The heaviest fighting near Beirut in nearly a year, between the Syrian-controlled As-Saiqa Palestinian commando group and the pro-Iraq Popular Front for the Liberation of Palestine is a sign that the leaderships of Syria and Egypt are in the midst of critical internal factional fights. The fundamental question coming to a head in these two strategically vital Mideast countries is whether or not to help the Carter Administration pull together a “Pax Americana” in the Mideast. The basis of that “peace” would be the decapitation of the present leadership of the Palestine Liberation Organization if not the elimination of the PLO entirely as a political force.

An important question in this context is whether Syrian President Hafez Assad would order his units to launch new offensives against dissident Palestinian groups in Lebanon. Assad has given several indications that he is preparing new action modeled on the attacks perpetrated by Syrian and Syrian-backed units last year.

Twenty-six people were killed and more wounded during an assault by Saiqa units against strongholds of the Popular Front for the Liberation of Palestine (PFLP). The pretext for the attack was the bombing of a Saiqa office outside Beirut.

Right after the attack, a Popular Front spokesman charged that the Saiqa office bombing was carried out by “Syrian secret service men to create an excuse for attacking other guerrilla groups.” The charge was repeated by the central Palestinian command of PLO chairman Yasser Arafat, who accused Saiqa of “launching an all-out military operation under the pretext of reasserting their authority.” Syria, the PLO charged, is “challenging” recent intensive efforts by the Lebanese government, formerly feeding factions in Lebanon, and Arab League representatives to find formulas to solve Lebanon’s outstanding political differences.

Before this bloody episode, Assad had given two interviews which suggested his plans to further clamp down on dissident Palestinian groups in Lebanon. To the Paris-based Al-Moustaqbal, Assad contrived a tale that the U.S. last year gave him five warnings against moving into Lebanon and the Soviet Union one, but that “I ignored them all.”

Assad later told a group of Egyptian journalists that “we have established a red line which we have explained to the Lebanese. We remain behind the Palestinian resistance,” Assad remarked, “as long as they do not commit errors and their attention does not turn away from Palestine.” As regards Carter, Assad declared, “He deserves our confidence.”

Egyptian diplomats in the U.S. have privately declared their “full support” for Assad’s moves in Lebanon and for his attitude toward Carter.

Such confident stances from Syria and Egypt belie the building factional situations in both countries.

Throughout June, the European press reported periodically on serious unrest in Syria, in the universities, in the army, and, more generally, in the larger cities. The motivations behind this unrest have filtered up to the top leadership levels. In mid-June, Arab diplomatic sources claim, a failed coup attempt was launched in the country.

Outside the Assad clique that tightly runs Syria, there are individuals with power who argue that Syria’s policy must align itself with the European and East Bloc governments who are insisting that the 1975 Helsinki Accords be extended fully to the Mediterranean and with those Arab governments like Iraq and Libya who are demanding an Arab sector-wide political and military strategy vis-a-vis the Israelis and the Carter Administration.

The most influential member of this tendency is believed to be Premier Abdurrahman Khleifawi, who spent one week in Belgrade right before the Security and Cooperation talks now taking place there. Not surprisingly, the French press has recently mooted that Khleifawi will resign in August in protest against the Assad group’s continual bypassing of his leadership prerogatives.

Deep internal strains were also evidenced in the June 20 assassination of Brigadier Abdul-Karim Razouk, chief of Syria’s missile corps. Razouk, a recent Reuters dispatch from Paris reported, favored stronger ties with the Soviets instead of appeasement of the Carter Administration. Razouk had spent 1974-76 in Moscow for a two-year training course on sophisticated missile systems.

According to a leading Washington columnist, the Razouk assassination “sent chills down the spine of State Department Mideast experts,” who evaluated it as the most definitive sign to date that the situation in Syria “may be slipping out of our control.”

