The Suez Canal and Jordan River cease-fire lines were almost completely quiet throughout the year. But on the northern borders with Lebanon and Syria there was trouble now and then owing to the activities of the Palestinian Arab terrorist organizations, and from time to time Israeli forces took action against their bases in those countries. Quiet continued in the Israel-controlled areas of Judea and Samaria, and there was an improvement in security, employment, and living conditions in the Gaza Strip.

There was no progress, however, toward a settlement of the conflict between Israel and any of her neighbors or an interim arrangement for the reopening of the Suez Canal. Much tension was caused, too, by Arab terrorist attacks, especially on Israelis abroad and on Israeli air traffic.

The economic boom continued, at the cost of inflationary tendencies, rising prices, and numerous strikes. Immigration was up, mainly due to the arrival of twice as many Soviet Jews as in 1971, and building capacity was heavily taxed to meet the needs of the newcomers as well as the existing population. Domestic political activity increased in preparation for the October 1973 parliamentary and local elections.

FOREIGN AFFAIRS

Peace Prospects

The government and the bulk of public opinion regarded the prolonged quiet on the borders and in the Israel-controlled areas as temporary and looked forward to a durable peace with the Arab neighbors. Government leaders reiterated Israel’s readiness to negotiate, without prior conditions, on a comprehensive solution with any or all of the neighboring states, but there was no specific response to this call.

The Jarring mission remained deadlocked over the Egyptian demand, backed by the UN envoy, for a prior Israeli commitment to withdraw from the entire Sinai Peninsula (AJYB, 1972 [Vol. 73], p. 560). Gunnar V. Jarring paid a one-day visit to Jerusalem in February to “update himself” on Israel’s position, but there was no further progress during the year. In the same month, Israel agreed to the United States proposal for “close proximity talks”
with Egypt on an interim arrangement for reopening the Suez Canal (AJYB, 1972 [Vol. 73], pp. 562-64), but Egypt made no response.

The departure of Soviet military "advisers" from Egypt in July, which was regarded as a consequence of America's firm Middle East policy, was welcomed by Israel. Prime Minister Golda Meir, speaking in the Knesset on July 26, described it as a "highly significant event in the life of Egypt." She appealed to President Anwar al-Sadat as "the leader of a great people, a people with an ancient heritage, whose future is ahead of it" that they "meet as equals and make a joint supreme effort to arrive at an agreed solution to all the outstanding problems." However, while the departure of the Russians weakened Egypt's capacity to make war, it did not induce Sadat to make peace.

The open-bridges policy on the River Jordan, with the regular traffic of travelers and goods between the West Bank and the East Bank, was widely regarded as constituting a de facto interim settlement with Jordan. According to reports in the international news media, secret discussions took place between King Hussein and Israeli leaders; but Mrs. Meir, Defense Minister Moshe Dayan, and others stated that King Hussein was unwilling to agree to the territorial changes and other arrangements that Israel considered essential for its security or to accept a united Jerusalem under Israeli sovereignty.

Hussein's plan, announced in March, for a federal United Arab Kingdom consisting of Jordan and "Palestine," with Jerusalem as its capital, was rejected by Israel because, as Mrs. Meir said in the Knesset on March 16, "it is not founded on the principle of agreement and does not display readiness for negotiations." The plan, she pointed out, stipulated Jordanian rule not only over the "West Bank," but also over other "Arab lands" that might be "liberated"—an obvious reference to the Gaza Strip, which had never been under Hashemite rule.

In an interview published on September 8, Mrs. Meir said Israel would be prepared to establish new frontiers with Egypt which would protect both countries against sudden attacks. It would also be prepared for practical arrangements with Jordan, including "open skies and an outlet to the Mediterranean," but only if there were substantial changes in the pre-war demarcation lines. Israelis generally believed that neither Jordan nor any other Arab country would seriously consider making peace with Israel unless Egypt led the way. But the Egyptians repeatedly declared that they would accept nothing less than the return of all the lands the Arabs had lost in 1967 together with the "restoration of the rights of the Palestinian people," which was understood to mean the liquidation of the State of Israel.

There was widespread discussion of the long-term prospects for peaceful relations between Israel, the Arab-inhabited areas under Israeli control, and Jordan. Dayan stated that Israel must be prepared for the status quo to last a long time—a decade or 15 years—and should, therefore, act as the areas' permanent government, integrating their economies with its own.
There was much interest in the book *Eretz Hatzevi* ("Glory in the Land of the Living"), by Aryeh Eliav, former secretary-general of the Israel Labor party, advocating the restoration to the Palestinian Arabs of most of the territories taken in the six-day war to enable them to establish a sovereign state to include most of the West Bank, East Bank, and the Gaza Strip.

