

**I**F THE MOOD OF Israel at the beginning of 1985 was one of tremendous uncertainty—over the stalemated war in Lebanon, intolerable economic pressures, mounting Arab terrorism, and a rise in domestic extremism—by the end of the year it had become decidedly more confident. Under the leadership of Prime Minister Shimon Peres and the national unity government, the Israel Defense Forces (IDF) withdrew from Lebanon—thus effectively ending the war that had begun in 1982—and a major economic recovery plan was introduced. These two events generated a rapid turnabout in the mood of the country.

## *The War in Lebanon*

The new government was pledged to carry out a withdrawal from Lebanon, but without compromising security in the northern part of the country. To that end, it had begun talks in November 1984 with Lebanese military officials, meeting under UN auspices in the town of Nakoura in southern Lebanon. Even as the parties negotiated the crucial matter of who would take control of the areas to be evacuated by Israel—making little progress—the violence continued.

Within the first ten days of 1985, ten Israeli soldiers were wounded in various clashes, Israel Air Force (IAF) planes attacked a base of a Syrian-backed terrorist organization in the Beka'a Valley, and the crack Golani Brigade killed three terrorists in an ambush near the Awali River in southern Lebanon. On January 9 Israel informed UNIFIL (United Nations Interim Force in Lebanon) that it would not return to the stalled Nakoura talks, and four days later the cabinet began discussing a plan for the unilateral withdrawal of all Israeli troops.

Following two lengthy sessions, on January 14 the cabinet decided, by a 16–6 vote (all the nay votes were cast by Likud ministers, including Vice-Premier and Foreign Minister Yitzhak Shamir), on a three-stage withdrawal from Lebanon, to begin in February in the Sidon area. No specific time frame was set for the second and third stages, the intention being to examine the on-ground effects of each phase before proceeding with the next. However, the cabinet resolution did specify that a security zone immediately north of the Israel-Lebanon border would be “maintain[ed]” by the IDF in coordination with the South Lebanon Army (SLA). In a painful counterpoint to the withdrawal decision, two Israeli soldiers were killed and a third fatally wounded on the very day it was taken.

Seeking to prevent the emergence of a dangerous power vacuum in the Sidon area following the IDF's pullback and to enable the Lebanese government to assert its sovereignty there, on January 22 Israel returned to the Nakoura talks. However, under pressure from Syria, the Lebanese delegation refused to discuss the immediate postwithdrawal situation around Sidon until Israel presented a detailed plan for a total withdrawal from Lebanon. The upshot was that Israel declared the talks suspended, indicating that internal developments in Lebanon were now "Lebanon's responsibility and Lebanon's problem."

The new Israeli attitude was spelled out by Defense Minister Yitzhak Rabin in an early February speech to the Conference of Presidents of Major Jewish Organizations, meeting in New York. Pulling no punches, Rabin said that "Syria came out of the war in Lebanon with the upper hand vis-à-vis Israel in terms of deciding the political future of Lebanon. [Syria] won in that respect." Looking ahead, the defense minister—alluding to a declaration by Prime Minister Menachem Begin at the outset of the war in 1982—asserted: "We are not promising any more that not one Katyusha rocket will fall on an Israeli settlement. No one can prevent that."

Stage one of the Israeli withdrawal from Lebanon was completed on February 16, at which time the port city of Sidon and the surrounding area to the east and south reverted to local Lebanese authority.

On March 3, two weeks after the Sidon pullback, the cabinet gave the go-ahead for the second stage of the withdrawal, from the Beka'a Valley—opposite Syrian forces—and from part of the central sector. The period between the first and second stages of the withdrawal was marked by a major upsurge of terrorist attacks by fanatic Shi'ite elements on IDF troops in Lebanon, which took a fearful toll of Israeli lives. The worst episode occurred on March 10, when 12 soldiers were killed and 14 wounded, many seriously, when a suicide car-bomber detonated the vehicle he was driving as it passed an open military truck just north of Metullah. In response to such incidents the IDF adopted a so-called iron-fist policy, dispatching patrols to flush out hostile elements in villages throughout southern Lebanon.

As Israeli casualties mounted, on March 16 some 20,000 persons attended a demonstration in Tel Aviv, organized by the Peace Now movement to protest the pace of the withdrawal from Lebanon and the price it was exacting. Interviewed the following day on CBS-TV's "Face the Nation" program, Prime Minister Peres indicated that Israel was in fact accelerating the pace of the pullback, stating, "We are on our way out, not only from the land of Lebanon but also from the politics of Lebanon."

By the end of March, six weeks after the introduction of the iron-fist policy in southern Lebanon, the IDF had killed about 70 guerrillas, arrested over 500 persons suspected of affiliation with them, combed 23 villages, and demolished 84 buildings that either belonged to the detainees or in which combat matériel was found. On March 26, Defense Minister Rabin upped the ante in southern Lebanon when he told the Knesset's Defense and Foreign Affairs Committee that Israel would resort to a "scorched-earth" policy if Shi'ite terrorism did not cease.

On April 2–3, the IDF, “out of a desire to improve its relationship with the local population” in southern Lebanon (as an official IDF announcement put it), released 752 prisoners, mainly Shi’ites, from the Ansar detention facility near Tyre, which was dismantled prior to the second stage of the withdrawal. Another 1,200 detainees, deemed too dangerous for release at that juncture, were transferred to the Atlit detention facility in Israel. The IDF communiqué ended by noting that the detainees moved to Israel would be released “in accordance with developments in southern Lebanon, as IDF forces withdraw from Lebanon.” (These prisoners were subsequently to become the focus of the demands of the hijackers of a TWA passenger plane; see “Terrorism.”)

On April 11, two days after two Israeli soldiers were killed when a young Arab woman blew herself up together with the booby-trapped car she was driving, the IDF completed the second stage of its Lebanon withdrawal, this time pulling out of a 300-square-kilometer area in and around Nabatiyeh. This left the IDF in control of some 2,000 square kilometers, or 19 percent of the country’s total area. (At the peak of its involvement, in September 1982, the IDF was in control of 3,400 square kilometers, or fully 33 percent of Lebanese territory.)

Ten days later the cabinet authorized the IDF to proceed with implementation of the third and final stage of its withdrawal “by the beginning of June.” Speaking to reporters after the cabinet meeting, Defense Minister Rabin explained the three goals of the government’s defense plans for the country’s north: “the redeployment of the IDF along the international border, from where it will do whatever is necessary to defend Israel”; the establishment of “a security zone adjacent to the Lebanon-Israel border,” based on local civil guards; and the use of its “right of self-defense” to thwart any incipient terrorist activity anywhere in Lebanon that could endanger Israeli security.

On April 24—as it happened, Memorial Day for those who fell in Israel’s wars—the IDF withdrew from the Beka’a Valley on the eastern front, followed five days later by a pullback from the Tyre area. This left all the remaining Israeli troops in Lebanon within the actual security zone: an area 8–15 kilometers wide, comprising 11 percent of Lebanese territory, with a population of 235,000, including 135,000 Shi’ites. Although the intention had been to complete the pullback on the third anniversary of the war’s outbreak, June 6, the final withdrawal from the security zone was delayed by a few days, due to a spate of attacks on the IDF and concomitant doubts within the defense establishment as to the effectiveness of General Antoine Lahad’s South Lebanon Army. The IDF carried out several search-and-patrol missions in the area, demolishing a number of houses belonging to terrorists and seizing arms and ammunition. At the same time, in a gesture intended to show that a peaceful option was also available to the residents of southern Lebanon, on May 29 the IDF released 249 of the prisoners it had earlier transferred from the Ansar facility to Israel.

Finally, on June 10, three years and four days after it had begun, Israel’s direct military involvement in Lebanon came to an end. Inauspiciously, within hours two

Katyusha rockets landed in Upper Galilee, and the following day two Israeli soldiers were wounded in a security-zone clash in which four Arab gunmen were killed. Despite these setbacks, the new three-pronged Israeli conception regarding defense of the northern border proved its worth for the remainder of 1985. While a number of soldiers were wounded over these six months, and about 20 Katyusha rockets hit various parts of Galilee sporadically, only two soldiers were killed (August 5) in Lebanon in the entire second half of 1985. (Their deaths brought to over 660 the number of soldiers and security personnel killed in Lebanon in the war's three years.)

On the credit side of the ledger, 13 car-bombs and two bombs attached to mules were detected and neutralized in the security zone, and not a single would-be infiltrator was able to reach Israeli territory. On September 10, the last of the Shi'ite detainees still being held in Israel were released. December 2–3 saw the deepest strike by Israeli ground forces into Lebanon since the June withdrawal, as an IDF infantry unit killed five terrorists from Ahmed Jibril's organization, captured several others, seized arms, and stymied preparations for raids against Israel. "We will act wherever and whenever operational needs dictate in our war against terrorism," military sources were quoted as saying.

### *Economic Developments*

The second major achievement of the national unity government in its first full year in office was effecting a turnabout in the economy. This was not unrelated to the winding down of the war in Lebanon, with its prodigious cost, officially put at \$1.3 billion prior to the expenditures entailed in the withdrawal itself. The most dramatic evidence of the change was a drop in the inflation rate from a dizzying 150 percent in the first seven months of the year to just 14 percent in the final five months, after the introduction of the economic recovery plan at the beginning of July.

Prior to the implementation of the plan, the government adopted a number of stopgap measures, notably an "Agreement on Stabilizing the Economy," entered into jointly with the Histadrut (General Federation of Labor) and private industry on January 24. The eight-month accord, which came into effect on February 2, was designed to replace the three-month "package deal" that had been signed in November 1984. (See AJYB, vol. 86, 1986, p. 312.) For the average Israeli, the immediate effect of the new agreement was deleterious: drastically slashed government subsidies on basic commodities resulted in huge price increases, notably, 55 percent in public transportation and 25 percent in basic foodstuffs. On top of this, salaried workers had to cope with a 7.5-percent shortfall in their wages over the following three months. In a further effort to curb spending and put a brake on the outflow of dollars, the travel tax was upped from \$100 to \$150 per person, and a 20-percent levy was imposed on the cost of tickets for foreign travel. The public was further disgruntled when the Treasury, ignoring calls from the Histadrut, decided to further

raise prices of subsidized items by up to 20 percent just before the Passover holiday, when purchases of these goods were traditionally heavy.

Yet the net effect of these stringent measures was a jump in the April inflation rate of 19.4 percent. Announced May 15, this figure galvanized the government into action. A 12-hour cabinet session on May 19 produced additional tax increases and a three-month freeze on wages in the public sector. As a means of stimulating production, workers in industry and in the export-oriented sector were to receive incentive tax breaks; however, one week later the government decreed yet another 25-percent increase in the prices of subsidized goods, which were then to be frozen until the beginning of August. With no apparent end in sight to the economic instability, the country was rocked by a spate of strikes, industrial sanctions, slow-downs, and work stoppages. Employers, too, mounted protests, and a number of manufacturers simply stopped production until they were granted the price rises they sought.

Just as the economy seemed about to lurch totally out of control, the government took its most dramatic action yet. On July 1, after a record 24-hour cabinet meeting, Prime Minister Peres and Finance Minister Yitzhak Modai informed the nation of a drastic plan to save the Israeli economy from total breakdown. (The vote was 15-7 with one abstention, by Defense Minister Rabin, who objected to the size of the cut in the defense budget; as in the case of the Lebanon-withdrawal decision, all the nay votes were cast by Likud ministers.) Prime Minister Peres told the nation in a television interview that the primary reason for the new plan was "to prevent an actual collapse." "Time had run out," Peres said, "we had to adopt acute measures."

The main points of the plan were: a devaluation of the shekel by 18.8 percent and a freeze on the new rate of 1,500 shekels to the U.S. dollar; a \$750-million reduction in the deficit of the state budget; ruthless slashes in subsidies to the point where prices in public transportation were doubled, water went up by 82 percent, electricity by 53 percent, and postal services by 40 percent; a 17-percent across-the-board price rise in most other goods and services, though some prices were upped a good deal more; a three-month freeze on wages; a 3-percent cut in staff, meaning about 10,000 jobs, throughout virtually the entire public sector (excluding defense, security, and education); and a lowering of VAT (value-added tax) to its former level of 15 percent just six weeks after it was upped to 17 percent.

Infuriated by the plan, especially by those elements directly affecting workers, the Histadrut called an unprecedented one-day general strike in the country on July 2. Violent demonstrations protesting the new measures erupted in one of Jerusalem's underprivileged neighborhoods. An unusual political convergence of views emerged when Histadrut secretary-general Israel Kessar was joined in his vehement attacks on the economic plan—and, by inference, on his own Labor party leadership—by Deputy Prime Minister David Levy from Herut. Levy's public denunciation of the plan and his failure to attend the Knesset vote on the measures (July 1) led to calls in Labor for his dismissal, but these were rebuffed by the Likud.

Despite sporadic protests, including an unruly demonstration by several thousand civil servants in front of the Knesset, on July 8 the government easily defeated four motions of no confidence on the economic plan. Replying on behalf of the government, Prime Minister Peres listed its three primary aims: to reduce inflation to a minimum without generating large-scale unemployment; to help the poorest section of the public cope; and to set the country on the road to economic growth. Subsequently, the government and the Histadrut reached agreement—under the latter's threat to call an indefinite general strike—on a series of wage supplements and on the dismissal of public-sector workers, with the government agreeing to act in this matter according to existing labor agreements and not to implement emergency regulations.

One indication that the recovery plan stood a good chance of achieving its aim was the decision by Histadrut-owned chain stores and supermarkets to reduce prices in order to offset the drastic reduction in the public's purchasing power. This trend grew during the remainder of the year, as Israelis began to rediscover what it was like to live in a relatively noninflationary world, after years of coping with annual price rises of hundreds of percent. Total inflation from August through December ran at just 14 percent, with the November rate of 0.5 percent the lowest for any month in 9 years and the lowest for a November in 15 years. December's 1.3-percent CPI increase was the lowest in a decade for that month.

In October the Knesset extended the emergency regulations for various parts of the economic recovery plan until June 1986. This came just after a government move that Israelis could hardly believe: an actual reduction, of 4 percent, in the prices of all fuels.

The state budget for fiscal 1985—in the amount of 20.2 trillion shekels, or approximately \$23.3 billion—was passed by the Knesset at 1:40 A.M. on March 29, following a marathon special session and protracted delays caused by disagreements over allocations to religious institutions. A less publicized aspect of the budget, one with serious long-term implications, was the cabinet decision to slash the defense budget by some \$600 million. Recognizing the gravity of its action, the entire cabinet, in a highly unusual move taken at the defense minister's request, agreed to accept ministerial responsibility for Israel's security preparedness. Concern about security and about the future of the country's aircraft industry may explain the decision taken on August 21 by the inner cabinet to proceed with the highly controversial and extremely costly Lavi jet fighter project. (The vote was 8-2; the dissenters were Finance Minister Modai and Minister Without Portfolio Ezer Weizman.)

The imposition of austerity measures produced a series of financial crises. These occurred not only in government corporations and public institutions—including the country's hospitals and universities, along with Israel Shipyards—but also in major private concerns, such as the country's largest construction company, Clarin, whose collapse left thousands of families without apartments and without funds, and the Kopel tourism concern. In addition, after a year of debates, delays, and

deferments, the government decided not to rescue the veteran Haifa-based Ata textile firm, long one of the symbols of Israeli industrial proficiency. Not even the new pride of Israeli industry, the high-tech corporations, escaped the pinch. Elscint, a multinational concern manufacturing advanced medical-imaging equipment, was hit by losses, and in November Prime Minister Peres himself intervened to get banks to reschedule the company's debt repayments.

The country's banks were themselves in the spotlight during much of the year. Israeli economic life had focused heavily on the Tel Aviv stock exchange, where, until the bank-shares collapse of 1983, easy profits had seemed almost divinely ordained. On the final day of 1984 the state comptroller published his report on the collapse, in which he assailed the financial and banking establishment. Although the heads of Israel's four largest banks, all of whom were implicated in the comptroller's report—as were senior officials in the Bank of Israel and leading politicians responsible for economic policy at the time of the crisis—asserted that they would not resign, public pressure led to the establishment of a judicial commission of inquiry into the matter. In late January, Supreme Court Justice Moshe Beisky was named to head a five-man panel, whose other members were a district court judge and three university professors.

On March 17 the eighth judicial commission of inquiry in Israel's history began its public hearings, in Jerusalem. The first witness was the chairman of the Tel Aviv Stock Exchange, Meir Heth, who was followed during the rest of the year by a veritable "who's who" of the Israeli financial establishment. On June 19, 16 individuals and 11 commercial banks and government agencies received letters from the commission—as required by law—warning that they were liable to be "harmed" by its findings. The hearings continued throughout the year.

Inflation in 1985 was 185.8 percent, high by any criterion, but a major improvement over the almost 450 percent of 1984. From August through December, once the economic recovery plan took effect, the inflation rate was less than 10 percent of what it had been for the first seven months of the year.

Tourism was up by 14 percent from the previous year, and revenues from tourism were 7 percent higher than in 1984. Nevertheless, there was an ominous tapering off of tourism in the second half of the year, which most observers attributed to an upsurge in acts of terrorism in Israel and abroad.

