ISRAEL UNDER RABIN

Edited by

Robert O. Freedman

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To my mother-in-law, Jeanette Groginsky Center, and the memory of my father-in-law, Samuel Center

Contents

Preface

The Middle East has long been one of the most volatile regions on the globe. Wars, coups d'état, rapid shifts in alliances and alignments, numerous intra-Arab, intrastate, and regional conflicts, and constant intervention by the superpowers have wracked the region since the first Arab-Israeli war in 1948. In an effort to increase public understanding of this complex region, the Center for the Study of Israel and the Contemporary Middle East of Baltimore Hebrew University was founded in 1977 and has held a series of conferences bringing together Middle Eastern specialists from various perspectives to analyze and discuss the region.

The first conference, held in 1978, examined the impact of the Arab-Israeli conflict on the Middle East, and the papers were later published as *World Politics and the Arab-Israeli Conflict,* edited by Robert O. Freedman (1979). The second conference, held in 1979 (two years into the administration of Israeli Prime Minister Menachem Begin), made a preliminary analysis of the dynamics of the Begin regime. Following the Israeli election of 1981, the papers were updated and published as *Israel in the Begin Era,* edited by Robert O. Freedman (1982). The third conference, which took place in 1982, dealt with Middle Eastern developments in the period between the Camp David Agreements of 1978 and the Israeli invasion of Lebanon in 1982. These papers were published as *The Middle East Since Camp David,* edited by Robert O. Freedman (1984). Just as the Camp David agreements marked a major turning point in the Middle East, so too did the Israeli invasion of Lebanon. For that reason, a fourth conference was held at Baltimore Hebrew University three years after the invasion to analyze its impact on the Middle East. The papers were published as *The Middle East After the Israeli Invasion of Lebanon,* edited by Robert O. Freedman (1986). The Iran-Contra affair was yet another key event in Middle East politics with major ramifications throughout the region, and a fifth conference was held at Baltimore Hebrew University in 1988 to assess the impact of the affair on the course of Middle East history. The conference papers were published as *The Middle East from the Iran-Contra Affair to the Intifada,* edited by Robert O. Freedman (1991). In December 1989, with the Intifada (Palestinian uprising) entering its third year, a conference was held to analyze its impact. The papers presented at that conference were published as *The Intifada: Its Impact on Israel, the Arab World, and the Superpowers,* edited by Robert O. Freedman (1991). The Iraqi invasion of Kuwait, which took place in August 1990, was another seminal event in Middle Eastern affairs, and fifteen months after the invasion, in November 1991, with the Madrid Arab-Israeli peace talks having just begun, a conference was held at Baltimore Hebrew University to assess the impact of the Iraqi invasion and the Gulf War, which followed it. The conference papers were published as *The Middle East After Iraq's Invasion of Kuwait,* edited by Robert O. Freedman (1993).

The return of the Labor party to power in Israel as the result of the June 1992 election was another major turning point in Middle Eastern politics. Unlike the Likud-led government of Yitzhak Shamir that preceded it, the Labor-led government, under the leadership of Yitzhak Rabin (who had served an earlier term as prime minister, from 1974 to 1977), appeared genuinely interested in a Middle East peace settlement, albeit one that would not threaten Israeli security. The first fruits of Israel's readiness for peace were contained in the Israeli-Palestinian Declaration of Principles of September 13,1993. In November 1993, a conference was held at Baltimore Hebrew University to assess the main foreign and domestic political developments

that have occurred as a result of Labor's return to power in Israel. This book, the eighth in our series on the Middle East, is the outgrowth of that conference.

Many individuals and institutions should be thanked for their help in making possible both the conference and the book that emerged from it. First and foremost, generous grants from the Jack Pearlstone Institute for Living Judaism and Baltimore Hebrew University provided the bulk of the financial support for the conference. Second, I would like to thank the Israeli consul for academic affairs in the United States, Efraim Ben-Matityahu, for helping to defray the travel expenses of the Israeli participants in the conference. Third, I would like to thank Dr. Ian Lustick, president of the Association for Israel Studies, which served as cosponsor of the conference. Fourth, I would like to thank Dr. Norma Fields Furst, president of Baltimore Hebrew University, for her continuing strong support for the Center for Israel and the Contemporary Middle East. Fifth, the director of Baltimore Hebrew University's library, Arthur Lesley, and his staff assistant, Jeanette Katcoff, provided special assistance in expediting publication of the book, as did Yelena Feldman, my administrative assistant, who has helped to maintain the center's research files on the Middle East. And last, I owe special thanks to my secretary, Elise Baron, who typed the manuscript while also maintaining the Graduate Office of Baltimore Hebrew University in an exemplary manner.

Finally, a word about the transliteration system used in this book. Every editor dealing with a Middle East topic must decide between using the exact transliteration of Arabic names, including the initial hamza, or using a system that reflects the more common Western transliteration. To aid those readers who do not know Arabic, we have chosen the latter system, which renders the names of Arab leaders and places in a form that English-speaking audiences will recognize. Thus, for example, the reader will find Gamal Nasser (instead of Abd-al-Nasir), Hafiz Assad for Hafiz al-Asad, Muammar Kaddafi for al-Qadhafi, and Jordan's king's name will appear as Hussein rather than Husayn.

Robert O. Freedman
Baltimore

Acronyms

ADP Arab Democratic party
AIPAC American-Israel Public Affairs Committee
AJC American Jewish Committee
BARD Binational Agricultural Research and Development Fund
BIRD Binational Industrial Research and Development Foundation
BSF Binational Science Foundation
CRM Citizens' Rights Movement
DFPE Democratic Front for Peace and Equality
DMZs demilitarized zones
DOP Declaration of Principles
EC European Community
EFTA European Free Trade Area
FAFO Norwegian Institute for Applied Social Science
FEPZ free export production zone
FTS Free Trade Area Agreement
GATT General Agreement on Tariffs and Trade
GSP Generalized System of Preferences
IDF Israel Defense Forces
ISGA Interim Self-Governing Authority
JEDG Joint Economic Development Group
MK Member of Knesset
NAFTA North American Free Trade Agreement
NRP National Religious party
NSC National Security Council
PFLP Popular Front for the Liberation of Palestine
PISGA Palestinian Interim Self-Governing Authority
PLO Palestine Liberation Organization
PNC Palestinian National Council
UJA United Jewish Appeal
VAT value-added tax
WASP White Anglo-Saxon Protestant

Introduction

ROBERT O. FREEDMAN

The Israeli election of 1992, which restored the Labor party to power, was the second major watershed election in Israeli history. The first, in 1977, had brought the Likud party to power, ending a period of twenty-nine years of Labor's rule. Likud controlled the government for the next fifteen years, first under Menachem Begin and then under Yitzhak Shamir (with the exception of the period 1984-1986, when Labor, then led by Shimon Peres, headed a national unity government). The Likud, during its years in power, made a number of major changes in Israeli politics and society. In the area of domestic politics, Likud cultivated the Sephardim (Israelis of Middle Eastern, North African, and Asian ancestry) and elevated their status in Israeli society, a political move that helped ensure the success of Likud in Israeli elections until 1992 (see Appendix 1). In addition, Likud began to free the Israeli economy from many of the restrictions that had been imposed upon it by Labor, although the Likud economic policies were also to lead to a hyperinflation that was curbed only in 1985 during Labor's brief return to leadership of the Israeli government. Another significant change in Israeli society that resulted from the Likud's coming to power was the growth in influence of the religious parties. Needing the support of the latter to maintain their coalition, both Begin and Shamir were prepared to increase the influence of the Orthodox religious parties over the 80 percent of the Israeli population that were non-Orthodox. Thus El Al, Israel's national airline, was forbidden to fly on the Sabbath, avoidance of military service was made easier for religious women, and both autopsies and abortions were made more difficult to obtain. Only in the question of outlawing the conversions performed by non-Orthodox rabbis outside of Israel did Likud leaders demur, lest the support of Diaspora Jews for Israel be jeopardized.

The foreign policy record of the Likud was mixed. In 1979, Israel and Egypt signed a peace treaty that removed the threat of attack by Israel's most powerful Arab neighbor. The 1982 invasion of Lebanon, with the avowed goals of not only the elimination of the Palestine Liberation Organization (PLO) state within a State in southern Lebanon that was threatening Israel's northern border but also the creation of a pro-Israeli Christian government in Lebanon that would be an ally of Israel in the Middle East, was, however, to prove highly problematic for Israel. The war, although it succeeded in its first objective, failed in its second, as Syria, an avowed enemy of Israel, came to dominate Lebanon more completely than ever before. To make matters worse, the threat on Israel's northern border remained, this time not from the PLO but from Hezbollah, a radical Shiite organization armed and supported by both Syria and Iran.

In Israel's relations with the two superpowers, Likud also had a mixed record. During the latter part of Likud's period of rule, the Soviet Union, under Mikhail Gorbachev, went from being an enemy of Israel to maintaining a balanced policy on the Arab-Israel conflict, one that was even tilted somewhat toward Israel, as Gorbachev permitted the emigration of hundreds of thousands of Soviet Jews to the Jewish state. The improvement in Soviet-Israeli relations, however, was due less to actions by Israel than to Gorbachev's hope of winning support in the United States. If Soviet-Israeli relations improved during the Likud period, the reverse was the case with Israel's ties with the United States. By the time of the 1992 election, Israeli-American relations had deteriorated badly, in large part because of Shamir's policy of proliferating settlements in the

occupied West Bank, a policy that the United States saw as deliberately sabotaging the Madrid peace talks that U.S. Secretary of State James Baker had put together so painfully after the end of the Gulf War. The clash between George Bush and Shamir led to the U.S. president's postponement of $10 billion in loan guarantees to Israel (which would enable it to borrow money at more advantageous rates) to resettle the ex-Soviet Jews who were flooding into Israel. The lack of the loan guarantees, along with bitter infighting in the Likud government between the finance and housing ministers, helped alienate the incoming Soviet Jews, who voted three to one for Labor over Likud and contributed to Labor's return to power in June 1992.

When the Labor party, led by Yitzhak Rabin (who had served from 1974 to 1977 as prime minister), won the election in June 1992 (see Appendix 2) and formed a coalition government with the Meretz and Shas parties in July 1992, the party would continue a number of the policies initiated by Likud. Thus the process of economic privatization went on, and like Likud's, Labor's dependence on a religious party for support in foreign policy led Rabin to make a number of concessions on issues of importance to Shas, including the replacement of the secularist Education Minister Shulamit Aloni and support for a bill to prevent the importation of nonkosher meat. It was, however, the massive changes in foreign policy that made the 1992 election such a significant one. First and foremost, unlike Shamir, who was seeking to avoid a peace settlement as long as possible, Rabin made the peace process a very high priority and was to reach an interim agreement with the PLO on September 13,1993. In addition, Rabin very sharply curtailed the building of settlements on the West Bank, and by demonstrating he was genuinely interested in achieving peace, he won over the Bush administration, which restored the $10 billion in loan guarantees. Moreover, Rabin received strong commitments from the Clinton administration to high levels of economic and military aid as well as diplomatic support.

A major effort was made to reflect a wide spectrum of viewpoints in this book so that the developments during the period of Labor's return to power would be assessed in a balanced manner. Thus Marvin Feuerwerger, a senior specialist at the American-Israel Public Affairs Committee (AIPAC), was assigned the task of writing the chapter on Israeli-American relations. Similarly, Helena Cobban, a Washington-based consultant who is a specialist on the PLO and has frequent contacts with its top leadership, was selected to write the chapter on Israel and the Palestinians. As far as domestic politics in Israel are concerned, a similar range of viewpoints that reflects the cleavages in Israel along the axes of hawk-dove and secular-religious is presented. In sum, this collection of authors brings a high degree of expertise and a broad spectrum of viewpoints to the challenging task of understanding the changes in Israel wrought by the return to power of Israel's Labor party in 1992.

Assessments of the Contributors: An Overview

In his analysis of Israeli-American relations under Yitzhak Rabin (Chapter 1), Marvin Feuerwerger of the American-Israel Public Affairs Committee (AIPAC) first notes that there was a major change in U.S.-Israeli relations when Rabin replaced Yitzhak Shamir as prime minister. Whereas Shamir, with his policy of expanding settlements in the occupied Gaza and West Bank territories, was seen as an obstacle to peace, Rabin, who quickly curbed settlement building, was seen as oriented toward the achieving of peace. Consequently, not only in the last six months of the Bush administration, but even more so in the first year of the Clinton administration, U.S.-

Israeli relations blossomed. Economic and military aid was kept at high levels, the United States intervened to work out a compromise solution to the problems resulting from Israel's expulsion of more than 400 Hamas activists, the United States was highly supportive of Rabin's efforts to reach peace with his Arab neighbors (and refused, repeatedly, to pressure Israel, as some Arabs wanted), and the United States also quickly endorsed the Israeli-PLO agreement of September 13, 1993, and organized a conference of donors to help make the agreement economically viable, indeed, after many years of conflict when the Likud ruled Israel, it appeared by the end of 1993 that Israeli-American relations had hit a new high point under Rabin.

If U.S.-Israeli relations were very positive under Rabin, so too were Israel's relations with the successor states of the Soviet Union. In Chapter 2, Robert O. Freedman of Baltimore Hebrew University notes that following the collapse of the Soviet Union, which in its final year had established full diplomatic relations with Israel and permitted the free emigration of Soviet Jews, Israel had four major goals with respect to Russia and the other successor states: (1) to ensure the continued free emigration of Jews from the former Soviet Union to Israel; (2) to prevent the four nuclear successor states (Russia, Ukraine, Belarus, and Kazakhstan) from selling these weapons to Israel's enemies; (3) to prevent the successor states, especially the six Moslem ones (Azerbaizhan, Kazakhstan, Uzbekistan, Tajikistan, Kyrgyzstan, and Turkmenistan), from siding diplomatically with Israel's enemies; and (4) to further develop the economic and cultural relations that Israel had begun with a number of the successor states before the collapse of the Soviet Union. Freedman, who analyzes in detail Israel's relations with Russia, Ukraine, and the Moslem states of Central Asia, notes that Israel has basically been successful in achieving all four goals, although the future of Israel's relations with these states is somewhat in question because of the rise of right-wing forces in Russia, the economic collapse of Ukraine, and serious problems of overpopulation, underemployment, and economic crisis throughout most of Central Asia.

Beyond the United States and the former Soviet Union, one of Israel's most important foreign policy concerns has been American Jewry, which provides a great deal of financial and political support for Israel. In his analysis of American Jewish attitudes toward Israel (Chapter 3), George E. Gruen, of Columbia University, notes that American Jewish support for Israel not only has remained strong but has actually increased since Prime Minister Rabin came to office. This has occurred in part because most American Jews feel more comfortable with the policies of Labor than with the hard-line policies of Likud, and in part because U.S. Israeli relations, which had been severely strained during the latter part of the Bush presidency by Shamir's policy of proliferating settlements on the West Bank, markedly improved when Rabin came to power and moved toward peace with Israel's Arab neighbors. Gruen also notes that despite extensive Likud propaganda among American Jews—both before and after Likud's loss in the 1992 election—opposing recognition of the PLO or negotiations with it, an overwhelming majority of American Jews supported the Israeli-PLO Declaration of Principles of September 13, 1993. There was, however, criticism from some American Jewish leaders on the right, like Norman Podhoretz of *Commentary* magazine, and among some Orthodox Jews (a minority in the American Jewish community).

Israel's move toward peace was not brought about just by the predisposition of the Labor leadership but also reflected the transformation of popular attitudes within Israel. Theodore H. Friedgut of the Hebrew University of Jerusalem traces this change in Chapter 4, attributing to it the crystallization of three basic principles: (1) the desire of Israelis to gain legitimacy and acceptance in the Middle East, rather than face perpetual war; (2) the desire of Israelis to

maintain both the Jewish and the democratic character of the State of Israel rather than ruling over an Arab population that would one day surpass the Jews in numbers; and (3) the growing willingness of Israelis to negotiate with any group that would recognize Israel's right to exist in agreed and secure boundaries and renounce the use of terror and violence—a willingness reflected in Israel's decision to both recognize and negotiate with the PLO. Friedgut also notes that the change of attitudes in Israel was also due to the erosion of Arab hostility to Israel and the concomitant rise of radical Islam, which, Friedgut asserts, poses a greater threat to the Arab leaders than does Israel. He also notes that after six years of Intifada, Israelis, like the Palestinians, began to understand that force would not make the other side break and disappear; this was the perception not just of Ashkenazi (Jews of European origin) Israelis but of a growing number of Sephardi Israelis as well.

Whereas Friedgut, in his analysis of the peace process, concentrates primarily on Israeli attitudes, Helena Cobban, a Middle East analyst based in Washington, deals with the range of Palestinian attitudes toward peace (Chapter 5). She argues that the majority of Palestinians in the occupied territories greeted the start of the Madrid peace talks in October 1991 with great optimism, but many soon grew quite skeptical because the Israeli occupation continued, with no end in sight, as the peace talks dragged on without any perceptible progress. This, in turn, weakened the credibility of the Palestinian negotiating team as well as of the PLO and its leader, Yasser Arafat, who found his leadership increasingly challenged by Hamas (an Islamic resistance organization), by the Democratic and the Popular Fronts for the Liberation of Palestine, and by members of his own Fatah organization. Although there was some renewed Palestinian optimism when Yitzhak Rabin's Labor party came to power in July 1992, memories of Rabin's harsh tactics against the Palestinians when he was defense minister, the expulsion of more than 400 Hamas activists, and the lack of tangible progress in the now Labor-led peace talks, increased Palestinian despair; this further strengthened the Palestinian opponents of the peace process. Thus the Israeli-Palestinian Declaration of Principles, which contained within it Israeli recognition of the PLO for the first time, Cobban notes, came at a particularly good time for Arafat, whose international position was enhanced and whose popularity among the Palestinians in the occupied territories (although not among the Palestinian refugee community in Lebanon, which did not see its interests reflected in the agreement), rose sharply. Some Palestinians, nevertheless, remained concerned about Arafat's authoritarian style. Cobban concludes by noting that if the Declaration of Principles is implemented, then the century-long Israeli-Palestinian conflict might well be on the road to being settled.

Although the Palestinians, in the aftermath of the Declaration of Principles, seemed to be moving toward peace with Israel, the nations of Lebanon, Syria, and Jordan, Israel's neighbors with which a state of war continued to exist, have also been negotiating peace with the Jewish state, albeit with fewer concrete results. Ann Mosely Lesch, professor of political science at Villanova University, in Chapter 6, analyzes Israel's relations with those three states in the Rabin era. She sees Jordan as the most anxious to make peace with Israel, in part because of the economic benefits peace would bring and in part because a peace agreement might enhance Jordanian influence in the West Bank, since King Hussein still fears the irredentist pull of an independent Palestinian state on the loyalties of the Palestinian half of Jordan's population. Syria, by contrast, appears to be following a more ambiguous policy. Although negotiating in bilateral talks with Israel and seeking an enhanced relationship with the United States, Syrian President Hafiz Assad continues to support Hezbollah attacks on Israeli forces in Lebanon (and, on occasion, on northern Israel) and to allow anti-Arafat Palestinians to operate in Damascus, where

they are seeking to undermine the Israeli-PLO Declaration of Principles. Syrian, like Jordanian, businessmen see the benefits peace with Israel will bring, but Assad still seems unwilling to be explicit about the nature of "normalized" Israeli-Syrian relations (i.e., would there be trade, tourism, diplomatic, and cultural relations?) following a peace agreement. For his part, as Lesch points out, Israeli Prime Minister Rabin seems unwilling to withdraw from even part of the Golan until he gets these answers. Lebanon, a protectorate of Syria, seems as interested in peace with Israel as is Jordan. Unfortunately, its government is not free to act without the agreement of Syria, and Syria, feeling itself in a weakened strategic position vis-à-vis Israel, as it is, is unwilling to allow Lebanon to act alone. For its part, Israel remains suspicious about Lebanon's ability to control anti-Israeli forces such as Hezbollah in the aftermath of an Israeli withdrawal from south Lebanon. Lesch concludes her chapter by arguing that Israel will have a better chance of achieving genuine security through peace treaties with its neighbors than by continuing to occupy parts of Lebanon and Syria, if the peace treaties lead to extensive economic and other linkages that would create major incentives for maintaining peace with Israel.

At the same time as Israeli Prime Minister Rabin was actively engaged in the search for peace with his Arab neighbors and was seeking to develop Israel's ties with the United States, American Jewry, and the successor states of the former Soviet Union, he was also seeking, not always successfully, to lead the Labor party and solve some of Israel's internal problems. In Chapter 7, Myron Aronoff of Rutgers University, after analyzing the process by which Rabin formed his coalition government in July 1992 and discussing the intracoalition conflicts between Meretz and Shas, examines internal Labor party politics, especially the unprecedented degree of cooperation between Rabin and his erstwhile competitor, Foreign Minister Shimon Peres, that led to the successful negotiation of the Israeli PLO Declaration of Principles. On other issues, however, it has been conflict rather than cooperation that has highlighted relations between the two top leaders of the Labor party, as Peres's candidates defeated those of Rabin for secretary general of the Labor party and for Labor party parliamentary faction chair. Similarly, Peres thwarted Rabin's call for a Knesset (parliamentary) vote on two amendments that would have strengthened the power of directly elected prime ministers. Aronoff also analyzes Labor's intraparty conflicts on the passage of national health insurance legislation and on bank reform, noting that stronger leadership by Rabin might have led to a more successful result. Finally he analyzes Rabin's leadership style, arguing that in the first year and a half of the Labor government, Rabin's biggest weakness was his failure to articulate his policies clearly and "use his office as a bully pulpit to mobilize public support."

Likud leader Binyamin Netanyahu faced a far more serious problem from his opponents within the Likud party than did Rabin in his conflict with Peres. Elected in Likud's first American-style party primary, following the decision of Yitzhak Shamir to step down from the Likud leadership after his defeat in June 1992, Netanyahu faced challenges to his party leadership from David Levy, the main Sephardi leader in Likud, and Ariel Sharon, Israel's former defense minister. In his analysis of the Likud party (Chapter 8), aptly titled "Between Ideological Purity and Pragmatic Readjustment," Ilan Peleg of Lafayette College analyzes the reasons for Likud's loss in the 1992 Israeli election, the rise of Netanyahu, and the impact of the Israeli-PLO agreement of September 13, 1993, on the Likud. Peleg argues that unless Netanyahu moves away from the position of an ideologue, so clearly portrayed in his book *A Place Among the Nations: Israel and the World*, Likud runs the risk of becoming marginalized in Israeli politics. Indeed, as Peleg notes, a number of prominent Likud politicians, among them Roni Milo, the new mayor of Tel Aviv, have already spoken about just such a possibility.