Towards the end of 1972 the Labor party held a series of meetings to discuss the policy to be adopted in the Israel-controlled areas, particularly with regard to problems arising out of the employment in Israel of over 50,000 Arabs from the areas and the relations between their economies. Many of the speakers, who included most Labor members of the Cabinet, digressed to questions of major policy. Finance Minister Pinhas Sapir, Deputy Prime Minister Yigal Allon, Foreign Minister Abba Eban, and others opposed any measures that might establish a *fait accompli* liable to close options to peace. They warned of the danger to the Jewish character of Israel posed by the annexation, even if only de facto, of territories inhabited by a million Arabs. Histadrut Secretary-General Yitzhak Ben-Aharon caused a furor by suggesting that unilateral withdrawal from part of the areas might be advisable if peace was long delayed. Transport Minister Shimon Peres was the most prominent supporter of Dayan's view.

Gahal (the Herut-Liberal bloc), especially the Herut wing, continued to advocate the integrity of the entire Land of Israel (actually, the area west of the River Jordan plus the Golan Heights) and opposed any withdrawal that would involve its renewed partition. It also opposed withdrawal of Israeli troops from the Suez Canal as part of an interim or partial settlement with Egypt.

In the National Religious party, too, opinion was hardening against withdrawal from any part of the historic Land of Israel.

Mapam (the United Workers' party) moved somewhat closer to the attitude of the Labor center when, at its convention in December, it approved settlement in the Rafa district and resolved that the future of the Gaza Strip should be settled in peace negotiations.

**Diplomatic Representation**

At the end of 1972 Israel was represented in 92 countries abroad, in 72 of them by resident missions; 63 states were represented in Israel, 23 of them by missions in Jerusalem and 25 in the Tel Aviv area, and 15 by nonresident ambassadors.

**The Americas**

After Prime Minister Meir's talks with President Richard M. Nixon in December 1971 (AJYB, 1972 [Vol. 73], p. 564), cooperation and understanding between Israel and the United States were closer and more
cordial than ever before. This was evident from the resumption of supply of Phantom aircraft and other sophisticated weapons, large-scale financial aid, and American political support. Great significance was attached in Israel to Nixon's statement on June 1, after his return from Moscow, that he had "reiterated [to the Soviet leaders] the American people's commitment to the survival of the State of Israel" and to America's use of the veto (for only the second time in UN history) against a Security Council resolution condemning Israel for its operations against Syria and Lebanon after the Munich massacre.

An interview with Israel Ambassador to the United States Yitzhak Rabin, broadcast by Israel Radio on June 10, in which he paid glowing tribute to President Nixon's friendship for Israel, was interpreted in some American quarters as interference in the presidential elections. Any such intention was categorically denied by both Rabin and the Israel Foreign Ministry.

Israel continued to maintain very cordial relations with most Latin American states. Many of them consistently supported Israel in the UN, and there was an extensive network of technical cooperation. The first Haitian ambassador presented his credentials in April; offices were opened in Jerusalem. Relations were equally good with Canada, Australia, and New Zealand.

Western Europe

The need for a more comprehensive agreement with the European Common Market became more urgent with the admission, in 1972, of Britain, Denmark, and Ireland. In 1971 Israel sold to the nine members of the enlarged Market $360 million worth of goods, nearly two-fifths of its exports, and bought from them $860 million worth, almost half its imports. Israel welcomed in principle the Market's decision to work for a global agreement with the Mediterranean countries and, within its framework, pressed for consideration of its special interests, such as equal concessions for Israeli agricultural products, an extended transition period before the abolition of tariffs on European industrial goods, and participation in the Market's credit and investment projects. The British, Austrian, and Netherlands foreign ministers visited Israel in 1972.

Under a February 15 agreement with France, Israel accepted repayment of the sum paid for the 50 Mirage fighters embargoed since June 3, 1967; but as Asher Ben-Natan, Israeli ambassador in Paris, stated, "We would have preferred to have the planes rather than the money." There was no substantial change in France's pro-Arab policies (p. 396).

Soviet Bloc

While the Soviet Union did not encourage the Arab countries to make war against Israel, it continued to supply them with arms and conducted a virulent
and persistent campaign of anti-Israel propaganda. A further shadow on relations was the persecution of Soviet Jews wishing to settle in Israel (p. 487). Most other Communist countries displayed a similar though less active attitude.

A notable exception was Rumania. At the invitation of Council of Ministers Chairman Ion Maurer, Mrs. Meir came on an official visit in May, the first by an Israeli prime minister to a Communist country. She conferred with President Ceausescu and attended a synagogue service in Bucharest. A joint communique noted the normality of Rumanian-Israel ties, "on the basis of mutual respect and advantage," and called for continued efforts toward peace in the Middle East.

Asia and Africa

In December agreement on the establishment of diplomatic relations with South Vietnam, with embassies in Jerusalem and Saigon, and the opening of the Cambodian embassy in Jerusalem completed the framework of Israel's relations with the countries of Indo-China (except for North Vietnam). In April South Africa opened a consulate general in Israel for the first time.