The trade deficit showed a marked improvement in 1985, standing at \$4 billion, or 17 percent lower than in 1984. If defense imports—which increased by 25 percent—were subtracted, the trade deficit decreased by no less than 35 percent. Israeli exports in 1985 stood at \$10.7 billion, an overall increase of 2 percent over 1984.

Turning to the internal picture, 1985 saw a 3.6-percent rise in the GNP, a major improvement over 1984's 0.3 percent and the best performance since 1981. A 4-percent increase in public consumption stemmed largely from a growth in direct defense imports; indeed, if defense imports were deducted, public spending was actually down by 2 percent in 1985. Local defense consumption was down by 3 percent, following a 1-percent decline in 1984.

The dire predictions that mass unemployment would be generated by the economic recovery plan were not borne out in 1985, although total unemployment did increase over 1984, from 5.9 percent to 6.7 percent. Among non-Jews the situation was more acute, with unemployment up from 6.6 percent of the labor force in that sector in 1984 to 9.5 percent in 1985. Similarly, the plight of many of the "development towns" was exacerbated, with their share of the total number of unemployed increasing by a full percentage point over the year, to 10.2 percent. The government was more successful in its efforts to curb the public's buying power, at least in terms of salaries. Overall, in 1985, the average gross wage paid to salaried workers (in fixed prices) was 9 percent lower than in 1984.

On September 4 the Treasury introduced the new Israeli shekel, which was due to replace the old currency at the beginning of 1986. The change was largely a technical one, instituted because of difficulties—even for computers—in coping with the huge numbers produced by inflation. The equivalent of 1,000 old shekels, the new shekel was valued at 67 cents to the dollar.

### *Political Affairs*

The first full year of the national unity government constituted a novel experience for Israel's politicians. With the overwhelming Knesset majority controlled by the coalition—indeed, by its two main components, Labor and Likud—there could be no meaningful opposition (with the potential, that is, to topple the government). In fact, the only significant "opposition" emanated from within the government itself—from the Likud, which in the latter part of the year voiced increasingly strident objections to regional peace moves initiated by Prime Minister Peres. However, because both sides were basically committed to the national unity formula—with a rotation of functions between Shimon Peres and Yitzhak Shamir slated to take place in October 1986—political crises tended to fizzle out almost as fast as they were generated.

The religious parties and their supporters were among the first in 1985 to find that the rules of the game had changed. Though the religious bloc was assiduously courted by both Labor and Likud—with an eye to future eventualities—it no longer held the balance of power in the coalition. This meant that the religious parties' continuing efforts to have the Law of Return amended, such that conversion to Judaism would have to take place "according to *halakhah*" (a maneuver whose underlying aim was to delegitimize Judaism's Conservative and Reform streams), were once more doomed to defeat. Indeed, on January 16 the bill was actually defeated by an absolute majority of the Knesset (62–51). At the very end of the year (December 28), the religious bloc, finding itself still unable to muster a majority in favor of the amendment, abruptly dropped its intention of putting the issue to another vote, even though it was already on the Knesset's agenda for that day.

It was not only the structural peculiarities of the national unity government that enabled Peres to have his way on the religious as well as other issues. The authority

he wielded with mounting assurance in the course of the year was to no small degree a function of his own steady gains in the polls (another reason why he came under intensifying political attack by the Likud), which were, in turn, a reflection of his authoritative leadership on issues such as Lebanon and the economy. Additionally, although Peres was to some extent a beneficiary of the instant popularity enjoyed, to one degree or another, by all incumbent Israeli prime ministers, he also worked hard to cultivate his newfound image. Guided by a team of young American-style advisers, he took to the hustings, as it were, at least once a week, not hesitating to venture into locales where his name had been anathema while he was leader of the opposition. The upshot was that his popularity rating, already a solid 48 percent at the start of the year, was well over 60 percent at its end. Despite the power-sharing element of the national unity agreement, Peres was incontestably the head of the government and the dominant political figure in the country.

It appeared that Labor was riding high on Peres's coattails when the party gained a two-thirds majority in the elections to the governing body of the Histadrut on May 13, increasing its representation by 5 percent, while the Likud dropped by a similar amount. While the vote was considered by many as an indication of which way the political wind was blowing, other factors had to be taken into account. Among these were the personal popularity of Labor's candidate for Histadrut secretary-general, MK Israel Kessar, and the Likud's failure to run a front-rank candidate (Deputy Prime Minister Levy having refused to head the Likud list against Kessar, apparently feeling that even a minor setback would harm his prospects in the national political arena).

It was not long after the Histadrut elections that calls, at first muted but increasingly vocal, began to be heard in the Labor party for its unilateral abrogation of the rotation agreement. Fueled by a series of acrimonious disagreements between Labor and Likud over the Taba issue (see "Foreign Relations"), these calls grew more insistent following the vote of nearly all the Likud ministers against the economic recovery plan on July 1.

Open conflict between Prime Minister Peres and Industry and Trade Minister Ariel Sharon erupted several times during the year. The most serious episode involving Sharon occurred in mid-November, when Peres demanded that Sharon publicly retract a series of allegations he had made against the prime minister's foreign and defense policies, notably that Peres was "shaky and cowed" vis-à-vis Egypt, was conducting secret negotiations with Damascus for the return to Syria of the Golan Heights, and did not totally reject the PLO as a negotiating partner in peace talks. The prime minister had in fact prepared a letter of dismissal for Sharon, though his right to fire a minister from the Likud was challenged by that party, which asserted that it would be a violation of the coalition agreement. In the event, after three days of tension and intensive mediation by Interior Minister Rabbi Yitzhak Peretz of Shas, whose political stock rose sharply as a result, on November 14 Sharon sent a note to Peres which Sharon termed a "clarification," but which Peres accepted as a full apology, thus terminating the crisis.

It seemed evident that Sharon's moves were not directed against Prime Minister Peres and the Labor party alone. The conventional wisdom was that Sharon, who had his eye on the Herut party leadership, would not be averse to the breakdown of the national unity government and the cancellation of the rotation agreement, since if that agreement were to be implemented, it would prevent him from seeking his party's leadership at least until the next scheduled general election in 1988. Nor, according to this analysis, was Sharon particularly eager for the Herut convention, scheduled for February 1986, to take place, since the party would certainly not wish to rock the boat just eight months before rotation, and would therefore certainly reelect Yitzhak Shamir as party head.

Another wild card in this pack was David Levy, a populist of genuine working-class origins who regarded himself as the natural successor to Menachem Begin in Herut. In August, at a meeting of the Herut Central Committee called to ratify a merger of Herut with the splinter La'am faction, Levy entered the hall in the middle of a speech by Shamir. When Levy's supporters erupted in raucous cheers, the titular party head was forced to break off his remarks. Infuriated, Shamir called for an immediate vote and won a majority for the merger with La'am—a move not welcomed by Levy, who had few if any supporters in that group. Levy challenged this vote in the Herut party's supreme court, and another central committee meeting was subsequently scheduled for September 1, generating new tension in the party. Just before the meeting, however, Shamir and Levy met and agreed on the agenda for the meeting. An open vote was then taken which almost unanimously ratified the merger. Levy maintained that he had proven his point, which seemed to be that he held power of veto in Herut. It was clear that the disarray in the Likud was yet another factor enabling Shimon Peres, the uncontested head of his own party, to govern with a firm hand.

### *Peace Initiatives*

Prime Minister Peres devoted considerable effort during 1985—notably in the latter part of the year, following the completion of the Israeli withdrawal from Lebanon—to attempts to bring about negotiations between Israel and Jordan, or between Israel and a joint Jordanian-Palestinian delegation. Unfortunately, beyond generating goodwill for Israel in the West and some ill will within the governing coalition in Jerusalem, by year's end these efforts had produced no perceptible concrete results.

Peres took a wait-and-see attitude toward the year's first innovative diplomatic move in the region—a February 11 agreement between Jordan's King Hussein and PLO chief Yasir Arafat to work for a peaceful Middle East settlement based on "land for peace," a Jordan-West Bank confederation, and an international peace conference. However, Peres did note that the accord represented something of a "departure" from the long-standing Arab rejectionist stance.

In an apparent effort to build on the Hussein-Arafat agreement, Egyptian president Hosni Mubarak, in a *New York Times* interview on February 25, called for

direct talks between Israel and a Jordanian-Palestinian delegation. However, the Mubarak initiative ran into objections in Israel when it emerged that what the Egyptian president had in mind was an initial meeting between Washington and a Jordanian-Palestinian delegation, with Israel being brought into the picture only in a second stage. Both Peres and Vice-Premier Shamir expressed fears that this plan could lead to a situation in which Washington would find itself talking to the PLO and in which (as Peres told the cabinet on March 24) a solution would be imposed on Israel.

From the start, the makeup of the Palestinian component of a Jordanian-Palestinian delegation and the chronological sequence of the mooted peace talks proved major stumbling blocks to the various peace initiatives advanced during the year. Any possibility of progress in Middle East peacemaking came to hinge on the prior formation of a joint Jordanian-Palestinian delegation; however, the PLO was torn by internal conflict, and thus unable to sanction (or refuse to sanction) the possible makeup of a delegation, and the Israeli leadership was also divided over the issue. U.S. assistant secretary of state Richard Murphy discovered that this particular avenue was a dead end when he undertook a regional shuttle mission in late April, hoping to meet with members of the proposed Jordanian-Palestinian delegation. None of his meetings in Jordan, Egypt, and Israel—which included encounters with leading Palestinians from the territories—produced any progress.

Murphy's failure to make headway meant that an early May visit to the same three capitals by Secretary of State George Shultz would prove equally unproductive. In Jerusalem for three days (May 10–12), primarily to take part in a ceremony marking the 40th anniversary of the Nazi defeat, Shultz focused his political talks on the somewhat arcane but increasingly central topic of whether members of the Palestine National Council (the Palestinian "parliament in exile") would be acceptable to Israel as members of a Jordanian-Palestinian delegation.

On June 10, after having been notified by Shultz that King Hussein, during an end-of-May visit to Washington, had "taken some important initiatives that move in the direction of peace," Prime Minister Peres delivered a major policy statement in the Knesset in which he outlined an initiative that would eventuate in a peace conference within three months. Israel, he said, was proposing direct negotiations "between equals," with no prior conditions, to include only "the parties that are interested in peace." Peres then enunciated a five-stage plan which would enable such talks to begin:

1. Talks between representatives of the United States, Israel, Jordan, Egypt, and "Palestinian representatives who are not PLO members."
2. Formation of a "narrow Jordanian-Palestinian and Israeli team" to draft an agenda for a "Jordanian-Palestinian-Israeli conference," with U.S. participation.
3. "Enlistment of the support" of the permanent members of the UN Security Council for direct Jordanian-Palestinian-Israeli negotiations.
4. "Appointment of authentic Palestinian representatives from the territories who will represent the stands of the inhabitants, and will be acceptable to all parties."
5. The convening of "an opening conference within three months" at an agreed-upon site, in Europe, the United States, or the Middle East.

The initiative never got off the ground. Israel vetoed virtually every Palestinian name proposed, because of PLO connections, and a second shuttle by Assistant Secretary Murphy (August 13–18) proved to be a virtual replay of the first. As Defense Minister Rabin told the *Jerusalem Post*, while it was true that Israel opposed Washington's plan to launch the peace process by first meeting with a Jordanian-Palestinian delegation, the PLO, by refusing to meet Murphy halfway in his requests, had itself scuttled the U.S. plan.

Hussein, in whom Peres continued to rest his hopes—true to his party's concept of a "territorial compromise" with Jordan—employed terminology rarely heard from Arab leaders when he told the UN General Assembly on September 27 that his country was "prepared to negotiate, under appropriate auspices, with the government of Israel, promptly and directly, under the basic tenets of Security Council Resolutions 242 and 338." Apart from objections raised to such seemingly heretical remarks in the Arab world, Hussein's words called attention once more to the gulf dividing the two main components of Israel's national unity government. While the speech was welcomed by Prime Minister Peres and the Labor party, Vice-Premier Shamir dismissed it as containing "nothing new." Some commentators charged (as they had in February, with reference to Mubarak's peace initiative, which came on the eve of a visit to Washington by the Egyptian president) that Hussein's actual objective was to enhance his image in the United States in an effort to win congressional support for a proposed major arms deal. For his part, Defense Minister Rabin asserted that Hussein, by insisting that Yasir Arafat take part in any talks and that the Soviet Union cochair (with the United States) an international peace conference on the Middle East, had "imposed conditions that make progress impossible."

Prime Minister Peres seemed to be trying to sidestep at least the latter problem when he indicated during his mid-October visit to Washington that he was not unalterably opposed to Soviet or Chinese participation in a peace conference, provided those two countries first established diplomatic relations with Israel. A few days later (October 21), Peres seemed to take yet another bold step when he told the General Assembly that direct negotiations "between states" in the Middle East could, "if deemed necessary . . . be initiated with the support of an international forum, as agreed upon by the negotiating states." Such a "gathering" could take place "before the end of this year," Peres asserted, be it in Jordan, Israel, or any agreed-upon venue. Elaborating on the concept of an "international forum," Peres said that the permanent members of the Security Council "may be invited to support the initiation of these negotiations," though only such countries as did not "confine their diplomatic relations to one side of the conflict" would be acceptable. Peres called for small working teams to be set up and begin meeting within 30 days and urged the immediate termination of "the state of war between Israel and Jordan," adding: "Israel declares this readily in the hope that King Hussein is willing to reciprocate this step."

Hussein's reaction, devoid of any reciprocity, was mild in comparison with that of the prime minister's own coalition partners. In a specially convened meeting, the

Likud ministers sought to undercut Peres's moves by rejecting any sort of international auspices for Mideast negotiations. Following an at times acrimonious six-hour cabinet session on October 27, Peres replied the next day in the Knesset to a no-confidence motion based on his UN peace initiative, incorporating into his Knesset speech the operative elements of his General Assembly address. Peres won parliamentary endorsement for them when the House voted 68-10 (with 10 abstentions) to reject the no-confidence motion, and hence to approve his policy statement. Despite prior threats, only one Likud MK voted against the government. By early November Peres had coined a new phrase and was speaking of "international accompaniment" to peace negotiations. He explained that King Hussein required such "accompaniment" in the initial stage of talks in order to demonstrate to the Arab world that he was not isolated.

But isolation and disappointment continued to be the name of the game in 1985. On November 25, Morocco's King Hassan II made statements which were understood as expressing a desire to meet with Prime Minister Peres to discuss regional peace efforts. Peres immediately and effusively welcomed the Moroccan monarch's remarks, and the Israeli press ran banner headlines about a dramatic "break-through." Yet just one day later Rabat stated that Hassan had "neither directly nor indirectly" issued an invitation to Peres for talks. Hard on the heels of this fiasco came yet another visit to the region by the State Department's Richard Murphy. On December 3-4, the American official informed Peres and Shamir (separately) that a Jordanian-Syrian rapprochement was in the offing, although its ramifications were not yet clear, since Damascus remained unalterably opposed to any peace initiative. The reconciliation did, however, suggest a Jordanian break with the PLO, since Syria was an implacable foe of Yasir Arafat.

Israel's relations with its neighbor to the northeast, Syria, remained effectively unchanged in 1985. In a midyear assessment, the chief of Israeli military intelligence, Maj. Gen. Ehud Barak, predicted that Syria would make every effort to torpedo any possible peace talks. Speaking to military affairs correspondents, Barak said that Damascus was still pursuing its aim of achieving "strategic parity" with Israel, to which end it had acquired Soviet-made SS-21 surface-to-surface missiles capable of hitting targets deep inside Israel. General Barak thought it unlikely that Syria would launch a total war against Israel—certainly as long as Iraq was entangled in its war with Iran, and Jordan refused to take part in a new Mideast fray—though a lightning operation on the Golan could not be ruled out.

The only actual armed clash between Israel and Syria in 1985 occurred on November 19, when IAF planes, on what was termed a "routine reconnaissance patrol" over Lebanon, downed two Syrian MIG-23 interceptors in a dogfight that had its end over Syrian territory. Israel sustained no losses. On December 15, the Israeli army spokesman announced that the Syrians had moved up SA-2 surface-to-air missiles to just inside their own border with Lebanon. According to U.S. officials, the Syrian moves had been set in motion by Israel's downing of the two MIGs on November 19—a chain of events which could not but recall the developments that

followed Syria's deployment of missile batteries in Lebanon in 1981 after Israel shot down two Syrian helicopters there. With this in mind, perhaps, a communiqué issued by the Israeli army spokesman noted that the November 19 clash had been an "isolated incident" and "did not reflect a change in Israel's policy," a fact which "the government of Israel [had] brought to the attention of the Syrians."

Reinforcing this stance, Defense Minister Rabin declared at year's end that press reports notwithstanding, there was no tension on the Israeli-Syrian front, that the Syrians had made no deployment changes opposite the Golan Heights, and that Damascus was continuing to adhere to its undertakings in the 1974 separation-of-forces agreement between the two countries. Nor, however, had there been any change in the Syrian attitude toward peace, as was evident from Prime Minister Peres's end-of-year comment that there was no prospect of Syria joining the peace process. Syrian president Hafez al-Assad was still bent on donning the mantle of Arab world leadership and realizing his dream of restoring "Greater Syria," a rubric that included Lebanon and Jordan, besides Israel.

