

# Israel

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**I**N THE ABSENCE of significant progress towards peace in the Middle East, Israel continued to confront Arab attacks, while declaring its readiness to open peace negotiations without prior conditions and, in the meantime, consolidating its hold on the areas it administered under the cease-fire agreements concluded after the six-day war.

In the Southwest, Israeli forces dug in along the Suez Canal, repulsed the "war of attrition" proclaimed by President Nasser, and carried out sorties and air strikes deep into Egyptian territory. In the East and North, they blocked the incursion of Palestinian irregulars from Jordan, Syria, and Lebanon, and hit back at their bases.

The "open bridges" policy in the administered areas, permitting trade and other movement across the Jordan River, was maintained. Economic development in the areas continued, and thousands of Arabs crossed the former armistice lines to find employment in Israeli industry and public works. On the whole, the security situation in Judea and Samaria (the "West Bank" of the Jordan) was satisfactory, but terrorist attacks on civilians and the military were frequent in the Gaza Strip.

Levi Eshkol, who died in February after having been prime minister for almost six years, was succeeded by Golda Meir, who re-formed the government of national unity without any change in its composition. Despite threats of a split by supporters of Defense Minister Moshe Dayan, the Israel Labor party and Mapam presented united "Alignment" lists at the Histadrut and parliamentary elections in the fall. Though the alliance lost seven out of 63 seats, it remained the dominant force in the government; Gahal, the Herut-Liberal bloc, was represented in Mrs. Meir's new cabinet by six ministers, with four portfolios, instead of two without portfolio in the outgoing ministry.

There was a considerable rise in immigration, especially from Western Europe and the Americas, and a further rise is expected in 1970.

The burden of immigration and defense expenditure led to a large increase in the balance-of-payments deficit, and towards the end of the year it became apparent that, despite the economic boom, drastic fiscal and other measures would have to be taken to keep the economy on an even keel.

## FOREIGN AFFAIRS

*Talks on the Israel-Arab Conflict*

From the start, Israel had serious reservations about the Four-Power conference on the Arab-Israel conflict. Commenting on the French proposal for such a conference, Foreign Minister Abba Eban said, January 18, the future of the Middle East "will be decided only by the peoples of the area, rather than by outside powers, who have, at the most, only a marginal interest in the area." Instead of devoting time and energy to discussions among themselves, he added, the Great Powers should try to bring the parties together.

On the same day, Eban told the Tel Aviv press that Dr. Gunnar Jarring, the UN Secretary-General's representative, charged under the Security Council resolution of November 22, 1967 with promoting agreement between the parties, stood a better chance of success than a group of officials whose opinions were greatly at variance, and who would superimpose international issues on what was essentially a Middle East question. Similar reservations were expressed later about the two-power talks between United States and Soviet representatives in Washington.

Ambassador Jarring met Eban in Jerusalem on March 10, after talks in Cairo and Amman, and reported on a memorandum he had received from Egyptian Foreign Minister Mahmoud Riad. The Israel Foreign Ministry spokesman said the memorandum simply reaffirmed Egypt's rigid stand, demanding unconditional Israeli withdrawal to the June 4, 1967 lines without offering peace, without reference to Israeli navigation rights, without undertaking to end the Israel-Arab conflict, and without any reference to secure and agreed borders.

On April 4 Eban handed Jarring Israel's replies to an 11-point questionnaire submitted by the UN envoy. According to an Israeli statement, the answers were framed in such a way as to offer Jarring some leeway for the continuation of his mission without prematurely entering into detailed commitments.

Referring to a report that Jarring intended to resume his duty as Swedish ambassador in Moscow, the Foreign Ministry spokesman said in Jerusalem, on April 10, that Israel had every intention of continuing to support and encourage his mission. However, Jarring's decision indicated that he saw little point in continuing his conversations with Israel and the Arabs while the Four-Power talks were in progress.

In an April 16 radio interview, Dayan called on the Arab states to enter into peace negotiations with Israel. "This nation really wants peace, and is ready for many concessions," he declared. "Sit down with us at the peace table and we will listen carefully to all your problems. We want to come to some arrangement with you: the whole works: Jerusalem, borders, Gaza,

refugees. This nation really wants peace and will go a long way towards meeting you."

Reiterating the principles of Israeli policy, Prime Minister Meir declared in the Knesset, May 5:

The Governments of the Middle East, and not external factors, are responsible for working out and drafting the peace treaties. The peace treaties must include agreement on agreed, secure and recognized boundaries. The peace treaties must annul claims of belligerency, blockades, boycotts, interference with free navigation, and the existence and activity of organizations or groups engaged in preparing or executing sabotage operations from bases and training camps on the territories of the signatory States.

Addressing the UN General Assembly on September 19, Foreign Minister Eban submitted a seven-point program for peace:

1) There should be renewed Arab and Israeli undertakings to respect the cease-fire;

2) "The Middle East States should declare their readiness to establish permanent peace and to negotiate detailed agreement on all the matters at issue between them, including those listed in the Security Council resolution of November 22, 1967";

3) Israel was prepared to negotiate without prior condition of any kind. "You ask what can be discussed and proposed in these negotiations? I reply: Anything. You ask what is excluded? I reply: Nothing."

4) An international conference should be convened to work out a five-year plan for the solution of the refugee problem;

5) Israel did not claim exclusive control or unilateral jurisdiction over the Holy Places of Christianity or Islam and was willing to discuss methods of implementing this principle;

6) Cease-fire lines should be replaced by secure, recognized, and agreed boundaries "as part of the peace-making process," and armed forces should be disposed in accordance with "the boundaries determined by the peace treaties."