Friendly trade relations and cooperation in technical and scientific aid continued with most countries in Africa, but African spokesmen generally supported the Arab viewpoint at international gatherings and institutions.

The rupture of relations by Uganda, after a decade of technical cooperation and assistance in army training, came as a shock. Eban maintained in April that Idi Amin had sacrificed good relations with Israel to obtain financial benefits from Arab countries. The break, as well as similar measures later in the year by Chad and Congo Brazzaville, were attributed to strong Arab pressures, particularly from Libya.

United Nations

In the United Nations, the Arab-Soviet bloc, with much Afro-Asian support, pushed through a succession of anti-Israel resolutions in the Security Council and the General Assembly (pp. 204-206). The conviction in Israel that its case had not the slightest hope of a fair hearing at the UN was reinforced at the end of the year, when the General Assembly, after passing a resolution strongly biased against Israel, deferred to the next session action on the problem of terrorism, which had been placed on the agenda by the Secretary-General and several member states.

International Cooperation

Israel continued to expand technical and scientific cooperation with developing countries in Africa, Asia, Latin America (where its role in the field
was recognized in February by the grant of permanent observer status in the Organization of American States) and the Mediterranean area. Since the beginning of its organized international cooperation program in 1958, Israel had sent out some 4,500 experts in agriculture, administration, youth organization, science and technology, medicine and health, not counting those serving with UN agencies. During the same period, almost 15,500 trainees from developing countries attended Israeli courses in agriculture, cooperation, administration, community development, and others.

DEFENSE

The Northern Border

Almost all Arab hostilities against Israel in 1972 were initiated by Palestinian terrorist groups, in some cases involving the Lebanese and Syrian governments which gave them shelter.

Israeli forces took action several times during the first half of the year against terrorist bases in "Fatahland," in southern Lebanon, which were raided twice in January after rocket-firing at Safad and Kiryat Shmona, and on three successive days by ground and air forces at the end of February, after three persons had been killed and seven injured in terrorist strikes.

June saw another spate of assaults, including a bazooka attack on a bus in which two civilians were killed and the shelling of Kiryat Shmona, which brought an Israeli land, air, and artillery assault against terrorist bases in Lebanon. During the raid five Syrian intelligence officers were captured some hundred yards from the border; Israel offered to exchange them for Israelis held in Syria, but the Syrian government insisted on their unconditional release. Allon, who was acting prime minister at the time, expressed regret at the inadvertent killing of civilians in the Druse township of Hasbaya during an air strike on terrorist bases north of the town, stating the incident was due to a technical fault.

The Syrians generally kept the el-Saeqa terrorist organization, which was directly subordinated to their army command, under close control; but a number of attacks were launched from Syrian territory in January and February, and Israel hit back with air raids on terrorist concentrations.

Terrorist Attacks on Air Transport

Meanwhile the terrorists, suppressed in Jordan, harried by the Israeli security forces, and somewhat held in check by the Lebanese and Syrian governments, again began attacking Israeli air transport and Israelis abroad. On May 9 four Arabs hijacked a Sabena plane, landed it at Lod airport, and threatened to blow it up with about a hundred passengers and crew unless Israel released over a hundred imprisoned terrorists. The Black September
group (named after the month in 1970 when Hussein started his campaign against them) claimed responsibility for the attack. An IDF (Israel Defense Forces) detachment rushed the plane, killing two of the terrorists and capturing two. On May 30 three Japanese opened fire at passengers disembarking at Lod airport. The Popular Front for the Liberation of Palestine claimed responsibility for the massacre, in which 23 persons were killed and 78 wounded. On September 6 a Black September group killed 11 members of the Israel team at the Olympic Games in Munich whom they held hostage for the release of terrorists held in Israel.

After the Munich massacre (p. 451), the IDF took more determined action against the terrorist bases in Lebanon and Syria. On September 8 the Israel Air Force attacked 11 of their camps, doing extensive damage to installations, vehicles, and equipment. Allon and Chief of Staff David Elazar stated the operation was not merely a reprisal for the Munich outrage, but part of a continuous war against the terrorists. A day later, three Syrian fighters attempting to attack Israeli positions on the Golan Heights were shot down.

On September 16-17 Israeli troops, with air support, crossed into Lebanon, searched 16 villages, and destroyed about 150 bunkers and buildings used by the terrorists, killing about 60 and taking many prisoners. The Lebanese army intervened and suffered about 60 casualties.

In October there was an increase in terrorist attacks from Syria, with the support and, in some cases, the participation of the regular army. This was attributed to the approach of the UN General Assembly debate on the Middle East and the stepping up of Soviet arms supplies to Syria. Israeli planes raided five terrorist concentrations in Lebanon, one in Syria, and four near Damascus. When Syrian artillery bombarded Israeli positions in the Golan Heights, Israel replied by shelling a Syrian army camp.