The year's diplomatic activity was glumly appraised in a *Jerusalem Post* editorial on December 26 in these words: "The year that started with a distinct hope of an early resumption of Middle East peace negotiations is ending without a single step having been taken towards that end, and with the prospects for progress bleaker than they were a year ago."

## *Foreign Relations*

### THE UNITED STATES

With the United States out of Lebanon and Israel in the process of withdrawal from that country, and with the national unity government working to reform the economy, "improve the quality of life" in the territories, and revivify the peace process, all the elements existed for smooth and harmonious relations between Jerusalem and Washington—and such they were for almost the entire year.

On April 22, Israel signed a Free Trade Agreement (FTA) with the United States, its largest single trading partner. Under the terms of the agreement, which took effect on September 1, 1985, all trade barriers between the two countries would be eliminated in a four-stage process over the coming decade. In conjunction with the accord, the U.S. Department of Commerce was to open an Israel Information Center in Washington, which would inform U.S. businesses of the advantages available to them in Israel under the terms of the agreement.

While the FTA signaled Washington's long-term confidence in the resilience of the Israeli economy, in the short term the U.S. administration was concerned that Israel was not doing enough to resolve its economic problems. Although Congress approved a \$4.5-billion economic-military aid package for Israel (all in the form of grants), Secretary of State Shultz demonstrated the administration's determination

to intervene forcefully in Israeli economic decision making by dispatching two economists, professors Herbert Stein and Stanley Fischer, to Israel to study the situation. The ten-point plan proposed by the two experts, which covered, among other topics, inflation, the budget, monetary policy, and credit subsidization, became the basis for Washington's economic counsel to Jerusalem. When this degree of American involvement in the Israeli economy was assailed in some quarters as unacceptable intervention in the country's internal affairs, Prime Minister Peres depicted the American plan as constructive and inspired by benevolent motives. He placated domestic critics by noting that Israel had rejected American proposals which would have reduced inflation by generating unemployment. At the same time, it had adopted other American ideas, not under pressure, but because they were beneficial to Israel.

On May 2 Shultz informed Peres that Congress would be asked to approve an extra \$1.5 billion in emergency economic aid requested by Israel. Setting this decision in a broader context, Shultz noted that the administration welcomed Israel's withdrawal from Lebanon and its efforts to promote the peace process in the region. However, it was only after the Israeli government's adoption on July 1 of a comprehensive economic recovery program—which Shultz termed a “courageous decision” that should be implemented “vigorously”—and after a second visit to Washington by Finance Minister Modai at the beginning of September, that the secretary of state announced the immediate transfer to Israel of \$750 million, or half the requested emergency aid. In December, when Modai made the annual pilgrimage to the American embassy in Tel Aviv to present Israel's aid requests for the coming fiscal year (totaling \$3.5 billion), he declared that Israel would not ask for any further emergency aid after receiving the outstanding \$750 million scheduled for transfer in 1986.

Requests were by no means a one-way street in Israeli-U.S. relations in 1985. In April, in what some observers saw as a tacit American acknowledgment that Israel was a full-fledged ally in all but treaty, Israel was asked—along with the NATO countries, Japan, and Australia—to take part in research and development aspects of the administration's Strategic Defense Initiative, or “Star Wars” project. Although the proposal encountered some domestic political flak, at year's end Prime Minister Peres said that Israel's position on the topic was “unequivocally affirmative” and that Israeli firms could initiate contacts “with a view toward participating in this research.”

That defense matters overall played a central role in relations between the countries could be gleaned from the fact that Defense Minister Rabin paid no fewer than three visits to Washington during the year, and that ranking American defense personnel also saw fit to visit Israel. In a January visit, Rabin was assured that the United States would continue to help Israel maintain its “qualitative edge” over the Arabs. He was further informed that “offset” arrangements, by which U.S. defense systems sold to Israel had to include a certain percentage of Israeli-made components, would be worth a hefty \$200 million to Israel in the coming year.

On an April visit to Israel, Secretary of the Navy John Lehman announced that Israel and the United States would jointly build three submarines for the Israel Navy and that the two countries would undertake coproduction of a missile. It was also agreed that Israel would lease the U.S. Navy a second squadron of Israeli-manufactured Kfir jet fighters, which the Americans planned to use to simulate MIGs in maneuvers. Speaking at a ceremony held shortly afterward at the Naval Air Station at Oceana, Virginia, marking the introduction of the first three Kfirs into U.S. Navy service, Lehman said the event indicated "the new level of cooperation with our Israeli allies." A somewhat less harmonious visit was paid to Israel in May by U.S. under secretary of defense Fred Ikle, who—not for the first time—cast doubts on the feasibility of Israel's Lavi jet fighter project, though Defense Minister Rabin continued to back the costly endeavor.

The Lavi was also on the agenda in Rabin's June visit to Washington, as were two by now almost-ritual items: Israeli opposition to U.S. arms sales to Arab countries—in this case a mooted deal with Jordan involving advanced jet fighters and surface-to-air missiles (the deal was eventually deferred until 1986 due to Senate objections)—and the U.S. attitude toward PLO participation in possible peace negotiations. Washington's eagerness for peace talks to begin under its sponsorship—partly in order to reassert itself in the Middle East following the Lebanon debacle—led it, at least from Jerusalem's perspective, to inch toward a more flexible stance vis-à-vis PLO participation. Nevertheless, the administration continued to insist (as Shultz put it to newsmen during the visit to Washington of Finance Minister Modai in September) that "[its] conditions for talking with the PLO remain as they have been for many years"—meaning, PLO acceptance of Israel's right to exist and the organization's acceptance of UN Security Council Resolutions 242 and 338.

The ambivalence of the U.S. posture was manifested in the wake of Israel's October 1 attack on PLO headquarters in Tunisia (see below, "Terrorism"). Although President Ronald Reagan had stated, immediately following the operation, that it was "legitimate" and "an expression of self-defense," just three days later, when the Security Council was called on to condemn the attack, the United States abstained in the vote (effectively bringing about a condemnation).

Still, less than two weeks after the Security Council abstention, Prime Minister Peres found a highly receptive audience in Washington when he lashed out at the PLO. In his two days of talks (October 17–18), which came in the wake of a series of terrorist incidents, notably the *Achille Lauro* affair (see "Terrorism"), senior officials and leading members of Congress not only condemned the PLO, they expressed a desire to work more closely with Israel in combating international terrorism and in other defense-related areas. And following Peres's General Assembly address on October 21, the State Department was positively effusive, terming it "a statesmanlike, thoughtful, forward-looking exposition which underlined Prime Minister Peres's commitment to the peace process."

Several events during the year put U.S.–Israeli amity to the test, however. One was President Reagan's visit to the Bitburg military cemetery in Germany, on May

5, as part of the events marking the 40th anniversary of the defeat of Nazi Germany. Although reconciliation with former enemies was understandable, Prime Minister Peres said at a Holocaust Remembrance Day ceremony in Jerusalem on April 17, referring to the purpose cited by the White House for the Bitburg visit, "reconciliation with evil"—in the form of the SS officers buried in the cemetery—was incomprehensible. Israelis were equally critical of Reagan's same-day "balancing" visit to the site of the Bergen-Belsen concentration camp, which seemed to posit an "equality" between victims and victimizers.

In Israel on May 10 to take part in events commemorating Nazi Germany's defeat, Secretary of State Shultz sought to assuage the anger and hurt expressed by the Israelis. Speaking at Yad Vashem, he said: "Miraculously, here there is also hope. For who has erected this memorial? Not the perpetrators of evil but the conquerors of evil. Who preserves this memory? Not the enemies of the human spirit but its defenders." No words, however, could erase the act of moral insensitivity that had been committed. To the people of Israel, Bitburg revealed anew the fragility of Jewish existence, evoking that dark time when, as Prime Minister Peres recalled, "not the Allies, not the pope, not the Red Cross" offered the Jewish people a haven: "The world was silent and the destruction went on."

The second event that strained relations between the two countries had potentially more serious ramifications. On November 21, in Washington, just one month after Prime Minister Peres's visit to the U.S. capital and at the tail end of Defense Minister Rabin's third visit there in 1985, the FBI arrested a certain Jonathan Jay Pollard, 31, a civilian intelligence analyst for the U.S. Navy, on a charge of spying for Israel. Pollard was apprehended outside the Israeli embassy, where he was reportedly seeking political asylum under the Law of Return. Although the Foreign Ministry in Jerusalem issued a statement on November 24 expressing "shock and consternation" among the country's "political leadership" at the arrest, adding that a "thorough examination" into the matter was under way, the abrupt return home of two scientific attachés in the Israeli consulate in New York gave rise to speculation that they were involved in the affair.

It was not until December 1, a full ten days after Pollard's arrest, and after the media had played up the story for all it was worth, that the Israeli government reacted. The official statement asserted that Jerusalem was "determined to spare no effort in investigating this case thoroughly and completely," although the government was "not yet in possession of all the facts." If the charges proved true, the statement continued, "those responsible will be brought to account, the unit involved in this activity will be completely and permanently dismantled," and no recurrence of "such activities" would be countenanced. The statement concluded: "Such activity, to the extent that it did take place, was wrong, and the government of Israel apologizes."

While this belated exercise in damage control did have its intended placatory effect, on December 11 Washington dispatched a team, headed by the State Department's legal adviser, Abraham Sofaer, to investigate the matter further in Israel. On

December 20 the State Department released a communiqué, which had been hammered out jointly with Israel, noting that the Sofaer team had concluded its mission, that Israel had returned to the United States all the documents involved, and that it had disbanded the offending unit, about which few facts were made known. Reportedly called the Scientific Liaison Bureau, it was allegedly run by a Mossad man, Rafael Eitan, who had served as the prime minister's adviser on terrorism until early in 1985. Israel, the communiqué said, had assured Washington that those involved had acted "without authority and against [Israeli] policy," and that there would be no repetition "of such activities." These measures were regarded by the United States "as constituting the cooperation contemplated by the two governments," the statement concluded.

Yet even as Washington announced that regular intelligence cooperation with Israel was being resumed, another case, with similar overtones, was getting headline coverage. On December 13, U.S. customs agents, accompanied by an NBC News camera crew, raided the Napco company, alleging that it had illegally exported a new weapons technology to Israel. Israeli officials in Washington, still reeling from the Pollard affair, were quick to deny any wrongdoing, insisting that the Pentagon had given the necessary approval. Moreover, according to the Israeli spokesmen, the only plausible explanation for the presence of the TV crew at the raid—and the attendant publicity the case received—was that elements in the U.S. administration were bent on "punishing" Israel for its actions in the Pollard case. Although a State Department official confirmed that Israel had not acted improperly in the Napco case, this episode, coupled with the Pollard affair, threatened to cast a shadow over what had been, overall, an extraordinarily sunny year in relations between the two countries.

## EGYPT

Despite the relatively upbeat note that was struck at the end of 1984, following Shimon Peres's accession to the premiership, relations between Israel and Egypt remained troubled. The main point of contention between the two countries was ownership of Taba, a tiny stretch of coast south of Eilat which was in Israeli hands but which had been in dispute since the signing of the peace treaty in 1979. Egypt continued to insist that until the Taba issue was settled, and until Israel withdrew from Lebanon (a move that was accomplished by mid-June), there could be no thaw in the "cold peace" that existed between the two countries, nor could its ambassador—recalled to Cairo in the wake of the Sabra-Shatilla massacre in September 1982—return to Tel Aviv.

The year was studded with sudden "highs" followed by abrupt "downers." It opened on a hopeful note when talks on Taba in fact resumed in Beersheba on January 27—the first talks on bilateral issues between the two countries since April 1983. However, the three days of negotiations, in which U.S. representatives also participated, produced only a bland joint communiqué asserting that the differences

between the sides had been "narrowed" and that the talks had been held "in a constructive and friendly spirit."

A surge of optimism followed one month later, in the wake of an interview in the *New York Times* with Egyptian president Mubarak on February 25. Speaking two weeks after Jordan's King Hussein and PLO chief Arafat had reached an agreement calling for an international peace conference on the Middle East, Mubarak proposed direct negotiations between Israel and a joint Jordanian-Palestinian delegation. On February 26, Mubarak dispatched his senior adviser, Osama al-Baz, and another ranking official, Abdul Halim Badawi, to Israel for two days of talks with Prime Minister Peres and other senior cabinet ministers; at the same time, the director-general of the Prime Minister's Office, Avraham Tamir, along with Energy Minister Moshe Shahal, went to Cairo for talks. The Mubarak initiative itself was welcomed by Peres but was given a frosty reception by Vice-Premier Yitzhak Shamir and other top Likud spokesmen, who feared that Mubarak was actually intent on bringing the PLO into negotiations, with Washington's help.

While nothing concrete came of the peace initiative itself, the intensive diplomatic activity between Jerusalem and Cairo helped to create a more forthcoming atmosphere between the two countries. Thus, in March, a 12-member delegation of Egyptian scientists, headed by Deputy Agriculture Minister Muhammad Dasouki, visited Israel to exchange ideas with Israeli counterparts on arid-zone development; in May experts from the two countries held talks near Jerusalem on another problem that afflicted both countries, insect-borne infections.

In between these two meetings, Minister Without Portfolio Weizman, one of the architects of the Camp David accords and a consistent proponent of better relations with Egypt, visited Cairo April 15-17 as the envoy of Prime Minister Peres. However, in a repeat of the Labor-Likud squabble over the Mubarak initiative, the Weizman mission came close to generating a government crisis in Jerusalem, with the Likud maintaining that Weizman would be encroaching on the turf of the Foreign Ministry. Although Weizman was accorded a warm reception in Cairo, and held talks with President Mubarak and Prime Minister Kamal Hassan Ali, the resultant headlines about an imminent Peres-Mubarak summit proved premature. One month after the Weizman visit, an Israeli delegation went to Cairo for talks on Taba and other bilateral issues. Inauspiciously, on the day the meeting opened, May 15, which happened to be the secular date of Israel's establishment, violent anti-Israel demonstrations were staged outside the main synagogue in Cairo. Still, on May 27, Oil Minister Abdel Hadi Kandil, reciprocating Energy Minister Shahal's February visit to Cairo, arrived in Israel for three days of talks. He was the first Egyptian minister to visit Israel in three years.

The visit to Jerusalem of Egyptian tourism minister Wahi Shindi on August 20 suggested that a level of normality had been achieved, especially as the Egyptian minister went ahead with his visit as scheduled, despite the murder of Israeli diplomat Albert Atrakchi by terrorists in Cairo on the very eve of the Egyptian's departure. Shindi in fact arrived bearing messages of condolence from Prime

Minister Ali and Foreign Minister Esmat Abdel Meguid for the attack, in which Atrakchi's wife and another Israeli embassy staffer were wounded. A group identified as "The Egyptian Revolution" claimed responsibility for the slaying—the same group that claimed to have shot and wounded another Israeli diplomat in Cairo one year earlier. On the day of Atrakchi's funeral, the Egyptian tourism minister announced that in the wake of Israel's final withdrawal from Lebanon restrictions on Egyptian tourism to Israel had been lifted, and that the two countries would seek ways to increase tourism between them.

Following Israel's attack on PLO headquarters in Tunis at the beginning of October, Egypt announced that it was suspending the Taba talks. The situation was further aggravated by Egypt's release of the hijackers of the *Achille Lauro* cruise ship. But it was an incident at Ras Burka, in Sinai, that put the greatest strain on relations between the two countries. On October 5 an Egyptian security man suddenly opened fire on a group of vacationing Israelis at Ras Burka, killing seven persons. It soon emerged that five of the seven victims of the attack—four of whom were children—had actually bled to death because Egyptian troops at the site had prevented them from receiving medical attention for some hours. Although Cairo initially sought to shrug off the incident, it soon changed course in the face of the anguished fury in Israel. President Mubarak, who had originally termed the incident "a small matter," subsequently called the killings "tragic" in an oral message to Prime Minister Peres (October 13), in which he also pledged that Egypt was proceeding "with urgency" to investigate the matter. In November Egyptian oil minister Kandil, paying his second visit of the year to Israel, met with the families of the Ras Burka victims, conveying to them President Mubarak's "personal regret for the tragedy." Finally, on December 28, the perpetrator of the crime was sentenced to life imprisonment with hard labor. However, a promised official Egyptian report on the case had not arrived by year's end, and the families of the victims declared themselves unsatisfied with the sentence. The entire affair left Israelis feeling bitter—besides, on the practical side, severely reducing the number of Israeli vacation trips to Sinai.

Following Kandil's meeting with the Ras Burka families, the Taba talks were resumed in Cairo from December 4 to 6, and were followed by another round, in Herzliyah, from December 10 to 12. Although Egypt continued to insist that the dispute be submitted to immediate international arbitration, the Israeli stance had by this time become ambivalent. The Likud continued to urge the path of "conciliation" (a prearbitration stage stipulated in the agreement between the two countries), and Labor was beginning to waver in the direction of the Egyptian position, in order to bring about what its leadership considered the more urgent goal of a Peres-Mubarak summit meeting. As tension in the national unity government flared again over the Taba issue, Defense Minister Rabin told a Labor party meeting at year's end that he regarded the improvement of relations with Egypt as Israel's top priority. He insisted, however, that both countries would have to make compromises

to settle their differences, and that, with respect to the Taba question, what was needed was "arbitration with risks."

