arabia, Kuwait, Syria, Jordan, and the Gulf states — wanted Egypt to go along with a resolution that would abrogate the decision at the Rabat Arab summit conference to give the PLO authority to negotiate for the West Bank. The London Financial Times reported that Fahmi opposed the attempt to return the West Bank to Jordan's King Hussein, while Cairo's Voice of Palestine radio sharply criticized the Riyadh meeting for failing to invite the PLO.

Splitting the PLO

In recent weeks, Syria, Israel and the U.S. have worked together to split the Palestinian movement and the PLO along factional lines. The splitting tactic involved the attempted bribery of the PLO faction that favored the creation of a "demilitarized" puppet-state on the West Bank, politically subordinate to Jordan, to get this faction to break away from the main body of the PLO led by Yasser Arafat. The joint U.S.-Israeli-Syrian gambit was meant to weaken the PLO with infighting as a prelude to its political extinction. This has been the goal, unfulfilled, of the Syrian intervention into Lebanon since 1975.

The western press has continued to push the idea of factional fighting in the PLO between so-called moderates and radicals. The French Nouvel Observateur, the British Guardian, and several Arab publications — such as Qatar's news agency QNA — have hinted that these moderates are planning a coup d'etat against the "pro-Soviet" wing of the PLO led by Faruq Kaddoumi, Abu Iyad, and Abu Zaim.

Repeatedly named as the leaders of this moderate faction are two quasi-officials of the PLO, Issam Sartawi and Sabri Jiryis, who have been holding a series of well-publicized meetings with Israeli affiliates of the Institute for Policy Studies. One of these Israeli groups is the Israeli Council for Israeli-Palestinian Peace, led by Uri Avneri.

Syria has been working at a splitting operation in the PLO for two years, carefully cultivating a nest of agents in the PLO, grooming them as possible replacements for Arafat and Kaddoumi. But the bloody Syrian role in the Lebanese war discredited the chief Syrian Trojan Horse, the Saiqa organization, as well as its leader Zuhair Mohsin, aliminating them as a credible radical force. Other PLO agents, such as Khalid Fahoum and the Damascus PLO representatives, are of doubtful loyalty to Syria.