Arab terrorist warfare also took the form of mailing letter- and parcel-bombs to prominent Israelis and other Jews. In January a number of these were intercepted in Israel and defused. The start of another wave was marked by the killing in September of Dr. Ami Shehori, agricultural attaché at the Israel embassy in London, with a letter-bomb. Scores of these bombs were intercepted in Israel and other parts of the world.

Following a report by an inquiry committee, headed by Pinhas Koppel, former inspector-general of police who was appointed after the Munich massacre to investigate security arrangements for the protection of Israel representatives and installations abroad, Prime Minister Meir told the Kneset on October 16 that three security officials had been asked to resign. Precautions would be tightened and Israel must take the initiative against the terrorists and their bases, she declared.

The cabinet expressed "indignation and consternation" on November 5 at West Germany's release of three Arabs awaiting trial for their share in the Munich killings when another Black September group hijacked and threatened to blow up a Lufthansa plane.
ISRAEL-CONTROLLED AREAS

Judea and Samaria

There generally was an atmosphere of normality and progress in Samaria and Judea (West Bank). Municipal elections were held in Samaria in March and in Judea in May. The elections were supervised by local Arab committees without Israeli interference; 84 and 87.6 per cent, respectively, of the electors voted—more than in earlier elections under Jordanian rule, and new mayors were appointed in about half the municipalities.

Over 50,000 Arabs from the areas daily entered Israel to work in construction, agriculture, road-building, and industry. They usually were paid at the same rates as Israeli workers, and the 40,000 who were hired through the government labor exchanges had the same social benefits, such as national insurance and paid holidays. Efforts were made to prevent unorganized employment through ra‘isin (bosses) who were likely to exploit Arab workers.

The new Jewish quarter of Kiryat Arba adjacent to Hebron continued to develop. The first 250 dwellings were completed, and government approval was given for building another 100. A large industrial section also was under construction. The area, with a population of almost 1,000, was administered by a military-government officer aided by an advisory committee of residents.

There were some disagreements between the Israel government and the largely religious residents, who demanded autonomous municipal status and the right to approve new candidates for housing. They also objected to an agreement between Defense Minister Dayan and Hebron Mayor Muhammad Ali al-Ja’bari on such matters of coexistence between Jews and Muslims as the designation of specific hours for prayer at the Tomb of the Patriarchs (Cave of Machpelah), which for centuries had served as a Muslim mosque.

An unfortunate incident took place at Aqrabah, an Arab village about 10 miles southeast of Nablus, some of whose land had been fenced off for military-training purposes. When the villagers continued to cultivate the fenced-off land, it was sprayed to destroy the crops and thus keep the villagers away. The action was generally condemned, and Dayan conceded that the officer in charge had blundered.

Gaza Strip

The situation in the Gaza Strip improved considerably as the result of stern action against the terrorists, full employment, the rehousing of many refugees, and the widening of roads in the refugee camps to reduce overcrowding and facilitate access. Restrictions on movement inside the area and into Israel were eased, and the refugee camps were joined with
neighboring municipalities to bring them closer to the status of normal communities. The Israeli authorities' aim was to normalize, as far as possible, their economic and social positions, even while the political problems remained unsolved.

Mayor Rashad al-Shawa of Gaza, who had tried to establish closer relations between the Strip and Jordan, was dismissed when he refused for political reasons to extend municipal services to the adjoining refugee camp.

Rafa Area

There was considerable controversy during the year over plans to develop the area west of the Arab town of Rafa in northeastern Sinai (known as Pithat Rafiah, the Approach to Rafa) as an eventual buffer zone between the Gaza Strip and the areas that might be restored to Egypt in an eventual peace settlement. In January there was criticism of the manner in which an area of several thousand acres was fenced off for security and settlement purposes and its Beduin residents expelled. Defense Minister Dayan said the operation had not been authorized and the officer responsible had been reprimanded. For the time being, the Beduins were permitted to cultivate their land; they were offered compensation and would be rehabilitated. Prepared on instructions from Dayan, a plan for a new city of 250,000 inhabitants in the area, to be called Yamit (Seatown), was opposed by Finance Minister Pinhas Sapir. The government decided on the establishment of a small urban center for the new Israeli villages in the neighborhood. Rafa took over the provision of services for the adjoining refugee camp.

DOMESTIC AFFAIRS

Population

According to the May 1972 Census of Population and Housing, the population of Israel (including the whole of Jerusalem but not the Israel-controlled areas) totaled 3,124,000, an increase of 43.3 per cent since the previous census in 1961. The urban population rose from 77.9 to 84.4 per cent, but the rural population was up by only 1.1 per cent during the period.