## EUROPE

In 1985 Israel's relations with Western Europe attained the level of stability and normalcy that had characterized them prior to the Lebanon war, and relations with Eastern Europe, virtually frozen since the Six Day War in 1967, showed signs of incipient thaw.

In many ways the year's most notable diplomatic event was the visit to Israel by West German president Richard von Weizsäcker (October 8–11), the first ever by a German head of state while in office (in 1984 Helmut Kohl was the first German chancellor to visit Israel while in office) and made doubly momentous because it took place in the year marking the 40th anniversary of the defeat of Nazi Germany. The German president went straight to the heart of the matter when he declared on arrival, "We Germans will certainly not shun the remembrance of the past," and visited the Yad Vashem Holocaust Memorial on the very first day of his stay. Von Weizsäcker's itinerary included wreath-laying ceremonies at Mount Herzl in Jerusalem and at the tomb of David Ben-Gurion at Sde Boker in the Negev, a "private" tour of the holy places in the Old City of Jerusalem (since Bonn did not recognize East Jerusalem as Israeli territory), visits to three institutions of higher learning, and a stop in Haifa, where he announced that German-funded research centers were to be established at the two universities in that city. On the political side, the German president said his nation had a "deep understanding" of Israel's security needs and that Palestinian self-determination, which his country supported, must not conflict with those needs. Despite the general warm feelings expressed, Foreign Minister Hans-Dietrich Genscher, who headed a large contingent of senior German officials in the president's entourage, indicated that Bonn would not rescind its approval for a West German arms manufacturer to negotiate a major arms deal with Saudi Arabia.

In September Poul Schluter became the first Danish prime minister to visit Israel in 22 years. Greeting his guest at Ben-Gurion Airport, Prime Minister Peres called on Denmark and other friendly European countries to assume an active role in Middle East peace efforts. In a speech delivered during a dinner at the prime minister's residence in Jerusalem, Schluter gave expression to what seemed to be the prevailing tone vis-à-vis Israel in Western European capitals. He welcomed the Israeli withdrawal from Lebanon but added that his country also hoped for "new signals" regarding "some of your policies and practices in the occupied territories."

In a brief visit later in the year (December 9–10), Foreign Minister Roland Dumas of France declared that his country, while opposed to an imposed solution such as could result from an international peace conference on the Middle East, also continued to recognize the "legitimate rights" of the Palestinian people.

Prime Minister Peres discussed peace initiatives during brief visits to Italy (February 18–20) and Rumania (February 20–22). In the face of strong pro-Arafat inclinations in both Rome and Bucharest, Peres maintained that the organization's continued resort to terrorism and its refusal to recognize Israel's right to exist ruled it out as a potential participant in a Middle East peace process. On February 19, during his stay in Rome, Peres held a one-hour meeting with Pope John Paul II at the Vatican, afterward telling reporters that "His Holiness showed a keen interest in peace prospects."

Peace prospects and the PLO were at the center of a contretemps between Israel and England in the latter part of the year. In September British prime minister Margaret Thatcher took a bold leap into Middle East peacemaking when she told a press conference in Jordan, where she was concluding a week-long visit, that she had invited a Jordanian-Palestinian delegation to visit London for talks. The two Palestinians named as delegation members were Mohammed Milhem and Bishop Elias Khoury, both current PLO executive members who had been deported by Israel for suspected subversion and terrorism. Replying to a letter from Prime Minister Peres, in which he said that the invitation was "particularly puzzling" in view of Thatcher's "firm, consistent and courageous stand against international terrorism," the British leader described Milhem and Khoury as "moderates" who "accept Israel's right to exist within secure and recognized borders, and are opposed to terrorism and violence." Thatcher also informed Peres that the two "will reaffirm their position publicly during their stay in London."

In the end, a last-minute refusal by Milhem to sign a statement renouncing terrorism led to the cancellation of the scheduled October 14 meeting, deeply embarrassing Prime Minister Thatcher and infuriating King Hussein. The course of events appeared to confirm what Foreign Minister Shamir had said in a visit to London in June: that the PLO would never publicly recognize Israel, since this went "against their philosophy and their ideology."

Shamir's visits to Western Europe in 1985 were focused on protecting Israel's agricultural exports to the European Community—worth over \$500 million annually and accounting for some 70 percent of all Israeli farm exports—in view of the fact that Spain and Portugal were scheduled to become members of the European Economic Community (EEC) at the beginning of 1986. Shamir's efforts in this direction, as well as those of Tunisia and Morocco, who also feared new competition, apparently succeeded: European Community leaders pledged in early April "to seek mutually acceptable solutions to all the concerns expressed by the Mediterranean countries" in view of the Iberian entry into the EEC. In October, when he visited Luxembourg to address the EEC-Israel Cooperation Council and to meet with foreign ministers of the EEC member states, Shamir professed himself "satisfied" with the EEC's response to Israel's requests regarding its agricultural exports.

President Chaim Herzog discussed his country's economic situation when he visited Luxembourg, Strasbourg, and Brussels in February. In June Herzog paid a nostalgia-laced state visit to Ireland, his birthplace, summing up the trip as having

taken place "in a very good atmosphere [marked by] great cordiality"—words equally applicable to Israeli–Western European relations as a whole in 1985.

While relations between Israel and Eastern Europe could hardly be described in those terms, their improvement occupied a high position on the foreign-policy agenda of Prime Minister Peres. Peres began his search for what he termed "a window to the east" early in the year, when he visited Rumania, the only Eastern European country to maintain diplomatic relations with Israel. In September Peres conveyed a message to the new Soviet leader, Mikhail Gorbachev, by way of World Jewish Congress president Edgar Bronfman. The essence of the message was, as the prime minister subsequently revealed in a Knesset speech on October 28: "We in Israel see a need, and would welcome, an opportunity to hold a constructive dialogue with you." On October 23, Peres met informally with Foreign Minister Eduard Shevardnadze of the USSR when both men were in New York to address the UN General Assembly. Peres told the Knesset that he had found Shevardnadze's approach to be "substantive," though no concrete results could be expected until after the Reagan-Gorbachev summit in November. (See also "Israel and World Jewry.")

Foreign Minister Shamir utilized the General Assembly session to meet with ranking Eastern European officials, including the foreign ministers of Bulgaria and Poland. The latter, Stefan Olszowski, indicated that his country was ready to better relations with Israel in a number of areas, including tourism and culture. As a result of this encounter, in mid-December, Shamir, along with President Herzog and Prime Minister Peres, were among those in attendance when the Warsaw National Chamber Opera gave its premiere performance in Tel Aviv—the first such visit since Poland broke off relations with Israel in 1967.

#### OTHER FOREIGN RELATIONS

The very end of the year saw another breakthrough in Israel's growing rapprochement with black Africa when Prime Minister Peres flew secretly to Geneva for a meeting (December 18) with President Felix Houphouet-Boigny of the Ivory Coast. At a press conference convened by Israel after the meeting, it was announced that the two countries had decided to renew diplomatic relations; ambassadors would be exchanged once the new Ivory Coast government was sworn in. The Ivory Coast thus became the third of the African countries that had severed relations with Israel in the aftermath of the 1973 Yom Kippur War to resume those relations, following Zaire in 1982 and Liberia in 1983. Earlier in the year (May 12–17), President Mobutu Sese Seko of Zaire paid a state visit to Israel, during which the two countries signed a number of cooperation agreements in aviation, medicine, technology, and investments.

Israel's improved relations with black Africa placed it under growing pressure to distance itself from the regime in South Africa, especially in view of persistent press reports of Israeli–South African military and other cooperation. In August a ten-day

visit by a leader of the South African black community, KwaZulu chief minister Gatscha Buthelezi, produced a spate of pronouncements from the Israeli political leadership deploring apartheid. Prime Minister Peres told a cabinet meeting on August 11, the day of Buthelezi's arrival, that any form of racial discrimination ran "contrary to the very foundations on which Jewish life is based." During his stay in Israel, Chief Buthelezi met with President Herzog, Prime Minister Peres (twice), and other ranking government officials, as well as holding talks with senior Histadrut (General Federation of Labor) personnel, academics, and industrialists. Buthelezi said he had been "very encouraged" by the prime minister's rejection of apartheid and expressed the hope that Israel would exert "optimum leverage" on Pretoria to dismantle the apartheid system. For its part, Jerusalem continued to tread a thin line between its long-standing relations with Pretoria—not losing sight of the large Jewish community in South Africa—and its growing ties with black Africa.

That Israel was still a long way from acceptance by most of black Africa and the rest of the Third World was brought home at the UN End of the Decade for Women Conference held in Nairobi, Kenya, in July. According to one of the Israeli delegates, former MK Tamar Eshel, the forces arrayed against Israel "came from five continents," seeking "to destroy and explode" the entire meeting. Overall, the conference demonstrated "the recurrence of UN double-standard practices," according to the prime minister's adviser on the status of women, Nitza Shapiro-Libai. However, with the help of the U.S. delegation, Israel was able to scuttle attempts to have a "Zionism equals racism" statement inserted into the final conference document.

A strong pro-Israel stance was taken by Costa Rican president Luis Albert Monge Alvarez, whose four-day state visit (October 13–17) was evidence of Israel's ongoing solid relations with the countries of Latin America. In an address delivered from the Knesset rostrum, Monge assailed the idea of internationalizing Jerusalem—Costa Rica had in fact returned its embassy to Jerusalem in 1982—and in a meeting with Foreign Minister Shamir he expressed his support for the Israeli attack on PLO headquarters in Tunis at the beginning of October.

Other ranking officials from Latin America to visit during the year included Mexican secretary of commerce and development Hernandez Cortes, whose six-day stay in May produced agreement on a joint Israel-Mexico energy project worth \$120 million, and Honduran foreign minister Edgardo Paz Barnica, whose week-long visit in August—the first by a foreign minister from that country—led to a decision to establish full diplomatic representations in both countries "in the near future."

In August the Foreign Ministry officially denied that Israel was supplying military aid to the *contras* in Nicaragua; the occasion for the denial was an interview with Nicaraguan president Daniel Ortega, published in *Ha'aretz* on August 7, in which Ortega made this allegation.

In the wake of indications that Japan was reassessing its adherence to the Arab boycott, Foreign Minister Shamir paid a visit to Tokyo in September for high-level

talks. Shamir, who was accompanied by several top executives from Israeli high-tech industries, said on his return home that "an important door has been opened for the Israeli economy" in Japan.

Economic and trade ties between Israel and Canada were also reinforced following talks in Ottawa between Shamir and senior Canadian officials, including Prime Minister Brian Mulroney. Relations with Oceania got a double boost in 1985: Papua New Guinea defense minister Boyamu Sali visited the country in February as the guest of Defense Minister Rabin, and Israel and Australia agreed to explore possibilities of scientific cooperation, in the wake of a visit in April by Australian science minister Barry Jones.

### *Terrorism*

In 1985 Israel was confronted with terrorism at home, in the occupied territories, in the air, on the high seas, and at various locations across the seas.

#### ISRAEL AND THE TERRITORIES

Inside Israel and in the occupied territories, the "conventional" form of terrorism—explosive devices planted in public places, aimed at mass slaughter—gave way, to a large extent, to "private" terrorism directed against individuals, most often perpetrated with guns, knives, or even bare hands. Whether this brand of terrorism represented a new strategy on the part of the Arab terrorist organizations, or whether it resulted from the perpetrators' inability to produce sufficiently destructive bombs, it seemed to have an even more unsettling effect on the nation than the public form of terrorism. It also did much—and this may have been one of its intended results—to heighten anti-Arab feeling among certain sections of the country's Jewish population and to feed political extremism.

Hardly a month passed without one or more brutal killings. In January a flower grower from Petah Tikvah died of wounds sustained when a firebomb was thrown at his car as he was driving out of Kalkilya. In February a 29-year-old reserve soldier was gunned down in the Ramallah market. (His murderers, three young men from the Ramallah area, were subsequently apprehended and in December were sentenced to life imprisonment.) In March a 52-year-old Soviet immigrant, a West Bank settler, was shot through the head in Ramallah.

In April a Jewish Jerusalem cab driver was shot through the head. Three Arabs were soon arrested and charged with the murder, which evidently had a nationalist-terrorist background. In apparent revenge, an Arab taxi driver was shot through the head four days later. On May 17 police arrested three Israeli Jews, all in their 20s, one of them a woman university student, in connection with this murder. In June a 35-year-old reserve soldier from Eilat was murdered, evidently by terrorists, as he was hitchhiking to his base near Beersheba. In the same week, a bomb was thrown at an army jeep in Samaria and a gasoline bomb was thrown at an Israeli bus in

Nablus, but no one was hurt in either incident. The intensifying terrorism led to a mass demonstration in Tel Aviv on June 16, organized by Gush Emunim and other groups, at which speakers called for the death penalty or deportation for Arabs convicted of terrorism.

There was a spate of bomb explosions in Tel Aviv and Jerusalem in the latter part of June and early July. In a particularly ugly incident (July 19), a man from the village of Dura, near Hebron, slashed five Jewish children and their day-camp counselor with a razor as they waited for a bus in downtown Jerusalem. Although he was initially thought to be merely deranged, the assailant, it later emerged, belonged to the Fatah organization.

Two crimes that took place in June and July overshadowed all that had gone before, generating new heights of anti-Arab hysteria. On June 27 the bodies of a Jewish couple, Meir Ben-Yair and Michal Cohen, were found in a forest near Beit Shemesh, outside Jerusalem. Two Arabs, both aged 22, from the village of Tsurif, near the Etzion Bloc, were soon apprehended and confessed to the murder. Houses belonging to their families were demolished on July 9. (On November 21 the two killers, who were distant relatives, were sentenced by Lod military court to life imprisonment; they admitted to murdering the two Israelis after receiving orders from Fatah, to which they had been recruited earlier in the year, to kill some Jews. Subsequently, they laid an ambush at a spot in the woods which they knew to be frequented by hikers and shot Ben-Yair and Cohen even before the couple could leave their car.)

Just one month after the Beit Shemesh atrocity, on July 26 the dead bodies of two Afula teachers, Leah Elmakayis, 19, and Yosef Eliahu, 35, were found in a cave on Mount Gilboa. Three young Arabs, all under the age of 20, from the nearby West Bank village of Arrabuneh, close to Afula, were arrested the next day and soon confessed to the murders. When news of the discovery of the bodies reached Afula, a mob ran wild through the streets, stoning and beating Arabs and damaging Arab shops. There was further rioting during the funerals, on July 28. (On November 19, a 17-year-old minor received a seven-year prison sentence in Nazareth district court after being found guilty of being an accomplice in the murder of the two teachers. The trial of the two young men accused of the actual killing continued.)

For Afula there was more to come. On July 30, just two days after the funerals of the two teachers, with passions still intense, an Afula man, Albert Bukhris, 32, who ran a kiosk in Nablus, died after being shot in the back while shopping in the market there. At his funeral, 700 policemen were unable to prevent the mob from running wild and attacking media personnel, whom they held responsible for Bukhris's murder because his picture had been in the paper when he himself was detained as a rioter after the murder of the two teachers. Although MK Meir Kahane was barred from attending Bukhris's funeral, a large crowd gathered outside the Afula police station after the funeral, chanting "Kahane, king of Israel!"

Following a lengthy discussion of terrorism at its August 4 meeting, the cabinet appointed a committee to consider the possible imposition of a mandatory death

penalty for terrorist acts. It also adopted a number of measures, notably administrative detention "for security reasons" and deportation of persons "who constitute a security risk."

A more far-reaching approach mooted by Industry and Trade Minister Sharon, that Israel should strike at what he termed the "new terrorist bases" of the PLO in Jordan, was rejected in early August by Prime Minister Peres; Israel did not wish "to create the impression that [it] has declared war on Jordan," Peres said. Later in the month, however, in an address to the graduating class of the army's Staff and Command College, Defense Minister Rabin cautioned Jordan to weigh its steps in this regard carefully, lest things reach a pass where "Israel could not sit idly by in view of what was liable to develop."

With or without Jordan's involvement, terrorist attacks continued, frequently directed against lone Jews who happened to be in Arab towns. On August 10, a Kiryat Arba resident was seriously wounded when he was stabbed in Hebron. Exactly two weeks later a Netanyah resident was shot in the back at point-blank range just as he entered a jewelry store in Tulkarm; he died en route to the hospital. On the same day, a Tiberias man was critically wounded when he was shot in the back while shopping in the Jenin market. Curfews and other restrictions were imposed on Tulkarm and Jenin, and by the end of August, 36 West Bank residents had been placed under administrative detention, while others had been deported or placed under town arrest.