Although Likud offered a somewhat weakened challenge to Rabin, in part because of the internecine strife that plagued the party, Shas, the Sephardi ultra-Orthodox party, which was one of his coalition partners, presented a significant problem. Shmuel Sandler of Bar-Ilan University, in his study of Rabin and the religious parties (Chapter 9), analyzes the difficult relationship between Labor and Shas and notes that despite Rabin's making a number of concessions to Shas, including ousting the outspoken minister of education, Shulamit Aloni, who antagonized many Orthodox Jews, in order to preserve Shas support for his foreign policy, Shas nonetheless would leave the government in September 1993 following the indictment of one of its leaders, Aryeh Deri, on corruption charges. Nonetheless, by voting with Labor or by abstaining on key issues such as the Declaration of Principles with the Palestinians, Shas maintained a de facto alignment with Labor, thus enabling the ultra-Orthodox party to continue to receive monetary support from the government for Shas institutions. In analyzing the complex Labor Shas relationship, Sandler notes that, at least so far, Rabin has gone back to the tradition of David Ben-Gurion, namely, that religious parties had a role in domestic politics but not foreign policy, in contrast to that of the Likud period, when an increasingly nationalist National Religious party (Mafdal) played an important role in foreign policy questions by championing Jewish settlement in the West Bank. Sandler also notes that an alignment with Shas gave Rabin's Labor government an improved image among Sephardi Israelis.

At the same time as the religious parties were becoming increasingly important factors in Israeli politics, so too were the Israeli Arabs. In Chapter 10, Elie Rekhess of the Dayan Center of Tel Aviv University notes a potentially paradoxical result of the move by Israel toward a peaceful settlement with the Palestinian Arabs and the neighboring Arab states. On the one hand, the Israeli Arabs, about 17 percent of Israel's population, for the most part reacted very positively to the agreement of September 13, 1993, seeing in it a chance to significantly improve their own position since it would take much of the sting out of the contradiction between the Palestinian Arab and Israeli components of their national identity and enable them to move more quickly toward full civil equality in Israel. In addition, given the fact that the five Arab votes in the Knesset (parliament) gave Rabin a blocking majority against Likud's efforts to bring down the government, there were calls for the Arab parties to formally join Rabin's coalition government. On the other hand, Rekhess asserts, the Israeli-PLO agreement strengthened the Palestinian national consciousness of the Israeli Arabs and may lead to their call to be recognized as a "national" minority rather than continuing their status as a "religious and cultural" minority. This in turn could lead to Israeli Arab separatism (or secession) or to a call to de-Zionize the State of Israel and move to a binational state. Rekhess concludes that unless the Israeli government moves more rapidly toward granting Israeli Arabs full civil equality, it may face severe problems with them in the future, despite Israel's move toward peace with the Arabs.

In Chapter u, the final chapter of the book, Howard Rosen, director of the Washington-based Competitive Policy Council and a former economist in the Research Department of the Bank of Israel, analyzes the evolution of economic relations between the United States and Israel. After examining the nature and extent of U.S. economic aid to Israel since the founding of the state in 1948, Rosen notes the similarity in the economic programs of Clinton and Rabin. He concludes by asserting that Rabin has a real chance to go down in Israel's history as the prime minister who put the Israeli economy on solid ground.

In sum, the authors in this volume present a variety of perspectives on the changes Israel is undergoing as a result of the Labor victory in the 1992 Israeli election. The depth and breadth of the views presented offer the reader tools for understanding the political dynamics of

contemporary Israel.

1

Israeli-American Relations in the Second Rabin Era

MARVIN FEUERWERGER

Israeli-American Relations on the Eve of Rabin's Victory

In the immediate aftermath of the Gulf War, President George Bush seized the opportunity created by the smashing of Iraq and the perception of U.S. supremacy as the world's only superpower. In an address to a joint session of Congress on March 6, 1991, he signaled his determination to press forward toward a resolution of the Arab-Israeli dispute. Bush stated:

> We must work to create new opportunities for peace and stability in the Middle East.....
>
> All of us know the depth of bitterness that has made the dispute between Israel and its Arab neighbors so painful and intractable. Yet, in the conflict just concluded, Israel and many of the Arab states have for the first time found themselves confronting the same aggressor. By now, it should be plain to all parties that peacemaking in the Middle East requires compromise.... We must do all that we can to close the gap between Israel and the Arab states—and between Israelis and Palestinians.[1]

Bush quickly dispatched Secretary of State James Baker to the Middle East to commence a vigorous U.S. effort to promote both bilateral and multilateral negotiations between Arabs and Israelis. During the summer and fall of 1991, Baker made eight trips to the Middle East in an effort to bring the parties to the negotiating table.

Israeli Prime Minister Yitzhak Shamir was hardly at ease with the Bush-Baker approach. In the first place, Bush's strong affirmation that he would press for an exchange of territory for peace was at odds with the Likud's basic approach. Bush also indicated that he would press for a much farther-reaching interim self-government for West Bankers and Gazans than Shamir was comfortable with. Second, Baker clearly angered Israel's leaders when he told a Senate subcommittee that there was no greater obstacle to peace than Israel's settlements in the West Bank and Gaza. This concern was heightened by President Bush's demand to delay the consideration of $10 billion in loan guarantees for the resettlement of Soviet Jews. Bush's approach linked U.S. support for Jewish immigration with Israeli behavior in the peace process and implied that a total freeze on settlements would be necessary to secure President Bush's support of loan guarantees.

Nonetheless, when Syria's Hafiz Assad in July 1991 accepted the U.S. proposal to come to peace talks in Madrid, Prime Minister Shamir quickly won approval of the Israeli cabinet to attend.[2] Despite all the problems Shamir saw with the U.S.-sponsored negotiations, the Madrid conference marked a significant departure for Israel. For the first time, Israel sat as an equal at the negotiating table with all of its closest Arab neighbors. For the first time, Israel engaged in face-to-face political negotiations with Syria and the Palestinians. And for the first time, Arab

states from Saudi Arabia to Mauritania signaled their willingness to make peace with Israel if acceptable terms could be found.

The Madrid conference was followed by bilateral negotiations between Israel and Syria, Lebanon, and a Jordanian-Palestinian delegation. The Arab and Israeli sides met in Washington throughout early 1992 and made progress in some important areas.[3] Multilateral talks also began; they offered a useful opportunity for each side to hear the concerns of the other and to explore questions like regional arms control for the first time together. However, Arab-Israeli negotiations were constantly stalled over issues of procedure and substance. As the parties looked toward upcoming elections in Israel and the United States, they lowered their expectations about potential accomplishments during the remainder of 1992. Most observers believed that the process would continue to be bogged down unless there was a transformation in the basic posture of one or more of the parties.

Rabin's Election

Israel's election of Yitzhak Rabin provided just such a transformation. Israel's electorate carried out a revolution by bringing the Labor party back to power in the June 23, 1992, elections. Rabin interpreted Labor's success as his own personal victory and moved rapidly to consolidate his newfound control. He announced a reordering of Israel's priorities and quickly began to reverse the decade-long increase in Israeli settlement activity. He froze the establishment of new Jewish setdements, canceled about half of the housing projects previously undertaken in the territories, and removed the incentives that the Likud had created to encourage settlement activity.

Rabin also announced dramatic changes in Israel's approacn to the peace process. He promised to accelerate negotiations and offered the Palestinians far reaching autonomy. He named a new moderate negotiator, Itamar Rabinovich, a Tel Aviv University professor, to head the Israeli negotiating team for bilateral talks with Syria and eventually made Rabinovich ambassador to the United States.

Rabin, who had criticized Yitzhak Shamir for weakening U.S.-Israeli ties, also moved decisively to improve relations with the United States. He welcomed Secretary of State Baker to Jerusalem just days after forming a new government and then journeyed to Kennebunkport, Maine, in August 1992—where President Bush announced support for the $10 billion in loan guarantees to help Israel absorb new immigrants. Bush and Rabin also conducted an extensive dialogue on the peace process and U.S.-Israeli strategic cooperation, turning a new page in the special relationship of the two countries.

Rabin also demonstrated an interest in supporting U.S. relations with traditional Gulf allies. During his meetings with President Bush, Rabin tacitly accepted an American sale of seventy-two advanced F-15 aircraft to Saudi Arabia. Although maintaining a formal position against any such sale to an Arab state nominally at war with Israel, Rabin focused attention on the measures the United States could take to make sure that Israel would not be adversely affected by such a transfer.[4] A joint communiqué issued by Secretary of Defense Dick Cheney and Prime Minister Rabin stated that, among other steps, the United States would pre-position military equipment in Israel and pursue closer ties between the two countries' armed forces and increase cooperation in the area of technology. Such initiatives were said to "represent a significant effort in reaffirming the United States' longstanding commitment to a strategic partnership with Israel and will

effectively maintain Israel's qualitative edge."[5]

Clinton's Election

This positive trend in U.S.-Israeli relations was reinforced by the election of Bill Clinton as president in November 1992. Clinton had promised strong support for Israel during his campaign and had taken issue with George Bush's linkage of loan guarantees to Israeli behavior in the peace process.[6] Clinton pledged to support $3 billion in annual assistance to Israel and promised to enhance U.S.-Israeli military and technological cooperation. Clinton also pledged to create a joint American-Israeli high-tech commission to work on research and development of the technologies of the twenty-first century. Clinton indicated that he would push vigorously to end the Arab economic boycott of Israel and that he would strengthen U.S. efforts to preserve Israel's qualitative edge. Israeli Prime Minister Rabin was one of a handful of foreign leaders with whom Clinton met during the campaign. Clinton pledged as much specific support to Israel as had any of his predecessors.[7]

Once elected, Clinton made it clear that the peace process would be one of his highest foreign policy priorities. Unlike other policy areas for the new administration, with respect to the Middle East, President Clinton stressed the need for policy continuity. Applauding President Bush's successes in Mideast diplomacy, the new president retained most of the Bush peace process team —including Ambassador Dennis Ross, Assistant Secretary of State Edward Djerejian, Deputy Assistant Secretary of State Dan Kurtzer, and Policy Planner Aaron Miller.[8] Clinton added two other figures closely identified with Israel, naming Martin Indyk as his National Security Council (NSC) senior director for the Middle East and Samuel Lewis (former ambassador to Israel) as director of the State Department's Policy Planning Staff.

The Clinton team was eager to reinvigorate the peace process, which had muddled along slowly for half a year. But even before assuming office, the administration was confronted with a crisis. Following an increase in violence that led to the deaths of a half-dozen Israeli military personnel, Prime Minister Rabin in December 1992 announced the temporary expulsion of about 400 Hamas supporters from the West Bank and Gaza to Lebanon. The Arab states and Palestinians responded immediately by breaking off bilateral negotiations and announcing that peace negotiations would not be resumed until Israel returned all the Palestinians to their homes.

The plight of the Palestinians in Lebanon was a major source of media and public attention and would pose the first foreign policy test for the Clinton administration in the Middle East, In late 1992, the Bush administration had endorsed United Nations Security Council resolution 799, which "strongly" condemned Israel and called for the immediate return of deportees. In early 1993 Arab states pushed vigorously for another Security Council resolution, one that would threaten Israel with sanctions. The Clinton administration came to Washington endorsing the need for multilateral diplomacy and the benefits of a strengthened United Nations. In principle, the administration was reluctant to veto any Security Council resolution, particularly when it was itself uncomfortable with the actions taken by the Israeli government. At the same time, the new administration understood that UN action against Israel would undermine the basis for resuming a potentially successful peace process.

The Clinton administration pursued the matter with vigor mixed with sensitivity to Israeli concerns. Secretary of State Warren Christopher began extensive personal negotiations with

Prime Minister Rabin. On February i, he announced that Israel and the United States had reached agreement under which Israel would repatriate 100 of the deportees immediately and the remainder by the year's end. When the PLO denounced the U.S.-Israeli agreement and some Arab states continued to press for sanctions at the United Nations, the United States made it clear that—in its view—Israel had complied with the requirements of the Security Council and that the United States believed further steps were "unnecessary ... and might undercut the process which is under way."[9] The U.S. government persuaded other Security Council members not to pursue further action against Israel. Prime Minister Rabin was pleased that he was able to work out this arrangement with the new administration in Washington, an arrangement that heralded a new era of trust between Washington and Jerusalem.

U.S. efforts in the immediate aftermath of the deportation crisis focused on resuming the peace process. Secretary of State Christopher undertook his first mission abroad for the new administration when he departed for the Middle East in February in order to "reinvigorate a process that has been in a deep freeze" since the summer of 1992.[10] During the course of the visit, Christopher refused to allow the deportee issue to become an excuse for inaction by the Palestinians. After a meeting with Prime Minister Rabin in late February, Christopher told reporters that he was "talking to the Palestinians about their stake in this endeavor. ... The United States will play an active role if the peace talks are resumed. ... But ... until the talks are resumed there is no way for us to be useful in this endeavor. I am not in the business of pressuring the Israelis to do anything. It's a government that takes action in its own interest."[11] What Christopher was willing to do, however, was to press for a more assertive U.S. role as a "full partner" when the peace talks resumed and for an improvement of living conditions for West Bank and Gazan Palestinians. The trip achieved some success, as the Arabs and Israel indicated their willingness to return to the negotiating table within two months.[12]

Rabin Visits Washington

With the quieting of the deportation crisis, early indications were that the Clinton administration would seek to reinforce a solid relationship with Israel. The Clinton foreign aid proposal for fiscal year 1994 implicitly maintained the full level of funding for Israel at $3 billion, as Clinton had pledged during his campaign. The Clinton defense budget also sustained full funding for the U.S.-Israeli Arrow Anti-Tactical Ballistic Missile Defense program and other U.S.-Israeli cooperative efforts. The new administration also reaffirmed its commitment to support loan guarantees for the absorption of Jews from the former Soviet Union. Yet, these early indications were accompanied by some clouds on the horizon. In early March, William Harrop, American ambassador to Israel, publicly stated that the United States might not be able to maintain its economic relationship with Israel at existing high levels.[13] Such concerns were also echoed by a number of congressional leaders.[14]

But such clouds could not darken the bright state of U.S.-Israeli relations under Clinton and Rabin, which was made most evident during the course of Prime Minister Yitzhak Rabin's March 1993 visit to Washington. Rabin was one of the first foreign leaders invited to the White House, and Clinton used the opportunity to indicate his intention to raise U.S.-Israeli relations to a new level of "strategic partnership—partners in pursuit of peace, partners in pursuit of security."

Clinton expressed strong support for Israel's view that peace with the Arabs must mean full peace—including full normalization, diplomatic relations, open borders, commerce, and tourism. He asserted that any peace must assure Israel's security and pledged that the United States would actively work with Israel to address the threat posed by weapons of mass destruction in the Middle East. Experienced commentators found it noteworthy that Clinton did not seek to "balance" his pro-Israeli remarks with conciliatory gestures to the Arab world and made no public mention of the outstanding issue of Palestinian deportees.[15]

Clinton also made a number of concrete pledges of support during the visit, including full support for $3 billion in annual foreign aid to Israel for years to come and the maintenance of Israel's qualitative military edge. Clinton and Rabin announced the creation of a new U.S.-Israel Science and Technology Commission with a variety of purposes, including encouraging U.S. and Israeli companies to link up in joint projects of mutual benefit. Clinton named Secretary of Commerce Ron Brown to chair the U.S. side of the commission and stressed that cooperation with Israel meant jobs for both Israelis and Americans.

In return, Rabin expressed appreciation for U.S. support and pledged continued Israeli determination to pursue the peace process with Syria. Rabin said explicitly, "We made it clear that we accept the principle of the withdrawal of the armed forces of Israel on the Golan Heights, to secure and recognized boundaries, but well not enter into negotiations on the dimension of the withdrawal without knowing what kind of peace Syria offers us."[16] However, Rabin's moment in the sun in the United States was darkened by growing Palestinian violence in the territories. He cut short his visit and returned to Israel.

Stalemated Peace Process

In the wake of the Rabin visit, attention refocused on the peace process and the U.S. commitment to play a more active role. On March 30, Prime Minister Rabin closed the crossing points between Israel and the territories because of the increased violence, which had led to the death of fifteen Israelis in March. Rabin's stated objective was to reduce friction between Israelis and Palestinians.

In response to this closure and the continuing exile of the Palestinian deportees, the Palestinian team initially resisted returning to the peace talks and pushed for U.S. pressure on Israel. But during an early April visit by Egypt's President Hosni Mubarak to Washington, President Clinton continued to back Israel and urge the Palestinians to return to the peace table. Despite entreaties by President Mubarak to encourage a "small" Israeli step, President Clinton said, "I believe that Israel has been quite forthcoming" and Prime Minister Rabin's position should be "enough to get people back to the table."[17]

Ultimately, however, the United States and Israel did agree to some additional inducements to win the Palestinians over, and bilateral negotiations resumed on April 27. As part of a package deal, the Palestinians agreed to return to the talks, the United States announced its continuing opposition to deportations, and Israel agreed to improve conditions in the territories and permit Faisal Husseini—a prominent East Jerusalemite, to head the Palestinian peace delegation.[18] In addition, the Palestinians implicitly dropped their demand that Israel immediately repatriate all the remaining deportees. The United States also pressured Saudi Arabia to resume financial assistance to the PLO, which had been cut off after Yasser Arafat supported Iraq's Saddam

Hussein during the Gulf War.[19]

The American administration also urged the parties to accelerate their talks by holding continuous negotiations rather than the periodic rounds of approximately two weeks each that had characterized the talks since their inception. In mid-April, the United States enunciated its concept of its role as "full partner" in the context of the Mideast peace process. The United States would not act as a mediator between the parties or take a seat at the conference table. But it would become more active in critiquing proposals offered by each of the parties and would be willing to offer bridging proposals to help overcome obstacles.[20]

The United States would soon have the opportunity to exercise its new role. At the outset of the resumed peace discussions, optimism abounded owing to a series of steps Israel took toward the Palestinians. Israel permitted the return to the West Bank and Gaza of 30 longtime deportees, indicated it would ease restrictions on Palestinian workers, offered to permit 5,000 Palestinian expatriates with families in the territories to remain permanently, and spoke openly about the creation of a Palestinian police force.[21]

Whereas optimism prevailed initially on the Israeli-Palestinian front, there was much less hope of a breakthrough between Israel and Syria. Three issues had separated the parties since the Madrid conference. The first of these was the definition of full peace between Israel and Syria; the second was the extent of Israeli withdrawal from the Golan Heights; and the third was the nature of the security arrangements to be reached between the parties. The United States sought to encourage each side to show flexibility in its approach to the negotiations but seemed to have little impact on the disposition of the parties. Israel and Jordan were reportedly quite close to an agreement, but King Hussein indicated that he would not make peace until "all of the elements are put together."[22]

Moreover, the talks between Israel and the Palestinians soon bogged down over critical issues of substance, leading the United States to propose a draft statement of principles between the parties on the last day of the ninth round of talks.[23] The Palestinians rejected this draft, and even a U.S. attempt to host a joint delegation meeting with President Clinton was insufficient inducement to focus the negotiators on a compromise formula. The Arab states, Israel, and the Palestinians agreed to return to Washington for a tenth round of negotiations on June 15. But these discussions also were stalemated, in part by the Palestinians' raising of issues with respect to the status of Jerusalem and an independent state—matters previously considered too delicate to handle in the context of interim negotiations. Both the Palestinians and Israelis looked to the United States for ideas to break the impasse, and the latter obliged by providing a second draft declaration of principles in early July.[24]

However, all this motion leading to no apparent result came against the backdrop of a major policy debate in Washington about the U.S. role in the post-cold war era. in late May, State Department Under Secretary Peter Tarnoff outlined new "rules of engagement" in which the United States would take a more modest overseas role than it had in the past. The firestorm created by these remarks led to a forceful rebuttal by the secretary of state and other officials.[25] Secretary of State Christopher continued to stress that the United States would play a key role in the Mideast peace process. For example, Christopher told journalists that the United States might be willing to guarantee security arrangements under which Israel would return some or all of the Golan Heights to Syria.[26] Secretary Christopher also asserted that "the stalemated, nearly moribund Middle East peace negotiations were rescued and relaunched with some delicate diplomacy and a strengthened United States role as a full partner."[27] And Secretary Christopher

again journeyed to the Middle East in August 1993 to try to loosen the negotiations logjam and resolve the problems resulting from an upsurge of violence in southern Lebanon that involved Hezbollah shelling of northern Israel and massive Israeli bombardment of Hezbollah positions in southern Lebanon. Early indications from the trip were that the United States would play an active intermediary role between Israel and Syria.[28]

But the sentiment expressed by Tarnoff led many to question whether the United States would be able to lead, particularly in light of unresolved challenges in Bosnia, Haiti, and Somalia. This ferment in Washington may also have had an impact on the assessment by the Middle Eastern parties of American resolve and capability to promote the peace process. And frustration in Washington about the state of the process led Secretary Christopher to indicate in July that the United States might halt its active role unless the parties "want peace." In Christopher's words, the Clinton administration felt that "if the parties don't want our assistance, ... of course we will not impose ourselves." He characterized this as "a bit of warning, because there are many things that I have to do, that President Clinton has to do."[29]

Breakthrough Toward Peace

Yet the Israelis and Palestinians proved to be serious about negotiations. While the formal channels toward peace were clogged through the spring and summer of 1993, the Israeli government and PLO took their own decision to open direct talks in Norway. There had been early hints that the PLO and Israeli leadership were thinking beyond the narrow scope of the official Washington-based negotiations. For example, in late May Yasser Arafat had suggested that Israeli forces withdraw from the Gaza Strip and Israeli Deputy Foreign Minister Yossi Beilin characterized this as an idea worth thinking about.[30] In mid-July, an adviser to Prime Minister Rabin had told a reporter: "We are now in a mood of people talking more about direct contacts with the PLO. It comes from no movement in the process; the regular channels do not work."[31] And a meeting between a senior PLO leader, Nabil Shaath, and Israeli Environment Minister Yossi Sarid in early August had been openly acknowledged.

But the actual possibility that Israel and the PLU might negotiate peace on their own was not something viewed seriously by commentators or by officials in Washington. Indeed, according to most early first-hand accounts, neither Israeli nor PLO officials believed that the Oslo talks would result in serious negotiations, not to mention agreement. It had been an article of faith that the United States was an essential partner for any lasting, significant development in the peace process. Indeed, in the words of one seminal study:

> Success [in the Arab-Israeli peace process] has only come in bilateral negotiation, and then only with a very active third-party mediator.
>
> Since 1967, the United States has been that essential third party, the mediator able to provide credible incentives, assurances and guarantees—the necessary complementary elements outside the parameters of the negotiating agenda.[32]

Nonetheless, the Israelis and Palestinians proved the historians wrong. In late August, it became apparent that the Israeli government and the PLO had reached agreement on a package that would lead to mutual recognition and the early implementation of self-government in Gaza and the Jericho region. This led to a rapid set of diplomatic developments capped by a formal signing ceremony on the White House lawn on September 13.[33]

The Israeli-PLO breakthrough initially appeared to eclipse the U.S. role in the peace process.[34] But the U.S. government soon rebounded, adding its weight to help the process and promote its expansion. The United States organized a donor's conference that raised $2 billion in assistance for the Palestinians, including a $500 million pledge from the United States.[35] The U.S.-sponsored Jordanian-Israeli bilateral discussions led to agreement over a negotiations agenda, the creation of a U.S.-Israeli Jordanian trilateral committee on economic development, and an open meeting between Crown Prince Hassan and Foreign Minister Shimon Peres.[36] The United States encouraged Arab states to establish ties with Israel and strongly urged an end to the Arab boycott; such efforts led to claims that progress had been made in breaching the boycott wall.[37] It sought to expand on the Israeli-Palestinian accord by encouraging renewed Israeli-Syrian discussions. President Clinton signaled his own personal commitment to involvement by agreeing to meet with Syrian President Hafiz Assad. By the end of 1993 it became increasingly clear that the United States would continue to be an important element in the peace equation.