At the end of 1972 the population was 3,199,200—2,723,100 Jews (85 per cent) and 476,100 non-Jews (15 per cent). Of the Jews, 47.2 per cent were born in Israel, 27.1 per cent in Europe or America, 13.6 per cent in Africa, and 12.1 per cent in Asia.

Since May 15, 1948, the Jewish population had grown by 2,074,000—almost 320 per cent. About 60 per cent of the increase was due to the immigration balance. Since the beginning of 1950, the non-Jewish population had risen by 317,000, or 244,000 not counting the Arab population added
through the reunification of Jerusalem, a growth of 153 per cent almost exclusively by natural increase.

Immigration

Immigration in 1972 totaled 56,000, a rise of 34 per cent over 1971. Seventy per cent of the newcomers were from Europe, 20 per cent from the Americas, and only 10 per cent from Asia and Africa. The majority (68 per cent) were between the ages of 15 and 60; 23 per cent were children aged 14 and under; 9 per cent were over 60.

While immigration from the Americas and Western Europe declined, 30,000—more than half the total and twice as many as in 1971—came from the Soviet Union (p. 488), one-third of them from the non-Ashkenazi community of Soviet Georgia. It was estimated that about 100,000 more had applied for permission to leave.

The newcomers from the USSR had a high proportion of distinguished academics, professional men, and technicians, who made a valuable contribution to the Israel economy. The integration of the Georgian Jews, who had lived in closely knit, intensely religious communities and many of whom spoke only Georgian, presented special problems. Because they objected to being dispersed, arrangements were made to settle them in larger concentrations, so that they could have their own synagogues and lead their customary communal life while adapting to the conditions of life in Israel.

Great indignation was aroused in Israel, as in many other parts of the free world, by the imposition of a high exit tax on university and college graduates to compensate the Soviet Union for the cost of their higher education (p. 487). After widespread protests, some were allowed to leave without paying the tax, but it was being generally enforced at the end of the year.

Political Affairs

There was practically unanimous agreement in the Labor party and Mapam that Mrs. Meir continue in office after the October 1973 elections, but she repeatedly stated that she did not intend to serve another term. Constant efforts were being made to persuade her to change her mind, for it was feared that her withdrawal would precipitate a divisive conflict over the succession.

It was generally believed that, if she did not continue in her post, the ex-Mapai faction would insist on nominating the next Labor candidate for the premiership, and that its choice would be Finance Minister Pinhas Sapir—although he, too, had declared that he would not be a candidate for cabinet office after the elections. Among others mentioned were Defense
Minister Dayan (ex-Rafi), Deputy Prime Minister Allon (ex-Ahdut Ha-'avodah) and, if Sapir definitely refused to stand, Foreign Minister Eban as the ex-Mapai nominee.

There was some dissatisfaction among Labor party stalwarts when Major General Haim Bar-Lev was appointed minister of commerce and industry immediately after his retirement as I.D.F. chief-of-staff without a prior period of activity in the party. It was reported that the previous chief-of-staff, Yitzhak Rabin, had been assured of a cabinet post on completing his term as Israel ambassador to the United States.

Yisrael Yeshayahu (of Yemenite origin) was elected Speaker of the Keneset in succession to Reuven Barkatt, who died in April. He was nominated for the post by the Labor Party after a secret ballot in its central council, in which Yeshayahu had a narrow majority over Yitzhak Navon, a Sephardi. Deputy Minister of Education and Culture Aharon Yadlin was elected secretary-general of the party to succeed Yeshayahu.

Justice Minister Jacob S. Shapiro resigned on June 11 as a result of extensive press and parliamentary criticism of the high fees awarded to counsel appearing at the public inquiry into the Netivei Neft oil extraction company (AJYB, 1972 [Vol. 73], p. 571). At the prime minister's invitation, he resumed office on September 12.

A step toward electoral reform was taken in July when the Keneset passed the first reading of a Labor-sponsored bill which would replace proportional representation by a system of regional-proportional parliamentary elections. It provided for the majority of the Keneset seats to be allocated according to constituencies and the rest according to a single countrywide list-system. No further progress was expected before the 1973 elections, however, since the Liberals, who supported the reform, wished at this time to avoid disagreements with Herut, which opposed it.

The first Druse to join Israel's diplomatic service was Ziedan Atashe of Isfiya village, who was appointed in September as consul for information in New York.

At the Herut movement's convention in December, Ezer Weizman, the party's most prominent recent recruit, tried to organize support for the introduction of new blood into its governing bodies. He was foiled, however, by the opposition of Herut's unchallenged leader, Menahem Begin, and resigned from his post as chairman of the executive.

