

projects, typified by the Energy Corporation of the Northeast (ENCONO) plan drafted by Lazard Freres' Felix Rohatyn and now back on the front burner as a national policy issue.

Under these plans, the U.S. unemployed would be recruited into construction and employment at such projects as backyard hydroelectric dams, solar energy projects, and similar inefficient programs modeled on Nazi Finance Minister Hjalmar Schacht's reorganization of the German economy.

In addition to the revival of ENCONO, a foretaste of what is to come was provided by the fact that Vice-President Walter Mondale, whose support of a forced labor relocation program helped shoot down his 1975 presidential trial balloon, is now reviving dormant plans for mass public works programs to deal with "youth unemployment."

Haig foreign policy in the Middle East

The world got a clear look at Haig's foreign policy in action during the recently concluded mission to the Middle East headed by U.S. National Security Advisor Zbigniew Brzezinski. Notwithstanding all the publicity about "convincing Saudi Arabia and Jordan to support the Camp David peace," the delegation's stated mission was to push the Egypt-Israel separate peace into the next phase of Britain's planned U.S.-USSR showdown, namely the militarization of the pact under the very anti-Soviet NATO doctrine Haig embodies.

In fact, the new Israel-Egypt military alliance emerging from the Camp David separate peace treaty has cleared the way for the militarization of the entire Middle East. The Israel-Egypt axis is now slated to serve as the core of a new NATO-style Middle East Treaty Organization (METO) committed to "having it out" with the Soviets in the Middle East. Worried Arab officials, along with well-briefed Middle East analysts, are stating point blank that the treaty between the two countries sets the stage for war.

Payment plan for war

According to reliable estimates, the Carter Administration is committed to funnel \$25 billion in weaponry and related aid to Israel and Egypt over the next three years. This amount includes \$3 billion to Israel to cover the costs of evacuating the Sinai Peninsula and building two new airfields in the Negev Desert. In addition, the U.S. will speed up the sale of \$3 billion in arms for Israel, including 75 F-16 jet fighters. The U.S. has also agreed to supply Egypt with approximately \$3 billion in military aid, including destroyers, tanks, submarines, and advanced aircraft. Egyptian Defense Minister Ali has requested 300 F-16s, 2000 armored personnel carriers, and anti-aircraft missiles, among other things. Following his meetings with Ali, Defense Secretary Brown spoke about a "new defense relationship" with Egypt and the "new dimensions" of U.S.-Egypt military supply relations.

Added to this amount is approximately \$8 billion in aid to both countries, including economic aid increases to Egypt if the Saudis should cut Egypt off.

To work out the precise shape of the METO militarization push, Israel Defense Minister Moshe Dayan arrived in Washington last week for talks on a "memorandum of understanding on U.S. security assurances" to Israel, akin to the secret Kissinger clauses of the 1975 Sinai pact. This memo, sources say, will include a de facto U.S. nuclear umbrella for the Israelis.

LDCs. They're worried about losing it. They'll invest in energy projects there if government guarantees are provided.

Q: What if the LDCs want nuclear reactors?

A: The best way to deal with that is to have specially-tailored energy studies for each country. A hydroelectric project for this country, something else for that country.

Q: You mean, something with a private investment component that would be complementary to the World Bank's new program for funding LDC self-sufficiency energy projects?

A: Exactly.

Q: Do you think the Saudis will buy this?

A: Yes. Two of our people — including John Sawhill — just got back from staying with Yamani at his small house in London's suburbs. The word is that the Saudis want to increase prices — but not too fast to shatter the world economy. And they want to limit production. The Saudis were very sobered by what happened to Iran. They're worried about the civil liberties and corruption issue. They're especially vulnerable on the corruption issue. And the kids aren't religious anymore. The Saudi royal family is really torn apart. Yamani's trip to London was delayed four hours because of this.

Q: Is Yamani's position secure?

A: I'm not sure. The long-range planning council is his baby. It's got academics from various countries — Venezuela, etc., on it. He's using the council to fortify his position.

Arabs respond

The pressure on Egypt's President Sadat from the rest of the Arab world not to accommodate this scheme is intense. Saudi Arabia, putting a definitive end to Zbigniew Brzezinski's lying claims of Saudi "neutrality," held a special meeting of its royal ministerial council last week and unequivocally attacked the Egypt-Israel alliance, calling for a Palestinian state, and stated that Saudi Arabia would work to implement the resolutions of the 1978 Baghdad summit — namely, the Saudis will cut off aid to Egypt.