In the U.S.-Israeli context, the United States sought to strengthen Yitzhak Rabin's hand against the opposition to peace from within Israel President Clinton received Rabin in Washington for an official visit in early November 1993. Clinton pledged continued support for foreign assistance to Israel and for maintaining Israel's qualitative edge. He promised that the United States would sell advanced fighter aircraft to help Israel meet new defense challenges. And U.S. officials indicated that they were examining a number of ways to help Israel, including the provision of additional defense items, the sale of supercomputers, and the furtherance of Israeli-American technology cooperation.[38] At year's end, it appeared that in many ways U.S.-Israeli relations had never been closer.

This by no means meant that those relations were trouble-free. Indeed, important issues clouded the relationship. The Clinton administration's strong emphasis on nonproliferation policy threatened at times to bring the United States and Israel into conflict. As Israel sought to build relations with new trading partners like China, it stood in danger of coming into conflict with U.S. priorities.[39] In mid-1993, Israel also sought to win North Korean agreement to desist from missile sales to the Middle East—an initiative that encountered direct U.S. opposition. Despite extensive coordination in the peace process, the U.S. antisettlements policy led it to reduce Israel's loan guarantees for 1994 by nearly 25 percent.[40] And questions persisted about the levels of assistance that the United States would be able to provide Israel in an era of budgetary restraint.

Nonetheless, there was little doubt that as long as Israel was led by Yitzhak Rabin, the U.S.-Israeli relationship would continue to be strong. Because of Rabin's dedication to the peace process and to warm U.S.-Israeli relations, as well as his personal history and knowledge of the United States, Israel would be sensitive to U.S. concerns while pursuing its own interests in the Middle East. And the Clinton administration clearly believed that Yitzhak Rabin was the best leader that Israel could have in this era of hope and turmoil in the Middle East.

Conclusions

With Yitzhak Rabin's election as prime minister of Israel, the American-Israeli relationship changed in important ways from the tense one characteristic of the rule of the Likud party.

Rabin's dedication to moving forward rapidly with the peace process harmonized with the position of President George Bush, leading to a resolution of the Israeli-American impasse over loan guarantees that had plagued the relationship for over a year. Israeli and U.S. officials began to coordinate positions on the peace process, as the United States reaffirmed its commitment to Israeli security.

This positive trend in U.S.-Israeli relations was reinforced by the election of President Bill Clinton, who had pledged strong support for Israel during his campaign. Clinton retained most of the Bush administration peace process team, while moving decisively toward closer relations with the appointment of Martin Indyk and Ambassador Samuel Lewis to key administration positions. Prime Minister Yitzhak Rabin was one of the first foreign visitors to meet with the new president, and during this visit the president pledged new cooperation in the areas of defense and technology.

The friendly U.S. approach to Israel was evident in a number of other steps taken by the new Clinton administration. Within days of assuming the presidency, Clinton and Secretary of State Warren Christopher were faced with a crisis in U.S.-Israeli relations over the expulsion of some 400 Hamas supporters to southern Lebanon. But this problem, rather than stimulating public discord, was solved through quiet diplomacy and compromise between the U.S. administration and the government of Prime Minister Rabin. Despite budgetary difficulties, the Clinton administration also supported the continuation of full funding of $3 billion in annual assistance for Israel and a wide range of U.S.-Israeli defense cooperation.

The U.S. administration also sought close cooperation with Israel in the peace process, working diligently to reinvigorate the bilateral and multilateral peace discussions between Israel and its Arab neighbors. But in an unprecedented development, Israel went outside of customary American channels to negotiate an agreement directly with the Palestine Liberation Organization. Although both Israeli and U.S. officials sought to emphasize the importance of a continued role for Washington in the peace process, the precise contours of that role were no longer so clear as they had once been. A changing world and evolving Israeli policies permitted its new government to move beyond its traditional friendship with the United States and open previously unimaginable political discussions in the Arab world and elsewhere.

In the wake of the Israeli-PLO agreement, the United States sought to help consolidate support both for Israel and the PLO. It organized a donor's conference that pledged over $2 billion in aid to the PLO, including $500 million from the United States. It pushed Arab states to drop the Arab boycott and normalize relations with Israel and urged Syria to engage seriously in negotiations with Israel.

Despite the warming of U.S.-Israeli relations under Rabin, there were a number of problems confronting the relationship. These included American unhappiness with aspects of Israeli-Chinese and Israeli-North Korean relations, as well as lingering conflicts over Israeli settlements. On balance, however, the relationship between the United States and Israel has improved markedly, and as long as Rabin remains Israel's prime minister, the relationship will, most probably, be a very positive one.

The material on pp. 9-10 is drawn in part from Marvin Feuerwerger, "Israel, the Gulf War, and Its Aftermath," in Robert O. Freedman, ed., *The Middle East After Iraq's Invasion of Kuwait* (Gainesville: University Presses of Florida, 1993), pp. 237-252, and Marvin Feuerwerger, "Israel: Political Change in a Democratic State," in Robert B. Satloff, ed., *The Politics of Change in the Middle East* (Boulder, Colo.: Westview Press, 1993), pp. 173-194.

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2

Israel and the Successor States of the Soviet Union

ROBERT O. FREEDMAN

Azerbaizhan will build relations with [Israel]... because dozens of thousands of Jews live on the territory of Azerbaizhan and there are dozens of thousands of former citizens of Azerbaizhan in Israel. Besides Israel has a great authority in political and economic circles of Europe and America, which makes cooperation with this country very attractive... [and] Azerbaizhan hopes to get from Israel progressive agricultural technique, which is extremely necessary for [the] development of [the] agrarian section of Azerbaizhan.

—Azerbaizhani Foreign Minister Tofik Gasymov, speaking on Baku Radio, March 1993

In the two-year period following the collapse of the Soviet Union in December 1991, Israel, first under Yitzhak Shamir and then under Yitzhak Rabin, actively sought to develop relations with the successor states of the USSR, The Israeli government had four central goals in dealing with the new states of the former Soviet Union. The first was to get these new states to continue to permit Aliyah (emigration of Jews to Israel), which had reached record proportions in the final years of the Gorbachev era. The second goal was to prevent the four nuclear successor states, Russia, Ukraine, Belarus, and Kazakhstan, from selling nuclear weapons to Israel's Middle Eastern enemies, such as Syria, Libya, Iraq, and Iran. A third major goal was to prevent these states, and particularly the Moslem successor states (Azerbaizhan, Turkmenistan, Kyrgystan, Uzbekistan, Tajikistan, and Kazakhstan) from siding with the Arab states in the Arab-Israeli conflict. A fourth goal was to develop the bilateral relationship in the areas of trade and cultural ties that had begun with many of these now-independent states when they had been union republics in the former Soviet Union.[1]

In this chapter I will analyze the evolution of Israel's relations with the successor states of the Soviet Union from December 1991 to December 1993. I will place particular emphasis on Israel's efforts to develop relations with Russia, Ukraine, and the Moslem states of Central Asia and on these new countries' interests in developing ties with Israel.

Israel and Russia

In the months immediately following the collapse of the Soviet Union, Russian President Boris Yeltsin showed very little interest in Middle Eastern questions: He devoted his time and energy first to consolidating his power and then to gaining approval in the West—and particularly in the United States—for Russia to be the primary inheritor of the Soviet Union's international responsibilities, including its veto power on the United Nations Security Council. Yeltsin's priorities were shown when he failed to attend the multilateral Arab-Israeli peace talks that took place in Moscow in late January 1992 (hosting such a conference had been the goal of Soviet leaders since the 1970s); he chose instead to rally support among the Russian sailors on the

Black Sea. When Middle East questions did arise, Yeltsin tended to follow the U.S. lead on virtually all issues. The Russian president appeared anxious to curry favor in the West and at first based his foreign policy on going along with U.S. foreign policy initiatives. Thus on questions related to the Arab-Israeli conflict, Iraq, and Libya, Yeltsin fully supported U.S. policies. Indeed, the Russian embassy in Libya was attacked because of Moscow's support of the U.S. sanctions initiative, and Russia supplied two warships to help enforce the UN blockade of Iraq.

The one exception to this pattern of Russian support of U.S. Middle East policy was in the area of arms sales to Iran, an enemy of both the United States and Israel. Yeltsin saw such sales as necessary not only to obtain desperately needed hard currency but also to preclude Iranian efforts to spark Islamic unrest in Moslem areas of Russia like Tatarstan, to gain Iranian support for the freeing of Russian prisoners of war still being held in Afghanistan, and to exercise influence in a critical state in the Persian Gulf in which the United States had no presence.

In terms of Russian-Israeli relations, the substantial rapprochement that had occurred in the final years of the Soviet Union continued under Yeltsin. Thus, when the multilateral phase of the Arab-Israeli peace talks began in Moscow (the subjects were water, arms control, economic cooperation, environmental concerns, and refugees), Russia backed Israeli demands that the PLO be excluded, much as it had been at Madrid,[2] despite terrorist threats against the participants and journalists that were circulated at the conference by the "Revolutionary Violence Movement."[3] *Izvestia* published an interview with Israeli Foreign Minister David Levy after the conference in which he gave a laudatory evaluation not only to what had been accomplished at the conference but also to the future of Russian-Israeli relations after his talks with Russia's Foreign Minister Andrei Kozyrev, who was the leading Russian advocate of close ties with the United States and Israel:

> It was a very good conversation. I received an invitation to pay an official state visit to Russia in the very near future, which will be entirely devoted to questions of bilateral relations. There are many spheres in which we can deepen our cooperation. We will do our "homework" and prepare proposals in various spheres. We will do all we can to make up for lost time.[4]

While in Moscow, David Levy also attended Sabbath services at the Central Synagogue, where he urged Russian Jews to emigrate to Israel.[5]

Following the Madrid conference, Russian-Israeli relations on a bilateral basis continued to improve. The Russian UN ambassador asked Israel to cosponsor the entry of former Soviet republics to the United Nations; Yad Vashem, the Holocaust memorial in Israel, was permitted to photocopy materials from the Communist party archives dealing with Jewish issues; the president of the Russian Academy of Natural Sciences proposed the establishment of a foreign branch of the academy in Israel; and Natan (Anatoly) Sharansky, the most famous of the former Refuseniks now living in Israel, was declared innocent of charges that he had spied for the United States. Interestingly enough, even before the Madrid conference had taken place, in a major ironic twist to history, a Russian delegation had come to Israel in early January 1992 to study the problem of immigrant absorption. Given the unstable conditions in former Soviet states outside of Russia and the growing anti-Russian feelings there, particularly in new Moslem states like Tajikistan and Uzbekistan, the Russian authorities suddenly faced a major refugee problem, as ethnic Russians sought to return home in large numbers. As might be expected, Israel's Jewish Agency, which hoped to provide a home for many Jews still living in Russia (the emigration rate, however, had dropped sharply because of Israeli problems in housing and employment), was only too willing to assist the Russian delegation.[6]

The rapidly improving Russian-Israeli relationship was, however, soon to be challenged. After

the initial shock of the collapse of the Soviet Union had worn off, criticism of Yeltsin's foreign and domestic policies, especially his willingness to follow the lead of the United States on most foreign policy issues and his efforts to rapidly privatize the Russian economy, began to mount. The opposition centered in the Russian parliament, which had been elected several years before, when Russia was still a republic of the Soviet Union. Essentially, there were three major groups in parliament. On one end of the political spectrum was the proYeltsin group of legislators who supported his pro-Western foreign policy—including his advocacy of close ties with Israel—and his efforts to privatize the Russian economy. In the center was a group of legislators who advocated a "Eurasian" emphasis on foreign policy. Headed by the speaker of parliament, Ruslan Khasbulatov, the Centrists advocated a foreign policy that would not be exclusively focused on the United States and Western Europe but that would reflect a balance toward all the world's regions. This group, for the most part, was favorably inclined toward good ties with Israel but also wanted to pursue ties with the Arab world. On domestic policy, while still supporting reform, the Centrists advocated a far slower process of privatization. Finally, on the right were a combination of diehard Communists and ultranationalists. Although they differed among themselves on economic policy, they all wanted a powerful, highly centralized Russia that would (1) actively protect Russians living in the "near abroad" (the former states of the Soviet Union); (2) be a major world power; and (3) adopt a confrontational approach toward the United States, which they saw as Russia's main enemy. Among the advocates of this position was the clearly anti-Semitic and anti-Israel Vladimir Zhirinovsky, who had placed third in the Russian presidential elections of June 1991. Whereas both the pro-Yeltsin group and the Centrists in parliament supported good relations with Israel, the Far Right strongly opposed Israel, with Zhirinovsky (not then in the Russian parliament) sending "volunteers" from his party to aid Iraq in its confrontation with the United States and Israel. Over the next two years, as the struggle between Yeltsin and his opponents in parliament intensified, relations between Russia and Israel were to become one of its elements, although, to be sure, not the central one. By mid-1993 some Centrists, including Khasbulatov, began to make common cause with the Far Right in their efforts to topple Yeltsin.

Despite his critics, in 1992 Yeltsin was able to pursue his major foreign policy initiatives without severe opposition. Included among these policies was the rapid development of ties with Israel. Evidence of the rapid development came in late April 1992 when Russian Vice President Alexander Rutskoi, then still an ally of Yeltsin, visited Israel. In an airport statement, he noted; "We consider Israel a very important place because of the many Russians who now live here. They form a bridge between us that can enable us to broaden our relations." He gave a toast to Israel on the first day of his visit, stating: "Israel and Russia have a great opportunity for the development of mutual cooperation and a blossoming relationship."[7] Rutskoi also stated that Russian authorities "should be very tough" with Russian anti-Semites who were trying to do the same thing as the Nazis. Rutskoi's comments, while obviously pleasing to his listeners, may have also been aimed at reassuring Jews back in Russia who were concerned about the anti-Semitic activities of such groups as Pamyat. Although Israel wanted Russian Jews to emigrate to Israel (Simha Dinitz, the head of the Jewish Agency, had visited Russia and other states of the former Soviet Union in April 1992 to expedite emigration), many of the leaders of the new countries wanted the Jews to stay so that their talents could be exploited to rebuild their native countries (a large number of Jews, seeing the economic difficulties in Israel, had decided to postpone emigration), and Rutskoi's comments could be seen as being aimed at reassuring them.[8]

In any case, the friendly disagreement over Russian-Jewish emigration notwithstanding,

bilateral relations between Russia and Israel improved as a result of the Rutskoi visit. A memorandum of understanding on cooperation in agriculture was signed. Rutskoi said it "opens vast prospects for Russo-Israeli business in [the] agrarian sphere."[9] Rutskoi also met Shamir's election rival, Yitzhak Rabin, head of Israel's Labor party, as well as Israel's president, Chaim Herzog, who, in a possible effort to convince Rutskoi of the benefits to Russia of Jewish emigration, reiterated the Russian vice president's airport comments, emphasizing that Jews who had come to Israel from Russia would be a "bridge between our two countries."[10]

Following Rutskoi to Israel (Moscow's mayor, Gavril Popov, had preceded him by two weeks) was former Soviet leader Mikhail Gorbachev, who received the peace prize from Israel's Institute of Technology, the Technion, as well as honorary doctorates from two other Israeli universities.[11] In addition to denouncing anti-Semitism, Gorbachev took the opportunity to criticize the Palestinians' position during the Gulf War of backing Saddam Hussein.[12]

After Gorbachev's visit came the Israeli election, which was won by Rabin. The latter quickly put together a coalition government that appeared to spur the peace process, particularly since he made a number of gestures to the Palestinians, including the release of 800 prisoners and the freezing of new Israeli housing construction in most of the occupied territories. These actions were followed by U.S. Secretary of State James Baker's visit to Israel, and it soon appeared that a reinvigoration of the Middle East peace process had taken place. A Moscow Radio Arabic-language broadcast on July 17 praised Rabin's action, noting that "a very favorable condition for achieving realistic results" in a Middle East peace settlement had been created.[13]

In an effort to be evenhanded, however, the Russian Foreign Ministry invited PLO Executive Committee member Mahmud Abbas to Moscow in mid-July for talks and promised to continue Russian-Palestinian interaction on a wide range of issues concerning a Middle East peace settlement.[14] One week later, in a briefing on July 24, the Russian Foreign Ministry again warmly praised Rabin and noted that just as Baker had set out to tour the Middle East to spur the peace process, so too had the director of the Middle East and Africa Department of the Russian Foreign Ministry, Viktor Posuvalyuk, set out for the Middle East for discussions in Egypt, Jordan, Lebanon, Syria, and Saudi Arabia.[15] Upon his return, Posuvalyuk stated, in a briefing on August 14, that the stabilization of the military and political situation and the establishment of lasting peace in the Middle East met Russia's national interests and that Russia would conduct an active policy in the region. He also emphasized the role of the multilateral talks, saying that Russians were called upon "to create a positive atmosphere for the bilateral talks and help form the basis for regional cooperation."[16] Posuvalyuk also emphasized the Russian role in the peace process and noted that Israel's new foreign minister, Shimon Peres, would soon be meeting with Russian Foreign Minister Kozyrev.

Less than a week after Posuvalyuk's announcement, Peres began a four-day state visit to Russia, which took place on the eve of the renewal of the bilateral peace talks in Washington. After meeting with Kozyrev, Rutskoi, and Russian Prime Minister Yegor Gaidar, Peres took a side trip to the town of Vishenovo in Belarus, where he had been born. Peres also went to Sabbath services at the Central Synagogue in Moscow and, just as his predecessor David Levy had done in January, urged the Jews of Russia to emigrate to Israel.[17] For his part, Kozyrev utilized the Peres visit to once again emphasize Russia's importance in the Middle East peace process, noting, "We want peace in the Middle East and are playing the role of honest brokers, trying to help the sides bring their positions together."[18] Kozyrev promised to explain the Israeli position to the Syrian foreign minister, who was scheduled to visit Moscow in early September.

Peres said he hoped the Russian government would continue to play a stabilizing role in the Middle East and praised Russia for its efforts to curb anti-Semitism, although he did voice concerns about Russia's arms sales to Arab countries.[19] Peres also stressed, in a news conference held at the Russian Foreign Ministry, that Russia, with its close ties to the Arab world, could help to bridge the gaps between Israel and its neighbors and even contribute to peace by fostering joint economic efforts, such as a desalinization project (one month later, in a visit to Gaza, Peres said Russia would like to finance, build, and operate a desalinization plant in the Gaza Strip).[20]

As far as bilateral Russian-Israeli relations were concerned, Rutskoi proposed the formation of a joint financial trade commission to promote joint projects like airplane construction, transforming military industries into factories producing high-tech commercial goods, food production, and health services. Peres and Rutskoi also discussed the possibility of transforming bilateral agreements "between Russia, and several countries in the Middle East-Persian Gulf region, into a network of regional cooperation involving Israeli, Arab and Russian business groups."[21] Although no formal agreements were signed during the Peres visit, less than a month later, in New York, Peres and Kozyrev signed a major memorandum that called for the greater development of Israeli-Russian relations, including increased cooperation between the two countries in the political, legal, economic, and cultural spheres. Peres and Kozyrev also stated their intention to develop political contacts at all levels between Israel and Russia, including the parliaments of both nations. The agreement also called for the strengthening "in every possible way" of commercial, economic, scientific, and technological links between the two states, with an eye to encouraging joint investment projects and cooperation between Israeli and Russian business concerns. Finally, the joint memorandum stated that the two foreign ministers would give priority attention to the ongoing peace talks and that Russia, as a cosponsor of the peace process, would continue to actively promote a rapprochement between all parties engaged in the peace talks.

Even when the Middle East peace process ran into obstacles because of an upsurge of fighting in Israel's security zone in Lebanon in November 1992 and the expulsion by Israel in December of more than 400 Hamas activists whom it accused of inspiring the increasing number of attacks on Israelis in the Gaza Strip and in Israel proper, Russian policy did not turn in an anti-Israeli direction but remained very evenhanded. A Russian Foreign Ministry statement after the November fighting in Lebanon noted Russia's "serious concern" and called on all conflicting sides in southern Lebanon to show "maximum restraint."[22] Similarly, a Russian Foreign Ministry communiqué issued after the expulsion of the Hamas activists (which both Russia and the United States condemned in the UN Security Council) noted: "The Russian side is counting on the sides to show maximum restraint in their actions and hopes that the problem with the deportation of hundreds of Palestinians will be humanely settled very soon, taking into account the genuine interests of both the Israelis and Palestinians."[23]

Even with the clear rightward turn in the Russian government, as reflected in the December 1992 Congress of People's Deputies, which compelled Yeltsin to replace Prime Minister Yegor Gaidar with Viktor Chernomydrin, Israel's new ambassador to Russia, Chaim Bar-Lev, continued to be optimistic about Russian-Israeli relations. In an interview published on New Year's Day 1993, Bar-Lev asserted that "Israel is altogether popular here [in Russia]," that the change in prime ministers was unlikely to have a bearing on Russian-Israeli relations, and that he hoped Russia would make the Arabs understand—given Russia's connections with the Arab world—that they, and especially the Palestinians, would also have to make concessions for there to be a peace settlement.[24]

Despite Yeltsin's temporary turn away from the United States in the early months of 1993, it appeared as if Bar-Lev's optimism might be borne out. In January 1993, in an apparent effort to gain support from his Centrist critics in parliament, Yeltsin distanced himself from his pro-American foreign minister, Kozyrev, and announced a "balanced" policy for Russia as a "Euroasian state." He also condemned the renewed U.S. bombing of Iraq and asserted that U.S. pressure would not prevent Russia from signing a rocket technology agreement with India.[25] While U.S.-Russian relations chilled, Russian-Israeli relations continued to improve. Ruslan Khasbulatov, now an outspoken opponent of Yeltsin, visited Israel in early January 1993 as part of a trip to the Middle East. He met with Rabin and announced his support of the development of "businesslike cooperation" between Russia and Israel in the "economic, scientific, cultural and other spheres."[26] Khasbulatov also downplayed the impact of the deportation of the Hamas activists, stating that this incident should not disrupt the peace talks because Israel was "seriously intent on the success of the dialogue with the Arabs."[27]

Russian-Israeli relations continued to be warm through the early spring, as Russia supported the U.S.-Israeli agreement to bring back the Hamas deportees within one year, thereby enabling Israel to avoid further UN condemnation. Russia also joined the United States in calling for a new round of Arab-Israeli talks (they had been interrupted by the Hamas expulsions) and praised their resumption in late April. Meanwhile, as diplomatic ties remained firm, Russia and Israel were developing their economic and cultural relations. In February, the Russian government approved a draft agreement on scientific and technical cooperation with Israel, although a formal trade agreement had yet to be negotiated.[28] In March came the announcement that Russian nuclear experts were discussing the construction of floating nuclear plants in Israel to help solve the problem of desalinizing sea water,[29] and in April Israeli Absorption Minister Ya'ir Tsaban visited Anatoly Sobchak, the mayor of St. Petersburg, to discuss expanding Israel's cultural ties with that city, from which many thousands of Jews had emigrated to Israel.[30]

As Israeli-Russian relations deepened, the conflict between Yeltsin and his opponents in parliament worsened and Russia's ties with Israel became part of the confrontation. *Pravda*, which had become a major organ of Russia's right wing, on March 17 condemned the Russian government for following the U.S. lead on the Arab-Israeli conflict, noting that "since the breakup of the Soviet Union, the opinion of the Russian delegate at the UN concerning the Middle East situation has never diverged from the opinion of the U.S. delegate however absurd it has been at times."[31] Then, as the date for the climactic popular referendum on Yeltsin's future approached, *Pravda* denounced Israel for its "extensive" influence in Russia and for its support of Yeltsin:

> Not a single Western country, not even all NATO countries together, has such an extensive network of direct official missions in the USSR as Israel. Only now is the special role which the United States once allocated to Israel in its struggle against the Soviet Union being fully realized.
>
> Israeli press reports ... constantly overemphasize the "anti-Semitic nature" of Yeltsin's opponents... the Israeli mass media are depicting the essence of the referendum as a choice between the liberal democrat Yeltsin and the supporters of Pamyat [an anti-Semitic organization]. ... Israel's propaganda machine is now working for the victory of President Yeltsin, as usual putting the political interest of the Zionist movement above the genuine interests of Russian Jews.[32]

Yeltsin's victory and parliament's defeat in the referendum did not slow the parliamentary attacks on Yeltsin. A number of Centrist parliamentarians, including Khasbulatov and his ally, Vice President Rutskoi, whom Yeltsin was to fire in early September 1993, began to make common cause with the anti-Semitic and anti-israeli "Red-Browns" on the right wing of the

Russian political spectrum during the spring and summer of 1993.