In the elections, in November, to the convention of the National Religious party, the Lamifneh faction, led by Interior Minister Joseph Burg, gained 27 per cent of the votes and came to an agreement on the composition of the party's governing bodies with the next-largest faction, headed by Yitzhak Raphael, which had 24 per cent. The youth faction had 20 per cent and Religious Affairs Minister Zerah Warhaftig's faction 10 per cent. There
was a strong trend in the party, spearheaded by the youth faction, toward more militant policies on religious questions and foreign affairs.

**Religious Controversies**

Heated controversy occurred over a number of religious-related issues. Demonstrations were held against the opening of "sex boutiques" in Jerusalem and Tel Aviv. The one in Tel Aviv was set on fire and indignant demonstrations leading to clashes with the police were held when three yeshivah students from nearby Bene Berak were charged with arson and kept in custody over the High Holy Days awaiting trial.

There was a threat of a cabinet crisis over a bill proposed by the Independent Liberal party to institute civil marriage for those disqualified from a religious ceremony. Support for the proposal was largely a reaction to the case of a brother and sister who had been adjudged mamzerim—and therefore not qualified to "enter the congregation of the Lord"—because their mother had remarried without obtaining a valid Jewish divorce. Prime Minister Golda Meir ruled that the proposal violated the coalition agreement for the maintenance of the status quo in matters of religion and that the Liberal party representative in the cabinet would have to resign if his party pressed the bill to the vote. Mapam stated that it, too, would support the bill—a step which could lead to the break-up of the Labor-Mapam alignment. A cabinet crisis, which would almost certainly have necessitated premature elections, was narrowly averted when the vote on the bill, debated in the Keneset on July 6, was postponed.

The Labor-Mapam alignment's other coalition partner, the National Religious party (NRP), was affected by a bill proposed by Shlomo Lorincz (Agudat Israel) on July 12 to amend the Law of Return (Amendment No. 2) (AJYB, 1971 [Vol. 72], p. 438) to recognize only conversions carried out according to halakha (Orthodox rabbinic law), whether in Israel or the Diaspora. A strong NRP faction felt it must vote for the bill even at the cost of a cabinet crisis; but the majority decided to abstain. Deputy Minister of Education Avner Sciaky (NRP) voted for the bill, and was dismissed from his post.

Mrs. Meir and most Labor members hoped that at least some of the problems with which the ILP bill was intended to deal could be solved by a more liberal interpretation of halakha in specific cases. They attached great importance, therefore, to the candidacy of Rabbi Shlomo Goren, Chief Rabbi of Tel Aviv and former chief chaplain of the Defense Forces, in the elections to the chief rabbinate. When, after lengthy delays, the elections finally took place on October 15, Rabbi Goren was elected by a vote of 89 against 57 for the 86-year-old incumbent, Rabbi Issar Yehuda Unterman, and
Rabbi Ovadiah Yosef defeated Sephardi Chief Rabbi Yitzhak Nissim by 81 votes to 68.

One of the first problems tackled by Chief Rabbi Goren was that of the brother and sister, on which he had previously written a detailed *halakhic* opinion. On November 19 he announced that he and eight *dayanim* ruled they were not *mamzerim*, and they were married to their respective betrothed on the same day. The decision was bitterly denounced by Agudat Israel and more extreme Orthodox circles. The Liberal party acceded to Chief Rabbi Goren’s request to postpone the vote on its bill for a year so that he could find *halakhic* solutions to some of the pressing problems.

**Miscellaneous**

An important principle under the 1950 Law of Return was involved in Meyer Lansky’s appeal against the refusal of Minister of Interior Joseph Burg to grant him an immigration visa on the ground that he was “a person with a criminal past likely to endanger public welfare.” In September the Supreme Court rejected the appeal because Lansky “had operated within the framework of organized crime in the United States and had been closely connected with it.” Lansky was ordered to leave and, when he could not find a country that would admit him in the time allowed him, returned to the United States.

Another issue related to the Law of Return was raised by the claim of Black Hebrews from the United States, who had come to Israel on tourist visas and settled in Dimona, that they were descended from the Israelites and entitled to settle in Israel. When they appealed against the interior minister’s refusal to grant them visas under the Law of Return, the Supreme Court ruled that, while it appeared they recognized the God of Israel, they could not be regarded as Jews.

Rabbi Meir Kahane started an Israeli branch of the Jewish Defense League, which conducted a number of widely publicized activities. Kahane tried to hold demonstrations in Hebron, calling on the mayor, Sheikh Muhammad Ali Ja‘bari, to appear at a public “trial” to answer charges of complicity in the massacre of 1929. The military authorities thereupon banned him from Samaria and Judea. Kahane also claimed responsibility for an attempt to smuggle arms out of Israel to fight Arab terrorists abroad. Charges were then filed against him, some of his followers, and Amihai Paglin, former chief of operations of the Irgun Zeva‘i Leummi. He drew widespread criticism for sending letters to prominent Arabs in which he offered to help them leave Israel.