7) "In conditions of peace the people of Israel and the Palestinian Arabs on both sides of the Jordan would be living as free citizens of sovereign states in accordance with the agreed boundary concluded under the peace," but the inherent geopolitical unity of the region argued in favor of "an open frontier on the lines of that emerging within the European Economic Community, with a broad freedom of movement and commerce."

### *Golda Meir's U.S. Visit*

Mrs. Golda Meir paid an official visit to the United States, and talked with President Richard M. Nixon in Washington on September 25. At the subsequent press conference, the White House press secretary said Nixon would consider an Israeli request for more military aircraft. After a second meeting with Mrs. Meir the following day, President Nixon told newsmen that no

decisions would be announced, but that he had reached a very good understanding on Middle East problems with Mrs. Meir.

Summing up her visit to Washington, Prime Minister Meir reiterated, September 27, that she had no doubt whatsoever about America's goodwill and understanding, although there were differences of opinion on some issues. She noted American acceptance of the Israeli view that "Israel should stand fast along the borders until peace."

Mrs. Meir was enthusiastically welcomed in New York (September 29), Los Angeles (October 1), Milwaukee (October 3) and Atlantic City (October 6). She also met with Secretary of State William Rogers, Defense Minister Melvin Laird, and Congressional leaders, as well as with UN Secretary-General U Thant. In some of the talks she was joined by Foreign Minister Eban.

On her return to Israel, October 7, Mrs. Meir said she was certain President Nixon would see to it that Israel would not lack what it needed. On October 8 she told the cabinet that Israel's request for further arms supplies and economic assistance would be considered in continuous contacts between the two governments.

### *"Rhodes-Style" Talks Proposal*

Egyptian Foreign Minister Riad was in Washington during Mrs. Meir's visit, and told correspondents on September 25 that Egypt might be prepared to adopt "something like the Rhodes formula of 1948-49" if "the Israelis will make themselves clear that they are renouncing the idea of expansion." Golda Meir responded the same day that Israel was ready to negotiate "any time, any place, and without prior conditions." On October 1 she told the Los Angeles press: "We are prepared to meet with Egyptian, Jordanian or Syrian representatives anywhere, under Dr. Jarring's auspices, with exactly the same procedure as obtained in Rhodes."

However, on that day, reports of Riad's statement were denied by an Egyptian government spokesman as "fabrications," and on October 11 the authoritative Cairo daily *al-Ahram* wrote: "Egypt is not ready to accept the Rhodes formula, or any other formula involving direct or indirect negotiations with Israel."

Israeli circles pointed out that the discussions at Rhodes in 1949 under the chairmanship of Ralph Bunche, acting UN mediator, which led to the conclusion of armistice agreements between Israel and Egypt, Jordan, Lebanon, and Syria, had included not only preliminary discussions between the mediator and each delegation separately, but joint formal and informal meetings between the Israeli delegation and the Arab delegation concerned in each case.

Pope Paul VI received Foreign Minister Eban at the Vatican on October 6, the first meeting between an Israeli representative and a Pope outside the realm of protocol. According to a Vatican statement, the Pope expressed

a desire to see "a just and lasting peace and a brotherly and meaningful co-existence" in the Middle East, and "renewed, as he has done with representatives of other peoples involved in the conflict, the offer of his willing and cordial cooperation."

### *U.S. Settlement Proposals*

United States proposals for a Middle East settlement, announced by Secretary of State Rogers on December 9, were rejected in a statement issued after an emergency meeting of the Israel cabinet the following day and in Prime Minister Meir's Knesset speech, December 15. In a further statement in the Knesset, on December 29, Mrs. Meir noted with regret that the United States proposals for a settlement with Egypt, submitted to the USSR on October 28, were conveyed to Israel only six weeks later, while the proposals for an Israel-Jordan settlement, submitted to the Four Powers on December 18, were handed to Israel only on the same day. As the proposals dealt with the nature of the settlement, the fixing of the boundaries, the problem of the refugees and the future of Jerusalem, the parties were left with nothing to do except to conduct negotiations on "mere technical and marginal matters." This, she declared, was in direct contradiction to the principle accepted by the United States, that "only the parties themselves would agree on conditions for a durable peace." The American proposal that the boundaries be based, with insubstantial changes, on those existing before the six-day war, and that the Arab refugees be given the right to return "would constitute a grave danger to our very existence," she declared.

This would be a return to the geography of 1967 and the demography of 1947. In effect, it would give the saboteurs and the terrorist organizations the right of choice whether to shell Israel from the other side of borders convenient for aggression or to attack her from within after returning as refugees.

The Knesset approved Mrs. Meir's statement by a vote of 57 to 3, with 2 abstentions.

### *Relations with France*

The French embargo on all military supplies to Israel, imposed after the Israeli raid on Beirut airport, aroused much resentment. Prime Minister Levi Eshkol, speaking in the Knesset on January 14, recalled that 50 Mirage planes, ordered and paid for before the six-day war, were still being held up. He denounced the embargo as a unilateral and arbitrary violation of agreements, endangering prospects for Middle East peace by weakening Israel's defensive and deterrent capacity. Israel, he declared, would seek alternative sources of supply and advance her ordnance industry in the direction of technological independence. A day later, a jet engine factory, founded by French industrialist Joseph Shidlovsky, owner of the Turbomeca Company, was inaugurated at Beit Shemesh, near Jerusalem.

The fall of President de Gaulle raised hopes of an improvement in Franco-Israeli relations, but there was no let-up in the embargo. The last of 12 naval launches ordered by Israel from France was launched at Cherbourg on December 17, but joined four others impounded under the embargo, seven having already been delivered. Israel still met harbor dues and kept 200 navy men in the port ready to take over the five boats if the ban was lifted.