Pravda led the charge of this group, reintroducing the medieval ritual murder charge against Russian Jews, who were blamed for the murder of monks on Easter Sunday:

> The Levites considered the sacrifice of a gentile on his sacred holiday to be a sign of national and religious might and a solicitation of God's great mercy. The more morally upright the sacrificial victim, the greater God's favor. Therefore they took children and religious figures to be sacrificed. Knife wounds to the armpits and groin were characteristic during the sacrifice. But that's not all. According to numerous investigations, these ritual murders have continued right up to the present day. For example, among the Hasidim ...[33]

Although the Russian Foreign Ministry quickly denounced the *Pravda* article,[34] there was a sharp increase in the number of anti-Semitic acts in Russia, including the desecration of the Moscow Choral Synagogue with swastikas and an attack on the synagogue's cantor. At the same time the National Salvation Front was formed; it was composed of hard-line Communists and Russian nationalists who blamed Russia's problems on the Jews (its leaders included Sergei Barburin, Ilya Konstantinov, General Albert Makashov, Valentin Rasputin, and Igor Shafarevich). During this same period, neofascists, led by Aleksander Barkashov, formed the Russian National Union, whose hero was Adolph Hitler and whose goal was to reestablish the National Socialist Reich and "free Russians from the grip of world Zionism."

The split between the opposition and Yeltsin grew during the summer, as Yeltsin, strengthened by his victory in the referendum, shifted back to a pro-American stance. Thus, Kozyrev supported the June U.S. attack on Iraq's intelligence headquarters in Baghdad in response to the Iraqi assassination attempt against former President George Bush, and Yeltsin acceded to U.S. wishes and agreed to withhold rocket technology from India—moves that were severely condemned by Yeltsin's opponents. As far as the Arab-Israeli conflict was concerned, one of Yeltsin's leading right-wing opponents, Colonel Viktor Alksnis, evidently fearing Yeltsin would acquiesce in the deployment of U.S. troops on the Golan Heights, warned the United States against sending troops to the Golan as part of any peace arrangement between Israel and Syria: "The deployment of American troops on the Golan Heights will undermine Russian strategic interests. This must be seen as an American springboard close to the Persian Gulf."[35]

Following the escalation of fighting in southern Lebanon in late July 1993 between Israeli and Hezbollah forces, Israeli and PLO leaders astounded the world by coming to an agreement on a Declaration of Principles for peace. The agreement was formally signed on the White House lawn in Washington on September 13, 1993,[36] in the presence of Russian Foreign Minister Andrei Kozyrev, to whom U.S. Secretary of State Warren Christopher was careful to give equal billing, although Russia had, in fact, done little to bring the agreement about. Nonetheless, perhaps to demonstrate to Yeltsin's political opponents, as well as to the rest of the world, that Russia was still a major player in the Middle East, Kozyrev, in commenting on the agreement, noted:

> We said to our partners in the West and to the Israelis too that the PLO in recent years has gone through a considerable evolution and that Arafat himself has become a mature leader who has adopted a number of very important political decisions. ... We have worked with Arafat earlier, too, and supported him. Today, since the conclusion of that agreement, he has been recognized in the West as well. ... It should not be forgotten that, in the Arab world, relations with the United States have not always been positive and it is important for Moscow to also lend support to [the] new initiatives.[37]

The emphasis on the key role of Russia in the Middle East was also expressed in a Valentin Zorin commentary on Radio Moscow World Service that noted:

> Even today Russia's positions in the Middle East are strong and her friends are influential. No settlement in the Middle East could have been possible whatsoever but for the goodwill of Moscow and the cooperation between the two nations [United States and Russia]. ... I am quite positive that it is not the weakness of today's Russia, but coordinated activities and partnership between Washington and Moscow that are the decisive factor in the liquidation of the Middle East crisis.[38]

As if to underline Moscow's continued role in the Middle East, Russia's First Deputy Foreign Minister Anatoly Adamishin toured the Middle East in mid-September, visiting Israel on September 19. He met with Rabin and Israeli President Ezer Weizman and expressed Russia's readiness to give "all around support to enable an effective implementation of the Israeli-Palestinian declaration of principles and expansion of the area of concord between Israel and the Palestine Liberation Organization." Adamishin also emphasized, as had Kozyrev, the need to make progress in Israel's relations with Syria and Lebanon.[39]

Two days after Adamishin's visit to Israel, Russian attention shifted from the Middle East back to Yeltsin's confrontation with his enemies in parliament: On September 21, Yeltsin, frustrated by parliament's constant sabotaging of his domestic programs, issued a decree of dissolution and announced that elections for a new parliament would take place on December 12, 1993. Parliament responded by deposing Yeltsin and declaring Vice President Alexander Rutskoi, once an ally of Yeltsin, but at this point his enemy, president. Yeltsin then sealed off the parliament, whose leader, Ruslan Khasbulatov, called for public support. After a failed effort at mediation by the Russian Orthodox patriarch, conflict erupted when supporters of the parliamentary side, prominent among them militants of Barkashov's Russian National Union, broke through the police barricades around parliament, seized the Moscow mayor's office (Rutskoi was urging them on), and then marched on the Ostankino television broadcasting center. Led by General Makashov, who had been denouncing the "imperialist-Zionist conspiracy," and other National Salvation Front leaders, the predominantly right-wing supporters of parliament launched an attack on the TV center, but in what was to be the turning point of the crisis, the loyalist troops inside the TV center held off the mob. Yeltsin succeeded in mobilizing sufficient force to seize the parliament building itself and captured the leaders of the parliamentary forces, including Rutskoi and Khasbulatov.

As the crisis developed, it became clear that defending the parliament had become the goal of large numbers of anti-Semites in Moscow, including swastika wearing members of the Russian National Union. In the days before full-scale fighting broke out on October 3, numerous interviews were conducted with people on the barricades around the parliament. The deputy leader of the Russian National Union, Alexander Denisov, told a *Christian Science Monitor* correspondent: "Russia should be ruled by Russians. Yeltsin isn't a Russian. His wife is a Jew. The Russian national interest is an alien concept to him."[40] A *New Times* (Moscow) correspondent heard a mob shouting: "Let's run over to City Hall. They're handing out shields and clubs there. We'll murder those damned Kikes.... Chase the Kikes out of the Kremlin."[41] Similarly, a *Jerusalem Post* correspondent reported the comments of a fifty-eight-year-old woman, Irina Matveyeva: "Zionists have occupied our country. They are strangling us. They don't let us breathe. The Zionists have been behind all Yeltsin's actions."[42] One *Washington Post* reporter noted the comments of old-age pensioner Olga Polkad: "Jews are flourishing everywhere in Russia while we are dying. They control everything. Yeltsin is just a puppet in their hands. Television is captured by Jews. Radio Russia is only Jews, and they don't let us say a word."[43] Another *Washington Post* reporter interviewed Anatoly Ageyenko, a member of the National Salvation Front, who asserted that Yeltsin's government was controlled by Jews and that Yeltsin and Gorbachev were part of an international Zionist conspiracy that was to blame for

the demise of the Soviet Union.[44]

Fortunately for both Israel and Russia's Jewish community, Yeltsin succeeded in defeating the fascist-supported forces of parliament, and both Khasbulatov and Rutskoi as well as a number of their right-wing supporters were imprisoned. Yeltsin then introduced his own constitution (on the model of the French Fifth Republic constitution, written by Charles de Gaulle's supporters in response to a major crisis in French life in the late 1950s), under which Yeltsin was given greatly enhanced presidential power.[45] He also called for the constitution to be voted up or down at the same time that the parliamentary elections were to take place, December 12. A number of political parties began organizing for the parliamentary elections, not only those supporting Yeltsin, but also those supporting the Communists and the fascists, including the Liberal Democratic party head Vladimir Zhirinovsky, who had been careful to avoid giving overt support to Yeltsin's parliamentary opponents during the October confrontation. Much to Yeltsin's surprise and to the discomfiture of the reform movement in Russia, both the Communists and Zhirinovsky's anti-Semitic and anti-Israel Liberal Democratic party did surprisingly well in the elections, with Zhirinovsky's party actually outpolling the pro-Yeltsin People's Choice party of Yegor Gaidar.[46] However, a number of observers saw the support for Zhirinovsky more as a protest vote against the deteriorating Russian economy and the collapse of the Soviet Union as a superpower than as a vote in support of fascism or anti-Semitism.[47] Ironically, it was revealed after the election that Zhirinovsky, whose father was apparently Jewish, had reportedly requested an invitation to emigrate to Israel in 1983.[48]

Despite the Zhirinovsky victory, Yeltsin also had some success in the December elections, as his constitution was approved. Nonetheless, it appeared as if the new parliament might challenge Yeltsin almost as much as the old one did, although the greater powers given to Yeltsin by the new constitution appeared to strengthen his hand vis-à-vis parliamentary efforts to oppose his policies. In any case the Russian election of December 12 offers a useful end point for a retrospective analysis of Russian-Israeli relations in the first two years following the collapse of the Soviet Union.

If one looks at the development of Russian-Israeli relations in the December 1991-December 1993 period, one can say that, on balance, the relations, especially on the government-to-government level, were quite good. From the Israeli point of view, economic and cultural relations were developing nicely, Russian Jews continued to be allowed to leave Russia in large numbers, Russia was supportive of Israeli interests in the Middle East peace process, and there was no evidence of Russia's selling atomic weaponry to any of Israel's Middle Eastern enemies. Nevertheless, Moscow's continued sale of conventional arms to Iran and Syria (and its willingness to help transship weapons from North Korea to Syria) was an irritant in the Russian-Israeli relationship.[49]

From the Russian point of view, cooperation with Israel offered several benefits. First, Israeli economic assistance, especially in the agricultural sector, held out the promise of helping the hard-pressed Russian economy. Second, cooperation with Israel, whose ties to the United States had been greatly strengthened following Rabin's victory in the June 1992 Israeli election, helped reinforce Russian American relations. Finally, the frequent visits of Russian leaders to Israel and of Israeli leaders to Russia, as well as the prominent position accorded to Russian Foreign Minister Kozyrev at the signing of the Israeli-PLO Declaration of Principles on the White House lawn, helped to demonstrate Russia's continued importance in world affairs, which Yeltsin, like Gorbachev before him, hoped to exploit to strengthen his domestic position. Ironically the closeness of Russian-Israeli relations was one of the major criticisms leveled at Yeltsin by his

parliamentary opponents who, allied with clearly anti-Semitic and anti-Israel elements, sought to topple Yeltsin from power in early October 1993. Fortunately for both Russia's Jews and Russian-Israeli relations, Yeltsin defeated his parliamentary opponents, although the strong showing of the anti-Semitic and anti-Israeli Vladimir Zhirinovsky in the subsequent parliamentary elections of December 12—assuming that the vote for Zhirinovsky was not primarily a protest vote—indicated that forces opposed to close Israeli-Russian relations were still powerful in the Russian body politic. In any case it was clear that Israeli leaders would have to pay particular attention to trends in Russian domestic politics, as they sought to further develop Israel's ties with Russia.

Israel and Ukraine

When ex-Communist-turned-nationalist Leonid Kravchuk led Ukraine to independence from the Soviet Union in December 1991, he faced numerous problems. Besides seeking to consolidate his own personal power, he had to work out a new arrangement with the Russia of Boris Yeltsin, which was spearheading the collapse of the Soviet Union. Although Ukraine and Russia were linked by cultural, religious, and economic ties, Yeltsin and Kravchuk had very different views of the future relationship of their two newly independent countries. From the point of view of Yeltsin (and even more so, Russian nationalists like Rutskoi and those to his right like Zhirinovsky), close links between Russia and Ukraine were to be the cornerstone on which the Commonwealth of Independent States—the successor of the Soviet Union—would develop. Reinforcing the nationalists' demand for close links with Ukraine were the 12 million ethnic Russians, more than 25 percent of Ukraine's total population, who were concentrated in eastern Ukraine and in the Crimea (Nikita Khrushchev had detached the Crimea from Russia and given it to Ukraine in 1954). What made Khrushchev's political gesture of great importance to post-Soviet Russia was not only the presence of a large ethnic Russian population in the Crimea but also the presence of the old Soviet Black Sea fleet, which had been one of the instruments of Soviet influence in the Middle East since the early 1960s.

From the point of view of Kravchuk and most Ukrainians, the future of Ukraine lay not in a close embrace of Russia but rather in a new alignment with Central and Western Europe.[50] This difference of vision was to complicate relations greatly between Russia and Ukraine during their first two years of independence. Making matters even more sensitive for Kravchuk was the revolt of Russian citizens—at least tacitly supported by the Russian army—in the Trans-Dniester region of Moldova (the former Moldavian Republic of the USSR), which bordered on Ukraine to the west and also contained a significant Ukrainian population. This problem was compounded by Romanian territorial claims against Ukraine for territories acquired in 1940 when Stalin seized them from Romania. In addition to these political problems, Kravchuk faced numerous economic ones as well. Like Yeltsin, he had a large number of inefficient factories, many of which could produce only one item of value on the international market—military equipment. What is more, because Ukraine did not have the hard currency to pay Russia for the oil or Turkmenistan for the natural gas that they had been supplying, Kravchuk faced a very sharp cutoff in energy supplies. In sum, although the Middle East was not to be a central focus of Ukrainian diplomacy in the first two years of its independence—the head of the Near and Middle East Department of the Ukrainian Foreign Ministry, Viktor Nahaychuk, publicly stated, "we are

starting our bilateral diplomacy in this region virtually from zero"[51]—nonetheless, Ukraine's relations with a number of Middle East countries, particularly Israel and Iran, were to reflect Ukraine's larger political and economic problems.

In an effort to counterbalance Russian pressure, Kravchuk sought to develop a strong working relationship with the United States. One of his strategies was to actively cultivate world Jewry (particularly American Jewry) and the State of Israel, which virtually all American Jews hold dear, whether or not they happened to agree with a particular policy of a particular Israeli government. Thus in October 1991, even before the formal Ukrainian move toward independence, Kravchuk gave a politically significant speech on the fiftieth anniversary of the Nazi massacre of the Jews in Babi Yar, a ravine on the outskirts of the Ukrainian capital, Kiev. Relations between Jews and Ukrainians had been bloodied by a series of Ukrainian massacres of Jews, beginning with that of Bogdan Khelmnitsky (whose statue has a place of honor in downtown Kiev) in the mid-seventeenth century, continuing with the pogroms of the late nineteenth century, the massacres committed by Simon Petlura in the aftermath of World War I, and culminating in World War II in the murders of Jews by the Nazis with the help of numerous Ukrainian "volunteers." Given this background and the fact that the Soviet government had prevented any mention of Babi Yar (where 200,000 people, mostly Jews, were killed by the Nazis) as a specifically Jewish tragedy, when Kravchuk not only condemned the massacre, apologized to Ukraine's Jews, and asked for their forgiveness but also said that Ukrainians had to accept "part of the blame,"[52] he appeared to set a new tone for the Ukrainian-Jewish relationship. A similar gesture, albeit at a lower government level, had been made during the summer, when Komissa Renko, deputy prime minister of Ukraine, visited Israel and paid a visit to Israel's Holocaust memorial, Yad Vashem.[53] Ukraine also cosponsored the repeal of the UN General Assembly resolution equating Zionism with racism.

Once Ukraine had declared its independence, Kravchuk endeavored to quickly forge relations with the State of Israel. Thus he sent his minister of industry and trade, Viktor Antonov, to discuss direct flights between the two countries. Given the fact that 500,000 Jews remained in Ukraine, this was clearly a high priority for the Israeli government, as was Antonov's other interest, working with Israel on the conversion of military industry into civilian production. Israel clearly was concerned about Ukrainian arms sales to its Arab enemies, and Antonov was not too reassuring on this question. When asked if Ukraine would sell nuclear or conventional arms to the Arabs, Antonov said, "There has been no approach by the Arab countries or others about nuclear weapons ... if there are any such appeals we will not sell nuclear weapons." On the issue of conventional arms, however, he hedged, stating that "the issue is more complicated" and noting that a million Ukrainians who had worked in the country's—then mostly idle—military industries were unemployed.[54]

In April 1992, Kravchuk met with Jewish Agency leader Simha Dinitz, who was on a tour of the former Soviet Union. In the meeting Kravchuk stated that he was interested in an all-around development of political, economic, and cultural relations with Israel. Indeed, he went as far as to say that Ukraine's ties with Israel ranked among his country's diplomatic priorities. On the sensitive issue of emigration, Kravchuk stated: "If the Jews want to leave for Israel, we should not create any obstructions to them. Our objective, however, is to create conditions (whereby) Jews will feel at home rather than in a foreign country." He also noted that Ukrainian Jews enjoyed the same rights as people belonging to other nationalities and that Ukraine was helping the Jews revive their language and culture.[55] For his part, after noting that most of Israel's founders were born and brought up in Ukraine, Dinitz utilized the same terminology that Israeli

President Chaim Herzog would use the following week, echoing the words of the then-Russian vice president, Alexander Rutskoi. He said that the Ukrainian Jews who had emigrated to Israel would serve as a "bridge" between the two countries.[56]

As his confrontation with Yeltsin over the Crimea escalated in May 1992, Kravchuk journeyed to the United States to seek support, in addition to meeting President Bush, who signed agreements giving Ukraine most-favored-nation trading status and providing insurance for U.S. firms that invested in Ukraine,[57] Kravchuk also met on his own initiative with 100 Jewish business leaders in New York. In seeking Jewish investment in his country, he emphasized the fact that new laws had been passed against anti-Semitism and that he was committed to grant "equal opportunity to all people, with special respect to those who had suffered."[58] He also promised to name an ambassador to Israel by the end of 1992 and to exchange state visits with Israeli leaders.[59]

The pace of Israeli-Ukrainian relations stepped up in July, when the two countries signed an agreement providing the right to overfly each other's airspace and to make stopovers at each other's airports.[60] In addition, Ukraine was instrumental in facilitating the exodus to Israel of Moldovan Jews who were fleeing the fighting in the Trans-Dniester region. Ukrainian officials also promised that seventeen Refuseniks who had been denied permission to emigrate on secrecy grounds would soon be allowed to leave.[61]

The high point of Israeli-Ukrainian relations came in mid-January 1993 when Kravchuk, accompanied by his foreign minister, Anatoly Zlenko, made a state visit to Israel. While there, Kravchuk signed a number of agreements with Israel, including one for direct commercial flights between the two countries and others on cooperation in the fields of education, culture, agriculture, and science and technology.[62] He also visited the Babi Yar monument at the Yad Vashem Holocaust memorial and indicated his willingness to allow the remains of the famous Hassidic leader, Rabbi Nahman of Bratslav, to be transferred to Israel—an important concession because visits of Bratslav Hassidim to his grave had enabled Ukraine to earn needed hard currency.[63] (Israeli Hassidim, however, preferred that his grave remain in Ukraine.) In an address to the Knesset (Israel's parliament), Kravchuk noted that it was common knowledge that the Jewish people had suffered very much in Ukraine, but that "today we have a chance to review the past and explain to let our descendants avoid a return to the past."[64]

As part of the visit, Rabin and Kravchuk also signed a protocol on mutual understanding and basic principles of cooperation, as well as one on consultations between the two countries' foreign ministers. There were also detailed talks on economic cooperation: Israel was considering purchases of Ukrainian raw materials, metallurgical and aerospace products, and seabed development equipment, and Ukraine looked to Israel for supplies of vegetables, citrus fruits, agricultural processing and storage technology, medical equipment, computer facilities, and consumer goods.[65] Kravchuk also noted that Ukraine wanted to learn from Israel's experience in conversion to a market economy, combating inflation (Israel's annual inflation rate had dropped to a near-record low of 9 percent by January 1993), in banking, and in attracting foreign capital.[66]

As far as the Middle East peace process was concerned, the visit of Kravchuk in the midst of the international furor over Israel's expulsion of the Hamas activists was clearly welcomed by Israel (Ukraine participates in the multilateral talks on refugees and water), as was his call for a political settlement to the Arab-Israeli conflict that ensured "respect for the sovereignty, territorial integrity and independence of all states in the region, including Israel."[67] Nonetheless,

Kravchuk also criticized the expulsion and said that UN Security Council Resolution 799, which called for the return of the deportees, was a good basis for resolving the crisis.[68] In sum, however, it was a very fruitful visit and reflected the rapid improvement of Israeli-Ukrainian relations.[69]

Following Kravchuk's visit, government-to-government relations between Ukraine and Israel continued to improve. In March, the Ukrainian ambassador to Israel, Yuri Sherback, gave Israeli government archivists a number of KGB documents relating to Zionist activities in Ukraine;[70] in April direct sea communications began on the Haifa-to-Odessa route, and in May a delegation of the Ukrainian Ministry of Internal Affairs, headed by the first deputy interior minister, visited Israel to study Israeli crime-fighting techniques. In June Israeli Knesset Speaker Shevah Weiss addressed the Ukrainian parliament, and Ukrainian deputy Foreign Minister Mykolo Makarevitch asked Weiss to arrange cooperative nuclear development projects between Israel and Ukraine. According to Weiss, Makarevitch also promised that Ukraine would not transfer nuclear know-how to any Arab state.[71]

While government-to-government relations between Ukraine and Israel were improving, just as in Russia, domestic political forces emerged to challenge the relationship. The issue around which the anti-Israeli and anti-Semitic forces, concentrated primarily in the western Ukraine, coalesced, was the case of John Demjanjuk, the accused Nazi war criminal imprisoned in Israel as "Ivan the Terrible," a sadistic guard at the Treblinka death camp. There were demonstrations in front of the Ukrainian parliament on May 7 calling for "freedom for Ukrainian Demjanjuk," and posters were carried proclaiming "Demjanjuk is a victim of Israeli justice." In June, Shevah Weiss, after his address to the Ukrainian parliament, was assaulted by two extremist Ukrainian parliament members who demanded the immediate release of Demjanjuk—an action that drew a formal declaration of protest from the Israeli parliament.[72] Ironically, the Israeli Supreme Court was to free Demjanjuk in late July, stating that there was insufficient evidence to prove that Demjanjuk was in fact "Ivan the Terrible," although most likely he had been a Nazi prison guard at another concentration camp. It remains to be seen, however, whether the freeing of Demjanjuk will stifle the anti-Semitic and anti-Israeli forces in Ukraine, particularly as the Ukrainian economy continues to deteriorate.