A new wave of terrorism in September led to the reappearance of settlers' vigilante patrols and a heightened military presence in the West Bank. On September 3, two reservists doing guard duty in the Hebron market were the victims of a stabbing attack; one died of his wounds. Shortly after the attack, two local residents were wounded by soldiers' gunfire, and a ten-day curfew was imposed on the market. Two days after the Hebron attack a Beersheba man was wounded by two knife-wielding assailants in Gaza. They were arrested within hours and their rooms, in their families' homes, were destroyed. In an effort to counter the wave of terrorism, on September 15, 18 persons from among those released in the May prisoner exchange (see below) were deported to Jordan. In addition, some 70 persons throughout the West Bank were placed under administrative detention in the last week in August and first week in September. In a related move, the Knesset on September 9 passed in preliminary reading the amendment to the Prevention of Terrorism ordinance, which would all but ban private contacts between Israelis and members of terrorist organizations.

On September 22, on the eve of Sukkot, a probable catastrophe was averted when an alert passerby in Jerusalem's ultra-Orthodox Me'ah She'arim quarter reported a suspicious-looking van to police. The van, parked in a crowded shopping area, turned out to be booby-trapped and was quickly disarmed. A few days later, seven passengers (one of them an Arab) on a Jerusalem-Kiryat Arba bus were wounded when the bus was fired on as it entered the town of Halhoul. Curfew was imposed on Halhoul, and several hundred Jewish settlers seized the opportunity to carry out

a reprisal raid on the town, damaging cars and a mosque before the security forces stepped in to impose order.

Arab residents were also victims of terrorist activity. A 13-year-old Hebron boy was killed and three other Arab residents of the city wounded, one seriously, when a grenade was thrown at an army patrol there on September 28. In Gaza, one local boy was killed and another wounded when soldiers opened fire at the vehicles they were traveling in, which had failed to stop at army roadblocks.

At the beginning of October, the year's third double murder of its kind occurred. The bodies of Edna Harari, 22, and Mordechai Suissa, 28, were found in the Judean Hills near Beit Shemesh on October 4, following an intensive search of several days after they were reported missing. The two, who came from religious families in Jerusalem, had met not long before and were said to have been on their first outing together without chaperones. Two days later a special antiterrorist unit of the border police flushed out a five-man terrorist gang that had been operating for over a year in a broad area stretching from Hebron to Beit Shemesh. Four of the gang's members were killed in the clash, which took place in the southern Hebron hills, and the fifth was wounded and captured.

According to the army spokesman, this gang was responsible for the latest double slaying as well as for the murder of another couple in the same area in June, and the slaying of a Jewish settler in the Ramallah market in March. Also attributed to them were four instances of firing on Israeli buses, including the September 26 incident in which seven persons were wounded. The homes of all five gang members were demolished by the security forces, who also arrested a number of persons in the Hebron area on suspicion of having aided the gang. Dozens of *mukhtars* in the area were warned that harsh punitive measures awaited them if residents of their villages were found to have aided terrorists.

One of the effects of the series of murders of persons hiking through woods was to cast a pall of danger and uncertainty over this favorite form of activity. Such fears were reinforced by the O/C Central Command, Maj. Gen. Amnon Shahak, who said in an interview following the elimination of the gang that while the area in question was now "clean," persons hiking in isolated areas should do so in groups and carry weapons.

There was no letup in the attacks, in Israel proper and in the territories, for the rest of the year. Among the more serious incidents were a series of knifings of Israelis in the Old City of Jerusalem in November, which effectively placed the Old City out of bounds as far as many Jewish Jerusalemites were concerned; the shooting of an Israeli Jew in Kalkilya on November 30 (the town's mayor, who visited the victim in hospital, offered a reward for information leading to the arrest of the perpetrator); the murder, in an apparent act of anti-Arab terrorism, of a well-known Ramallah lawyer, Aziz Shehadeh, 73, who was stabbed to death outside his home on December 2 (the Abu Nidal terrorist group claimed responsibility); and the murder of an 18-year-old soldier, Moshe Levy, while he was hitchhiking home from his base—his body, which was set afire after the killing, was found in a field off the Lod-Petah Tikvah highway on December 5.

Speaking to reporters in late November, Central Command's General Shahak said that half, if not more, of the recent terrorist acts in the West Bank had been perpetrated at what he termed the private initiative of local residents who were not affiliated with terrorist organizations. Because of this, and because the attacks were often spur-of-the-moment affairs, it was difficult to apprehend the assailants, he noted.

There were further developments in the case of the two terrorists killed in the aftermath of a bus hijacking on the Tel Aviv–Ashkelon route in April 1984. When security forces stormed the bus, which had been commandeered by four men, two of the terrorists were killed. The two others, it later emerged, had been taken off the bus alive but died shortly afterward as a result of blows to their heads. (See AJYB, vol. 86, 1986, pp. 333–334.) On August 13, 1985, an investigative commission headed by State Attorney Yona Blattman—which had been appointed a year earlier by the attorney general—made its conclusions public. The commission found prima facie evidence of the “use of violence toward the two terrorists (who had been taken alive), via blows with a pistol, by Brig. Gen. Yitzhak Mordechai.” (The name of Mordechai, the chief infantry and paratroop officer, had been revealed in connection with the investigation, in violation of military censorship, by the weekly magazine *Koteret Rashit*, in February.) Similar evidence was found in connection with five members of the General Security Service (GSS) and three members of the Israel Police. Based on these conclusions, Attorney General Yitzhak Zamir decided to have the five GSS men tried before a GSS disciplinary court under the Civil Service Law, while the three policemen would face trial before a police disciplinary court. On August 18 the army exonerated General Mordechai of all charges against him, having concluded that his interrogation of the two terrorists was carried out “in order to obtain vital immediate information,” and that his actions were “not unreasonable,” since he sought to prevent danger to human life. In November the GSS personnel involved were also cleared in the deaths of the two terrorists.

#### FREEING OF TERRORISTS

In mid-May, even as pressure was being exerted by the Jewish settlers in the territories for tougher measures against terrorists, Israel announced that it was releasing 1,150 jailed terrorists—including some who were serving life sentences for having committed unspeakably heinous crimes—in exchange for three Israeli soldiers captured in Lebanon in 1982 and held by Ahmed Jibril's Popular Front for the Liberation of Palestine–General Command organization. Of the 1,150 released prisoners—over half of all the security detainees held by Israel—879 were serving sentences in jails in Israel and the territories, 150 were detainees from the Ansar detention facility in Lebanon who had been transferred to Israel during the army's withdrawal from that country (see “The War in Lebanon”), and the remaining 121 were members of the Jibril organization, among them Jibril's own nephew. About half of the released terrorists were to remain in the territories or Israel, with the rest either being flown, under International Red Cross auspices, to Geneva (from where

they proceeded to Libya) or transferred to Syria at the Kuneitra checkpoint on the Golan Heights. The three Israeli soldiers were flown home via Geneva and arrived in Israel on May 21. (Four Israeli soldiers still remained unaccounted for in the wake of Operation Peace for Galilee.)

Among the terrorists released were Kozo Okamoto, who was serving multiple life sentences for his part in the 1972 Lod Airport massacre, in which 27 persons were killed; 2 Israeli Arabs serving life terms for their part in the 1969 bombing of the National Library cafeteria at the Hebrew University, which wounded 28 persons, some seriously; Ahmed Zmurid, from Jerusalem, who was responsible for the 1968 car-bomb attack that killed 15 persons and wounded about 50 in the capital's Mahaneh Yehudah market; and the 3 terrorists still in prison from the group that carried out the Beit Hadassah massacre in Hebron in May 1980, which took the lives of 6 settlers.

The exchange sparked a fierce public debate, especially when Israelis saw the released prisoners being greeted as heroes in their home villages in the territories. In response, Jewish settlers launched a campaign of intimidation aimed at forcing the newly freed convicts to leave the country. Motions of no confidence in the government over the issue of the prisoner exchange were heard in the Knesset and rejected, on May 29, by a vote of 65–6 and six abstentions. Speaking on behalf of the government, Defense Minister Rabin summed up the underlying conception of the exchange: "When there is no military option—and after a thorough examination of all the possibilities, there is no alternative but to enter into negotiations and pay a price . . . a government of Israel . . . cannot ignore the fate of its soldiers, who are sent into battle at its order, and who fall captive to terrorists, and say to them, 'We abandon you to your fate.'"

Soon after the May prisoner exchange, Israel found itself involved in the fate of captives who were not its citizens. On June 14, Shi'ite terrorists hijacked a TWA passenger plane en route from Athens to Rome, took it to Beirut (via Algiers), and demanded "the liberation of our brothers held in Israel" (referring to the inmates of the Ansar detention facility who had been brought to Israel from southern Lebanon during the Israeli withdrawal), in return for the release of the plane's passengers and crew. Although an official Israeli army statement issued at the time of the first exchange had noted that Israel would release the remaining prisoners in accordance with developments in Lebanon, it was clear that any such action taken while the hijackers still held the plane would be regarded as capitulation to terrorism. As the hijacking dragged on, suggestions began to be heard in certain American quarters that Israel should free the prisoners in question and thereby resolve the issue. In response, Defense Minister Rabin asserted that Israel would not yield to "unofficial pressure" and would not change its policy "unless the United States specifically asks us to do so. Then we will weigh what to do. . . ."

On June 24, Israel did release 31 Lebanese prisoners, following what was said to be routine procedure in the wake of a review of their case by an appeals board. Twenty other requests to the board were said to have been rejected. Prime Minister

Peres, while refuting claims that a deal had been struck with the hijackers, noted that once the TWA hostages were freed, Israel would be able to resume its policy of releasing the Shi'ite inmates still in custody without any "obstacle[s]" in the way. On July 3, three days after the hostages were finally flown to Frankfurt, Israel set free another 300 prisoners, denying that this step was in any way connected with the TWA hijacking.

#### ANTI-ISRAEL TERROR ABROAD

The final quarter of the year saw an upsurge in attacks against Israelis and Israeli targets abroad. At dawn on September 25, which happened to be Yom Kippur, three terrorists—two Palestinians and a British "skinhead"—stormed an Israeli-owned yacht that was docked at the marina in Larnaca, Cyprus, killing a Haifa couple, Esther and Reuven Paltzur, and Avraham Avneri, of Arad, all three in their 50s. Following nine hours of negotiations with the Cyprus authorities, the terrorists surrendered. Israel vowed that "the murderers would not go unpunished" and that it would use all the means at its disposal to protect its citizens wherever they were. Israeli requests for the extradition of the three perpetrators—believed to be operating as part of the Fatah organization's elite Force 17 unit—were rejected by Cyprus. (In late December a Nicosia court sentenced the three terrorists to life imprisonment.)

On the day following the Larnaca attack, the Israel Air Force struck at a PLO base in Lebanon. However, this turned out to be a mere prelude to a direct strike by the air force at the organization's nerve center in Tunisia on October 1 (see below).

A week later, the most dramatic terrorist action of the year took place, an action that became a major international incident. Four Arafat-affiliated terrorists hijacked an Italian cruise ship, the *Achille Lauro*, during a Mediterranean sailing. Their evident intention had been to make themselves known only when the ship docked at the Israeli port of Ashdod, and then to perpetrate a bargaining operation, holding the ship's passengers and crew hostage until Israel released imprisoned terrorists. However, their plan went awry when their presence was discovered by a ship's steward, at which point (October 7) they seized control of the vessel. The episode was to end tragically for one vacationer, Leon Klinghoffer, an elderly wheelchair-bound American Jew whom the terrorists shot and then threw overboard. The terrorists finally surrendered to Egyptian authorities in Port Said on October 9 and were released the following day (though not before President Mubarak had been caught out in an untruth: he maintained that the four had already left Egypt when in fact they were still on Egyptian soil). The plane carrying the hijackers was intercepted and forced to land in Sicily by U.S. aircraft. The squad's leader, Abul Abbas, a member of the PLO's executive and a confidant of Yasir Arafat, was, however, permitted to proceed to Yugoslavia by the Italian authorities—to the consternation of many throughout the world.

In an Israeli television interview on October 17, the chief of military intelligence, Maj. Gen. Ehud Barak, played a tape recording of a conversation between Abul Abbas and one of the hijackers aboard the *Achille Lauro*, monitored while the operation was still in progress. Although Arafat had dissociated himself from the hijacking of the ship and from the spate of terrorist attacks in Israel and abroad during the year, Barak maintained that Arafat was playing a "double game," posing as a moderate vis-à-vis the West while acting to maintain his credibility with the radical Palestinian groups.

Nitzan Mendelson, a young Israeli woman, lost her life and another woman was badly wounded during the hijacking of an Egyptian airliner en route from Athens to Cairo on November 23. In a subsequent Egyptian storming of the plane, the day following its hijacking, 59 other passengers were killed, as were four of the five terrorists.

Israel's national airline, El Al, was the victim of several attacks during the year. The first three attacks—in Milan (August 25), Istanbul (August 28), and Amsterdam (September 13)—caused little damage. However, on December 27, Arab terrorists, apparently from the anti-Arafat Abu Nidal organization, launched simultaneous attacks at the El Al counters in the Rome and Vienna airports, resulting in 20 persons killed and over 100 wounded. Among the dead was one Israeli citizen and one other El Al passenger. An El Al security guard in Rome showed particular courage as he returned fire at the terrorists, despite being wounded himself.

A call by Israel for a concerted international effort to eradicate the scourge of terrorism, specifically, for all countries to expel PLO representatives, noted that the attacks had "come against the background of declarations by the head of the PLO and those Arab states that support the PLO that these terrorists would cease terrorist operations outside Israel." The reference was to a declaration by PLO chief Arafat in Cairo on November 7, following the *Achille Lauro* affair, that the PLO "denounces and condemns all terrorist acts" and would cease such acts outside Israel, while reserving the right to perpetrate them in the territories.

#### COMBATING TERRORISM

Israel carried out its war against Arab terror in two main forms: by ongoing efforts to apprehend and bring to trial terrorists operating within Israel and the territories, and by direct military means utilizing chiefly the air force and the navy.

The pursuit of individual terrorists was carried out largely through undercover work by the General Security Service; indeed, some Israeli commentators suggested that terrorism inside the country had grown because the GSS and the army as a whole were preoccupied with Lebanon. During 1985 there were, nevertheless, some notable successes in the apprehension of individual terrorists and the uncovering of a number of terrorist cells. Among terrorists who were tried and convicted was a young resident of the Dehaishe refugee camp, sentenced to life imprisonment for the 1984 murder of two Jewish students in a wood near the camp.

Both the air force and the navy were heavily engaged in antiterrorist activity during the year. Naval patrolling of Israeli and Lebanese coastal waters resulted in the destruction, in the predawn hours of May 8, of a rubber dinghy in the Tyre area carrying five Fatah terrorists who planned to carry out an attack in northern Israel. Besides occasionally shelling terrorist bases in Lebanon from the sea, the navy also ventured onto the high seas with the aim of intercepting terrorist craft before they could approach Israel. These patrols scored three major successes in 1985. On April 21, the navy sank a vessel carrying 28 terrorists, of whom 8 were captured (the others presumably drowned), who were bound for Israel with the aim of disrupting Independence Day festivities. In the predawn hours of August 25, an Israel Navy patrol intercepted the yacht *Casselredit*, which was carrying eight Algerian-trained members of the Fatah organization. They were bound for Sidon, in southern Lebanon, there to be outfitted by Fatah agents before infiltrating into Israel by land in order to execute a large-scale attack in Galilee. Finally, on August 31, the yacht *Ganda*, belonging to Fatah's Force 17, was intercepted off the Lebanese coast. It was en route from Cyprus to Lebanon, carrying a terrorist squad that had orders to infiltrate into Israel to perpetrate a maximum-casualty operation.

The most daring antiterrorist action of the year, and the one with the most far-reaching implications, was carried out by the Israel Air Force on October 1. In response to the recent wave of terrorism, which was capped by the murder of the three Israelis in Larnaca, the IAF flew the longest mission in its history, a round trip of some 4,800 kilometers, to bomb PLO headquarters in Tunisia. In the strike, about 60 persons were killed and a number of buildings destroyed, including the headquarters of Yasir Arafat. (He himself was not at the site at the time of the attack, and Israel later denied that he had been a target of the operation. However, several senior members of Force 17 were reported to have been killed.)

In a government statement on terrorism delivered to the Knesset plenum on October 21, Defense Minister Rabin reported that 11 separate Arab terrorist organizations, comprising 17,000 terrorists, were currently active against Israel "in every possible arena." In the previous year, some 2,000 "Arafat terrorists" had returned to Lebanon, while some 6,000 members of other terrorist organizations had never left that country. According to Rabin, the attack on PLO headquarters in Tunis had been intended as a "clear signal to all the terrorist organizations that there will be no immunity for terrorists anywhere."

#### JEWISH TERRORIST ORGANIZATION

On July 22, just over a year after it had begun (June 27, 1984), the trial of the 25 members of the Jewish terrorist organization concluded. The members of the organization, activists from Jewish settlements in the West Bank and the Golan Heights, had been charged with a series of crimes, including an attack on the Islamic College of Hebron in 1983 and a conspiracy to blow up the Dome of the Rock shrine on the Temple Mount in Jerusalem. (See AJYB, vol. 86, 1986, pp. 336-339.)