The five boats were purchased from the French authorities by the Starboat and Weil Oil Shipping Services, after Israel had renounced her rights to them. Starboat and Weil was registered in Panama and was represented in Norway by Martin Siem, managing director of the Aker shipyard firm, who had close business relations with Israel. The boats left Cherbourg early on the morning of December 25, manned by Israeli naval personnel, and arrived on January 1, 1970 in Haifa, where they were handed over to Netivei Neft Ltd., an Israeli company engaged in coastal oil prospecting.

On the same day the French government demanded the recall of Major General Mordecai Limon, head of the Israel arms purchasing mission in Paris. An Israeli government statement described the move as unjustified, noting that, while France, "ignoring signed agreements," was imposing an arms embargo on Israel, massive arms supplies were flowing to the Arab states, and negotiations were carried on for arms orders from Libya, which had declared its readiness "to commit her resources to an onslaught on Israel."

### *Hostilities Continue*

The outstanding feature of the military situation was Israel's success in blocking the massive offensive launched by the Egyptians against its defensive positions along the Suez Canal. Egyptian spokesmen stated that Egypt did not recognize the cease-fire agreements concluded at the end of the six-day war so long as Israel continued to hold the territories taken during the fighting. Israeli counterattacks inflicted severe damage on Egyptian installations, and won mastery of the air over the Suez Canal.

Infiltration, mine-laying, and sabotage by Palestinian irregulars from Jordan, especially members of the al-Fatah organization, were supported by Jordanian and Iraqi artillery bombardments of Israeli border villages. The children had to spend their nights in underground shelters; but the villagers continued to cultivate their fields. Severe damage was inflicted on the Eastern side of the Jordan valley when Israeli guns and planes struck back. There were also clashes with Syrian planes and with irregulars based in Syria and Lebanon.

There were a number of Arab terrorist attacks during the year on Israeli planes and offices abroad.

Defense Minister Dayan told the Keneset on January 7, 1970 that, from June 1967 to the end of November 1969, there had been 3,971 acts of hostility against Israel on the Egyptian front, 3,094 on the Jordanian front,

and 305 on the Syrian front. Seventy-six enemy planes had been shot down: 62 Egyptian and 14 Syrian.

Acts of violence and sabotage perpetrated in the administered areas totaled 855; in pre-1967 Israel there were 144. These attacks resulted in 400 Israeli civilian casualties (including 40 killed), and 188 (23 killed) among army personnel. Casualties among the Arab population totaled 509 (55 killed), of which 28 injuries and 9 deaths resulted from counteraction by the Israeli forces; the rest were inflicted by Arab terrorist and other attacks.

According to a January 28, 1970 statement by an Israel army spokesman, Arab claims of Israeli planes brought down were 36 in 1967, 49 in 1968, and 218 in 1969—303 in all. The actual number lost was 15: in 1967 and 1969 three each, and nine in 1969.

### *Egyptian Front*

After renewed sniping at Israel defense forces on the Suez Canal in mid-February, the Egyptians initiated a heavy artillery barrage along the length of the Canal on March 8. Israeli forces replied, and an artillery duel developed. The same occurred on the four succeeding days. On each of these days, General Odd Bull, chief of the UN military observers, reported that the Egyptians opened fire. In the Israeli return fire, oil installations at Suez were set ablaze and several Egyptian ships sunk. On March 9 Egyptian chief of staff Major General Abdul-Moneim Riad was killed in the artillery exchange. His presence in a forward position was cited by Israel army circles as proof that the Egyptian offensive was planned and premeditated.

These operations were interpreted in Israel as designed to prevent its entrenchment along the Canal by what the Egyptians called "active preventive defense"; to raise morale, especially among the Egyptian officers; to show that Egypt still led the Arab struggle; and to persuade the Four Powers that the Middle East was on the verge of explosion and thus induce them to exercise pressure on Israel to withdraw from the territories occupied in the six-day war.

In a statement over Cairo Radio, on March 30, UAR President Gamal Abdel Nasser declared:

There was a time when we used to ask our soldiers at the front to account for their actions if they fired at the enemy on sight, for we were not prepared for complications. Now the picture has changed. We ask every soldier at the front to account for his actions if he sees the enemy and does not fire at him.

Defense Minister Dayan said in Jerusalem, April 17, that, according to reports broadcast by Cairo radio during the past five weeks, Israel had lost 123 tanks, 104 artillery batteries, 2 Mirage jets, 4 helicopters, 5 scout planes, 29 ground-to-ground missile batteries, and 4 Hawk missile posts and gun-spotter posts, and had suffered about 500 casualties. Actually, Dayan said, there had been 9 Israeli dead and 48 wounded; and, while a number of tanks had been hit, none had been knocked out.

A day later, Lieutenant General Hayim Bar-Lev, Israeli chief of staff, said in Tel Aviv that the Arabs had no chance of success in a war of attrition: "Our losses are at a minimum and our forces are deployed in such a way that we have the initiative," he declared. "If necessary we can continue in the present situation indefinitely and a war of attrition will only affect the Egyptians themselves."

According to General Odd Bull's reports to the Security Council, the majority of UN observation posts stated on 28 days between March 1 and April 30 that Egypt had started the shooting; on three days the majority blamed Israel. General Bull repeatedly reported Egyptian fire on UN observation posts in April, May, and June, even when no Israeli forces were in the vicinity.

Hostilities on this front were almost continuous during the rest of the year. Egyptian commando raids across the canal and air attacks on Israeli positions were repelled with heavy losses. Israeli commandos hit targets ranging from the Upper Nile Valley to the West coast of the Gulf of Suez, paying special attention to radar installations, and there were repeated air strikes at Egyptian anti-aircraft batteries and posts along the Canal. Egyptian planes seldom attempted to interfere with these operations. During 1969, 47 Egyptian aircraft were shot down: 31 Mig 21s, 6 Mig 17s, and 10 Sukhoy 7s. It became clear that Israeli mastery of the air was sufficient to prevent any attempt by the Egyptians to cross the Canal in force or mount a large-scale offensive.