If the Demjanjuk case was an irritant in Ukrainian-Israeli relations, a greater concern on Israel's part was Ukraine's energy dependence on Russia and Turkmenistan and the possibility that Iran, in return for Ukrainian weapons, might be willing to supply the needed oil and natural gas. Although not an immediate possibility, since Ukraine lacked the necessary port facilities to handle imports of oil and natural gas, the danger in the long run was a serious one. Moreover, Ukrainian energy problems in the 1992-1993 period and its response to these problems did little to allay the Israeli concern.

When Turkmenistan sharply curtailed natural gas deliveries to Ukraine, Iran stepped in to pick up the slack with an offer of 75 billion cubic meters of gas, as well as 4 to 5 million tons of oil.[73] It was to be a major three-way project: Iran would build a pipeline network across Azerbaizhan to deliver natural gas to Ukraine. The question arose, however, as to how Ukraine would pay for its share of the project, and the suspicion grew that Ukraine would pay for the natural gas with arms. Kravchuk's visit to Iran in late April 1992 did little to stem speculation on this issue. When asked by an Itar/Tass correspondent at a news conference following his meeting with Kravchuk whether questions of military cooperation were raised at the talks, Iranian President Hashemi Rafsanjani said, "Yes, we had talks on that subject and they will be continued." For his part, perhaps fearing the diplomatic fallout, Kravchuk sought to downplay the issue, stating only that

"talks had been started, but as yet only in general terms."[74] Needless to say, Israel was not pleased about the Ukrainian arms sale discussion with Iran (nor was it pleased by the continuing Russian arms sales to Iran), but there appeared little Israel could do about it.

Ukraine was able to make up some of its shortfall in natural gas by imports from Russia and in October signed an agreement with Turkmenistan under which it would buy natural gas at 60 percent of the world price.[75] Nonetheless, there were still gaps in Ukraine's energy balance, particularly in the area of oil, since Russia agreed to supply Ukraine in 1993 with only 21 million of the 47 million tons Ukraine had requested.[76] Given this situation, the possibility of a weapons-for-oil barter arrangement between Iran and Ukraine remained strong, and *Pravda*, on November 5,1992, complained that Ukraine had offered Iran tanks at a price 20 percent lower than that offered by Moscow.[77]

In early February 1993, Germany agreed to build for Ukraine an oil tanker fleet composed of both supertankers and river-capable tankers, and there were discussions on the construction of an oil terminal in Odessa.[78] In the middle of the month, Iran said that it would supply Ukraine with 4 million tons of oil, as Iranian Oil Minister Ghalam Rezu Agazadeh voiced Iran's willingness to assist the Ukraine in maintaining its independence, particularly in the economic sphere. In March, Iran's deputy foreign minister, Mahmud Va'ezi, visited Kiev for talks with Kravchuk and announced a $30 million credit to enable Ukraine to buy oil and also stated that Iran would make every effort to free Ukrainian prisoners of war in Afghanistan.[79]

Just as Ukraine did not want to become totally dependent for oil on Russia, it also wished to avoid energy dependence on Iran, and in mid-April 1993 Leonid Kuchma, then prime minister, visited the Arab states of the Gulf Cooperation Council (Saudi Arabia, Kuwait, Bahrein, Qatar, Oman, and the United Arab Emirates) and undertook extensive negotiations on the sale of Ukrainian products and technology in return for Gulf oil; he offered "collaboration in the military sphere" as well to these states. Although no agreements were announced at the conclusion of his visit, it was clear that Ukraine was seeking to diversify its sources of energy. Nonetheless, Israel remained very concerned about the possibility that Ukraine would supply not only conventional weaponry but also nuclear technology to such enemies as Iran.[80] Given the extensive nuclear facilities on the territory of Ukraine and the reports that Ukraine had already exported nuclear-related commodities, including hafnium and zirconium, Israel's nuclear fears were well founded. The nuclear issue was a central problem in Ukrainian-Israeli relations.[81]

Despite its unhappiness over Ukrainian-Iranian relations, Israel continued to pursue its relationship with Kiev. In July 1993 the newly appointed Israeli ambassador to Ukraine, Tzvi Magen, whose father was born in Ukraine, noted in an interview that Ukrainian-Israeli relations should be built not on emotions but on common interests and called for the broadening of economic relations.[82] Then, in November 1993, a Ukrainian parliamentary delegation, with its chairman, Ivan Plyushch, visited Israel and discussed an economic trade agreement between Ukraine and Israel. Plyushch proposed that Israel join the Black Sea Economic Cooperation Zone,[83] and he asserted that Ukrainian leaders viewed the development of relations between Ukraine and Israel as one of the priority directions of Ukraine's foreign policy:

> We regard the building of relations between Ukraine and Israel as a priority trend in our external policy. Of course, this is not only based upon the presence in Israel of a large group of former Ukrainian citizens. Among the objective reasons for our interest in Israel is the geographical proximity of the Black Sea and Mediterranean regions and potential possibilities for the development of large-scale economic, scientific-technological and cultural cooperation.[84]

The pace of Israeli-Ukrainian relations picked up later in November when an Israeli delegation consisting of a Knesset member and an official from Israel's Foreign Ministry met Ukrainian officials for discussions of both the Middle East peace process and Ukrainian-Israeli economic relations.[85] Then, on December 5, a Ukrainian delegation from the Ukrainian Academy of Sciences signed a scientific cooperation agreement with the Israeli Academy of Sciences.[86] The sudden explosion of Israeli-Ukrainian diplomatic activity in November and December 1993 does not appear accidental, at least from the Ukrainian point of view. In November and early December, Ukraine and Russia were at loggerheads over the issue of Ukraine's giving up its nuclear weapons, and the same issue was causing problems between the United States and Ukraine. Consequently, Ukrainian leaders may have hoped that a series of widely publicized meetings with Israelis would help their image in the United States. In any case, the signing of the Ukrainian-Israeli scientific cooperation agreement provides a good end point to review the first two years of Ukrainian-Israeli relations.

Ukrainian-Israeli relations developed very rapidly in 1992 and reached a new high during Kravchuk's visit to Israel in January 1993, From the Israeli point of view, Ukraine, with nuclear weapons, a developed industrial economy, and an evenhanded position on the Arab-Israeli conflict, was an important partner in world affairs that Israel wanted to cultivate. For Ukraine, Israel's advanced agricultural technology and scientific development, along with its ties to world Jewry and the United States, from which diplomatic support and financial investment were desired, made Israel a valued partner as well. The main issues troubling the relationship were, first, the Demjanjuk affair and, second, the possibility of the development of Ukrainian energy dependence on Iran, which could lead the Ukrainian leaders to sell large numbers of sophisticated weapons, both nuclear and nonnuclear, to Israel's Persian Gulf enemy, par ticularly if the Ukrainian economy continued to deteriorate.

Israel and Central Asia

Unlike Russia and Ukraine, none of the republics of Central Asia was eager for independence when the Soviet Union collapsed in December 1991. Nonetheless, despite very serious problems, all five of the states (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Turkmenistan) adjusted to the new situation and sought, albeit with difficulty, to make their way as independent states in the post-Soviet world.[87]

The new states had a number of similarities. All were Sunni Moslem in religion, although Islam was more a cultural than a religious phenomenon at the time of the collapse of the Soviet Union. In addition, almost all of the new states were Turkic in ethnicity and culture (the exception was Tajikistan, which has a Persian cultural heritage). A third similarity was the ecological crisis that affected all the states, owing in part to the drying up of the Aral Sea and in part to the overuse of pesticides, fertilizer, and water in the dominant agricultural sector of their economies.[88]

A fourth similarity was the presence of ethnic minorities in each of the new states, the most politically significant being the large (40 percent) Russian minority in Kazakhstan, the Uzbek minority in Tajikistan, and the Tajik minority in Uzbekistan. Finally, all the states in the region except Turkmenistan faced similar problems of overpopulation, underemployment, and rapid inflation.

In the political sphere, however, there are major differences. The two Central Asian states in the northern part of the region, Kazakhstan and Kyrgyzstan, were led by individuals who appeared committed to a democratic development in the Western sense of the term. Nursultan Nazarbayev, the president of Kazakhstan, the largest Central Asian state in area and the only one with nuclear weapons, is a Communist-turned-democrat; Askar Akayev, the president of Kazakhstan's small neighbor, Kyrgyzstan, is a genuine democrat. These two leaders contrast sharply with the leaders of the two southernmost Central Asian states, Islam Karimov of Uzbekistan, the most populous Central Asian state, and Saparmurad Niyazov of Turkmenistan. Both are old-style Communists with entrenched political machines (some of them clan-based) who suddenly turned nationalist after the collapse of the Soviet Union but who continued to rule in an authoritarian manner.

The fifth Central Asian state, Tajikistan, is somewhere between the two extremes. Its leader in the initial period following independence, Rakhman Nabiyev, was in a weaker position than any of his Central Asian colleagues. Although he was a hard-line Communist like Karimov and Niyazov, he faced strong opposition from a mixture of Islamists and Western-style democrats who, after forcing him to add opposition members to his government in the spring, ultimately toppled him in early September 1992, only to be replaced in turn after prolonged conflict in December by Imomali Rakhmonov, a hard-line ex-Communist like Karimov and Niyazov, who came to power with the help of Karimov. The events in Tajikistan reflect the outline of the political struggle taking place to a larger or smaller degree throughout Central Asia between old-line Communists-turned-nationalists, Islamic forces, and democratic forces over such issues as economic development, the role of Islam, treatment of ethnic minorities, and democratic freedoms. In addition to the overt political struggle for power, there is also an identity conflict between Islam on the one hand and ethnic nationalism (Kazakh, Uzbek, Tajik, and so on) on the other.[89] Islamic forces, still weak in Central Asia, are divided into three basic groups. The first is composed of what might be called cultural or secular Moslems who, looking toward the Turkish model, are satisfied if mosques are open for worship and the president of their country is sworn in with his hand on the Koran. The second group, further along the spectrum of Islamicism, are those who want the legal system of their country to be based on Islamic law (their model would be Saudi Arabia or, increasingly, Pakistan). Finally, there is a group of Islamists who advocate a radical Islamic foreign policy modeled on that of Iran (i.e., anti-American, anti-Israeli, and so forth).

The leaders of the new states, faced with numerous problems, sought economic assistance from wherever they could get it. For their part, a number of outside powers, chief among them Turkey, Iran, and Pakistan but also including the United States, Britain, France, Germany, Italy, South Korea, Singapore, Japan, Saudi Arabia, and Israel, rapidly became involved in an influence competition in Central Asia. This enabled the leaders of the Central Asian countries to play one country off against another rather adroitly, with the result that so far no one country has managed to get dominant influence. Not only economic aid but also cultural assistance and religious models became part of the competition, with Turkey offering a Turkic cultural assistance, extensive technical aid, and a secular model of Islam; Iran, its cultural model to Tajikistan, its religious model to all of Central Asia (although this was downplayed) and also transit routes to the Indian Ocean; and Pakistan, its Sunni Moslem brand of Islam, economic aid, as well as transit routes to the Indian Ocean. However, in the case of Pakistan, the transit routes would not be viable until fighting ended in Afghanistan,

Meanwhile, Moscow looked at developments in Central Asia with growing foreboding. Its

concerns ranged from a fear about the fate of Russian minorities there to a concern that the rise of Islamic radicalism in the region could serve to further destabilize Moslem areas of Russia like Tatarstan and the Chechen Republic to a worry that Russian textile workers could face unemployment if Central Asian states (especially Uzbekistan) cut off cotton supplies.[90] In addition, Russian nationalists became increasingly unhappy at the political inroads foreign states were making in an area once dominated by Russia. Indeed, *Pravda,* on February 19,1992, commenting on a visit by U.S. Secretary of State Baker to Central Asia, complained that Baker was doing more than the entire Russian Foreign Ministry and that the United States was drawing the Islamic states of the former Soviet Union into the orbit of US. policy and the U.S. view of the world and away from Russia, "their closest neighbor and natural ally."[91] Fortunately for Moscow, however, as the economic weaknesses of the Central Asian states became more and more evident in 1993, so did their economic dependence on Russia, and Moscow was able to reassert its influence. This development was reinforced by the death of the Turkish president, Turgut Ozal, who had provided the main impetus to the effort to expand Turkish influence in Central Asia.

As one of the states involved in the influence competition in Central Asia, Israel had a number of concerns about the region. Most important was the fear that the nuclear weapons in Kazakhstan might find their way into the hands of Israel's Middle Eastern enemies. Another concern, also evident elsewhere in the former Soviet Union, was the fate of the approximately 200,000 Central Asian Jews. Israeli leaders hoped they would continue to be allowed to leave for Israel. There was also a concern in the diplomatic arena. Although the Central Asian states (and Azerbaizhan) are Moslem, Israel hoped that since, at least for the time being, the ethnic factor seemed to be more important than the Islamic one, the Central Asian states would not automatically line up with Israel's Moslem enemies in the United Nations and other diplomatic forums. Finally, Israel, which had begun to develop economic ties in Central Asia in the final years of the Soviet Union, hoped to be able to further develop these ties, particularly because it could offer assistance in the agricultural sector, especially in the area of irrigation, water management, and cotton growing.

The most important target for Israeli diplomacy in Central Asia was Kazakhstan, and it was there that Israel scored its most important political success. In mid-January 1992 Israel's communications minister, Rafael Pinhasi, made a three-day official visit to Kazakhstan to promote cooperation in telecommunications.[92] Then, on April 1,1992, a Kazakh delegation led by the Kazakh minister of trade, reciprocating for the Pinhasi visit, signed an agreement with the Israeli government under which Israel would help Kazakhstan to develop agriculture and livestock breeding and to train specialists, and for cooperation in the joint development of modern industrial technology.[93] One week later, Israel and Kazakhstan established full diplomatic relations, and Nazarbayev, in talks with Israel's then-ambassador to Russia, Aryeh Levin, in addition to stating that Kazakhstan was interested in loans and modern agricultural know-how, affirmed Kazakhstan's interest in a peaceful settlement of the Israeli-Palestinian conflict.[94] Four days after meeting with Aryeh Levin, Nazarbayev met Simha Dinitz, head of the Jewish Agency, for discussions about plans for economic cooperation in the spheres of entrepreneurship, banks, financial systems, and investment policy as well as about long-term cooperation in the areas of science and culture.[95]

Of course, economic and cultural cooperation was an important goal for Israel in the Kazakh-Israeli relationship, but far more significant was the issue of ultimate disposition of Kazakhstan's nuclear weapons. Possibly in an effort to quell rumors that Kazakhstan had sold such weapons to

Iran, Nazarbayev gave an interview to one of Israel's major newspapers, *Yediot Aharonot*, in which he said: "As for the nuclear weapons in our possession, you need not worry. They are meticulously guarded, and it is absolutely impossible to sneak them across our borders." Nazarbayev also offered to help mediate the Arab-Israeli conflict and stated:

> Our approach to the rival sides in the Middle East is evenhanded, and we tell them all the same: You must stop the belligerency and seriously proceed to find a solution to this grave and dangerous conflict.
>
> Everybody has the right to live in peace and security, without one ruling over the other. Domination of one nation by another is a source of trouble and conflict. It is imperative to stop the conflict in the Middle East; more than enough blood has already been shed there. I have just said as much to my Israeli guests, and I have said the same to Yasser Arafat and other Arab representatives I have met.[96]

Israeii-Kazakh relations hit a new high in September 1992 when the Kazakh prime minister, Sergei Tereschenko, arrived in Israel for a three-day official visit. During his visit, Tereschenko repeated Nazarbayev's assurances on Kazakhstan's nuclear weapons: "Nuclear weapons will not be sold, not to Iran or any other country. Kazakhstan is peace-loving. Israel has nothing to worry about."[97] The Kazakh prime minister also praised the work being done in Kazakhstan by Israeli companies in the areas of large-scale cotton cultivation, farm mechanization, and irrigation. He also asked for Israeli help in manufacturing finished products and marketing them abroad, so Kazakhstan could lessen its dependence on raw material exports.[98] On the final day of his visit, Tereschenko signed an aviation agreement providing for a weekly flight from Alma Ata (the Kazakh capital) to Israel.[99]

Israel's priority on developing ties with Kazakhstan was reflected in February 1993 when the Israeli parliament approved 55 percent loan guarantees for two major investment prospects totaling $220 million.[100] (Interestingly enough, Israel itself was receiving $10 billion in loan guarantees from the United States.) In April 1993 Nazarbayev received an Israeli delegation headed by Science and Economic Minister Shimon Shitreet and Energy Minister Amnon Rubinstein for discussions on Israeli aid to Kazakhstan's agricultural and food industry and pharmaceutical industries, gas and oil production, education, satellite communications, and power engineering.[101] Despite some difficulties with one of the projects involved in the loan guarantees in June 1993, the Knesset increased the percentage of loan guarantees to 65 percent of the money loaned.[102]

One of the salient aspects of Israeli relations with Central Asia is the important role that Jews are playing. Kazakh Prime Minister Tereschenko, during his visit to Israel in September 1992, introduced a Jewish member of his delegation as "the first capitalist in Kazakhstan."[103] Given both the large number of Jews who emigrated to Israel from Central Asia and the large number of Jews still residing there, this "Jewish connection" may turn out to be a major asset in Israel's dealing with Central Asia, assuming of course that the Iranian form of Islamic radicalism does not triumph in the region. As Sadik Safaev, first deputy of the Uzbek Ministry of Foreign Economic Relations noted: "Many Jews have relations here if they emigrated recently. Over 2,000 years these people did a lot for this country. Uzbekistan welcomes activity from Israeli firms."[104] As in Kazakhstan, Israeli firms helped pave the way for Israel's diplomatic relations with Uzbekistan. Perhaps the most successful of these was Shaul Eisenberg's pilot project in drip irrigation, which enabled Uzbekistan—with the help of Israeli kibbutz specialists—to increase cotton production by 40 percent while reducing water usage by two-thirds and fertilizer and pesticide use by 10-20 percent.[105] Given Uzbekistan's extremely limited water availability and the ecological damage due to overuse of pesticides and fertilizer,[106] Israeli help could be of

critical importance. Indeed, as the Israeli ambassador to Uzbekistan noted, "Our business ties are the key to our influence in Uzbekistan, because we are providing the kind of goods and services which the Uzbeks need."[107]

Perhaps the high point in Israel's relations with the Central Asian states came in January 1993 when the president of Kyrgyzstan, Askar Akayev, made an official three-day visit to Israel. In an interview in the *Jerusalem Post*, Akayev made clear his reasons for visiting Israel: "My aim is to join Israeli technology with the raw materials we have at our disposal and to create industries. You have created the highest cotton yields in the world. We have rather good agricultural land but we have a backward technology in food processing. We would certainly want Israeli help in these areas."[108]

In a surprise move, Akayev, who in the interview described himself as a "proud but secular Moslem," announced the establishment of the Kyrgyz embassy in Jerusalem, the first Moslem and only the third country to do so (the other countries having diplomatic relations with Israel have their embassies in Tel Aviv because of the continuing dispute over the legal status of Jerusalem). Although Akayev coupled his announcement with support for the independence of the Palestinian people, he also called for Jerusalem to be "a united and indivisible city"—a statement his hosts were very happy to hear.[109] Upon returning home, however, Akayev, under heavy international pressure, somewhat backed away from his promise to open the Kyrgyz embassy in Jerusalem.[110]

During the visit, Akayev signed agreements with Israel on agriculture, trade, and the power industry and visited Jerusalem's main mosques as well as Yad Vashem.[111] He also stated that Jews had the "sacred right" to return to their homeland, although, like other leaders of the former Soviet Union, he appealed for the Jews of his country to stay: "I'll be frank. We do not like to part with the Jews of Kyrgyzia who have shared our history."[112] He also noted that his chief legal adviser was a Jew, as was his minister of construction, and that Jews were prominent in the professions and in education.[113]

Whereas Israel made great strides in developing its relations with Kazakhstan and Uzbekistan, the two most important countries in Central Asia, as well as with Kyrgyzstan, it was less successful with Tajikistan and Turkmenistan. Before the outbreak of the civil war in Tajikistan, Israel had established an irrigation system near Dushambe (the capital) as well as a cotton-growing project, but these projects have been put on hold because of the war.[114] In Turkmenistan, Israel exhibited high-tech products, which were praised by the country's imam, and offered a master plan for Turkmenistan's irrigation system but was not able to establish diplomatic relations with the energy-rich state until the fall of 1993.[115]

Israel, despite the significant diplomatic and economic strides that it has made in Central Asia since the collapse of the Soviet Union, remains concerned about the possibility of the growth of Iranian-inspired Islamic radicalism in Central Asia. In an effort both to curb the threat of Iran and to capitalize on Israeli agricultural prowess, the United States has joined with Israel in establishing a pilot program under which the United States would provide $5 million to enable Israeli agricultural and public health experts to help the five Central Asian states. U.S. interest in the project was highlighted by the fact that under the project's ground rules, a joint U.S.-Israeli team would work together to "sharpen technical assistance priorities and define potential projects."[116] The joint delegation left to tour Central Asia at the beginning of September 1992.[117] This project offered a double benefit for Israel. Not only would it enable Israel to play a still more effective role in Central Asia, but it also underlined Israel's continuing importance to the

United States as a "strategic ally," an importance that had been called into question with the end of the cold war. Given Russia's shared concern about the growth of Islamic radicalism in Central Asia, Israeli economic activity in the region can be seen as a plus for Moscow as well because, unlike Turkey and Iran, Israel is not seen as a major competitor with Russia for influence in the region.

In sum, Israel made important strides in Central Asia, particularly in Kazakhstan, Uzbekistan, and Kyrgyzstan, in the first two years following the collapse of the Soviet Union. Nonetheless, the high level of volatility in the region and the rapidity of change made any long-range forecasts for Israeli success in the region most difficult to assess.[118] In the concluding segment of this chapter I will make an overall assessment of Israel's relations with the successor states of the Soviet Union.