The Saudi press has also taken a tough stance. *Al-Jazira* and *Al-Bilad* report that the Arabs should prepare for a "long, continuous war." *Al-Riyadh* stated editorially that signing the peace treaty cannot be tolerated given Israeli Prime Minister Begin's categorical refusal to ever accept the creation of a Palestinian state.

Jordan's King Hussein has also been outspoken. In a startlingly undiplomatic statement to the press, King Hussein accused the U.S. and, in particular, Administration emissary Zbigniew Brzezinski, of "arm-twisting" the Arabs into acceptance of the Egypt-Israel pact. He also ridiculed Brzezinski's hysteria over the threat of communism in the Middle East and noted that the threat facing the Arab world is not communism but Zionism. Revealing that Washington had tried to prevent him from holding the press conference, Hussein said: "for the first time, the Americans asked us to keep quiet, please. They said, 'Don't make any statements or noise that could affect the peace process'." The King later raised the possibility of a break in U.S.-Arab ties.

Taking the diplomatic lead, Iraq has officially issued a call for the convening of a special meeting of all 20 Arab foreign and finance ministers to prepare for imposing sanctions against the Sadat regime. In a tough warning to Israel, the Iraqi daily *Al-Thawra* stated: "The Arab masses must change any war Israel launches from a limited war, as Israel would like, to a liberation war, whose duration and severity will be determined by the Arabs. No limited wars!"

Iraqi leader Saddam Hussein warned that Sadat will face "the same destiny faced by the Shah." In the same vein, Libyan leader Muammar Qaddafi called Sadat "a black traitor, a high priest, a senior Freemason."

Will Egyptian army become a mercenary police force?

Even if Sadat does not survive politically following the signing of the treaty, the militarization of the region combined with the planned transformation of the Egyptian armed forces into gendarme-style strike force, is all but ensured. For, if Mossad (Israeli Intelligence) and its co-thinkers in Washington and London have their way, the republican-style Egyptian military, once the showcase of the Arab world, will rapidly disintegrate into a loose amalgam of mercenary, shock-troop units.

If U.S. Senator Henry Jackson (D-Wash) and Israeli Foreign Minister Moshe Dayan prevail, the Egyptian military will become a mere adjunct of the Israeli defense apparatus and a deployable force within the confines of the anti-Soviet Middle East Treaty Organization. As part of NSC head Zbigniew Brzezinski's METO strategy, an Israeli-directed Egyptian military will carry out a gendarme role throughout the African continent to "stem the tide of Soviet incursions." In addition to wiping out the Libyan military, Brzezinski, Dayan and Israeli Defense Minister Ezer Weizman intend to send Egyptian shocktroops to Chad and Zaire in the upcoming months. This new perspective was laid out in an interview with a top U.S. Zionist lobbyist:

"The Egyptian army is a big army, fairly well-run by Middle East standards. It has some political problems, with officers and others demanding more compensation and fulfillment of economic concerns. They're in deep trouble in respect to materiel and equipment, with no spare parts. So, what the army will do after Camp David is signed, is first defend itself against Libya — but that is small potatoes. They don't need a huge army. They need one or two *good divisions* which would be affordable and manageable. As it is now, 50 percent of any money they would get for the army would have to go into maintenance, and Egypt is not eager to over-obligate itself. So keeping the army in good shape is not a good possibility. Each division, under the idea I am stating, would be 5,000, so you need to think of no more than 10,000 men having to work effectively. This would be just right for dealing with something like Libya. And it fits into the recent pattern of Egyptian acquisitions: Why do they need helicopters? For Chad. One needs them less in Ethiopia but more so in Arabia."

Although it is a well-known fact that the Egyptian military suffers from lack of adequate equipment and spare parts for its Soviet-built tanks and fighter planes, the legacy of Gamel Abdel Nasser, the Egyptian leader who developed the notion of a republican nationalist force, and who built the industrial base with which to serve it, cannot be so readily erased. The decision to scuttle the last bastion of Nasserism will most certainly engender a backlash within the Egyptian military which may reduce Brzezinski's plans for geopolitical containment of the Soviet Union throughout the African continent to idiotic pipe dreams. Already, Egyptian military circles in Europe have expressed serious reservations about Egypt's future military role in the Arab and African world.