### *Eastern Front*

Along the cease-fire lines in the North and East, especially in the North and in the Beit She'an and upper Jordan valleys, there was repeated bombardment of Israeli villages by Palestinian irregulars, supported by Jordanian artillery and gunfire from the Iraqi forces stationed in Jordan. Mine-laying on dirt tracks made daily precautions necessary; a number of houses and installations were damaged by explosives laid by infiltrators.

However, secure underground shelters in which the children slept as a matter of routine were built with government subsidies and the aid of volunteer labor from the towns, enabling the villagers to lead comparatively normal lives and cultivate their fields.

Israeli commando and air force counterattacks did serious damage on the East bank of the Jordan River, putting the Ghor Canal, which irrigated a large part of the area, out of commission. In the hope that the Jordanians would stop bombarding the Jewish villages, the Israelis held their fire to permit them to repair the canal installations; but almost as soon as the repairs were completed, Arab attacks resumed, and Israel retaliated by striking again at the canal.

Erection of physical obstacles and constant patrolling along the Jordan River prevented large-scale incursions by the Palestinians, and most of the



small detachments that succeeded in crossing the river were intercepted, suffering heavy casualties.

The cease-fire line with Syria in the Golan Heights was comparatively quiet for most of 1969, though ten Syrian planes were shot down in dog-fights with Israeli aircraft. However, the Syrians started their own Palestinian terrorist organization, el-Saiqa, which actually was a part of the army and under its full control. Israel made several air strikes at its bases.

There was also a considerable increase in Palestinian terrorist activity in Lebanon, where el-Saiqa and al-Fatah entrenched themselves in the refugee camps and became involved in repeated clashes with the local security forces. Israel made it plain that it regarded Lebanon as fully responsible for the activities of all terrorists operating from its territory, and Israeli forces made a number of commando raids on the bases of the irregulars.

Three major outrages were directed at Jewish population centers: at a Jerusalem supermarket on February 21, resulting in the death of two Hebrew University students and injuries to nine persons; at the Hebrew University cafeteria, on March 6, resulting in injuries to 29 students and faculty members, and at Haifa, on October 22, where bomb explosions wrecked five apartments, killed one person, and injured about a dozen. A disturbing factor in these incidents was the involvement of Israeli Arabs who collaborated with the terrorist organizations. The police uncovered and brought to trial a number of terrorist rings during the year.

In Judea and Samaria, the situation was generally quiet, though a number of hand grenades were thrown at military and civilian vehicles and, in a few cases, local inhabitants were found to have given shelter to infiltrators from across the Jordan. In the Gaza Strip, however, there were many attempts by the terrorists and their collaborators to disrupt normal life and foment unrest by grenade-throwing in public places, causing casualties to the local population. Counter-measures included not only police action, but the provision of more employment, especially for refugees, inside and outside the Strip, and the improvement of conditions in the refugee camps.

### *Attacks on Planes and Offices*

The Popular Front for the Liberation of Palestine, one of the smaller terrorist organizations, concentrated mainly on attacking Israeli planes and offices abroad. On February 18, four Arab terrorists attacked an El Al Israel Airlines plane with machine gun fire and grenades at the Kloten Airport in Zurich, injuring several of the passengers and fatally wounding a trainee pilot. Mordecai Rahamim, an Israeli security guard, jumped out of the plane and fired back at the terrorists, killing one. Considerable indignation was aroused in Israel when Rahamim was placed on trial together with the three surviving terrorists, especially when one of his attorneys accused some of the Swiss policemen of falsifying evidence to make it appear that Rahamim

had fired at a disarmed man. However, he was acquitted on December 12; the three Arabs were sentenced to 12 years in prison.

A Jordanian student was killed and another injured when a home-made timebomb exploded at Izmir on August 23. The survivor, Omar Hassan Hammed, confessed that they had been assigned the task of bombing the Israeli pavilion at the Izmir fair.

On August 25 a bomb exploded in the passenger office of Zim Israel Navigation Company in London.

On August 29 a TWA plane flying from Rome to Athens was hijacked by two terrorists belonging to the Popular Front and forced to proceed to Damascus airport. A timebomb went off shortly after the plane landed. The six Israeli passengers—four women and two men—were detained by the Syrian authorities, while the others were allowed to leave 24 hours later on an Italian airliner. The four women were allowed to leave on December 1; the men, Professor Solomon Samueloff of the Hebrew University-Hadassah Medical School and Saleh Muallem of Tel Aviv, were held in custody by the Syrians.

The president of the International Federation of Air Line Pilots' Associations asked the constituent national bodies to approve a 24-hour strike of all members unless Syria released the two Israelis, but no action was taken. Despite representations by TWA, the International Air Transport Association, and other bodies, and Israeli efforts through the UN Secretary-General and the General Assembly President, the men were not released until December 5 as part of a package deal: Israel released 13 Syrians held in Israel, as well as 58 Egyptians, in return for two Israeli pilots shot down over the Suez Canal.

Bomb attacks on the Israeli embassies in The Hague and Bonn, and the Brussels office of El-Al were made by Arab terrorists on September 8. Popular Front representatives in Amman claimed responsibility for these, as well as attacks of bombing and arson on Jewish-owned stores in London, in August.

On November 11 a two-and-a-half-year-old Greek child was killed in a grenade attack on the El-Al office in Athens. Two Arabs were arrested and charged with murder.