Conclusions

In assessing Israel's relations with the successor states of the Soviet Union in the two-year period after the collapse of the USSR, it is possible to draw several general conclusions. Israel's main concern, that the successor states of the Soviet Union with nuclear weapons would sell those weapons to Israel's Middle East enemies, does not appear to have been realized, although some lower-level nuclear related materials may have been exported. The sale of conventional weapons by Russia and Ukraine, particularly to Iran, has been a negative development for Israel, although the quantities of weapons sold to the Arabs appear to be far smaller than those sold when the Soviet Union was in existence. On a more positive note for Israel, Jews continue to be allowed to emigrate from the successor states of the USSR. With both a rise in the degree of ethnic violence in regions like Central Asia and the Caucasus and Israel's enhanced absorptive capacity after the Rabin government secured $10 billion in loan guarantees from the United States, more Jews may well leave for Israel, much as they have done in fleeing fighting in the Trans-Dniester region of Moldova, the Abhaz region of Georgia, and Tajikistan. Third, Israel has managed to secure at least an evenhanded diplomatic position toward the Arab-Israeli conflict from most of the successor states. Finally, in the area of economic relations, Israel has continued to build upon the ties it began to establish in the final years of the Soviet Union. In Central Asia, these economic ties have been particularly beneficial and have served to pave the way for diplomatic relations between Israel and the five states of the region.

For their part, the successor states of the Soviet Union had a number of reasons for developing a positive relationship with Israel. First, especially in the case of Ukraine, but also true for the Central Asian states and Russia, Israel's close tie with the United States—made closer after Rabin's victory in Israel's June 1992 elections—was seen as an asset in developing their own relations with the United States, as well as in obtaining investments from world Jewry. Second, Israel's agricultural successes, its advances in science and technology, and its access to the U.S. and European markets made it a highly desirable partner for countries that were trying to rapidly develop their troubled economies. Finally, after the establishment of full diplomatic relations between the Soviet Union and Israel and the beginning of the Arab-Israeli peace talks in October 1991, there were fewer political costs in the Arab world for the successor states of the Sovi et Union to develop close ties with Israel.

In sum, from the diplomatic perspective, Israel did well in the first two years following the

collapse of the Soviet Union. Nonetheless, the situation in the successor states of the Soviet Union is a very volatile one, and many questions remain unanswered: Will Yeltsin be able to stay in power given the surge in ultranationalist and Communist influence? Will he move away from close cooperation with the United States? Will Kravchuk be able to avert a clash between Russia and Ukraine? Will he be able to solve Ukraine's daunting economic problems? Will the Russian Federation collapse as did the Soviet Union? Will economic problems lead to the growth of Islamic radicalism in Central Asia? Under these circumstances it is particularly difficult to predict the future of Israel's relations with the successor states of the Soviet Union. All that it is possible to say is that given die significance of the region to Israeli policymakers, Israel will do its best to maintain its position there as long as possible.

Notes

1. For a study of the improvement of Soviet-Israeli relations, see Robert O. Freedman, *Soviet Policy Toward Israel Under Gorbachev* (New York: Praeger, with the Center for Strategic and International Studies, Washington, D.C., 1991).
2. For a Russian view giving the flavor of the Moscow talks, see "Dialogue Between the Deaf and the Dumb," *New Times* (Moscow), no. 6 (1992), pp. 18-20. For a more upbeat official view, see Moscow Radio, January 29,1992, *Foreign Broadcast Information Service Daily Report: Central Eurasia* (hereafter *FBIS:FSU*), January 30,1992, p. 30.
3. *Izvestia,* January 31,1992 *(FBIS:FSU,* January 31,1992, pp. 22-23). Rumors of terrorist action among Palestinian students in Russia persisted through the spring.
4. Translated In ibid., p. 23.
5. See Walter Ruby, "Levy Urges Moscow Jews to Come Here," *Jerusalem Post,* January 28,1992.
6. See the report in the *Jerusalem Post* on January 8,1992, by Herb Keinon. In 1992, only 65,150 Jews were to come to Israel, versus 147,837 in 1991 and 185,227 in 1990 (*Forward,* January 1,1993).
7. Cited in Dan Izenburg, "Russian Vice President Cites Chance for 'Blossoming Relationship,' " *Jerusalem Post,* April 30,1992.
8. Russian ambassador to Israel, Aleksander Bovin, noted on August 4,1992, "I am personally eager that the Jews stay in Russia. They are dynamic and energetic but now they have a free choice and no one, not even the government can hold them back." (Cited in Batsheva Tsur, "Bovin: Russians Should Do More to Combat Anti-Semitism," *Jerusalem Post,* August 5,1992.)
9. Itar/Tass, May 1,1992 *(FBIS:FSU,* May 4,1992, p. 16).
10. *Nezavisimaya Gazeta,* May 7,1992 *(FBIS:FSU,* May 19,1992, p. 17).
11. See Clyde Haberman, "Israel Welcomes Gorbachev as a Hero," *New York Times,* June 16,1992.
12. Cited in Jacob Wirtschafter, "Jews and Russians Must Work Together, Gorbachev Declares," *Jerusalem Post,* June 16,1992.
13. Moscow Radio, in Arabic, July 17,1992 *(FBIS:FSU,* July 22,1992, p. 3).
14. Itar/Tass, July 17,1992 *(FBIS:FSU,* July 17,1992, p. 18).
15. Itar/Tass, July 24,1992 (*FBIS:FSU,* July 27,1992, p. 10).
16. Itar/Tass, August 14,1992 (*FBIS:FSU,* August 17,1992, p. 9).
17. "Peres to Russia: Curb Arms Sales to Arabs," *Jerusalem Post,* August 23,1992.
18. "Peres, Russian FM Hold Closed-Door Session on Peace Talks," *Jerusalem Post,* August 21,1992.
19. "Peres to Russia."
20. Jon Immanuel, "Peres, Russians Want to Build Desalinization Plant in Gaza," *Jerusalem Post,* September 16,1992.
21. "Peres, Russian FM Hold Closed-Door Session."
22. Itar/Tass, October 28,1992 (*FBIS:FSU,* October 29,1992), p. 11.
23. Itar/Tass, December 18,1992 *(FBIS:FSU,* December 21,1992), p. 22.

24. Cited in interview with Natasha Singer, *Forward,* January 1,1993.

25. Cited in the report by Serge Schmemann, *New York Times,* January 26,1993.

26. Itar/Tass, Januarys, 1993 (*FBIS:FSU,* January7,1993, p. 28). The term *other spheres of* cooperation in Soviet parlance had meant military cooperation, and beginning in 1990 there had been rumors of possible Israeli purchases of Soviet military aircraft.

27. Ibid.

28. Interfax, February 1,1993 *(FBIS:FSU,* February 2,1993, p. 12). The areas of cooperation included power engineering, geology, biotechnology, space research, medicine, environmental protection, construction, electronics, transportation, agriculture, livestock breeding, and the conversion of defense industries. With respect to trade, Israeli conditions in the areas of quotas and tariffs reportedly were holding up the agreement (interview, Russian Embassy, Tel Aviv, January 12,1994).

29. Itar/Tass, March 4,1993 *(FBIS:FSU,* March 4,1993, p. 14).

30. Itar/Tass, April 9,1993 (*FBIS:FSU,* April 13,1993, p. 14).

31. *Pravda,* March 17, 1993 (translated in *Commonwealth of Independent States and the Middle East* (Hebrew University, Jerusalem), vol. 18, no. 3 (March 1993), p. 32.

32. *Pravda,* April 24,1993 *(FBIS:FSU,* April 27,1993, p. 12). The referendum basically offered the Russian people a choice between Yeltsin and his reform program on the one side and parliament on the other. It followed a major confrontation between parliament and Yeltsin. Yeltsin won the referendum.

33. *Pravda,* May 5,1993 (translated in *Current Digest of the Soviet Press,* vol. 45, no. 18 [1993], p. 26). The *Pravda* article followed by three months the assertion by the Metropolitan of St. Petersburg, a high-ranking prelate of the Russian Orthodox church, that the enemies of Russia were acting according to the Protocols of the Elders of Zion (an anti-Semitic forgery).

34. *Newswatch,* National Conference on Soviet Jewry, May 21,1993, p. 1.

35. Cited in report by Avigdor Esken, *Jerusalem Post,* June 9,1993.

36. *Izvestia,* a pro-Yeltsin newspaper, was effusive in its praise for Rabin's speech. See *Izvestia,* September 15,1993.

37. Itar/Tass, September 14,1993 *(FBIS:FSU,* September 14,1993, p. 6).

38. Radio Moscow World Service, September 18,1993 (*FBIS:FSU,* September 20,1993, p. 12).

39. Itar/Tass, September 20,1993 (*FBIS:FSU,* September 21,1993, p. 14).

40. Denisov's assertion that Yeltsin's wife is Jewish is untrue. The interview was cited in Justin Burke, "Russian Fringe Forms Core of Armed Parliament Defenders," *Christian Science Monitor,* October 4,1993.

41. "Moscow Sidelights," *New Times* (Moscow), no. 10 (1993), pp. io~u.

42. Cited in Barry Renfrew, "On the Streets of Moscow, They're Blaming the Jews," *Jerusalem Post,* September 28,1993,

43. Cited in Margaret Shapiro, "The West Wants Us Poor and Broken," *Washington Post,* October 2,1993.

44. See Lee Hockstadler, "Hate, Hope, Hysteria Hunker Down in Russia's Parliament," *Washington Post,* October 3,1993.

45. For a summary of Yeltsin s powers under the new constitution, see John Lloyd, "Voters Hand Great Power to President," *Financial Times,* December 13,1993.

46. Zhirinovsky's Liberal Democratic party received 22.79 percent of the party preference vote; Russia's Choice got 15.38 percent; the Communist party got 12.35 percent; the Women of Russia party got 8.1 percent; the Communist-supported Agrarian party got 7.9 percent; the reformist Yavlinsky-Boldyrev-Lukin bloc got 7.83 percent; the reformist Russian Party of Unity and Accord got 6.75 percent; and the Centrist Democratic party got 5.5 percent (*New York Times,* December 29,1993).

47. A Russian public opinion organization that polled the voters in the December 12 election concluded that the bulk of Zhirinovsky's support came from two groups. The first was composed of middle-aged and older men from cities with populations under 100,000 who work in state industries and, with below average education, fear losing their jobs. The second group supporting Zhirinovsky were men, mostly under age twenty-five, better educated, and from the large cities, who were "drawn by Zhirinovsky's television propaganda and the sense of action and force" but who knew little about Zhirinovsky or his party. See Steve Erlanger, "Who Voted for Rightist in Russia? Mostly Nervous Men, a Poll Shows," *New York Times,* December 30,1993.

48. See David Hoffman, "Zhirinovsky Sought Invitation to Israel," *Washington Post,* December 24,1993. Zhirinovsky was also active in the late 1980s in the Jewish group "Shalom," an organization reportedly set up by the KGB to counterbalance the independent Jewish organizations that emerged in the latter years of Gorbachev. Israel's Foreign Minister Shimon Peres predicted that Zhirinovsky's electoral success would spur more Russian Jews to emigrate (cf. report by David Makovsky

and Batsheva Tsur, *Jerusalem Post*, December 15, 1993).

49. In November 1993, a North Korean diplomat was expelled from Russia for trying to recruit a large group of Russian experts in the missile and space industry. Given North Korea's ties to Syria and Iran, had the scientists been allowed to leave, Israel's security could have been threatened. The incident was mentioned on Radio Rossii, November 15, 1993 *(FBIS:FSU*, November 16,1993, p. 5). On December 12,1993, the *New York Times* revealed that Russian planes had flown SCUD chassis from North Korea to Syria. Reportedly, Moscow subsequently cracked down on this activity, which was done independently of the Foreign Ministry (interview, Russian Embassy, Tel Aviv, January 12,1994).

50. See Adrian Karatnycky, "The Ukrainian Factor," *Foreign Affairs*, Summer 1992, pp. 90-107.

51. Radio Ukraine, June 3,1992 (*FBIS:FSU*, June 4,1992, p. 63).

52. Cited in a report by Steven Erlanger, *New York Times*, August 27,1992.

53. Cited in report by David Makovsky, *Jerusalem Post*, December 4,1991.

54. Cited in report by David Makovsky, *Jerusalem Post*, December 30,1991.

55. Interfax, April 17,1992 *(FBIS:FSU*, April 20,1992, p. 42).

56. Ibid.

57. Karatnycky, "The Ukrainian Factor," p. 106.

58. Cited in report by Adam Brodsky, *Forward*, May 15,1992.

59. Reuters report, *Jerusalem Post*, May 13,1992.

60. Cited in report by Evelyn Gordon, *Jerusalem Post*, July 29,1992.

61. Reuters report, *Jerusalem Post*, September 20,1992.

62. Cited in *Jerusalem Post* report by Dan Eizenberg and Ernie Meyer, January 13,1993.

63. See the report by Herb Keinon, *Jerusalem Post*, January 13,1993.

64. Cited in Itar/Tass report, January 13,1993 *(FBIS:FSU*, January 13,1993, p. 42).

65. Itar/Tass, January 12,1993 (*FBIS:FSU*, January 13,1993, p. 42).

66. See the Itar/Tass report, January 11, 1993 (*FBIS:FSU*, January 12, 1993, p. 46), and *Izvestia*, January 14,1993.

67. Cited in Itar/Tass report, January 11,1993.

68. See the report by Dan Eizenberg and Ernie Meyer, *Jerusalem Post*, January 13,1993.

69. In an editorial entitled "Israel and Ukraine," which commented on the visit, the *Jerusalem Post* on January 13,1993, after noting the anti-Jewish history of Ukraine that "made the association between the words 'pogrom' and 'Ukrainian' almost automatic," praised Kravchuk as "a strong promoter of democratic institutions and values." It also noted that a close technological, economic, and trade relationship between Ukraine and Israel could be "immensely beneficial to both countries."

70. Cited in *Jerusalem Post*, March 7,1993.

71. Cited in *Jerusalem Post*, June 13,1993.

72. Cited in Asher Wallfish, "Outrage at Ukrainian MP's Insults to Weiss," *Jerusalem Post*, June 17,1993.

73. Radio Kiev, January 30,1992 *(FBIS:FSU*, January 31,1992, p. 7). See also *Izvestia*, February 4,1992.

74. Itar/Tass, April 26,1992 (*FBIS:FSU*, April 27,1992), p. 42).

75. Interfax, October 10,1992 (*FBIS:FSU*, October 14,1992, p. 53).

76. Cited in report by Steven Erlanger, *New York Times*, January 16,1993.

77. *Pravda*, November 5,1992 (*FBIS:FSU*, November 6,1992, pp. 18-19).

78. *Izvestia*, February 4,1993.

79. *Holos Ukrayiny* (Kiev), March 18,1993 (*FBIS:FSU*, March 23,1993, p. 32).

80. Russia was also concerned about the Ukrainian-Iranian relationship and reportedly warned Ukraine that if it was going to purchase oil in Iran for hard currency and build a terminal in Odessa to receive Iranian oil, then Russian oil would also be sold only for hard currency and at world prices (*Kiev Unian*, July 23,1993 *[FBIS:FSU*, July 26,1993, p. 54]). In addition, the United States warned Ukraine against selling missiles to Iran (*Izvestia*, December 14,1993).

81. See William C. Potter, "Nuclear Exports from the Soviet Union: What's New, What's True," *Arms Control Today*, January-February 1993, pp. 3-4.

82. *Kiev Khreshchatyk*, July 23,1993 *(FBIS:FSU*, July 27,1993, pp. 49-50).

83. Radio Kiev, November 2,1993 (*FBIS:FSU,* November 3,1993, pp. 58-59).

84. *Kiev Uradovyy Kuryen,* November 4,1993 (*FBIS:FSU,* November 9,1993).

85. *Kiev Unían,* November 24,1993 (*FBIS:FSU,* November 26,1993). The Israeli delegation also visited the Chernobyl museum, which, in Ukrainian society, has a significance similar to that of Israel's Yad Vashem.

86. *Jerusalem Post,* December 6,1993.

87. For good surveys of post-Soviet Central Asia, see Martha Brill Olcott, "Central Asia's Post-Empire Politics," *Orbis,* Spring 1992, pp. 253-268; James Rupert, "Central Asia," *Foreign Policy*; Summer 1992; Graham Fuller, *Central Asia: The New Geopolitics* (Santa Monica, Calif.: Rand, 1992); and United States Institute of Peace, *Afghanistan and Post-Soviet Central Asia: Prospects for Political Evolution and the Role of Islam* (Washington, D.C.: USIP, 1992). See also Michael Kaser and Santosh Mehrotra, *The Central Asian Economies After Independence* (London: Royal Institute of International Affairs, 1992).

88. See the report by James Rupert in the June 20,1992, issue of the *Washington Post.*

89. See George Mirsky, "Central Asia's Emergence," *Current History,* October 1992, pp. 334-338.

90. See Moscow Radio, in Arabic, May 31,1992 *(FBIS:FSU,* June 5,1992, pp. 10-11).

91. *Pravda,* February 19,1992 *(FBIS:FSU,* February 20,1992, p. 42).

92. Cited in report by Judy Siegel, *Jerusalem Post,* January 13,1992.

93. Alma Ata Kazakh Radio, April 2,1992 (*FBIS:FSU,* April 9,1992, p. 52).

94. Moscow Interfax, April 10,1992 *(FBIS:FSU,* April 14,1992, p. 56).

95. Itar/Tass, April 13,1992 *(FBIS:FSU,* April 14,1992, p. 56).

96. *Yediot Aharonot,* April 13,1992 *(FBIS:FSU,* April 14,1992, p. 56). Still there were rumored sales of beryllium and uranium pellets to Iran *(Jerusalem Post,* March 9,1993).

97. Cited in report by Asher Wallfish, *Jerusalem Post,* September 8,1992.

98. Ibid. The companies he mentioned belonged to Shaul Eisenberg, who has spearheaded the Israeli business presence in Kazakhstan, and Yossi Maimon.

99. Cited in report by Asher Wallfish, *Jerusalem Post,* September 9,1992.

100. Cited in report by Evelyn Gordon, *Jerusalem Post,* June 30,1993.

101. Cited in *FBIS:FSU,* April 2,1993, p. 60.

102. Cited in report by Evelyn Gordon, *Jerusalem Post,* June 30,1993.

103. Cited in report by Abraham Rabinovich, *Jerusalem Post,* September 11,1992.

104. Cited in report by Colin Barraclough, *Christian Science Monitor,* September 23, 1992.

105. Cited in report by Abraham Rabinovich, *Jerusalem Post,* August 21,1992.

106. See the report by Steven Erlanger in the *New York Times,* June 20,1992.

107. Interview with Israeli ambassador to Uzbekistan, Tashkent, Uzbekistan, September 28,1993.

108. Cited in Abraham Rabinovich, "Kyrgyzstan's President Wants Midwife for Economic Rebirth," *Jerusalem Post,* January 22,1993.

109. Ibid. no. Cf. Kyrgyz statement distributed to members of the UN General Assembly, 48th Session, February 10,1993.

111. Itar/Tass, January 21,1993 *(FBIS:FSU,* January 25,1993, p. 58).

112. Cited in Batsheva Tsur, "Kirghizian President Calls for Independence for Palestinians," *Jerusalem Post,* January 20,1993.

113. Cited in report by Abraham Rabinovich, *Jerusalem Post,* January 22,1993.

114. Interview, Israeli Embassy, Tashkent, September 28,1993.

115. Cited in *Update on Jews in the CIS and the Baltic Republics,* Consulate General of Israel, New York, November 7,1993, p. 12.

116. Cited in report by David Makovsky, *Jerusalem Post,* July 29,1992.

117. *Jerusalem Post,* September 9,1992.

118. A high-ranking official of the Israeli Foreign Ministry, interviewed in Israel in July 1992, told me that Israel was only in the "first stages" of the development of its relations with the Central Asian states, and that Israel's ties with these states could, as yet, not be compared to its ties with Russia (interview, Israeli Foreign Ministry, Jerusalem, July 16, 1992).

3

American Jewish Attitudes Toward Israel: Continued Support in the Face of Dramatic Change

GEORGE E. GRUEN

As a result of the 1992 national elections in the United States and Israel, the American Jewish community found itself confronted with two administrations that differed radically from their predecessors. These differences embraced domestic policies, political philosophy, and foreign policy—in short, the crucial political issues that could affect American Jews.

Clinton Reassures American Jews on Support for Israel

In the United States, the election of Bill Clinton, the Democratic governor of Arkansas, to the presidency marked not only the end of twelve years of Republican rule under Ronald Reagan and George Bush but also the start of a new generation of leadership. President Clinton and Vice President Al Gore were the first national leaders to come to political maturity after World War II. This meant that they had not personally lived through the consequences of the betrayal at Munich, the destruction of European Jewry in the Holocaust, and the precarious struggle for Israel's independence. American Jewish critics of the Clinton administration's active encouragement of the agreement between Israel and the Palestine Liberation Organization charged that Washington underestimated the depth of Arab and Islamic hostility to the Jewish state and the continuing threats to Israel's security.

It is true that Clinton and Gore were much more focused on the present and future than on the past. It would, however, be incorrect to conclude that Clinton was any less committed to Israel's security than any of his predecessors. During his election campaign, Clinton described Israel as "our strongest democratic ally in the Middle East." Indeed, while acknowledging the achievements of President Bush and Secretary of State James Baker in bringing the Arab states and Israel together at the Madrid peace conference, Clinton was sharply critical of what he termed their "one-sided pressure on our democratic ally Israel." Lingering anger in the Jewish community over Bush's nasty public confrontation in Washington with Jewish advocates of loan guarantees to Israel, which Bush insisted on linking to a freeze on new Jewish settlements in "the occupied territories," was one of the reasons that Clinton received overwhelming Jewish support in the 1992 election.[1] Bush's share of the Jewish vote fell to less than half of the estimated 37 percent of the Jewish vote he had received in the 1988 election.

The team of officials that Clinton appointed to advise him on Middle East policy is certainly at least as experienced and probably more sympathetic to Israel's concerns than that of any previous

administration. Moreover, Clinton is a product of a Bible-belt education and reportedly takes Scripture seriously, including God's pledge to Abraham that those nations who supported his descendants would be blessed and anyone who did not would be cursed.[2] Clinton has repeatedly related—to both Jewish and general audiences—that he has been profoundly influenced by a preacher in his youth whom he had accompanied on a pilgrimage to Israel. Shortly after Clinton was defeated in his reelection bid for governor of Arkansas, the minister not only correctly predicted that he would succeed in politics and someday become president but also warned Clinton that God would never forgive him if he betrayed Israel.

Consequently, most American Jews do not doubt that Clinton's heart is in the right place when it comes to Israel. What they worry about is his general inexperience in foreign affairs, his indecisiveness when it comes to taking strong measures in Bosnia and Somalia, his reluctance to undertake unpopular policies and his preoccupation—mirroring that of the country at large—with domestic issues, notably unemployment, economic growth, the national debt, and health care reform. In an attempt to allay these concerns, the president has asserted that the United States would remain a "full partner" in the peace process and he sent Secretary of State Warren Christopher and other aides several times to the Middle East. Clinton also met with Prime Minister Rabin and Arab leaders in Washington, and the State Department continued to host the series of bilateral talks between Israel and Jordan, Lebanon, Syria, and the Palestinians.