What was probably the major turning point in the proceedings came in mid-May, when the Jerusalem district court panel of three judges trying the case ruled that evidence and testimony relating to the security situation in the West Bank in 1980 (when the group had been most active) were inadmissible. The court argued that the defendants had no right to take the law into their own hands, no matter what the situation, and that testimony about security in Judea-Samaria in 1980 was therefore irrelevant. Since the security situation was in fact the main argument of the defense, several of the defendants, including the leader of the underground, Menachem Livni, dismissed their lawyers, asserting that they no longer had need of counsel.

About a week after the release of 1,150 Arab terrorists in exchange for three Israeli soldiers (see above), Knesset members from the Likud, Tehiya, and the religious parties, joined by other public figures on the political right, called for the reciprocal release of the Jewish terrorist underground. Responding publicly to the growing calls for amnesty, which included a demonstration in front of the Knesset by about 3,000 persons, mainly from religious settlements in the territories, President Herzog, who was authorized by law "to pardon offenders," stated that he would not be a party to attempts to undermine the country's judicial system and would not be "pressured by any side" on this matter. In a ruling issued on June 3, Attorney General Zamir stated that no one can be pardoned "unless he has [first] been convicted in a court judgment, since until then he is held to be innocent."

On June 12 the state rested its case, with Assistant State Attorney Dorit Beinisch asking for harsh sentences as a deterrent to others, because of the dangerous ideology underlying the defendants' deeds, and because "none of them expressed remorse or contrition for his actions."

The verdicts were handed down on July 10, and sentence was passed on July 22. Three of the 15 defendants (Menachem Livni, Uziahu Sharabaf, and Shaul Nir), who were convicted of murder in the attack on the Islamic College in Hebron, were sentenced to mandatory life imprisonment. Barak Nir (brother of Shaul Nir) received a 12-year sentence, half of it suspended, for manslaughter, attempted murder, conspiracy, and "membership in a terrorist organization"; Yehuda Etzion and Yitzhak Ganiram were given ten-year prison terms (three years of which were suspended), while the others received sentences ranging from five to seven years, with about 40 percent of the sentences suspended in each case. One defendant, Moshe Zar, was given a three-year sentence of which all but three months was suspended; he was then released because he had already served four months in prison and because of ill health.

The court's decisions were greeted with dissatisfaction by both supporters and opponents of the terrorist group. Renewed calls for a general amnesty were led by Vice-Premier Yitzhak Shamir, who reiterated to a meeting of Betar youth-movement alumni his view that the defendants were "excellent people who made a mistake"; he argued that a pardon for the group would virtually guarantee the end of a Jewish underground. By year's end, President Herzog had acted in three cases,

reducing the sentences of Uri Maier, Yosef Zuria, and Dan Be'eri, all of whom had been convicted following plea bargaining.

On the other side, the state appealed to the Supreme Court for harsher sentences for five of those convicted, both because of the seriousness of their offenses and to correct imbalances in sentencing. The move drew the wrath of the country's right wing, which redoubled its calls for an amnesty and for the dismissal of Attorney General Zamir, who had made the decision to appeal.

In the course of the trial, ten of the defendants had concluded plea-bargaining agreements with the court and been duly sentenced. Several of these sentences were appealed to the Supreme Court by the defense, the prosecution (namely, the state), and sometimes both; in most of the appeals the court let the sentences stand as handed down, though in one case it stiffened the sentence (that of Noam Yinon, who had 10 months added on to his 18-month prison term), and in another it more than halved the original sentence (that of Gilad Peli, whose prison term was cut from 10 to 4½ years).

Several other Jews who had carried out acts of political violence, though acting as individuals, not as members of an organized group, also had sentence passed against them in 1985. On January 13, Yona Avrushmi, 27, who was convicted of the murder of Emil Grunzweig and of wounding nine other persons when he threw a grenade at a Peace Now demonstration in February 1983, was sentenced to life imprisonment. On April 17, David Ben-Shimol, 19, received a life sentence for murder resulting from two attacks he carried out in 1984: firing a rocket into an Arab bus in Jerusalem, killing one person and wounding ten, and throwing a bomb into a café in the Old City of Jerusalem, wounding four persons. Ben-Shimol's request to be imprisoned together with the members of the Jewish underground was rejected.

In September Shimon Barda, a member of the messianic Lifta gang, which, like the Jewish underground, had planned to blow up the Dome of the Rock, was sentenced to eight years in jail. (The two leaders of the bizarre group were found mentally incompetent to stand trial.) In October Yosef Harnoi from the settlement of Elon Moreh was sentenced to ten years in prison after being convicted of manslaughter in a 1983 incident in Nablus. Harnoi killed an 11-year-old girl and wounded her sister when he fired a submachine gun into a bakery, after his car was stoned while he was driving through the town and he leaped out to give chase.

In a follow-up to an earlier case of violence, the Supreme Court effectively reduced by as much as 20 years the prison term of Alan Goodman—the American who had run amok on the Temple Mount in April 1982, killing one Arab guard and wounding two others—by ruling that he could serve all his jail terms concurrently.

### *The Administered Areas*

For various reasons, including the national unity government's limiting of new settlements to no more than six in its first year, little occurred to change the status

quo in the territories, in terms either of Jewish expansion or in the situation of the Arab population. Work was, however, carried out to improve the infrastructure of existing Jewish settlements, and the larger, semiurban settlements continued to grow in population.

Regarding the local Arab population, it was the declared approach of Prime Minister Peres and Defense Minister Rabin—in response, *inter alia*, to American pressure—to work for what was termed “the improvement of the quality of life.” Specific measures implemented, according to a “briefing paper” issued by the Foreign Ministry in June, included the lifting of restrictions on individual import of capital, provided the source of the funds was not the PLO or “other terrorist sources”; authorization for a group of local businessmen to open a bank (though no start was made on the actual establishment of such a bank, apparently due to a Jordanian veto); approval of plans for the construction of a fruit-processing plant in Gaza and for new hospitals in Hebron and Ramallah (again, there were no signs of implementation); and continued rehabilitation of refugees, with some 650 Gaza families having been allocated housing “last year alone.” In a step taken to relieve a long-standing source of hostility, the government permitted a reduction in the number of books banned by the military censor from 1,500 to about 300. The government also extended direct overseas-dialing service to telephone users in the territories.

The first significant step was taken toward achieving another government objective—placing Arab leaders of moderate political outlook at the head of a number of West Bank towns that had been run by the Israeli military for several years, ever since the dismantling in 1980 of the PLO-linked National Guidance Committee. On November 26 the Judea-Samaria Civil Administration announced the appointment of the president of the Nablus chamber of commerce, Zafr al-Masri, 44, as mayor of that town. The appointment was consistent not only with the government’s desire to improve the quality of life in the territories but also with Prime Minister Peres’s “Jordanian option,” as al-Masri was known to be well connected in Amman.

The gradualist approach taken by the government toward the Arab population extended to the Jewish settlers as well. In the absence of forceful support from the highest echelons of government—such as they had received under Likud governments for almost eight years, beginning in 1977—and in view of the national unity government’s emphasis on reducing expenditures, the settlement movement focused its efforts on consolidating what had already been achieved.

The few demonstrations in support of intensified settlement that were held during the year centered mainly on Hebron. In April about 150 members of the Herut-affiliated Betar youth movement were turned back by border police when they marched into Hebron in an effort to reach the Tel Rumeida settlement site—where several Jewish families resided in trailers—and open an office there. Although allowing the original families to remain at the site, the government refused to permit other settlers to join them. In mid-June the Cave of Machpelah (Tomb of the Patriarchs) in Hebron once again became the focus of Jewish-Arab tensions when

about 50 settlers, some of them armed, arrived at the site for morning prayers, knowing that the eastern entrance to the site had been closed to Jews temporarily because of a Muslim holiday. The would-be Jewish worshipers were denied access by three soldiers, but refused to move aside to allow Muslim worshipers to enter. A possibly serious incident was averted when officers of the military government convinced the Jewish group to pray outside the site and to depart before Muslims began arriving in large numbers.

In defiance of government policy, in early August a group of settlers from Kiryat Arba occupied an empty apartment in the center of Hebron. According to the settlers, the flat had been purchased from its Arab owners by the Committee for the Restoration of the Jewish Community in Hebron. This claim, however, was contested by the Israeli military authorities. Although the settlers were soon removed by the army, on August 15 three MKs from the ultranationalist Tehiya party moved in. Because of their parliamentary immunity, they could not be so easily dislodged, and a major political row quickly flared up. Likud leader Yitzhak Shamir contended that the seizure of the flat was consistent with prior cabinet decisions; Prime Minister Peres and Defense Minister Rabin countered that the move was in violation of the status quo and that the particular apartment at issue was in any case not included in any government decisions concerning Hebron.

In short order the original three MKs were joined by four others (from Tehiya, Likud, and Morasha) and soon received visits of support from ministers Ariel Sharon and Moshe Arens, both of Herut. With the situation threatening to get out of hand—demonstrations both supporting and opposing the occupation were staged at the site, and the settlers themselves were poised for militant action—Defense Minister Rabin met on August 19 with the seven MKs in the apartment and asked them to leave. When they refused, the building and its surroundings were declared a “closed military area,” a formal eviction order was issued by the army at 3:15 A.M. August 20, and the MKs then left the flat under army escort and without resistance. The entire building was sealed off and a guard posted outside it. (One reservist doing such guard duty was killed and another seriously wounded in a knifing attack on September 3.)

At about the same time as the Hebron events, another aspect of West Bank settlement came under official and public scrutiny, one in which Arabs and Jews alike were victimized. The Tel Aviv district court began considering a case involving alleged illegal land sales in Judea-Samaria, with local Arabs claiming that they had been intimidated into selling or that land was sold without their knowledge. At the same time, Israeli Jews who bought land as future homesites were defrauded of their money because title to the land was not clear. The political ramifications of the case emerged when the Knesset’s Public Audit Committee began looking into the matter, and when Vice-Premier Shamir accused the press of turning “isolated cases” into a “witch hunt” against land purchase in the territories, “with the aim of blocking this Zionist mission.” In December two persons who had served as aides to Deputy Defense Minister Michael Dekel when he was deputy agriculture minister—and as

such responsible for West Bank settlement activities—were arrested in connection with the case. On December 15, with a former top aide of his already having been charged with bribery and attempting to suborn witnesses in the case, Dekel himself was questioned by police.

This highly complex case—whose outcome was still unclear at year's end—brought into the open for public debate some of the means that had been employed to promote West Bank settlement, as well as highlighting the fact that “ideological” settlement was apparently declining. According to both Meron Benvenisti, director of the West Bank Data Base Project, and Arnon Sofer, a professor of geography and head of Haifa University's Jewish-Arab Center, Jewish settlement in the West Bank was being artificially sustained by the government. In a *Jerusalem Post* report published in November, Sofer pointed out that in the 18 years since the Six Day War, only about 50,000 Jews had settled in the West Bank, a figure that was equivalent to slightly more than two years' natural increase of the Arab population there.

According to Benvenisti, about two-thirds of the over 100 West Bank settlements consisted of fewer than 200 persons each, a level that could not guarantee natural growth. Moreover, nearly three-quarters of all the settlers resided in 15 semiurban settlements, with one-quarter of the total in one settlement alone—the Jerusalem suburb of Ma'aleh Adumim. At the same time, the potential for growth remained: Israel, according to the Benvenisti data, controlled over half (52 percent) of all the land in the West Bank, and while only 7 percent of this had been earmarked for housing, between 800,000 and a million persons could be settled in those areas. (About half of the land controlled by Israel—via seizure or administrative restrictions—was set aside for military purposes.)

The moves by Prime Minister Peres toward talks with Jordan evoked bitter response in the territories. A weekly published for and by settlers in Judea-Samaria, *Alef Yud* (Hebrew initials for *Eretz Yisrael*), ran an article on November 1 entitled “Judea and Samaria Shall Not Fall Again.” In it the writer, M. Ben-Yisrael (a pseudonym), called on the settlers “to prepare to take up arms and fight brother against brother.” Three days later the Council of Jewish Settlements in Judea-Samaria and Gaza adopted a resolution declaring that “the plans and proposals attributed to the prime minister [in connection with mooted negotiations with Jordan or a Jordanian-Palestinian delegation] are unlawful.” The resolution went on to warn that “we will treat any government in Israel that commits one of these crimes [of yielding sovereignty in Jerusalem or the territories] as an unlawful government, just as de Gaulle did vis-à-vis Marshal Pétain's Vichy regime which betrayed the French people.” Moreover, the council warned, in an echo of the *Alef Yud* article, if these plans, as published, were implemented, they would “necessarily cause a split in the nation.”

With the specter of civil war brought so starkly into the public debate, condemnation of both the resolution and the article was swift, embracing virtually all political factions, including supporters of the settlement movement. Three days after passing

its original resolution, the Council of Jewish Settlements adopted a new resolution asserting that it "takes a grave view of the prime minister's plans to hand over parts of *Eretz Yisrael* to strangers," and that "no body has the authority to hand over or yield sovereignty in [any part] of *Eretz Yisrael*." On November 6, five days after the appearance of the inflammatory article in *Alef Yud*, the attorney general determined that the article in question constituted incitement to revolt, and the defense minister ordered the publication shut down. (A youth magazine, *Hamtzan* ["Oxygen"], distributed free in Israeli high schools, had one issue banned when its editor responded to the *Alef Yud* article by declaring in print that he was "ready to raise a hand against the opponents of peace. . . . I am willing also to take up the gun.")

On December 11, a small group of activists tried for the fourth time in 1985 to extend Israeli settlement in the territories to the town of Jericho, an oasis of quiet in the otherwise trouble-plagued areas. Although (as on previous attempts) Israeli troops prevented them from reaching their designated site—an ancient synagogue just north of Jericho—they pledged to continue their efforts until they had achieved their objective.

### *Political and Religious Extremism*

Intensified Arab terrorism and the effects of the government's radical new economic measures, particularly on lower-income groups, provided fertile ground for the continued growth of "Kahanism," the anti-Arab, antisecular, antileftist activism propounded by MK Meir Kahane. Efforts to counterbalance this trend had gotten off to a bewildered and uncertain start, following the shock of Kahane's election to the Knesset in 1984. In 1985, however, the forces of moderation in the country launched a concerted drive to curb the American-born rabbi by legal and administrative means. They also sought ways to achieve what amounted to the virtual reeducation of large segments of the country's youth in the principles and practices of democracy.

On May 7 Justice Minister Moshe Nissim proposed two items for legislation by the Knesset. One, a bill to amend the Basic Law regulating the Knesset, would prohibit the election of any political party that incited to racism, negated the democratic character of the state, or denied Israel's existence "as the state of the Jewish people." This bill, which was also aimed at the left-wing, Arab-oriented, and nationalist Progressive List for Peace (PLP), was subsequently passed into law by a vote of 60–0.

Because the new amendment begged the question of what actually constituted "incitement to racism," the justice minister also introduced an amendment to the penal code to the effect that "anyone publishing something which incites to racism, or anyone publishing something with the intention of inciting to racism, shall be liable to two years' imprisonment." For several reasons, this bill appeared to be assured of speedy passage: an identical measure had been called for immediately after the 1984 elections by the attorney general; the justice minister viewed it as

having important "educational" purposes; and, in its current formulation, it had been okayed by all the relevant government ministries, a special ministerial committee, and the entire cabinet. However, even though the bill appeared to have universal assent, after it was given its first reading, on July 9, and referred to the Constitution, Law, and Justice Committee for final formulation, objections suddenly began to be voiced.

The Likud, even though it was an equal partner in the government and held the justice portfolio to boot, now invoked the innovative notion of "symmetry," making its support conditional on passage of a parallel law that would bar unauthorized meetings between Israelis and members or representatives of the PLO. The ultranationalist Tehiya party took exception to certain elements in the bill which it thought likely to hamper its own activity, and the religious parties expressed concern that the bill could be utilized by secularist groups to have certain passages in the *halakhah* (Jewish religious law) itself declared as "incitement to racism." (Kahane himself consistently maintained that his actions and statements were all anchored in and cited from *halakhah*, though his detractors argued that he quoted such passages out of context.) The upshot was that the bill languished in committee for the rest of 1985.

With the Knesset unable to agree on the wording of an antiracism measure, the High Court of Justice ruled on October 31 that Kahane could present two private member's bills, even though the bills in question were blatantly antidemocratic and racist in nature. (They would have restricted the rights of non-Jews and banned sexual and other types of relations between Jews and non-Jews in Israel.) This was a virtual replay of a 1984 episode, when Kahane's candidacy was challenged and the court permitted him to stand for election to the Knesset. The essence of the court's reasoning on that question—made public only in May 1985—was that, abhorrent and distasteful as Kahane's platform might have been, there was no law on the books to prevent him from running, nor did he constitute a "clear and present" danger to the existence of the state. In the present instance, Kahane petitioned the High Court after the Knesset presidium rejected his proposed bills.

Despite the court ruling in his favor, in the end Kahane was prevented from submitting the legislation. The Knesset, spurred by Speaker Shlomo Hillel, voted on November 13 to amend the House rules (the recourse suggested by the High Court of Justice in its decision) so as to bar the submission of any private member's bill which in the opinion of the presidium was "racist in nature or negates the existence of the State of Israel as the state of the Jewish people." Kahane challenged the legality of this move in yet another petition to the High Court, but this time (November 18) the court ruled against him.