## DOMESTIC AFFAIRS

At the end of 1969 the population of Israel (not counting that of the administered areas) was 2,919,000, including 2,497,000 Jews and 422,000 others, a rise of 78,000 (2.7 per cent) since 1968. The Jewish population had grown by 62,000 (2.5 per cent), of which two-thirds was due to natural increase, and the non-Jewish population by 16,000 (3.8 per cent). The Jewish birth rate rose from 22.8 to 23.4 per thousand; the death rate remained stable at 6.9 per thousand.

Jewish immigration rose considerably, to 37,900 (29,000 in 1968), including 9,700 potential immigrants registered as temporary residents and 5,100 tourists who decided to stay.

### *Al-Aqsa Fire*

At about seven o'clock in the morning on August 29, fire broke out in the Southeastern wing of the al-Aqsa mosque in Jerusalem, one of Islam's most sacred shrines. The East Jerusalem fire brigade, headed by a Greek Orthodox Arab who had held the post for ten years, was alerted by the police, and arrived a few minutes later. With the aid of 18 fire engines, Jewish and Arab, from West and East Jerusalem, Ramat Gan, Beit Shemesh, Hebron, and Ramallah, the fire was extinguished by noon. The ancient Saladin pulpit and some valuable carpets were destroyed; the mosque's basic structure remained intact.

The prime minister and the cabinet, meeting in special session later that day, expressed profound regret at the fire. The cabinet statement noted that prayers could still be held in the mosque, and recalled that it had been damaged by fire once before, in 1963.

At the government's request, the supreme court president appointed an inquiry commission, consisting of Supreme Court Justice Joel Sussman (chairman), Judge Mohammed Nimr al-Hawary of the Nazareth district court, and Mussa Kteily, mayor of Nazareth (both Arabs), Professor Michael Ardon of the Hebrew University, and Professor Arnold Winocour of the Technion, to investigate the fire. On August 29 a 28-year-old Australian, Michael Denis William Rohan, who had been in Israel as a tourist for four months, was arrested and charged with setting the fire.

Despite the limited nature of the damage and the rapid action of the fire brigades, the government, and the police, Arabs raised a worldwide outcry against Israel protesting "the burning of the mosque," and called a Muslim summit conference to whip up indignation against Israel. The mosque was reopened for prayers on September 19.

The inquiry commission report, which was unanimously approved by its members, was submitted to the government on September 23. It revealed the following:

The administration of the *waqf* (Moslem religious trust) was in complete control of the mosque and its environs. In November 1967 it had rejected an offer by the Jerusalem fire brigade to provide more effective fire-fighting equipment.

The *waqf* administration was negligent in that it failed to provide proper fire-extinguishing equipment or to instruct its employees in fire prevention.

The fire brigades did their best to extinguish the fire.

The gates to the Temple Mount and to the mosque were guarded by *waqf* employees, except for the Moor's Gate, which was closed at the time of the fire.

The suspect was admitted to the mosque by a *waqf* employee, in contravention of regulations, before the regular visiting hours.

The trial of Rohan opened on October 6 before the Jerusalem district court, headed by its president, Judge Henry Eli Baker. Rohan was defended by an attorney appointed by the court. The defense admitted the charges in the indictment, which were confirmed in detail by some 40 witnesses, but pleaded insanity.

In a 45-page judgment, handed down on December 30, the court found that the facts in the indictment had been proven, not only by Rohan's statement to the police and his testimony in court, but also by independent corroborative evidence. However, on the basis of expert medical testimony, the judges found that the accused suffered from paranoid schizophrenia, and that he was irresistibly moved by his insane impulses to burn down the Mosque in order to prove to the world that God had crowned him King of Judah and appointed him to reconstruct the Temple. The court ordered his commitment to a mental hospital.

Indignation was expressed in Israel at the UN Security Council resolution adopted on September 15, condemning Israel in connection with the el-Aqsa fire. The foreign ministry spokesman described the resolution as "a new low of irresponsibility, which proves once more that it [the Security Council] serves as a permanent vehicle for Arab hostility under all circumstances, instead of serving its function of furthering truth and peace."

### *Jerusalem*

A Jerusalem committee of 63 distinguished architects, town planners, artists and authors, art administrators and scholars, from five continents, was formed by Mayor Teddy Kollek to study the "aesthetic, cultural and human needs of the city and its surroundings." Its members included Nelson Glueck, Louis Kahn, Jacques Lipchitz, Lewis Mumford, Isaiah Berlin, Lord Goodman, Henry Moore, Willem Sandberg, Ignazio Silone, Carlos Garcia, Pablo Casals, Sir Robert Menzies, Jorge Amado, and Sir Phillip Hendy. In its first statement, issued in Jerusalem, July 4, the committee stated:

We found the city already deeply engaged in rehabilitation and reconstruction work as well as in archeological exploration, with people of all ages from all over the world contributing their knowledge and their energy to the task.

The committee expressed the hope that "At some time, our Muslim brothers will join us in the great task, which involves a deep respect for their way of life as for their most beautiful shrines and treasures."

Residents of former Jordanian-occupied Jerusalem (almost all Arabs) were permitted to vote in the October 28 city council elections even if they were not Israeli citizens. But few Arabs were expected to exercise this right, for casting a vote could be regarded as recognition of Israeli rule, and only few polling stations, located in the New City to forestall the possibility of

disturbance, were designated for their use. However, to the surprise of the authorities and the public, some 7,000 votes were cast by East Jerusalem residents—more than in the last municipal elections under Jordanian rule.

### *Administered Areas*

Isaac Pundak, adviser to the Ministry of Labor on the administered areas, stated in September that 16,000 Arabs from the areas were working in pre-1967 Israel, in agriculture, processing industries, construction, and catering. Those employed through labor exchanges had the same rights as Jewish workers; skilled artisans earned more than the minimum.