Greek-Catholic Archbishop Joseph Raya led a number of demonstrations in support of the claims by Christian Arabs from the villages of Bir‘im and Ikrit
near the Lebanese border, who had been asked to leave their homes during the fighting in 1948 on the understanding that they would be allowed to return later. They had been housed in similar nearby Christian Arab villages and offered compensation for their former homes and lands, which some had accepted. Now they insisted on being allowed to return to their homes. In July the government rejected their demands on the grounds that the land had been cultivated by Jews for over 20 years, and that the return of the Arabs would establish an undesirable precedent and would constitute a security risk.

Public opinion was shocked when a number of Jews were among those arrested in the latter part of 1972 and charged with belonging to a spy ring which operated in collaboration with the Syrians.

**Economic Affairs**

The economic expansion of 1968-71 continued. The Gross National Product grew by 9.5 per cent, gross domestic investment by 10 per cent, and per capita consumption by 5 per cent—all at fixed prices. Expenditure on public services declined by 2 per cent. Unemployment dropped to 2.7 per cent, the lowest in Israel's history.

Exports of goods and services increased by 14 per cent and imports by 3 per cent, as against 23 and 10 per cent, respectively, in 1971. Exports totaled $2,275 million and imports $3,350 million, giving an import surplus of $1,075 million, 11 per cent less than in 1971. Exports doubled in four years, covering 68 per cent of imports, compared with 59 per cent in 1969.

Forty-eight thousand dwellings were completed during the year, compared with 38,000 in 1971, and building starts increased from 51,000 in 1971 to 60,000. At year's end, 82,000 dwellings were under construction, as against 69,000 a year earlier.

However, this lively economic activity exacted a price. Average means of payment rose by 30 per cent and the consumer price index by nearly 13 per cent. Inflationary tendencies and overemployment led to a spate of wage claims, many of them accompanied by strikes or "sanctions," i.e., slowdowns, working to rule, bans on overtime, and others. The number of work days lost by strikes was 213,000, compared with 178,000 in 1971, and 390,000 in 1970.

The labor trouble was particularly damaging and irritating to the public because most of the strikes were in the public sector and many of them, such as those of hospital staffs, radio and TV technicians, Kupat Holim doctors, and dock and airport workers, interfered with public services and threatened grave economic damage. Histadrut Secretary-General Yitzhak Ben-Aharon was accused by some of fomenting strife by his pugnacious language and his talk of class struggle.
A large number of strikes, especially those called by small groups of key workers in the public sector, were not approved by the Histadrut. It did back two prolonged disputes in the private sector—the preserves industry and the Elite chocolate and candy concern—and helped bring about a general increase in the minimum wage and a greater degree of equality between men and women.

By the end of the year, new contracts had been negotiated in the civil service (general administrative grades), clerical occupations, and most of industry, with increases of 35 to 40 per cent, including cost-of-living allowances, for 1973 and 1974.

A new scale of national insurance allowances for children came into force on October 1, increasing them by as much as 57 per cent. The allowances were subject to graduated income tax, so that the maximum benefit would go to the poorer groups.

Finance

The state budget for the year 1972-1973 totaled £15,870 million, compared with £14,835 million for 1971-72 (revised figure after devaluation), showing little change in real value. For the first time, there was preliminary public discussion of the defense budget, with the result that it was reduced by 11 per cent, from £5,950 million to £5,295 million (33 per cent of the total budget, compared with 40 per cent in 1971-72. The next-highest item, education, accounted for £1,074 million, followed by housing at £884 million. Over 80 per cent of the revenue came from internal sources, including 55 per cent from taxes and 16 per cent from domestic loans, and the rest from foreign loans.

Toward the end of the year, the cabinet approved a supplementary budget of £1,430 million to cover increased costs of salaries, subsidies, and immigrant housing. It also approved the main items in the budget for 1973/74, to be submitted to the Keneset in mid-January 1973, which totaled about £20 billion. The increase was due to further salary increments; higher expenditure on social welfare, health, and education; rising costs of imported foodstuffs, and the expected growth in immigration, particularly from the Soviet Union. The budget also provided for reductions in income-tax rates; but revenue was expected to rise because of the continued growth of the economy, so that the budget could be balanced without an inflationary loan from the Bank of Israel.

Moshe (Sandberg) Zanbar, the successor to David Horowitz as governor of the Bank of Israel, said that owing to recent and expected increases in private incomes, authorities would have to reduce purchasing power by £1,500 million during 1973-74 to combat inflation.
Zionist Affairs

The 28th Zionist Congress, meeting in Jerusalem on January 18-28, concentrated on questions of immigration from the United States and Soviet Russia, social problems in Israel, and the situation of Jews remaining in Arab countries. At the opening of the congress there were demonstrations by the Israeli “Black Panther” movement and the Jewish Defense League.