One Kahane-related action that was taken by the Knesset in 1985 undoubtedly delighted Kahane himself. In yet another instance of the tit-for-tat concept insisted on by the right-wing and religious parties, by which every action taken against Kahane had to be paralleled by a like move against the Progressive List for Peace, the Knesset plenum on October 15 voted 39–22 to partially lift the parliamentary

immunity of PLP MK Muhammad Miarri, Kahane's own parliamentary immunity having been similarly reduced in 1984. Miarri petitioned the High Court of Justice to throw out this decision.

A more resolute, and more successful, anti-Kahanist stance was taken in July by the government and the attorney general following elections to the local council in Kiryat Arba, the Jewish settlement adjacent to Hebron. The new coalition there, which included Kahane's Kach party, inserted a clause in the coalition agreement under which all Arabs employed by the local council would be dismissed and joint Jewish-Arab economic enterprises in Kiryat Arba would be prohibited. Following a request from the prime minister for a legal opinion on the validity of this clause, on July 30 Attorney General Zamir ruled the clause in question to be "null and void," since it "stands in blatant contradiction to the principle of equality before the law, in that it discriminates on the basis of racist considerations of the sort which have served the enemies of the Jewish people for generations in their persecution of Jews."

There was some evidence that antiracist legislative and legal efforts, along with educational programs that brought Jews and Arabs together, were running against a strong tide of public opinion. A study by the Jerusalem Van Leer Institute, for example, found that fully 11 percent of the country's 18-year-olds, the generation born in the year of the Six Day War and about to be drafted into the army, would vote for Kahane, while a further 42 percent expressed agreement with his ideas. In religious high schools, support for Kahane ran to 60 percent, and in vocational schools it was 50 percent, the same figure as for families of Middle Eastern origin. Reinforcing these data were the results of a public-opinion poll conducted for the *Jerusalem Post* by the Smith Research Center among a representative sample of the country's Jewish population. According to the poll, in a new election, Kahane's Kach party would win no fewer than ten Knesset seats (9 percent of the popular vote), with the ultranationalist Tehiya taking another seven to eight seats.

Alarmed at these trends, the left-wing Mapam party and its affiliated kibbutz movement organized a mass Arab-Jewish antiracism rally on September 7 in Afula, which not long before had been the scene of anti-Arab rioting in the wake of terrorist murders (see "Terrorism"). Later that month, Kahane himself was shouted down when he tried to address an Afula meeting. Earlier, a group calling itself the Committee Against Racism had drowned out a Kahane rally in downtown Jerusalem. On the governmental plane, Education and Culture Minister Yitzhak Navon overturned a decision by the ministry's Council for State Religious Education that would have banned meetings between Jewish religious and Arab youth on the ground that such encounters might encourage intermarriage. In October the army radio station devoted an entire day's broadcasts to the theme of antiracism, this in conjunction with efforts by the army's educational apparatus to inculcate the values of democracy and human rights.

In November the Israel Football Association took an action that undoubtedly spoke far more forcefully to the nation's youth than court battles over legal

principles or Ministry of Education pronouncements. The IFA ousted a member of the Israeli national soccer team for having made racist slurs against the two Arab players on the team. Backing the move, the chairman of the Israel Olympic Committee, Yitzhak Opek, asserted that his group would not tolerate racist behavior, as it was totally alien to the underlying philosophy of sport.

#### RELIGIOUS EXTREMISM

Another social problem, the ongoing conflict between Orthodox Jews and the nonobservant, while relatively quiescent during 1985, nonetheless continued to trouble the country. A midyear poll commissioned by the Gesher ("Bridge") movement—whose aim was to draw religious and secular Jews closer together—found that 35 percent of religious Jews and 55 percent of nonobservant Jews regarded the religious-secular problem as more serious than it had been five years earlier. Both groups also viewed religious-secular conflict as a graver long-term problem than Sephardi-Ashkenazi tension.

Interior Minister Peretz (Shas) outraged the secular public when he asserted, in June, that the deaths in a road accident of 17 schoolchildren and four adults were divine retribution for Sabbath violations in their hometown of Petah Tikvah. (The city's bylaw had been amended to permit Friday-evening film screenings.) The minister's subsequent attempts to explain himself by asserting that "nothing accidental happens to the Jewish people," and that the tragedy should be seen as a "sacrifice" meant "to arouse us to be better Jews," only served to highlight the enormous gulf dividing the Orthodox and secular outlooks on life.

The view of some observers that the future of Jewish Jerusalem belonged to the *haredi*, or ultra-Orthodox, population received some support from a survey conducted by the Jerusalem Institute for Israel Studies. The study found that the capital's ultra-Orthodox population at the end of 1985 already constituted fully 27 percent of the city's Jewish population and that it was increasing far more rapidly than any other section of that population.

Although Jerusalem's ultra-Orthodox residents seemed to have reconciled themselves to the use on the Sabbath of the Ramot road—scene of violent demonstrations in past years—some 3,000 of them tried to prevent Mayor Teddy Kollek from inaugurating a community swimming pool in Ramot, which they claimed would allow mixed bathing and be open on the Sabbath. About 1,500 persons took part in a counterdemonstration at the ceremony opening the pool in August, but in the end, some Sabbath restrictions on bathing were imposed.

The growing antipathy between secular and Orthodox Jews surfaced in November in French Hill, not far from Ramot, where residents demonstrated against a plan to build a synagogue-yeshiva complex in the largely secular neighborhood, many of whose residents were former Americans. Basing themselves on the experience of other Jerusalem neighborhoods, the protesters claimed that the infusion of ultra-Orthodox elements would disrupt the prevailing good relations between secular and

moderate religious residents, as well as bring about the closure of the neighborhood's main road—where the complex was to be built—on the Sabbath. (In the event, the project failed to get off the ground when it was found that the builders had not obtained all the required permits.)

Toward the end of the year, ultra-Orthodox activists found a new target: bus-stop shelters in Jerusalem. Over 20 such shelters—a blessing to Jerusalemites both in the winter rains and the summer heat—were vandalized in the final weeks of the year throughout the capital, ostensibly because of objections to sexually immodest advertising posters on them. There were also instances of public buses being stoned in the Orthodox Me'ah She'arim quarter.

The Orthodox public turned its attention in 1985 to another religious community, the Church of Jesus Christ of Latter-day Saints, or Mormons. In July a mass "prayer of mourning" was held at the Western Wall to protest the ongoing construction, on Mount Scopus, of the Jerusalem Center for Near Eastern Studies, a branch of Brigham Young University in Salt Lake City, Utah. Spurred by a group called *Yad L'Achim*, or Israel Torah Activists, the Orthodox community, joined by ultranationalist elements, called on the government to halt construction on the huge project, which, they contended, would be used for missionary activity. This was denied by the Mormons, who pointed to the fact that they had been running extension programs at three centers in Israel for the past 16 years, without complaint.

With the issue threatening to assume not only national but international proportions, as a number of U.S. senators made known their support for the project at the highest levels in Jerusalem, Prime Minister Peres assured representatives of the religious parties that he would look into the matter. On December 22 the cabinet decided to set up a special ministerial committee to examine the entire matter afresh and to apprise the cabinet plenum of its "findings." Two days later the Knesset defeated by a large majority a no-confidence motion presented by the ultra-Orthodox Agudat Israel party (even though it was itself a member of the coalition), focusing on Sabbath violations and on the construction of the Mormon center on Mount Scopus.

### *Israel and World Jewry*

#### "OPERATION MOSES"

On January 3 the Israel Government Press Office held a "press briefing on the absorption of Ethiopian immigrants" for both local and foreign correspondents, who turned out in droves for the event. At the briefing, government officials and Jewish Agency treasurer Akiva Levinsky confirmed what had suddenly become the country's worst-kept secret, the fact that (according to Levinsky) "a little over 10,000" Ethiopian Jews had arrived in Israel "in recent years." At the same time,

the government refused to disclose details of how the operation was organized and what other countries were involved.

"Operation Moses," as the rescue of Ethiopian Jews was called, had been launched by the Begin government in the late 1970s, but involved relatively small numbers. The period immediately preceding the early January disclosures had seen an intensive airlift of thousands of Ethiopian Jews, because of worsening conditions in Ethiopia, reportedly via Sudan. Since the airlift was only made possible through secret diplomatic arrangements, the Israeli government had imposed censorship on stories about the rescue. Public acknowledgment became necessary as news of the Ethiopian immigration spread unofficially by way of leaks from high officials and inconsistencies in the censorship process. One unfortunate effect of the sudden spotlight turned on the operation was to cause Sudan to bring a halt to the airlift, leaving an estimated 4,000 Jews in camps in the Sudan—the exact numbers were never known—and 6,000–8,000 still in Ethiopia.

Another effect was an outpouring of recriminations within the Israeli establishment about the unauthorized leaks. The responsibility, to the extent that it could be pinpointed, seemed to lie partly with Jewish Agency executive chairman Arye Dulzin, who had let the cat out of the bag during a visit to New York in December 1984, but more directly with the director-general of the Jewish Agency's immigration department, Yehuda Dominitz, who referred to the operation in an interview published just before the press conference in the official organ of the Judea-Samaria-Gaza Council of Settlements, *Nekuda*. The weekly had not submitted the text of the interview for prior censorship, and from the time of its publication, the way was short to banner headlines in Israel's mass-circulation afternoon dailies. The government's press conference sought to apply damage control by focusing attention on the absorption process rather than on the Ethiopians' manner of arrival, but this approach was obviously naive.

As the political storm over the disclosures died down, attention shifted to problems attendant on the absorption process itself, in particular the religious status of the Ethiopians. In 1973 the then Sephardi chief rabbi, Ovadia Yosef, had ruled that the Beta Yisrael (as the Ethiopians called themselves, rather than the derogatory name "Falashas") were descendants of the biblical tribe of Dan. The current rabbinate, however, questioned their religious status on the ground that, having been cut off from the mainstream of Jewish religious development, they had not followed the same divorce and marriage practices as other Jews. A previous demand by the rabbinate that the males undergo symbolic circumcision was regarded as such an affront by the deeply religious Ethiopians that it was withdrawn. The rabbis now insisted, however, that the newcomers should undergo the processes of ritual immersion and formal acceptance of Jewish law.

This, too, was viewed as degrading. "We suffered for thousands of years for the sake of the Torah, and we never dreamed that one day we would come to Israel only to be told that we are not Jews," Ethiopian spiritual leaders were quoted as saying at a meeting in early February between elders of their community and Israel's chief

rabbis. In June, even as rabbis were overseeing a mass bar-mitzvah ceremony and celebration at the Western Wall for 90 Ethiopian boys from 20 absorption centers throughout the country, the rabbinate was refusing to marry some 20 Ethiopian couples unless they first underwent ritual immersion. By July the rabbinate's unbending stance led several hundred Ethiopians from absorption centers in Safed and Carmiel to embark on a 150-kilometer "march of pain" to Ben-Gurion Airport, to symbolize their desire to return to Ethiopia, where "at least we knew who we were," as one of the marchers put it.

A July 23 meeting between Prime Minister Peres and the chief rabbis had inconclusive results. According to a joint communiqué, "the Chief Rabbis stressed that the Ethiopian Jews are indeed Jewish and an integral part of the Jewish people," but that "as with any Jew immigrating to Israel, their personal status in matters of matrimony must be clarified by the rabbinate's institutions."

Although the prime minister maintained that the problem had been solved to universal satisfaction, not all the Ethiopians agreed. In September several hundred Ethiopian immigrants began a sit-in across the road from Heichal Shlomo in Jerusalem, seat of the Chief Rabbinate, to protest the requirement of ritual immersion for couples who wished to marry. Compounding the issue was the refusal of the Chief Rabbinate to allow Ethiopian community elders to serve as marriage registrars for members of their own community, lest this set a precedent applicable to Conservative and Reform rabbis. The upshot was that the sit-in became a month-long camp-out of hundreds of Ethiopian families, who were encouraged by various public figures and by passersby, who also donated food.

The demonstration was called off after an intricate agreement was reached by which an "Institute for the Heritage of Ethiopian Jewry," whose members would include the Ethiopians' *kessim*, or priests, would be created to present evidence to marriage registrars about Ethiopian couples wishing to marry. However, since this evidence would not be considered definitive by the rabbinate—which refused to budge on this matter—a special rabbinical court to deal with all aspects of the marriage process for Ethiopians was also to be formed. Finally, Ethiopians whose Jewish lineage was not in doubt would be able to marry without any special immersion ritual.

Among the many problems involved in the physical and cultural absorption of this immigration, that of housing the Ethiopians was being resolved relatively satisfactorily. In early December, Immigration Absorption Minister Ya'akov Tzur was able to report that all the Ethiopians who had been temporarily housed in hotels would be settled in apartments by year's end. (A good many hotels had been leased for the operation, both because the country's absorption centers were quickly filled to overflowing by the mass influx, and because the idea was to keep the Ethiopians together in the initial stage, for mutual support.) According to Tzur, the plan was to settle the Ethiopians throughout the country in relatively small groups of no more than 250 families in any one existing community. One all-Ethiopian settlement was, however, planned—near the northern Negev town of Kiryat Gat—which would

become the national center for the community, housing institutions designed to preserve its ancient culture.

#### SOVIET JEWRY

Although the year was rife with reports about an imminent reopening of the gates by the Soviet authorities to Jews wishing to leave the USSR, 1985 actually proved to be one of the worst years for Jewish emigration in recent times. Only 1,140 Jews were permitted to leave, and of those just 342 found their way to Israel.

The rumors about a major Soviet policy shift on Jewish emigration hit the headlines in Israel in late October, when Immigration Absorption Minister Tzur told the daily *Hadashot* that plans existed for the absorption of "thousands" of Soviet Jews who were likely to be allowed to leave the USSR shortly. The reports were in part self-generated, based on hopeful readings of the attitudes of the new Soviet leader, Mikhail Gorbachev, and in part evidently disseminated by Moscow for its own purposes, notably, the approaching summit meeting between Secretary Gorbachev and U.S. president Reagan. Hopes were also raised by reports of Prime Minister Peres's meeting with Soviet Foreign Minister Shevardnadze at UN headquarters in New York on October 23 (see also "Foreign Relations"), and his talks with French president François Mitterrand in Paris on October 25, at which—as Peres told the Knesset on October 28—Mitterrand pledged that his country "would supply the means of transportation required in order to bring [Soviet Jews] directly from the Soviet Union to Israel." Peres revealed that he had asked Mitterrand to raise the issue of Soviet Jewry with Gorbachev, and that he had made this topic one of the focal points of his mid-October talks in Washington with President Reagan and Secretary of State Shultz.

Prime Minister Peres told the cabinet on November 17, two days before the opening of the Geneva summit, that the struggle on behalf of Soviet Jewry should be conducted by both public action and quiet diplomacy, and that he saw "no contradiction between the two" methods. Nevertheless, the international movement for Soviet Jewry was deeply split on this issue. Even as the executive of the World Conference on Soviet Jewry told a press conference in Geneva on the eve of the summit that they had been assured that President Reagan would bring up the Soviet Jewry issue "forcefully" in his talks with Gorbachev, and urged that no pressure be brought on Washington to link Soviet Jewish emigration to other areas in which Moscow had an interest, a group of activists, including former refuseniks, was asserting publicly that such linkage was vital.

Although Prime Minister Peres's statement at the end of November that he could "all but assure" former Russians in Israel that the USSR would soon permit family reunification seemed unlikely to be realized in the foreseeable future, several Soviet Jewish activists did arrive during the year. Included among them were Dr. Eliahu Pushkin, a Moscow gynecologist, and his family, who were allowed to emigrate after a five-year wait; Leonid Zelkind, a computer programmer from

Leningrad; Mordechai Yudborovsky and his family, also from Leningrad; prisoner of Zion Yitzhak Shkolnik, who was reunited in August with his wife and daughter, now 18, after an imposed 13-year separation; and another veteran refusenik and former prisoner of Zion, Mark Nashpitz, who arrived in October with his wife and son.

#### HOLOCAUST-RELATED EVENTS

A unique and harrowing event that took place in February was the First International Convention of Twins. During the three-day conference, some 30 survivors of the notorious medical experiments of Josef Mengele at Auschwitz—perpetrated chiefly on sets of twins—testified before an international panel. A major goal of the conference was to focus world attention on the Nazi war criminal, who was thought to be living in South America. The conference led to an agreement between Israel and the United States to intensify their cooperation in the search for the doctor. On May 7, Justice Minister Nissim informed the Knesset that as a material incentive the Israel government and the World Zionist Organization would give \$1 million to anyone who could supply information leading to the trial of Josef Mengele.

Shortly thereafter, in a surprising and unrelated development, the remains of a man who had drowned in 1979 while swimming in the sea near São Paulo, Brazil, were exhumed from a cemetery not far from that city and tentatively identified as those of Josef Mengele. According to Brazilian federal police, Mengele had lived in São Paulo for about 15 years, at the home of an elderly German couple, under an assumed Austrian identity. An autopsy on the body and comparisons with dental and other records supplied by West Germany were carried out in the presence of U.S. and West German forensic specialists, all of whom declared that the body was almost certainly that of Mengele. The U.S. Justice Department also expressed itself satisfied with the identification. However, in September the Israeli Foreign Ministry's World Jewish Affairs section informed Israeli embassies abroad that Israel was still examining the evidence and could not yet make a definitive pronouncement.