According to a Ministry of Labor survey, 41 per cent of the workers in Judea and Samaria (West Bank) found work in Israel; 31 per cent were working on the West Bank itself, 12 per cent were unemployable white-collar workers, and 13 per cent were against working on principle.

Five thousand men from the Gaza Strip were working on relief projects, such as road building and repairing, and afforestation; two million trees were planted in the West Bank, and one million in the Gaza Strip. Pundak estimated that 4,000 more jobs and 5,000 more places on relief projects would absorb all available Arab manpower in the administered areas.

## POLITICAL DEVELOPMENTS

Despite the opposition of the ex-Rafi faction in the Israel Labor party (AJYB, 1969 [Vol. 70], p. 434), a political and electoral alliance (referred to as the Alignment—*Maarakh*) was concluded in January between the Labor party and Mapam, the United Workers' party.

While harmonious cooperation continued between the ex-Mapai and ex-Ahdut Ha'avodah factions, relations with Rafi were far from cordial. Pinhas Sapir, the Labor party secretary-general, criticized Defense Minister Dayan's policy of integrating the Arab-inhabited areas held since the six-day war into the Israeli economy, and warned against the danger of incorporating into Israel the one million Arabs living in the areas.

The sudden death of Prime Minister Levi Eshkol, on February 26, threatened to precipitate a struggle for succession between Dayan and Deputy Premier Igal Allon, who was preferred by the veteran leaders. But Sapir quickly rallied the party around the candidacy of Golda Meir: On March 7 the Labor party central council unanimously nominated her to succeed Eshkol, and, ten days later, a new national unity cabinet was installed, with Mrs. Meir as prime minister. The composition of the new cabinet remained the same, as did its policy, except for the foreign affairs and security section which was redrafted in agreement with Gahal (Herut-Liberal bloc).

The ex-Rafi faction continued to be restive; at conferences its members strongly supported proposals to break up the union, and fight the forth-

coming elections independently under the leadership of Dayan, who could be expected to win widespread popular support—as was indicated by the results of a campaign for “Dayan as Premier.”

For a time Dayan's own attitude remained equivocal. He expressed uneasiness at the alliance with Mapam and did not commit himself to the Alignment ticket until it was agreed that the ex-Rafi faction would nominate its own candidates to the Keneset and the post-election cabinet. The Labor party convention, August 3–5, empowered its spokesmen, if they so desired, to advocate territorial claims constituting what Dayan called “the new map of Israel.” A number of ex-members of Rafi, led by Ben Gurion, broke away and formed the independent National List (Reshimah Mamlakhtit) to fight the elections.

The Histadrut elections of September 2 were contested by all parties but the religious; there was also a Religious Workers' List (Ha'oved Hadati) associated with Labor. The result was a setback for the Alignment, which obtained 62.11 per cent of a considerably reduced poll. Taking into account the 3.85 per cent polled by the National List and the 3.06 per cent by Ha'oved Hadati, the total labor vote was 69.02 per cent, compared with 77.52 per cent (Mapai-Ahdut Ha'avodah Alignment 50.88 per cent, Mapam 14.51 per cent and Rafi 12.3 per cent) gained by the same parties at the last Histadrut elections in 1965. Gains were made by Gahal: 16.85 per cent (+1.65 per cent), and the Independent Liberals: 5.69 per cent (+1.27 per cent). At the Histadrut convention on December 9–12, Isaac Ben-Aharon (Labor, formerly Ahdut Ha'avodah) was elected secretary-general.

The parliamentary election campaign was comparatively subdued. Under a law passed in February 1969 (subsequently amended to conform to a supreme court ruling) election expenditures were subsidized by the state in proportion to the strength of the parties in the outgoing Keneset, new lists benefiting on condition that they succeed in electing at least one member. Parties were allowed to spend an additional fixed proportion of their own funds; campaign accounts were to be audited by the state comptroller. As a result of these limitations, much less was spent than in previous elections. Radio and TV propaganda (the latter used for the first time) played an important role; meetings were sparsely attended.

In the elections, held on October 28, the Labor-Mapam Alignment lost its over-all majority, dropping from 63 to 56 seats. Gahal, with 26 seats, regained the 4 it had lost to the Free Center,\* which was reduced to two seats. The National List obtained four places; the National Religious party, with 12 seats, and Ha'olam Hazeh, with two, gained one each, and the Independent Liberals, with four, lost one. Newly-formed Land of Israel (extreme nationalist) and Peace lists, as well as the Young Israel (Oriental communities) list, failed to gain representation.

In the negotiations for the new cabinet, Gahal demanded representation

\* Founded in 1967 by three Herut members, who were joined later by one Liberal.

in proportion to its Knesset strength, and agreement on a new statement of basic principles. Mapam refused to enter into full partnership with Gahal, and its representatives joined the government only as ministers without portfolio and with limited responsibility.

The new cabinet, installed on December 15, had 24 members: 12 Labor, 6 Gahal, 3 National Religious party, 2 Mapam, and 1 Independent Liberal.

Golda Meir remained as prime minister. There also were no changes in the portfolios of defense: Moshe Dayan; foreign affairs: Abba Eban; agriculture: Haim Gvati (also acting minister of health); justice: Yaacov S. Shapiro; labor: Joseph A. Almogi (all Labor); interior: Moshe H. Shapira; religious affairs: Zerah Warhaftig; social welfare: Solomon Yosef Burg (National Religious), and tourism: Moshe Kol (Independent Liberal).

