DELIVER SISCO AT START OF BUSINESS MAY 2

SUBJECT: Sadat May 1 Speech

1. In lengthy May 1 speech at Helwan Sadat undertook to assure his population he would give nothing away in talks with Secretary and levelled harsh propagandistic charges about alleged past US actions. At same time he welcomed Secretary's visit and voiced thanks for US peace efforts. He described UAR position on both comprehensive settlement and Canal proposal in hardline terms but set no deadlines.
commented that Israel's attitude toward peace and war is evolving in soberer direction because of Egyptian strength, and avoided explicit threats. He stressed UAR's continued adherence to Jarring initiative of February and to Canal proposal.

2. Comprehensive settlement. Sadat rejected demilitarization of Sinai, calling for DMZs on both sides of line, and rejected idea of Israeli military presence at Sharm al-Shaykh whether under lease, as part of international force there, or in any other arrangement. Also, QUOTE there can be no peace as long as there is continuation of the Israeli occupation of Arab territories. UNQUOTE Partial withdrawal under Canal proposal would not be separate solution QUOTE but a mere procedural move organically linked with a full solution on the basis of implementing the SC res in all its provisions, and above all, withdrawal from all Arab territories occupied after June 5, 1967. UNQUOTE

3. Canal proposal. A) As soon as partial withdrawal
begâms, UAR will begin clearing Canal. B) UAR would then extend ceasefire for a definite period. C) UAR forces will assume duties on eastern bank. D) Practical arrangements to separate UAR and Israeli forces would be acceptable for duration of ceasefire period. E) †QUOTE Should this period end without tangible progress, the UAR forces would have the right to reserve freedom of action on the basis of full and legal adherence to the necessity for full liberation of all occupied Arab territory. †UNQUOTE

4. US Past Actions. Sadat said he could not forget A) Forgotten US promise of May 1967 to uphold territorial integrity in Middle East; B) President Johnson's offer to UAR of discussions at moment President signalled Israel to launch its aggression; C) US 1967 handling of Security Council under Zionist Goldberg, when Rostow brothers ruled Washington; cease fire D) US advice to UAR to cease fire in Feb 1970 at same time Israelis hit factory and school with US bombs, US aircraft, and some repeat some US-Israeli dual national pilots. Here
he toned down usual Egyptian propaganda by adding: QUOTE I do not know how many such pilots there are, but I have one. UNQUOTE Sadat also labelled charges of Egyptian standstill violations last summer as Israeli ploy to evade withdrawal pledge under US initiative; QUOTE US at first was a little hesitant to follow Israel UNQUOTE but then gave in.

5. Secretary's visit. Sadat said he despaired of peaceful settlement in February but acceded to US request that he give US further chance to advise Israel (he ridiculed US inability to exert pressure on Israel). He would receive Secretary with open mind and would ask him to clearly define US position. QUOTE We thank the US for its efforts to reach a peaceful settlement. If these efforts are really sincere, we thank the US from the bottom of our hearts. UNQUOTE He assumed Secretary would convey Israeli position on Canal proposal, but what really interested him was US position. QUOTE I will reveal the US position to the
people in our usual frank manner.  UNQUOTE
6. USSR. Sadat gave brief praise for fullness of Soviet support, then added seemingly gratuitous observation that rumors now circulating to effect that Soviets want to occupy Egypt or take hold of Egyptian economy are nonsense.
7. France and Britain. Sadat praised French stand as honorable and British position as having undergone radical improvement.
8. Jordan. He insisted he bears no enmity toward Hussein, for called/political coordination, praised Jordan's stand on June 5, 1967, described QUOTE pouncing on Palestinian resistance UNQUOTE as only point of difference, and deplored provocative elements surrounding King who QUOTE make him imagine we are plotting against him and want the Palestinian state. UNQUOTE
9. Federation of Arab Republics. Decision taken under Nasser it would be federation, not unity merger. Sadat called for renaming UAR QUOTE Egyptian Arab Republic. UNQUOTE
10. Egyptian armed forces. Sadat, stressing he was making no threats, said present UAR military strength makes others think twice. Forces could now match eye for an eye, deep penetration raid for deep penetration raid, napalm for napalm. Added armed forces must have modern weapons and technology before entering battle, which they now acquiring, or 1967 would be repeated.

11. Blend of tough words about US and UAR position on settlement, along with gentler approach to Secretary's visit and Hussein, is perhaps best that might have been expected in view of indications (reported separately) Sadat has been under pressure in recent days from leftists and ASU.

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END

IRWIN