In a speech at Columbia University on September 20, 1993, Secretary Christopher called for an immediate end to the Arab boycott, pointing out that "every moment the boycott remains in force, those responsible are punishing Palestinians as well as Israelis."[3] The Clinton administration also took the lead in convening a pledging conference, attended by more than forty-five countries, which agreed to provide over $2 billion in economic support to build upon the Palestinian-Israeli agreement.

The breakthrough in negotiations between Israel and the PLO, that resulted in the Israeli-Palestinian Declaration of Principles on Interim Self-Government Arrangements,[4] was the result of secret direct negotiations in Norway without significant U.S. involvement. Although the Clinton administration was kept informed of this back channel, the prevailing view in Washington was that these contacts would not be any more productive than many other secret Israeli-PLO contacts in the past, especially since they were initiated by Shimon Peres, who was considered to have been "out of the loop" of genuine bilateral peace negotiations, which were closely managed by Rabin himself. But after the bilateral Palestinian-Israeli talks in Washington had revealed the impotence of the negotiating team composed of Palestinians from the territories, Rabin supported the Norway talks, which included senior emissaries of Yasser Arafat. It has been argued by some that Clinton's domestic preoccupations and Washington's "benign neglect" may have helped convince Arafat to make the necessary concessions to reach an agreement directly with the top Israeli leadership.

Although historians will decide the role of the United States in fostering the Oslo accord, once the agreement was reached, President Clinton personally orchestrated the historic signing agreement on the White House lawn on September 13, 1993. In fact, it was the president himself who coaxed a reluctant Prime Minister Rabin to shake the outstretched hand of PLO Chairman Yasser Arafat. Critics in Israel and within the American Jewish community questioned whether the symbolic gesture was really needed. They suspected, and some of them openly charged, that this historic "photo opportunity" was motivated at least in part by Clinton's desire to bolster his tarnished foreign policy image: He staged an internationally televised dramatic event to show him reasserting his leadership of the peace process. Supporters of the president's high-profile role

pointed out that it was helpful to both Arafat and Rabin—who faced considerable opposition back home—to be able to demonstrate to their own constituencies that the president of the United States of America was openly supportive of their historic effort at reconciliation.

Rabin Presents U.S. Jews a Radically Different Peace Strategy

The Israeli election of June 1992 marked a sea change in Israeli politics. The right-wing nationalist Likud government of Yitzhak Shamir was replaced by the left-of-center Labor coalition led by Yitzhak Rabin. Shamir had run on a platform of opposition to relinquishing any territory of the historic Land of Israel (from the Mediterranean to the Jordan River), had pledged to continue to place a high priority on increasing Jewish settlements throughout Judea and Samaria (the West Bank) and the Gaza District, had rejected discussions with officials of the PLO, and had offered the Palestinians in the territories limited autonomy on a purely personal basis. In contrast, Rabin had run on a platform of peace and security based on territorial compromise ("land for peace") and called for limiting any new settlement activity to areas vital to Israel's security. Some of his coalition partners in the left-wing Meretz camp had openly called for negotiations with the PLO and even for accepting the possibility of a Palestinian state alongside Israel,

The Rabin approach, which was ideologically similar to that adopted by the Labor party after the 1967 war, was also much more congenial to the U.S. position. The U.S. government had always interpreted the withdrawal provision of UN Security Council Resolution 242 of November 1967 as requiring substantial—al though not total—Israeli withdrawal on all three fronts, that is, with Egypt, Jordan, and Syria.[5]

The position of Likud under Prime Ministers Menachem Begin and Yitzhak Shamir had been that since Israel had withdrawn totally from Sinai, which constituted more than 85 percent of all the territories captured by Israel in the 1967 war, Israel had already complied with the withdrawal terms of Resolution 242. Moreover, the Golan Heights constituted only 0.5 percent of Syria's total area. As for the West Bank, Jordan's claim to the territory was the result of capture in the 1948 war and had not been internationally sanctioned. Over the years American Jewish leaders and the American Jewish public had become familiar with the positions of articulate Likud spokespersons, including Deputy Foreign Minister Binyamin (Bibi) Netanyahu and Defense Minister Moshe Arens, who had served in the United States. They had hammered away at the theme that a Palestinian state would constitute a mortal threat to Israel, that the PLO was a terrorist organization bent on Israel's destruction, and that permanent Israeli control over the Golan Heights and Judea and Samaria (the West Bank) were vital to Israel's security.

Consequently when the Labor government, led by Rabin, shattered all these basic assumptions, American Jews were confronted with a dramatic change of ideological vision and approach to the peace process. The last time American Jews had to make such a radical adjustment in their traditional thinking about Israeli politics was in 1977 when the Labor party was defeated and the Israeli electorate swept to power Menachem Begin. His Revisionist Zionist nationalist ideology was alien to most American Jews, who had comfortably assumed that the socialist or social-democratic Zionism of David Ben-Gurion's Mapai (later merged into the Labor party), which had ruled Israel since its independence in 1948, would continue to govern.

Unlike Clinton, Rabin did not represent a new generation of leadership. He was in fact seventy

years old when he returned to power in 1992. But Rabin represented a new way of thinking, a new sense of confidence about Israel and Jewish fate. It is significant that Rabin was born in Jerusalem and grew up fighting successfully to achieve and defend Israel's independence. All previous Israeli premiers had been born in the Diaspora. They or their immediate family had either escaped the pogroms of Czarist Russia and Poland or had lost close family members in the Holocaust. They thus approached the world with a pervasive sense of Jewish vulnerability and isolation. Not only the Crusades and the Inquisition but also the more recent inaction of the Western democracies in the face of the Holocaust, together with the nearly hundred years of Arab opposition to Zionism and the Arab policy of warfare, terrorism, economic boycott, and political nonrecognition, all reinforced in Begin and Shamir a sense that non-Jews were not to be trusted. It may well be that this underlying feeling as much as objective policy differences were at the core of the negative personal chemistry between Shamir and those two quintessential representatives of the American WASP (White Anglo-Saxon Protestant) establishment: George Bush and James Baker. This negative view of the outside world was also reflected in the popular Israeli expression, "Kol haolam negdenu" (The whole world is against us).

That Rabin had a different vision of Israel's place in the world was made clear in the remarkable speech he made to the Knesset (Israel's parliament) immediately following the announcement of his new government. In the speech, which was televised to the Israeli public, Rabin explicitly declared, "We have to stop acting as if the whole world is still against us." In subsequent months Rabin and Foreign Minister Shimon Peres tried to explain to Israeli and American Jewish audiences that the dramatic changes in the international and regional balances of power enabled Israel to take calculated risks for peace.

Among the items in the catalogue of favorable developments were the collapse of the Soviet Union, the expulsion of Saddam Hussein from Kuwait by the U.S.-led military coalition, the cutoff of Saudi and Kuwaiti financial support for the PLO, the restoration of diplomatic relations with Israel by the states of Africa and Eastern Europe, the opening of relations with Russia, China, India, and the Muslim republics of Central Asia, and the improvement of Israel's demographic balance as a result of the immigration of more than 450,000 Jews from the Commonwealth of Independent States (the former Soviet Union) and some 30,000 from Ethiopia. Even Syria and Yemen were beginning to permit their Jews to emigrate. Although Syria and Lebanon continued to boycott multinational conferences attended by Israel, twelve other Arab states were sitting down regularly, in the multilateral framework of the Madrid peace process, with Israel in discussions of water resources, refugees, arms control, the environment, and regional economic development.

Returning from the UN General Assembly and meetings with the European Community in the fall of 1992, Shimon Peres concluded that Israel's diplomatic globe had begun to resemble the geographic globe. A further sign of Israel's improved international position was the decision of the UN General Assembly to rescind the odious resolution that had equated Zionism with racism. (It should be noted that the Bush administration deserves the credit for bringing this about.)

American Jewish leaders and much of the Jewish public who followed Middle East developments closely were, of course, aware of these global and regional changes. Two-thirds (65 percent) of a national sample of American Jews polled toward the end of September 1993 considered that Israel's overall situation today was good or very good, whereas only 7 percent viewed it as bad or very bad. A similarly large majority (66 percent) believed that Israel's situation was better at that time than a year before and only 5 percent thought it was worse.[6]

Yet members of the American Jewish community, like their coreligionists in Israel, were

divided as to whether the risks Israel was undertaking outweighed the opportunities, although on the whole American Jews tended to be somewhat more optimistic and hopeful than Israelis. Some of the outspoken critics, among the most notable of whom was *Commentary* editor Norman Podhoretz, went as far as to charge that Rabin and Peres were so anxious to demonstrate progress in their peace efforts that they were blinded to the long-term dangers to Israel's security their policies would cause.[7] The critics also questioned why Rabin and Peres had resurrected the virtually bankrupt PLO from oblivion and ignored the strong opposition to Arafat not only from the Muslim fundamentalists of Hamas and the Islamic Jihad but also from other radical, secular Palestinian groups such as the Popular Front for the Liberation of Palestine (led by George Habash) and the Democratic Front for the Liberation of Palestine (led by Naif Hawatmeh) and other rejectionist elements based in Damascus. While permitting his diplomats to engage in bilateral talks with Israel in Washington, Syrian President Hafiz Assad at the same time refused to endorse the Israeli-PLO agreement and continued to actively support numerous anti-Arafat groups. Moreover, the Syrian dictator was still allied with Iran and permitted Iranian arms and supplies to flow to the Hezbollah Islamic rejectionists in southern Lebanon. Assad also purchased new weapons from the Russians and was actively seeking to purchase advanced missiles from North Korea and China.

The supporters of the Labor government acknowledged these dangers but pointed out that Israel was in a stronger military position than ever before and that there was no alternative to negotiating with Arafat since the eleven rounds of fruitless talks with Palestinians from the territories had demonstrated that they took their orders from Tunis (PLO headquarters) and were unable to act on their own. Moreover, the Rabin supporters argued that it was to Israel's advantage to negotiate with a weakened and chastened Arafat, who had finally conceded Israel's right to exist, had agreed to a step-by-step peace process over a five-year transition period and continued Israeli security control over Jewish settlements in the territories, and to defer any discussion of Jerusalem to the final-status talks. These were concessions to Israeli demands that would have been unthinkable only a few years earlier. The alternative of refusing to negotiate with the PLO, they argued, meant leaving the field to the Islamic and other extremist elements who were unwilling even to consider coexisting with a sovereign Jewish state. Moreover, the hope shared by the Rabin government and the Clinton administration was that the radical rejectionists' appeal to the frustrated Palestinians in the territories would be greatly undercut by rapid progress toward PLO-directed self-government in the territories, accompanied by tangible improvement in the Palestinian quality of life through massive investment in social and economic infrastructure.

Podhoretz and other armchair generals in the American Jewish community found it ominous that Rabin's peace initiative was being so eagerly supported by the Clinton administration, and the critics concluded that Rabin's policies would undermine Israel's long-term security. In response, the liberal Jewish organization Project Nishma, in August and September 1993, placed full-page ads in major American Jewish publications under the headline: "When it comes to Israel's Security Nobody Knows More than Yitzhak Rabin. *Nobody.*"[8]

The ad carried a picture of a youthful Rabin wearing his army uniform as Israel Defense Forces (IDF) chief of staff, and the text pointedly reminded readers that no one was better qualified to judge Israel's security needs in the West Bank, Gaza, and Golan Heights than the man who had captured these areas in 1967. Applauding the Rabin government's "tough, pragmatic approach," the statement noted that the alternative to peacemaking was not the troubled status quo but rather deterioration to a potentially more deadly war. The Project Nishma

statement also expressed appreciation for the Clinton administration's efforts to broker Mideast peace and quoted a recent statement by Rabin that the involvement of U.S. officials had been crucial in achieving all previous Israeli-Arab agreements and his judgment that "without them, there'll be no agreement this time either."[9] The ad was signed by more than 125 persons active in American Jewish communal and cultural life, including former leaders of the two large umbrella groups in the organized Jewish community—the Conference of Presidents of Major American Jewish Organizations and the National Jewish Community Relations Advisory Council—and the current presidents of both the American Jewish Committee (AJC, which is publisher of *Commentary*) and the American Jewish Congress. A dovish mainstream group, Project Nishma had been founded in 1987 by American Jews who wished to provide a hearing (*Nishmah* is Hebrew for "let us listen") in the American Jewish community for retired Israeli army officers who headed the 600-member Israeli Council for Peace and Security, which contends that Israel's security can be safeguarded even with territorial compromise. Having been critical of the Shamir approach during the years of Likud control, Project Nishma found itself no longer in opposition. The statement concluded, "We applaud Prime Minister Rabin's efforts to achieve peace on terms that assure Israel's safety, and we support the American-Israeli partnership." It also expressed the view that "the large majority of American Jews" would support the Rabin and Clinton peace initiatives.

Overwhelming American Jewish Support for the Israeli-PLO Agreement

What has been the response of the American Jewish public to these opposing arguments? The first indication was provided by a telephone survey conducted by Market Facts for the American Jewish Committee. A national sample of 1,009 persons was interviewed during the week of September 20 to 26, 1993. This was a month after the first news of the Palestinian-Israeli agreement was published and only a week after the internationally televised historic signing on the White House lawn of the Israeli-PLO agreement and the historic Arafat-Rabin handshake. The size of the sample means the results are accurate within a margin of error of plus or minus 3 percent.[10]

The survey showed overwhelming American Jewish support for Israel's peace efforts. On the general question "Overall, do you support or oppose the Israeli government's current handling of the peace negotiations with the Arabs?" 84 percent said they supported and only 9 percent said they opposed the Rabin government's efforts. An even higher majority, 87 percent, agreed that the Israeli government "was right in opening negotiations with the PLO in order to reach an agreement on Palestinian autonomy." Only 8 percent said the Rabin government was wrong, and 5 percent said they were not sure. In response to a related question: "Israel and the PLO have officially recognized each other. Do you think this is a positive or negative development from Israel's point of view?" 90 percent said that it was positive and only 8 percent considered it negative.

Disapproval Highest Among the Orthodox

As might be expected, it was among those who described themselves as Orthodox that there was the highest percentage of criticism of the Rabin government's peace initiatives, with support dropping to a slim majority (52 percent) and opposition voiced by one in three respondents (32 percent). Another 15 percent of the Orthodox indicated they were not sure. In contrast, only 5 percent of the Reform and 9 percent of the Conservative Jews expressed opposition to the Israeli government's peace efforts.

Some of the Orthodox opposition was bitter and strident, especially among those in the American Orthodox community who were Zionist nationalists and whose children had settled in religious communities in the territories with the active encouragement of previous Israeli administrations and who now felt betrayed and abandoned. Interviewed by American television crews in Jerusalem on the day of the White House ceremony, Toby Willig, the outspoken honorary president of Emunah Women of America, an Orthodox Zionist group, characterized the Rabin government as "traitors" for concluding an agreement with the PLO. It should be noted that Willig had recently made Aliyah and as an Israeli resident felt no inhibitions about publicly criticizing the Israeli government.

But such inhibitions had also been decreasing within the American Jewish community. In a poll conducted by the *Los Angeles Times* in April 1988, American Jews were asked whether they believed non-Israeli Jews should criticize Israel in public. A little more than half agreed that it was acceptable. (In the same poll, when the general public was also asked this question, 49 percent agreed that Jews should criticize, whereas 30 percent felt they should not.)[11] In the AJC's September 1993 poll of American Jews, fewer than one-third (32 percent) of the respondents agreed that "American Jews should not publicly criticize the policies of the government of Israel." Two-thirds (65 percent) disagreed. Here again a difference in age was significant. Nearly three-quarters of American Jews under age forty thought it was permissible to publicly criticize Israeli policies, while barely half (51 percent) of those over sixty agreed. Those more traditionally religious also were more reluctant to criticize. Nearly half (48 percent) of the Orthodox but only one-fourth of the Reform (26 percent) and of the "just Jewish" (25 percent) respondents considered it inappropriate to criticize Israeli policies publicly.

The profound anger and public distress in elements of the Zionist Orthodox community was thus unusual and newsworthy. When Israel Ambassador Itamar Rabinovich spoke at a synagogue in Forest Hills in September to defend the Rabin peace initiative, he was pelted with eggs by angry demonstrators. Although Fabian Schoenfeld, the rabbi of the congregation, denounced the tactics of the protesters, he shared their disapproval of the Rabin policies. Schoenfeld confronted Foreign Minister Peres at a meeting of the Conference of Presidents of Major American Jewish Organizations in New York with the report that the rabbi's own children and grandchildren had been callously denied protection by the Israel Defense Forces when they complained that Palestinian Arabs had burned their cars in a recent demonstration in the territories. Peres insisted that under the Israeli-PLO agreement, the IDF would continue to be responsible for the safety and security of Israeli settlements and the roads leading to them. At the same time Peres criticized those members of the Orthodox community who he charged were mounting a strident campaign against the Israeli government's peace efforts.

When I visited some of the settlements in the Judean hills during summer 1993, I heard from religious settlers similar complaints about a withdrawal of government support, including a cutting of subsidies, a denial of permits for new construction, and even failure to complete

infrastructure to some new privately built housing. In any case, it is clear that the Rabin government has shifted its priorities for new housing from the territories to areas within the "Green Line," the 1949 Armistice Demarcation Lines separating pre-1967 Israel from the territories. It should be recalled that it was the new Labor government's agreement to freeze new construction in the territories that unfroze Bush's opposition to congressional approval of the first installment of the $10 billion in U.S. loan guarantees that Israel had requested for large-scale immigrant absorption. Some analysts believe that Bush's adamant linkage of the loan guarantees to a settlement freeze, a linkage that he claimed was necessary to keep the peace process moving forward, may have helped Rabin defeat Shamir in the June 1992 elections.

American Jews Urge Continued U.S. Involvement in Peace Process

The AJC poll also showed overwhelming support in the Jewish community for the Clinton administration to remain involved. More than nine in ten (92 percent) saw "a need for a continuing U.S. role in the Middle East peace process," with three-quarters of the respondents agreeing that this meant providing substantial economic aid to the region (76 percent), encouraging further compromise between Israel and the Palestinians (74 percent), and brokering a deal between Israel and Syria over the Golan Heights (72 percent). Nearly two-thirds felt the U.S. role also involved combating Islamic fundamentalist forces (63 percent).

There was less agreement in the American Jewish community on the likely consequences of the Israeli government's peace initiatives. Two-thirds (66 percent) thought the autonomy plan was likely to lead to the establishment of a Palestinian state in the West Bank and Gaza. Surprisingly, 57 percent said that "given the current situation," they supported the establishment of a Palestinian state, only 30 percent opposed it, and 13 percent said they were not sure. This was a significant shift from earlier polls, in which a majority of American Jews had opposed the creation of a Palestinian state. In this they had followed the then-official U.S. and Israeli views that such a state would be destabilizing.

Support for Negotiations Despite Misgivings About Arab Intentions

American Jews supported the Israeli and U.S. peace efforts despite continued concerns and misgivings about Arab intentions. For example, when asked whether the PLO could be relied upon to honor its agreements and refrain from terrorist activity against Israel, only one-third (33 percent) believed the PLO to be a reliable partner, 42 percent said no, and 25 percent were not sure. More than three-quarters (81 percent) believed that the agreement would result in internecine violence among Palestinians with differing political views. Nevertheless, nearly three-quarters (73 percent) believed that the Palestinian autonomy plan increased the chances for peace with the Arabs, and only 17 percent said it increased the possibility of war.

The Jewish community remained sharply divided in the assessment of ultimate Arab

intentions. More than four in ten (42 percent) still believed that "the goal of the Arabs is not the return of occupied territories but rather the destruction of Israel," five in ten (50 percent) disagreed, and the rest were not sure. One-third (34 percent) still believed that the PLO was "determined to destroy Israel."

How then does one explain the overwhelming support by American Jews for the Israeli negotiations with the PLO? One answer was provided by Rabin himself, who explained that "one does not make peace with one's friends but with despicable enemies." Another factor is the tendency of American Jews to defer to the judgment of the democratically elected government of Israel, especially in matters relating to Israel's security. It was in fact this point that was emphasized in the rather tepid endorsement of the Israeli peace effort that was agreed upon by the Presidents' Conference after heated debate among its constituent organizations, whose views ranged from full support by Americans for Peace Now and the Labor Zionist groups to profound misgivings among some of the Orthodox groups and the Zionist Organization of America. Finally, Jews to a large extent share the general American belief in the virtue of talks, even with unsavory characters. Penn and Schoen Associates concluded in January 1988 that "even though the American people view the PLO negatively and believe it remains committed to the destruction of Israel, they still overwhelmingly favor negotiations. Americans have a bias toward a reasonable approach; they feel you can discuss anything, no matter how intractable or emotional the issue may be." Similarly, Alvin Richman, senior public opinion analyst in the U.S. State Department, stated that surveys conducted in early 1989, shortly after Secretary of State George Shultz had authorized the start of the U.S. dialogue with the PLO after Arafat had publicly met the U.S. conditions, "show about two-thirds of the public (67 percent) approves of them [talks with the PLO], even though nearly that number (61 percent) still regards the PLO as a terrorist organization."[12] (The dialogue was broken off in June 1990 after Arafat failed to publicly denounce and punish an attempted attack on Israelis on the beach in Tel Aviv by a PLO constituent group.)

American Jews Divided Regarding Specifics of Israeli Withdrawal

Support for the principle of trading land for peace was voiced by more than two-thirds (68 percent) of the American Jewish respondents to the AJC poll, whereas only one in four (27 percent) said Israel should reject this principle. As might be expected, opposition was highest among the Orthodox, who for a combination of religious Zionist and nationalist reasons believed Israel should retain all of the Land of Israel. A majority of 61 percent of the Orthodox said Israel should reject the principle of trading land for peace. Conversely, three-quarters (74 percent) of respondents who defined themselves as Reform supported trading land for peace.

Nearly three-fourths of all respondents said they supported the Palestinian autonomy plan. However, when it came to specific application of the principle of trading land for peace beyond the West Bank and Jericho, American Jews were more evenly divided. Asked whether they were for or against applying Palestinian autonomy to other areas of the West Bank, 43 percent were for, 34 percent were against, and 23 percent said they were not sure. When asked whether they felt Jewish settlements should continue to be established in the West Bank and Gaza at this time, 43 percent said yes, as against 47 percent who said no. When asked how much of the West Bank

Israel should relinquish in order to reach a peace agreement with the Palestinians, only 12 percent said they favored giving up all or most of the territory, and 15 percent opposed giving up any of it. The majority favored giving up "some" or "a small part" of the West Bank. There was even stronger opposition to Israel's giving up the Golan Heights in order to achieve peace with Syria. More than one in four (27 percent) opposed relinquishing any of the Golan Heights, and only 7 percent felt Israel should give up all or most of the Golan.

By way of comparison, a poll of Israeli Jews conducted earlier in September found 42 percent saying they were unwilling to return any of the Golan Heights for peace with the Arabs. The same poll found 12 percent prepared to return all or most of the heights to Syria.[13]

U.S. Jews More Ready than Israelis to Compromise on Jerusalem

On the issue of Jerusalem, the Israelis were also considerably less flexible than American Jews. Asked whether "in the framework of a permanent peace with the Palestinians, should Israel be willing to compromise on the status of Jerusalem as a united city under Israeli jurisdiction?" a clear majority of 62 percent of American Jews said no, but 30 percent said yes, and 8 percent said they were not sure. This readiness of four in ten American Jews at least to consider some compromise solution contrasted with the strong opposition of nearly nine out of ten Israelis who declared that Israel "definitely should not agree to compromise" (76 percent) or "should not agree to compromise" (12 percent).