#### AMERICAN JEWS

Relations between Israel and American Jews were subjected to some strain when, in September, a delegation of the American Jewish Congress met with King Hussein in Amman, the first time a group of American Jews had ever been received by the Jordanian monarch. The delegation sought (according to a Congress press release of September 11) "to learn first-hand about prospects for progress in furthering the peace process," so that the organization could "play an informed and constructive role in encouraging that process." The group also met with other ranking Jordanian officials and was received in Cairo by President Mubarak and his top aides. In Jerusalem, however, Vice-Premier and Foreign Minister Shamir refused to meet with the delegation, maintaining (in an interview with the *Jerusalem Post*) that such

missions "serve as instruments in the hands of the Arabs to score points against [Israel]." Shamir, who also raised objections to a visit to Moscow by World Jewish Congress president Edgar Bronfman that took place around the same time, maintained that "Israel [alone] represents the Jewish people on Jewish problems"—a position evidently not accepted by Prime Minister Peres, who did receive the American Jewish Congress delegation to hear its report.

Although Shamir's criticisms undoubtedly stemmed in part from ideological antipathy between the Herut party he headed and the two organizations he assailed, they also reflected differing views of Israel-Diaspora relations. As American Jewish Congress executive director Henry Siegman, who was one of the delegation members, summed up the matter in an article he wrote for the *Jerusalem Post* after the contretemps, "[Yitzhak Shamir] assumes that Diaspora Jewish communities and organizations are not independent. It should go without saying that Jewish communities throughout the world, especially in the U.S., categorically reject this proposition."

For Israeli leaders, the matter of Israel-Diaspora relations was sensitive on other grounds as well. President Herzog, speaking on Aliyah (immigration) Day, held in conjunction with the anniversary of the Balfour Declaration (November 2, 1917), stated that the failure of American Jews to settle in Israel in significant numbers would surely be regarded by history as "one of Zionism's major failures," adding his hope that "it is not too late to change that verdict."

## Culture

While on a day-to-day basis Tel Aviv maintained its position as Israel's cultural capital, in 1985, Jerusalem, the country's political and spiritual center, was on its way to becoming its "festival capital" as well.

In May the 12th Jerusalem International Book Fair, held biannually, attracted some 1,000 publishers from 40 countries, who displayed over 100,000 volumes to an eager Israeli public. The Jerusalem Prize for the Freedom of Man in Society, presented in conjunction with the five-day fair, was awarded to the Czech émigré novelist Milan Kundera.

Later in May, the three-week annual Israel Festival/Jerusalem offered over 160 performances of 85 different productions from Israel and 11 other countries. The festival was devoted to four major themes or individuals: works by Nobel Prize laureate Samuel Beckett, to mark the playwright's 80th birthday; 50 works by Johann Sebastian Bach, including a five-hour Bach marathon, in honor of the 300th anniversary of the composer's birth; Jewish mysticism, as expressed in three different productions of S. Ansky's *The Dybbuk*; and the music of Kurt Weill and his circle. Complementing the festival were some 60 free street performances sponsored by the Jerusalem municipality, given downtown and in outlying neighborhoods. Held in conjunction with the festival was the Second Jerusalem Film Festival, a week-long affair in which some 50 films from 18 countries were screened in the

capital's Cinematheque. Many of the films had their only Israeli showings at the festival.

Yet another international event that took place in May in Jerusalem, Jewish Art Week, featured the first-ever auction held in Israel by Sotheby's of London, at which bidders paid over \$1 million for about 250 Judaica items, including rare books and art works. The highest single price, \$82,500, was paid by a private South American collector for an oil painting by Isidore Kaufmann, *Portrait of a Rabbi Before the Curtain of the Ark*. Coinciding with Jewish Art Week was the International Jewish Art Seminar, which drew about 170 participants from 15 countries, including Hungary, Rumania, and Yugoslavia. Among the highlights of this first-time conference was a symposium on the meaning and essence of Jewish art.

Mid-May also saw a week-long celebration marking the 20th anniversary of the opening of the Israel Museum in Jerusalem. No fewer than three new galleries were officially opened during the week: one housing a permanent display entitled "Israel Communities: Tradition and Heritage"; a gallery of Asian art; and a gallery of old masters of the 15th–19th centuries. (Later in the year a two-floor pavilion devoted entirely to Israeli art was also opened.) Now over three times as large as it was when it opened its doors on May 12, 1965, the Israel Museum had presented some 600 special exhibitions since that day, including 44 devoted to archaeology and 24 featuring Jewish art, as well as nearly 100 one-man shows and exhibits. The single most popular exhibition was that of the Armand Hammer art collection, which attracted 350,000 viewers in 1985.

On the stage, two of the year's most important works dealt with sensitive and controversial historical-political issues. *Kastner*, by Motti Lerner, a major Cameri Theater production that opened in August, was a docudrama based on the so-called trucks-for-blood negotiations between Dr. Israel Kastner, a Hungarian journalist, and the Nazi occupiers of Hungary, notably Adolf Eichmann, in 1944. Two-and-a-half hours long, *Kastner* used 21 actors to play 30 parts in an effort—which the critics found largely successful—to shed light on the personal motivations of the figures involved in this tragic historical episode. The year's most controversial play was undoubtedly *The Palestinian Woman*, by one of Israel's most prolific—and most politically oriented—playwrights, Yehoshua Sobol. This Haifa Municipal Theater production, which premiered in November, dealt with racism and fanaticism among Jews and Arabs alike, against the backdrop of the ongoing Israeli military control of the territories. Hanoah Levin, generally considered Israel's leading playwright, was represented in 1985 by *Everyone Wants to Live*, a philosophical black comedy, produced by the Cameri Theater.

Musically, Israelis showed eclectic taste. In May the British rock group Dire Straits launched a world tour with three concerts in Israel, for which nearly 50,000 tickets were sold. In Jerusalem the group performed at the Sultan's Pool amphitheater, under the stars and just below the illuminated walls of the Old City. A highlight of the classical-music year was a joint concert in June by the Israel and New York philharmonic orchestras at Tel Aviv's Mann Auditorium, under the baton of Zubin

Mehta. The concert was a benefit for the Israel Philharmonic Foundation. In August a highly successful international jazz festival was held in Jerusalem.

Two of the country's institutions of higher learning celebrated anniversaries in 1985. To mark the 60th anniversary of its founding, the Hebrew University of Jerusalem held a week of festive events for some 800 members of its international board of governors and its alumni, leading off the ceremonies with the dedication of the Vidal Sassoon Center for the Study of Anti-Semitism. Bar-Ilan University, Israel's only religious institution of higher learning, celebrated its 30th anniversary by dedicating the Raoul Wallenberg Chair in Holocaust Research, named for the Swedish diplomat who saved thousands of Jews in Hungary and later disappeared while in Russian captivity.

The 12th Maccabiah Games—the so-called Jewish Olympics—were held July 15–25 with the participation of some 4,000 athletes from 39 countries. Because the event was viewed as a gathering of Jewish athletes from around the world, not a series of individual competitions, no official count was kept of medals won by each contingent. However, the unofficial tally showed the United States in first place with 246 medals, including 109 gold; Israel second, with 214 medals, among them 62 gold; and Canada third, with 51 medals, 12 of them gold.

#### ARCHAEOLOGY

Objects from one of the most important neolithic finds ever made anywhere in the world went on exhibit at the Israel Museum in May. The 9,000-year-old decorated human skulls and artifacts, some of them unique, were excavated on behalf of the Israel Department of Antiquities and Museums in a cave in the Judean Desert, not far from the site where the Dead Sea Scrolls were discovered. Like the scrolls, these objects had been preserved by a combination of climate and cave darkness.

Earlier in the year, the Israel National Parks Authority opened an archaeological park at Jericho, thought to be the oldest continuously inhabited city in the world, its deepest stratum dating back nearly 10,000 years. In May another major archaeological park was opened to the public at a site dating back a mere five millennia, though far more significant in Jewish history: the City of David in Jerusalem. Excavated in the course of six years by a team under the direction of Hebrew University professor Yigal Shilo (often in the face of fierce resistance by ultra-Orthodox groups, who claimed that the site was a Jewish burial ground), the new park contained the remains of a room burned when the First Temple was destroyed by the Babylonians in 586 B.C.E.

That the ocean could be as effective a preservative as the desert was demonstrated in an exhibition entitled "From the Depths of the Sea," which opened in July at the Rockefeller Museum in East Jerusalem. Among the items on display, all of them from the cargoes of three ships which sank nearly 3,000 years earlier in the waters

off Mount Carmel, was an almost perfectly preserved Canaanite sword from the 14th century B.C.E. On Mount Carmel itself the remains of a major Jewish settlement dating to the 2nd–4th centuries C.E. were being excavated by a Bar-Ilan University team directed by Shimon Dar. Further north, workers in the 19th season of digs at Tel Dan, sponsored by Hebrew Union College, found an Israelite altar apparently dating back to the 8th century B.C.E.

The year's richest (literally) find was undoubtedly a synagogue collection box containing about 500 coins, half of them gold, unearthed at the site of the ancient Jewish settlement of Merot, in eastern Galilee. Apart from it being the largest such collection ever found, the fact that the coins covered a time span from the 4th century B.C.E. to 150 years after the Arab conquest pointed to the exceptional longevity of the community.

### *Other Domestic Matters*

Israel's population at the end of 1985 stood at 4.25 million, of whom approximately 3.5 million were Jews and nearly 750,000 non-Jews. The country's Jewish population increased by about 1.2 percent as compared with 1984, about half the rate of the non-Jewish increase. Although nearly one-quarter of the country's population resided in the Tel Aviv area, the flight from Tel Aviv proper continued. The city's population declined by .5 percent, as did that of Haifa. By contrast, the population of Jerusalem grew by 2.3 percent, to stand at 458,000 (328,000 Jews, 130,000 non-Jews). According to the Central Bureau of Statistics, the Jewish population in Judea-Samaria totaled 41,000 persons, and that of the Gaza Strip 2,000, at the end of the year.

Immigration figures for 1985 were bleak indeed: the 11,283 new immigrants who arrived during the year constituted the lowest number for a single year since the establishment of the state. Although the large proportional decrease from 1984 (40 percent) was due largely to the cessation of Ethiopian immigration, the bulk of which had come in 1984, immigration from other countries was also down by 14–30 percent. Thus, for example, only about 2,375 immigrants arrived from North America in 1985, down 14 percent from the previous year. Immigration from Western Europe was down 20 percent, from Eastern Europe, 27 percent, and from South America, 15 percent.

Israel was no longer the polyglot society it had once been, according to data gleaned from the 1983 census. Among the country's Jewish population aged 15 and over, 83 percent reported Hebrew as their main or sole language, up from 67 percent in the 1961 census; another 9 percent cited Hebrew as their second language. Arabic was the main language of 95 percent of the non-Jewish population.

Road accidents with fatalities were the lowest since 1967, according to Transport Minister Haim Corfu. In 1985 there were 12,761 accidents (13,174 in 1984) in which 387 persons were killed, down from 436 in 1984. In the year's most horrendous

accident, on June 11, a train plowed into a bus at a railway crossing, killing 21 persons, including 17 schoolchildren who were on an outing.

In January Minister Without Portfolio Weizman initiated a new policy toward the country's Arab citizens when he fired the prime minister's adviser on Arab affairs, Binyamin Gur-Arye, and abolished the position altogether. Explaining his move in a Knesset debate on January 29, Weizman, who was charged by the prime minister with coordinating government activities in the Arab sector, said the idea was to treat all Israeli citizens on an equal basis, through the normal machinery available in the various ministries. Two days later, the government-sponsored Arabic-language paper, *Al Anba*, was closed down, also on Weizman's orders, on the ground that its small circulation and sectarian reporting rendered it impractical under the new approach.

Due at least in part to Weizman's efforts, the annual Land Day (March 30), commemorating a violent general strike by the country's Arabs in 1976 to protest land expropriations, passed peacefully within Israel, although there was some unrest in the territories. On July 11, Umm al-Faham became the country's first Arab "village"—it had a population of 25,000—to be accorded the status of a town; the ceremony was boycotted by Interior Minister Peretz because the local council issued a leaflet vilifying the Israeli army.

In a gesture of friendship toward Israel's Arabs (as well as toward the Soviet Union), on December 4, President Herzog became the first Israeli head of state to attend a convention of the Israel Communist party, which drew most of its electoral support from the country's Arab population. Herzog, who was criticized in various quarters for his decision to appear at the festive opening session of the convention, was greeted with chants of "Arab-Jewish brotherhood" and received a standing ovation after his remarks. At year's end the cabinet voted overwhelmingly to grant Arab and Druze local authorities \$6 million to help offset their accumulated debt of \$8.5 million, this following a meeting between Prime Minister Peres and a delegation of heads of Arab local authorities.

Udi Adiv, a kibbutznik who had been convicted of spying for Syria in a sensational 1972 trial, when he was 27, was released from prison on parole on May 14, after serving 13 years of his 17-year term. The release was conditional on his not becoming involved in political activity or leaving the country until the full 17 years were up.

On June 4 the judicial commission of inquiry into the murder of Chaim Arlosoroff (appointed in March 1982 at the initiative of Prime Minister Menachem Begin to determine who murdered the Labor Zionist leader on June 16, 1933) issued its judgment, one that was welcomed by the former prime minister. The three-man commission, chaired by retired Supreme Court justice David Bechor, concluded unanimously that neither Avraham Stavsky nor Zvi Rosenblatt, both members of the Revisionist movement who had been linked to the crime, had any connection with the murder. According to the commission, "The evidence and material brought

before us do not enable us to determine (a) who the murderers were; (b) whether it was a political murder on behalf of any party, or not."

The results of a poll conducted by the Dahaf Institute, released in August, showed that Israelis were essentially no different from people elsewhere. Asked to choose "the most important thing" from among money, social status, career, a comfortable life, good friends, and a happy family life, nearly two-thirds (65.7 percent) selected a happy family life. Money and its attendant comforts were well behind in second and third place at 8.6 and 8.2 percent, respectively.

### *Personalia*

New government appointments included Amiram Nir, replacing Rafael Eitan, as the prime minister's adviser on terrorism, and Tel Aviv district police commander David Kraus as chief of the Israel Police, with the rank of inspector-general. In the military, Maj. Gen. Dan Shomron took over from Maj. Gen. David Ivri as deputy chief of staff, and Commodore Avraham Ben-Shushan was promoted to the rank of rear admiral, taking over from Rear Adm. Ze'ev Almog as commander of the Israel Navy. MK Michael Dekel (Herut) was approved by the Knesset as deputy defense minister and Rafael Pinhasi (Shas), as deputy labor and social welfare minister. Pinhasi succeeded MK Menahem Porush (Agudat Israel), who had resigned due to differences with Labor and Social Welfare Minister Moshe Katzav. MK Elazar Granot was elected by the Mapam Central Committee as the party's new secretary-general on February 10, succeeding Victor Shemtov.

On October 13, Jerusalem mayor Teddy Kollek was awarded the German Book Publishers Association's 1985 Peace Prize, in a Frankfurt ceremony. (In December Kollek marked the 20th anniversary of his initial election as mayor.)

Personalities who died during the year included Mordechai Ben-Tov, Zionist pioneer and former cabinet minister, in January, aged 84; MK Yitzhak Zaiger (Likud-Liberals), in February, aged 49 (he was replaced in the Knesset by Ya'akov Shamai of Herut); Shraga Netzer, longtime Labor party leader, in April, aged 87; Prof. Benjamin Akzin, a leading intellectual of Revisionist Zionism and an Israel Prize recipient for jurisprudence (1967), in April, aged 80; Justice Yitzhak Kahan, retired Supreme Court president who chaired the 1982 commission of inquiry into the Sabra and Shatilla massacre, in April, aged 72; Moshe Ron, leading Yiddish-language journalist and longtime secretary of the Editors Committee, in July, aged 81; Rabbi Ya'acov Israel Kanievsky, known as the "Steipeller," a leading *halakhic* authority, in August, aged 87; Pinhas Litvinovsky, an Israel Prize-winning artist, in September, aged 92; Yona Wallach, influential poetess, in September, aged 41; Noah Mozes, editor-in-chief and board chairman of the daily *Yediot Ahronot*, in October, of wounds sustained when he was struck by a car, aged 73; Dr. Moshe Rachmilewitz, a founder of the Hadassah-Hebrew University Medical School, in October, aged 86; Yosef Zaritsky, the doyen of Israeli art and an Israel Prize laureate

(1959), in November, aged 94; Arye Zimouki, a leading political journalist and chairman of the World Federation of Jewish Journalists, in December, aged 65; Arye El-Hanani, noted architect and Israel Prize recipient, in December, aged 87; Shlomo Rosen, former Mapam MK and cabinet minister, in December, aged 80; and Rachel Marcus, leading actress with the Cameri Theater company for 30 years, in December, aged 72.

RALPH MANDEL