Other Labor party ministers were: Pinhas Sapir, who returned to the ministry of finance; Yigal Allon, who remained deputy prime minister and took over education; Ze'ev Sharef, housing, and Solomon Hillel, police.

Joseph Saphir (Liberal) became minister of commerce and industry, Ezer Weizman (Herut), former chief of operations at army headquarters, took over transport, Elimelekh Rimalt (Liberal) posts, and Hayim Landau (Herut) development.

There were six ministers without portfolio: Menahem Begin (Herut), Israel Galili and Simeon Peres, who was given special responsibility for development in the administered areas and became acting minister of immigrant absorption (Labor), Aryeh Dultzin (Liberal), and Israel Barzilai and Victor Shemtov (Mapam).

In the municipal elections, held the same day, the Labor-Mapam Alignment remained in control in Jerusalem, Tel Aviv, and Haifa, but lost its hold in a number of smaller places—generally to coalitions between Gahal and the National Religious party.

RESULTS OF KENESEET ELECTION, OCTOBER 28, 1969  
WITH STATE OF PARTIES AT END OF SIXTH KENESEET

Electorate .....	1,758,685
Votes .....	1,427,981
Percentage poll .....	82 per cent
Spoiled votes .....	60,238
Valid votes cast .....	1,367,743
Quota per seat <sup>1</sup> .....	11,274

	<i>Beginning of Sixth Keneset</i>	<i>End of Sixth Keneset</i>	<i>Seventh Keneset Votes</i>	<i>Seventh Keneset Per cent</i>	<i>Seats</i>
<b>Labor-Mapam Alignment</b>					
(Maarach) .....	63	63 <sup>2</sup>	632,035	46.22	56
Arab lists (affiliated to Labor)	4	4	47,989	3.51	4
National (Mamlakhti) List ...	—	1 <sup>3</sup>	42,654	3.11	4
Herut-Liberal Bloc (Gahal) ..	26	22 <sup>4</sup>	296,294	21.67	26
Free Center <sup>4</sup> .....	—	4	16,393	1.20	2
Independent Liberals .....	5	4 <sup>5</sup>	43,933	3.21	4
National Religious Party .....	11	11	133,238	9.74	12
Agudat Israel .....	4	4	44,002	3.22	4
Poalei Agudat Israel .....	2	2	24,968	1.83	2
New Communist List (Rakah)	3	3	38,827	2.84	3
Israel Communist Party (Maki)	1	1	15,712	1.15	1
Ha'olam Hazeh (New Force)	1	1	16,853	1.23	2
Land of Israel List <sup>6</sup> .....	—	—	7,591	0.55	—
Peace List <sup>6</sup> .....	—	—	5,138	0.37	—
Young Israel <sup>6</sup> .....	—	—	2,116	0.15	—

<sup>1</sup> Obtained by deducting the votes cast for lists gaining less than one per cent of the total and dividing the remainder by 120.

114 seats were allocated for complete multiples of the quota, and the rest to the 6 lists with the largest remainders.

<sup>2</sup> Mapai-Achdut Ha'avodah Alignment, 9 of Rafi, 8 Mapam, and 1 Independent Liberal. See notes 3 and 5.

<sup>3</sup> David Ben Gurion, elected as head of Rafi.

<sup>4</sup> Three Herut members and 1 Liberal left Gahal and formed the Free Center.

<sup>5</sup> One left to join Israel Labor party.

<sup>6</sup> Obtained less than 1 per cent each of valid votes cast in 1969 election.

## *Economic Affairs*

The state budget for the fiscal year 1968-69 (April 1-March 31), presented to the Keneset on January 6, 1969 by Finance Minister Ze'ev Sharef, totalled I£7,850 million (about \$2,250 million). Supplementary budgets during the year brought the total up to I£8,165 million (over \$2,300 million), 37 per cent higher than in the previous year.

When he presented the budget, Sharef emphasized the heavy burden of defense, which absorbed three-quarters of direct and indirect tax revenues. The next priority was housing and other services for the growing number of immigrants, largely from Western Europe and the Americas, and the



third was the maintenance of social services. Debt repayments, 16 per cent of total expenditure, were also onerous.

SUMMARY OF STATE REVENUE AND EXPENDITURE—1967-68 AND 1968-69

To nearest I £ million

	1967-68		1968-69	
	I £ million	Per cent	I £ million	Per cent
<b>Revenues</b>				
Ordinary revenue (taxes, licenses, etc.) . . . . .	4,120.7	69.9	4,924.0	60.0
Loans, property sales, etc. (for development budget) . . . . .	<u>1,776.8</u>	<u>30.1</u>	<u>3,240.6</u>	<u>40.0</u>
<b>TOTAL REVENUE</b> . . . . .	<b>5,897.5</b>	<b>100</b>	<b>8,164.6</b>	<b>100</b>
<b>Expenditures (ordinary and development budget)</b>				
Economic services . . . . .	1,961.7	23.1	1,665.0	20.4
Social services . . . . .	1,288.8	18.6	1,775.6	21.7
Administration and security . . . . .	2,545.1	43.2	3,412.0	41.8
Debt repayments, etc. . . . .	<u>890.0</u>	<u>15.1</u>	<u>1,312.0</u>	<u>16.1</u>
<b>TOTAL EXPENDITURE</b> . . . . .	<b>5,897.5</b>	<b>100</b>	<b>8,164.6</b>	<b>100</b>

According to preliminary estimates, the Gross National Product, at market prices, totaled I£15,779 million, a rise of 12 per cent over 1968 at 1968 prices (or 9.5 *per capita*). The largest increases were in building (25 per cent) and industry (16 per cent). Industrial production was up by 16 per cent—with increases of 60 per cent in electrical and electronic equipment, 30 per cent in transportation equipment, metal products, and rubber and plastics, and about 20 per cent in basic metals, wood products, and metal products and machinery—although industrial employment rose by only 11.4 per cent. Nominal industrial wages rose by 5 per cent and real wages by 2.4 per cent. Consumption, private and public, increased by 11.5 per cent (9 per cent *per capita*) at fixed prices. Twenty-five thousand passenger cars (50 per cent more than in 1968) and 190,000 TV sets (a rise of 119 per cent) were supplied to the local market. The rise in TV sales doubtless was due to the inauguration of regular TV transmissions under the state broadcasting authority.