Even Assad’s immediate group has not been able to withstand the pressures of those arguing for a solid neutralist, “Mediterranean”-oriented policy for Syria. On June 29, Defense Minister Mustafa Tlas suddenly departed for Moscow. Earlier in the week, Foreign Minister Abdul-Halib Khaddam, a close Assad ally, travelled to Italy for discussions with his Italian counterpart, Arnaldo Forlani. While in Italy, Khaddam issued an appeal for the European Economic Community to take greater independent responsibility for the Mideast. He also concluded a series of trade deals with Italians.

In Egypt, the internal situation is best defined by President Sadat’s strident mid-week anti-communist
attacks, the harshest Sadat has ever issued. Thus, while Sadat was labelling the National Progressive Union Alliance "traitors" and "paid lackeys of Moscow," the government-controlled Cairo press was noticeably pulling away from attacks on the country's Soviet-backed neighbor, Libya. An Egyptian-Libyan reconciliation has been a fundamental point of Soviet Mideast diplomacy for months.

**Egyptian Crisis**

Sadat — whose survival in power as late as today is considered a near miracle by veteran Mideast observers — is facing the first signs of revolt from a military-connected faction angered by the damage that Sadat's obsessive pro-American and pro-Carter stance has done to the country's strategic posture. This faction, whose mouthpieces within the government are reported to be Foreign Minister Ismail Fahmy and Defense Minister Mohammad Gamassy, is receiving strong behind-the-scenes Soviet backing for an open challenge to Sadat's rule, according to U.S. State Department and Israeli sources.

A top Rand Corporation Mideast expert assessed this week that the current quiet efforts to strengthen Egyptian-Soviet relations "can only hasten as the Mideast crisis worsens," since "Egypt can only assimilate military spare parts from Soviet supplies, not from the West."

Because of this essential military connection and the worsening Mideast situation, a Brookings Institution-connected source emphasized, the Soviets feel "more confident than ever in dealing with those people in Egypt not completely controlled by Sadat" so that they will be able to deal with "an Egypt without Sadat." A well-informed Israeli source added that the early June Fahmy visit to Moscow was used by the Soviets to stress their willingness to "factionalize against Sadat."

Meanwhile, the Egyptian military is beginning to take some independent political moves. This week, Brig. General Mahfouz gave a tour to Western reporters in areas formerly off-limits to journalists in order to demonstrate Egypt's willingness to fight if provoked by Israel. According to the State Department's Egyptian Affairs' desk, Mahfouz' press conference was "not authorized by Sadat, who was on vacation in Alexandria at the time, but by Gamassy. Or, maybe Mahfouz did it on his own."

---

**Dayan Associate: The Arabs Will Have To Choose**

*The following are excerpts from an interview with a close associate of Israeli Foreign Minister Moshe Dayan:*

Q: What kind of peace plan is Begin going to give to Carter?

A: Dayan and Begin are prepared to give back the Golan Heights and the Sinai Peninsula, but not the Red Sea area under Israeli control. As for the Palestinians, they will have to live in peace with Israel. But the PLO Palestinians? Forget them. They will have to learn to get along with King Hussein and accept a future state on the West Bank in confederation with Jordan.

The Egyptians will then have to choose: Do they want to fight a war for the Palestinians or not? Syria will have to choose: Does Syria want to fight a war, alone and without Egypt, for the Golan Heights? There are the choices Dayan is presenting to the Arabs. Dayan has shrewdly calculated these choices. Dayan calculates that the choices are hard for all concerned, but most of all for Egypt since the economy there is so bad and their relations with the Soviets are going downhill. Though, for that matter, Assad, without Egypt, is also up against the wall, since he will have a hard time fighting the Israelis alone.

Dayan has unified 95 percent of the Israeli population behind Begin in his confrontation with the U.S. Unless the Arabs are ready to wage war for the West Bank, Carter is not going to frighten Begin. Begin will frighten Carter. If Carter refuses to accept this, there may be a war confrontation but I think that more discussion can go on.