Education and Culture

A number of educational reforms were carried out or extended during the year. Free kindergartens were gradually made more widely available: 70 per cent of all four-year-olds (including 85 per cent of those in backward areas) and 40 per cent of the three-year-olds attended. A committee was appointed to revise kindergarten curricula and methods.

Preparations were completed for the extension of free compulsory education to all children up to the age of 15 in the 1972-73 school year; the abolition of the seker (the uniform examination imposed at the age of 13 to determine suitability for post-primary education); and drastic changes in the secondary school final examination (bagrut) to allow a wider choice of subjects, reduce cramming, and give greater weight to the pupils’ regular work as assessed by the teachers.

There was continuous expansion in higher education. In 1972-73 the number of students at the Hebrew University rose to 17,500, at Tel Aviv University to 15,000, and at Bar-Ilan University to 6,000. The universities ran into considerable financial difficulties as a result of rising salaries and other costs, and had to seek more government assistance. Attempts to raise students’ fees were resisted to the extent of strike action. A committee headed by Labor Court Judge Bar-Nir recommended a graded scale of fees, but there was no decision by year’s end.

The Hebrew University opened centers for documentation and research on Soviet and other East European Jewries, institutes for research on international relations and on work and welfare, and centers for immunology and virology. The center for pre-academic studies, which celebrated its tenth anniversary, had over 1,000 students, many from the Oriental communities, who were being prepared to meet university standards.

Tel Aviv University concentrated on expanding graduate facilities and opened a Faculty of Arts and Communications offering courses, inter alia, in musicology, theater arts, films, and TV.

Bar-Ilan University instituted extension courses at Afula and in the upper
Jordan Valley, and in the Old City of Jerusalem opened the Rivlin Institute for research on Eastern Jews and their culture.

The Weizmann Institute of Science completed the establishment of a new institute of solid-state physics and dedicated an observatory for geophysical research near Eilat. Other projects, planned or under construction, included a 13-floor nuclear accelerator tower, an extension of the Feinberg Graduate School to house the Institute's new $2.7 million IBM computer, and new buildings for institutes of chemical science, cancer and other biological research, and pure mathematics. With the completion of the projects now planned, it was stated, there would be no need for further significant physical expansion for at least another decade.

**Personalia**

Berl Locker, Labor Zionist leader and former chairman of the Jewish Agency Executive, died in Jerusalem on February 2, at the age of 85. Marc Jarblum, Socialist Zionist leader in Poland, died in Tel Aviv on February 5, at the age of 85. Shlomo Grodzenski, author and editor of American Jewish Committee Hebrew monthly *Amot*, died in Tel Hashomer on February 7, at the age of 67. Joseph Saphir, leader of the Liberal party, died in Australia on February 26, at the age of 70. Moshe Sneh, leading member of the Communist party, died in Jerusalem on March 1, at the age of 63. Yaakov Herzog, diplomat, director of the prime minister's office, died in Jerusalem on March 8, at the age of 50. Rabbi Eliahu Pardess, Sephardi Chief Rabbi of Jerusalem, died in Jerusalem on March 26, at the age of 80. Hannah Meisel, labor pioneer and one of the founders of World WIZO, died on March 28, at the age of 89. Reuben Barkatt, Labor leader and Speaker of the Keneset, died in Jerusalem on April 4, at the age of 66. Poet Alexander Pen died on April 19 at the age of 66. Baruch Karu, writer, critic and lexicographer, twice winner of Tchernichowsky prize, died in Tel Aviv on April 19, at the age of 83. Gershon Shofmann, short-story writer, died in Haifa on June 12, at the age of 92. Yehuda Almog, pioneer in the Dead Sea area, died in Jerusalem on July 23, at the age of 76. Boris Gapanov, Jewish poet, translator, recently arrived in Israel from the USSR, winner of Israel's Tchernichowsky prize in 1969, died in Tel Aviv on July 25, at the age of 38. Professor Baruch Kurzweil, distinguished critic, died in Ramat Gan in August, at the age of 65. Mrs. Shana Kreingold, sister of Prime Minister Golda Meir and her biographer, died in Tel Aviv on September 6, at the age of 83. Manya Bialik, widow of the poet, died in Tel Aviv on September 19, at the age of 96. Ami Shehori, agricultural attaché at the Israel embassy in London, was killed by a letter-bomb on September 19, at the age of 44. Joseph Weitz, pioneer of
afforestation and agricultural settlement, died in Jerusalem on September 22, at the age of 82. Aaron Sela, inspector-general of the Israel Police, died in Tel Hashomer on September 23, at the age of 53. Kaddish Luz, kibbutz pioneer and former Speaker of the Keneset, died in Kfar Sava on December 4, at the age of 77. Nathan Gurdus, journalist and novelist, director and chief correspondent of Israel Bureau of Agence France-Presse, died in Tel Aviv in October, at the age of 63.

Misha Louvish