Total local demand for consumption and investments rose by 14 per cent, 2 per cent more than the increase in GNP, and the difference was met by an increase in the import surplus, which was equivalent to 17.5 per cent of local demand, compared with 16 per cent in 1968.

The result was a considerable increase in the deficit on current account, which rose to \$894 million (25 per cent more than in 1968), imports totaling \$2,150 million (a rise of 15 per cent), and exports \$1,256 million

(a rise of 9 per cent). These developments led to a heavy drain on foreign currency balances, which dropped from \$713 million at the end of 1967, to \$400 million at the end of 1969, while foreign currency debts rose from \$1,600 million to \$2,100 million in the same period.

In the second half of December the new government was studying ways of holding down the payments gap; increasing state revenue to meet expenditure, which was expected to be up by I£2,000 million; and satisfying part of the Histadrut's demands for wage increases (after a wage freeze of three years) without precipitating inflationary pressures.

### *Relations With Diaspora*

Prime Minister Levi Eshkol's Conference of Leaders of Jewish Organizations met in Jerusalem, January 8-12. Participants were 169 heads and representatives of Jewish organizations and communities from 21 countries, and 130 Israeli leaders. It was the second of three international gatherings called by Eshkol within the framework of Israel's 20th anniversary. (The first was the World Economic Conference, held in April 1968 [AJYB, 1969 (Vol. 70), p. 343].) The conference's over-all purpose was to bring a maximal number of Jews the world over into working and living contact with Israel.

Eshkol's opening address was a strong call for *aliyah* from the West and for primary attention to Jewish education in the *diaspora*. The delegates considered these questions, as well as others, chief among them the denial to Soviet Jews to emigrate and the fate of the Jews remaining in the Arab countries.

The conference's closing statement was presented in form of a consensus, rather than a resolution on which delegates could vote. Regarding Eshkol's primary concerns, it said in part:

We are united in our determination to broaden its [Jewish education's] scope and content. We declare that Jewish education be regarded as central to Jewish community activities. Realizing the crucial need of *aliyah* to Israel, we are resolved to set this subject on the agenda of thought and activity of our organizations.

Five American organizations, including the American Jewish Committee, said they would have to present the key message on *aliyah* to their governing bodies. In his statement at the closing session, Eshkol underscored this message, taking issue with some speakers who had referred to "two parts" of the Jewish people, one in Israel and the other in the *diaspora*. He considered this distinction "purely geographical" and "somewhat damaging," insisted that there was "only one Jewish people," and urged a doubling of immigration from the free world in the next 30 years.

Jacob Blaustein, honorary president of the American Jewish Committee, was appointed as a "committee of one" by Arthur J. Goldberg, then presi-

dent of the Committee, to look into the decisions of the conference. Mr. Blaustein discussed with Mrs. Golda Meir, who became prime minister after Eshkol's death in February, statements coming out of conference committees that dealt specifically with the Jews in the United States. These asked top priority for mass emigration programs to be directly supported by Jewish communities, under the aegis of the Jewish Agency, and for Jewish education geared to the promotion of *aliyah*. They were, Mr. Blaustein submitted, inimical to the Jews in the United States, and in violation of an agreement with David Ben Gurion.

This agreement, couched in the now famous August 23, 1950 exchange of statements between then Prime Minister Ben Gurion and Mr. Blaustein, clarifying the relationship between Israel and American Jews (AJYB, 1952 [Vol. 53], pp. 564-68), explicitly stated Israel's recognition of the full independence of Jewish communities abroad, and of *aliyah* as the free choice of each American Jew. Mr. Blaustein was given strong reaffirmation of this agreement by Ben Gurion in 1961 (AJYB, 1962 [Vol. 63], p. 285), and by his successor, Eshkol, in an exchange of letters in 1963.

Following the Meir-Blaustein discussion, Mrs. Meir expressed her endorsement of the 1950 position, in a January 14, 1970 letter to Mr. Blaustein:

There is one particular subject on which I would like to clear up any possibility of misunderstanding. As you know, I was privy to the talks which were conducted on the occasion of your visit to Israel in 1950 and to the understanding which followed from those talks. This has been a continuing understanding. On my part, there has been no deviation from it and it is my intention that there will not be.

### *Personalia*

Itzik Manger, Roumanian-born Yiddish poet, author of the successful musical "The Megilla of Itzik Manger," who was idolized by East European Jews for his poems based on Bible stories, died in Tel Aviv in February at the age of 67. Abba Khoushy, mayor of Haifa, died in Tel Aviv on March 24, at the age of 70. Leo Heiman, correspondent for American newspapers in Israel, died in Haifa on March 31, at the age of 42. Eri T. Jabotinsky, former member of Keneset, cofounder of right wing of Herut party and professor of mathematics at Haifa Technion, died in Tel Aviv on June 6, at the age of 59. Amos de Shalit, eminent nuclear physicist, former director general of Weizmann Institute, and winner of the 1965 Israel prize, died in Rehovot on September 2, at the age of 46. Rabbi Joseph Kahaneman, talmudic scholar and founder of Ponevez yeshiva in Israel, died in Bnai Brak on September 3, at the age of 80.

MISHA LOUVISH