Only 2 percent of Israelis said Israel should definitely agree and 9 percent said Israel "should agree" to "an *eventual* compromise on the status of Jerusalem," The inclusion of the word "eventual," which was omitted from the question asked the American respondents, made it clear that no immediate concessions were being contemplated. It should be noted that Arafat and other PLO leaders have always insisted that although they accepted the idea that Jerusalem would remain a physically united city and the capital of Israel, "Arab Jerusalem" (East Jerusalem) would have to become the capital of the independent Palestinian state.[14] The response to the Israeli poll and the resounding victory of Ehud Olmert, the Likud candidate for mayor, in the Jerusalem municipal elections on November 2 indicate that at the present time Israeli Jews are far less prepared to compromise on the status of Jerusalem than are American Jews.[15] The Israeli position had not changed significantly from May 1991, when an earlier poll by the Guttman Institute found that 96 percent of Israelis agreed that Jerusalem should remain under Israeli jurisdiction in any circumstances.[16]

Public Tends to Follow the Government's Lead on Foreign Policy

One should be cautious, however, in projecting current attitudes into the future. There is a general tendency of the public in Israel, as in other democratic countries, to follow the government's lead in foreign policy and to give it the benefit of the doubt until a policy is clearly shown to have failed. For example, although 75 percent of Israeli Jews in May 1991 supported

the government's opposition to negotiations with the PLO and to creation of a Palestinian state, the September 1993 poll found that 64 percent of Israeli Jews agreed that the Israeli government was "correct in opening negotiations with the PLO." A significant majority (59 percent) of Israelis in 1993 still opposed establishment of a Palestinian state, but those in favor had gone up to 40 percent.

Like their American Jewish counterparts, even the majority of Israeli Jews who backed the government's policy of territorial compromise for peace were deeply divided as to how much land to give back. In any case, a solid two-thirds (66 percent) agreed that "there is a need for new elections or a referendum before an actual decision is made on the peace map." If past experience is any guide for the future, one may safely presume that the great majority of American Jews will go along with whatever territorial decisions the democratically elected government of Israel will agree to in peace agreements with the Palestinians and the neighboring Arab states.

American Jews Feel Closer to Israel Today

The great majority of American Jews (75 percent) polled in September 1993 said that they felt either "very close" (27 percent) or "fairly close" (48 percent) to Israel. Less than one-quarter considered themselves "fairly distant" (20 percent) or "very distant" (4 percent). Consistent with the findings of an earlier survey, the degree of attachment was higher among the Orthodox (65 + 31 = 96 percent) and Conservative (36 + 53 = 89 percent) and lower among Reform Jews (15 + 53 = 68 percent) and those who defined themselves as "just Jewish" (20 + 41 = 61 percent). Although the intensity of attachment in the latter two groups was smaller, those who considered themselves close to Israel outweighed those who felt distant by better than two to one. Again, as indicated in earlier polls, the greatest attachment to Israel was among older American Jews, age sixty and over (85 percent), and the greatest degree of alienation (31 percent) was found among those under forty.

When asked whether compared to three or four years ago, they felt closer to or more distant from Israel, 17 percent said they felt closer and only 3 percent felt more distant. The others said they felt about the same. In speculating as to the reasons for the improvement, I would include the following factors: (1) the progress in the peace process, which showed Israel eager for peace; (2) the general improvement in U.S.-Israeli relations since the defeat of Likud and the return of Labor to power; (3) the decline in the number of confrontations between Israeli soldiers and Palestinians in the territories and the consequent decline in television coverage of the Intifada; and (4) increased public sympathy for Israel in the United States as a result of the Iraqi SCUD missile attacks during the Gulf War of 1991 and the more recent pictures of Israeli victims of terrorist attacks by Arab Islamic extremist groups. Presumably Israel's struggle against such extremist groups has drawn an increasingly sympathetic response from Americans in general following the bombing of the World Trade Center by Islamic extremists. As noted in an earlier study, at the height of the Intifada, American Jews were agonizing over the long-term impact on Israel's democratic and Jewish values of the tactics employed by the Israel Defense Forces in their attempts to put down the Arab revolt.[17] The more Israel could be portrayed as sharing American democratic and human rights values, the more American Jews could feel comfortable identifying with Israel.

Reasons for Continued U.S. Support for Israel

Three out of four American Jews were confident that the United States would remain a firm ally of Israel, and only 23 percent expressed worry that the United States would stop supporting Israel. When asked to select among four choices the one that they considered most important in explaining U.S. support for Israel, American Jews listed, in declining order: "because Israel is a strategic asset" (44 percent); "because of shared values such as freedom and democracy" (34 percent); "because of American Jewish influence" (17 percent). Only 3 percent selected "because of poor relations between America and the Arabs."

How Committed Are American Jews to Israel?

Past polls have found a positive correlation between attachment to Israel and the respondent's extent of Jewish education, communal affiliation, and personal experience in Israel. The September 1993 AJC poll provides reasons for both optimism and pessimism for the future of American Jewish relations with Israel. On the positive side, 89 percent said they followed news about Israel closely, 79 percent agreed that "caring about Israel is a very important part of my being Jewish," and 68 percent agreed that "if Israel were destroyed, I would feel as if I had suffered one of the greatest personal tragedies of my life." Also, as already noted, 75 percent of all respondents said they felt close to Israel, and there was a net increase of 14 percent in expressed feelings of closeness in comparison to how they said they felt about Israel three or four years ago.

On the negative side, only slightly more than half of all American Jews (56 percent) said they belonged to a synagogue or temple and only 40 percent said they belonged to any other Jewish organization. In terms of education, only 10 percent had attended a full-time Jewish school and another 43 percent had attended part-time Jewish schools more than once a week. Nearly half (46 percent) either had no formal Jewish education (21 percent) or had only Sunday School or one day a week lessons (23 percent) or some private tutoring (2 percent).

Just under three in ten (29 percent) said they considered themselves to be Zionists. The significance of this is difficult to measure since the term was not defined. For Justice Louis Brandeis, one could be a good American Zionist even if one planned to live permanently in the United States as long as one supported the Jewish nationalist movement in Palestine. For Prime Minister David Ben-Gurion, however, once Israel became independent and the barriers to Jewish immigration had been lifted, being a true Zionist meant a commitment to make Aliyah. For Ben-Gurion, American Jews who continued to reside in the United States might be valuable supporters of Israel, but they were not "Zionists."

In view of the attachment to Israel expressed by the great majority of respondents, it is disturbing that the latest poll found that two-thirds of American Jews (67 percent) had never been to Israel. This is remarkable considering the fact that Israel has been in existence for more than forty-five years and Jews are among the most affluent and frequent customers of travel agents. (Again, as expected, 60 percent of the Orthodox had visited Israel at least once, whereas only 28 percent of those who described themselves as "just Jewish" had done so.) If the current negotiations lead to genuine peace, perhaps many more American Jews—as well as non-Jews—

will choose to travel to Israel for vacation, study, or business.

The Impact of Official Israeli Attitudes on American Jews

The encouragement of American Jews to become more closely involved in Israel also depends to some degree on the policies adopted by the Israeli government. According to Malcolm Hoenlein, the executive vice chairman of the Presidents' Conference, it is only recently that Prime Minister Rabin has come to realize the value of maintaining close and full consultation with the leadership of the American Jewish community. Based on his earlier experience as ambassador to the United States in the period following the 1967 Six Day War, Rabin at first believed that American Jewish efforts should be limited to maintaining congressional support for Israel. Contacts with the president and other agencies of the executive branch were exclusively the prerogative of the Israeli embassy, the appropriate vehicle for communications between Jerusalem and Washington. Consequently, Rabin chastised the American-Israel Public Affairs Committee and other Jewish organizations for carrying their lobbying activities on such issues as the loan guarantees directly to the White House. He also suspected that the leaders of some Jewish organizations were continuing to lean toward the more hard-line policies of the Likud, despite the victory of Labor in the 1992 Israeli elections.

These tensions between American Jewish leadership and the Rabin government have eased, as American supporters of the peace process have moved to positions of leadership in both AIPAC and the Presidents' Conference and as Rabin and his aides have come to better understand the more activist role of the American Jewish community since the days of 1967. For one thing, Jewish representation in Congress has gone up dramatically over the years.[18] Moreover, following the defeat of the Jewish lobbying efforts in the battles over arms and planes equipped with the Airborne Warning and Control System (AWACS) to Saudi Arabia in the early 1980s, AIPAC transformed itself from a small lobbying group on the Hill to a national Jewish grassroots organization with 55,000 members across the nation.[19]

As a sign that Rabin now highly values the support of American Jewish organizations, he called Hoenlein and Presidents' Conference Chairman Lester Pollack to Israel to brief them on the impending Israeli-PLO agreement before it was made public. (The leaders of AIPAC were similarly brought to Israel and briefed.)

The Clinton administration also sees the American Jewish community as an important basis of support for the peace process. This was made clear when on Rabin's instructions Foreign Minister Peres went to San Francisco to inform Secretary of State Christopher of the details of the Israeli-PLO accord. Christopher asked Peres whether the American Jewish leaders had been briefed and was reassured that the Israeli government was keeping them fully informed.

A further sign that the American Jewish community is being enlisted to provide tangible support for the peace process is the distribution by the United Jewish Appeal (UJA) for fund-raising purposes of a glossy color photo of a smiling President Clinton bringing together Rabin and Arafat for their historic handshake. It should be noted that in some communities, the UJA fund-raisers decided to crop out the faces and only use the handshake in their fund-raising ads. Yet the very fact that the hand of Yasser Arafat is being used by the United Jewish Appeal at all shows the extent to which its directors believe that the American Jewish community will be supportive of the current peace efforts despite the extraordinary changes in attitudes and long-

held assumptions that the Arafat Rabin handshake represents.

A poll conducted in May 1994 among a random national sample of five hundred American Jews confirmed that notwithstanding the upsurge in violence and terrorism that had occurred in the period since the Israel-PLO Declaration of Principles was signed in September, the overwhelming majority of American Jews (88 percent) still supported the peace process. Indeed, despite the setbacks and the abiding distrust of Arafat, nearly eight out of ten American Jews said they supported the May 4, 1994, Cairo agreement between Israel and the PLO that gives the Palestinians autonomy in Gaza and Jericho. (Only 9 percent opposed the agreement.) Similarly, although only 14 percent said they believed Syrian President Hafiz Assad was committed to making a real peace with Israel, two-thirds of American Jews (65 percent) said they supported "Rabin's willingness to trade territory on the Golan Heights if he believes it will achieve lasting peace with Syria."

American Jews remained emotionally conflicted about the Gaza-Jericho agreement. When asked whether the following four words expressed their own feelings, the responses were as follows: "cautious"—85 percent; "hopeful"—84 percent; "fearful"—50 percent; and "confident"—only 42 percent. Yet despite their continued misgivings, American Jews clearly seem prepared to give Prime Minister Rabin the benefit of the doubt and to support the Israel government as it makes the crucial decisions in the conduct of Israel's campaign for peace.[20]

Notes

1. It should be noted that since most American Jews tend to regard themselves as liberal or moderate Democrats, the election of Bill Clinton did not provoke an ideological crisis According to a 1991 American Jewish Committee survey, 60 percent of Jews considered themselves Democrats, 16 percent Republicans, and 21 percent independents. Cited in "Jews Can Swing the Election," *Ba'Olam/In the World* 17, no. 6 (August 1992), pp. 1 and 5.

2. "I will make of you a great nation, and I will bless you; I will make your name great, and you shall be a blessing. I will bless those who bless you and curse him that curses you." Gen. 12:2-3.

3. U.S. Department of State, Office of the Spokesman, speech by Secretary of State Warren Christopher, Columbia University, September 20, 1993, "Building Peace in the Middle East" (mimeographed text, p. 5).

4. The text of the agreement was published in the *New York Times*, September 1, 1993, p. AS. The text signed at the White House on September 13, 1993, differed only in the insertion in the Preamble of an explicit reference to the Palestine Liberation Organization as the Palestinian negotiating team (see Appendix 3).

5. Resolution 242, adopted unanimously by the Security Council on November 22, 1967, called for "withdrawal of Israeli armed forces from territories of recent conflict." American, British, and Israeli diplomats at the time emphasized that the absence of the definitive article "the" or the adjective "all" before the word "territories" was intended to provide some flexibility in drawing definitive borders to provide for some modification or rectification of the 1949 Armistice Demarcation Lines to provide greater security for Israel. They also noted that the resolution called for the application of both the withdrawal principle and the principle of "termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force."

6. American Jewish Committee, "The Palestinian Autonomy Agreement and Israel-PLO Recognition: A Survey of American Jewish Opinion." Conducted for the American Jewish Committee in September 1993 by Market Facts, mimeographed, 8 pages. Additional breakdown by subgroups in Renae Cohen, *The Palestinian Autonomy Agreement and Israel-PLO Recognition: A Survey of American Jewish Opinion* (New York: Institute on American Jewish-Israeli Relations, American Jewish Committee, January 1994).

7. See, for example, Podhoretz's "Statement on the Peace Process" in the April 1993 issue of *Commentary* and the critical letters and Podhoretz's reply in the June 1993 issue.

8. In the period between August 11 and 13, 1993, the ad appeared in the *Forward*, the *Washington Jewish Week*, *Philadelphia Jewish Exponent*, *Los Angeles Jewish Journal*, and the *Jerusalem Post* (International Edition). It was published

subsequently in other Anglo-Jewish papers.

9. Prime Minister Yitzhak Rabin, interview with Leslie Süsser, quoted in *Jerusalem Report*, "Israel Interview: It's My Duty to Compromise," July 15, 1993, pp. 10-11.

10. The respondents were drawn from a large national pool of persons that had previously agreed to be interviewed in surveys conducted by Market Facts and who had identified themselves as Jewish.

11. See George E. Gruen, "Impact of the Intifada on American Jews and the Reaction of the American Public and Israeli Jews," in Robert O. Freedman, ed., *The Intifada: Its Impact on Israel, the Arab World, and the Superpowers* (Gainesville: University Presses of Florida, 1991), pp. 228-231.

12. Penn and Schoen and Richman quotes cited in ibid., p. 244.

13. "The Palestinian Autonomy Agreement: A Survey of Israeli Public Opinion," conducted for the American Jewish Committee by the Guttman Institute of Applied Social Research, September 7-8, 1993, mimeographed, 6 pp. The Israeli national sample of Jewish residents excluded the kibbutzim. Since the sample was around 500, the margin of error is plus or minus 5 percent.

14. George E. Gruen, *Jerusalem and the Peace Process* (New York: American Jewish Committee, 1993).

15. Clyde Haberman, "Kollek Is Ousted as Jerusalem's Mayor," *New York Times*, November 3, 1993, and Clyde Haberman, "Jerusalem Victor Reassures Critics," *New York Times*, November 4, 1993. Olmert received 60 percent of the vote to only 34 percent for the Labor candidate, veteran incumbent Teddy Kollek, who had run the city for twenty-eight years. Kollek's advanced age, eighty-two, and declining health, as well as low voter turnout—only 36 percent of eligible voters—were among the reasons cited for his defeat. Although Rabin had urged support for Kollek as an indicator of support for Labor's peace efforts, Hebrew University political theorist Yaron Ezrahi told Haberman, "The low turnout shows that the public didn't feel the peace process was at stake."

16. "Most Israelis Would Swap Land for Peace," *Mideast Mirror*, June 21, 1991, citing an article by Elihu Katz and Hana Levinson, editors of the survey, in that day's *Yediot Aharonot.*

17. Gruen, "Impact of the Intifada," pp. 220-266.

18. See Peter Y. Medding, *The Transformation of American Jewish Politics* (New York: American Jewish Committee, 1989),

19. See Irving Greenberg, *The Growth of an American Jewish Political Culture: The Case for AIPAC*, intro. by Thomas A. Dine (New York: CLAL Perspectives, n.d.).

20. Israel Policy Forum, "Presentation of Findings from a Survey of 500 American Jews," May 1994, mimeographed, 11 pages. The survey was conducted by Stanley Greenberg and Mark Mellman of Mellman-Lazarus-Lake Inc. of Washington, D.C. The interviews were conducted between May 10 and May 12, 1994. The margin of error is stated as +/- 4.4 percentage points.

4

Israel's Turn Toward Peace

THEODORE H. FRIEDGUT

The Foundations of Israel's Negotiations for Peace

To understand the development of the Israeli-PLO mutual recognition and the decision to move from armed confrontation to political negotiation, one must have a grounding in both the historical background and the sociopolitical dynamics that form the environment of this development. On Israel's side there are three basic principles that have been discussed for many years but have only now crystallized to form the basis for public support for the Labor government's decision to deal directly with Arafat. These principles are (1) Israel is part of the Middle East and must either gain acceptance and legitimacy in the region or be faced with an unresolved situation, as Moshe Dayan stated it, "Shall the sword devour forever?" (2) If Israel insists on retaining the territories, which have a rapidly growing Arab population of close to 2 million people, it will have to give up either its democratic character or its identity as a Jewish state. (3) Israel can and should negotiate with any group that will recognize Israel's right to exist in agreed and secure boundaries as specified in UN Security Council Resolutions 242 and 338 and that will abjure the use of terror and violence in resolving problems with Israel.

The first of these principles has been recognized from the beginning of the building of the state. It was not a fact to be accepted easily, however. For David Ben-Gurion, the man who, more than any other, shaped the politics and institutions of the state, "Levantinization" was as great a danger to Israel's society as was Arab hostility. For him, as for his generation, there was a harsh paradox. In coming home to the Land of Israel, he was coming to an environment that was both foreign and hostile, an environment that had to be transformed, just as the Jewish people had to be transformed.[1] Ben-Gurion acted on the premise that Israel must be a modern society, Western in its parliamentary pluralist politics and in its orientation on science and technology. He saw the surrounding countries as a morass of backwardness and rejected their culture en bloc. This was the root of the rift between the Labor party leaders, who envisioned a modern socialist society, and the traditional Jews of the Sephardi communities, who were seen and treated by the ruling Labor party as backward children, to be tutored and encouraged, but not consulted. It has taken a half century for a generation of Israelis to evolve that is largely Sephardi in background, at home with the music, folkways, languages, and mores of the Middle East, but equally at home with European or American technique and technology. The emergence of this generation and the increasingly important role that it plays in Israeli society and politics are a keystone among the many pieces forming the arch spanning the abyss between Israel and the Palestinians. The building of communal pride among the Moroccan, Iraqi, and Yemenite Jews has been an important element in the creation of an understanding of Palestinian grievances.

The proposition that in holding the West Bank and Gaza, Israel doomed itself to giving up either its democratic or its Jewish character was first enunciated only a few weeks after the Six

Day War. At a symposium at the Hebrew University, Nissan Oren explained to an overflow audience of students, almost all recently returned from the battlefronts, that maintaining control over the Arabs of the West Bank and Gaza would inevitably involve Israel in acts of repression and in depriving the Palestinians of civil rights, which would erode the democratic nature of Israel's regime and society. If Israel annexed the territories and conferred citizenship on the Palestinians, the high birthrate of the latter would quickly bring about the loss of the Jewish majority in Israel, and though the state might be democratic, Israel would cease to be a Jewish and Zionist state.[2]

Advocates of the concept of a Greater Land of Israel countered this by speaking of a massive Aliyah that would stave off the creation of an Arab majority in Israel. Less openly, a veteran Herut leader spoke of creating conditions in which the Palestinians would feel uncomfortable as a minority in a Jewish state and would tend to emigrate, and that Israel would help them in this.[3] At the same time these advocates attempted to take hope from the concept that modernization of the West Bank and Gaza would be accompanied by a gradual reduction of the Palestinian birthrate. Paradoxically, the Likud's emphasis on building settlements in the West Bank after its electoral victory in 1977 created an economic boom that attracted the return of many Palestinians who had sought work elsewhere in the Arab world, particularly when oil prices fell and attractive work in Kuwait or Saudi Arabia became scarce.[4] When demographers explained that an immigration of massive proportions could delay the creation of a Palestinian Arab majority by only a few years (approximately one year for every hundred thousand new immigrants),[5] and that the current generation of Palestinians was sufficiently large to produce a Palestinian majority in the next generation, the outlook of the Greater Land of Israel (Eretz Israel) movement changed. With the beginning of the Intifada in December 1987, the idea of "transfer" was publicly voiced. The concept of pushing out the Palestinians from the West Bank and Gaza was embraced openly by a radical right minority whose voice was Rehavam Zeevi's Moledet party, which won three seats in the Knesset in the 1992 elections. With the establishment of this party, Israel was now being offered a clear choice between exacerbating its status as a garrison state in which "the sword would devour forever," and attempts at reconciliation with the Palestinians and integration of the Jewish state into the Middle East.

The problem is most sharply denned in Gaza, which has the highest rate of population growth in the world, doubling its population each fourteen years. The chronic social crisis and political extremism, a consequence of hopeless poverty and frustration, have brought Israel to the realization that something new must be attempted to avoid abandoning either its Jewish identity or its democracy. For the majority of the population, neither of these alternatives was acceptable. Israeli Jews, with the exception of an ultra-Orthodox minority and the Kahanist lunatic fringe of Israel's Radical Right, value equally their Jewish-Zionist identity and their pluralist, democratic society.

The third principle on which Israel's peacemaking is based, the idea that Israel would negotiate with any group that recognized Israel's right to exist in agreed and secure boundaries and that renounced terrorism, was enunciated even more recently. With the first moves toward Egyptian-Israeli peacemaking after the 1973 Yom Kippur War, Aharon Yariv, a former head of Army Intelligence and briefly a minister in the Israeli government, together with Victor Shemtov, a government minister and leader of the left-socialist Mapam party, formulated the principle as a proposed guideline for Israeli governments. The idea that Israel might one day talk to the PLO, if the latter accepted UN Security Council Resolutions 242 and 338 and in addition renounced terrorism and violence as instruments of policy, was never formally adopted as binding by any

Israeli government, but remained in the air, periodically returning to the public agenda. Generally, it was a slogan of Israelis on the left, associated with the peace movement. However, even Menachem Begin, who vehemently rejected any possibility of negotiation with the "two-legged beast" he so assiduously demonized, had to grapple with this formulation. Asked whether his government would negotiate with the PLO if that organization fulfilled the two conditions of the Yariv-Shemtov formula, he avoided a direct response, noting, however, that if the PLO accepted such conditions, it "would cease to be the PLO." Begin thereby implied that even a Likud government might find grounds for such negotiation.

With the return of a Labor-led coalition to power in the elections of June 1992, these three principles moved to the center of Israeli political thinking. Necessary as their influence was to bring Israel's government and society to a turning point in its attitude to the peace process, these principles by themselves could not have led to the drama of the Rabin-Arafat dialogue. Other changes in the international environment, as well as a change in attitude in the Palestinian community similar to the one in Israel, were necessary.

The signing of the Declaration of Principles for peace negotiations between the Palestine Liberation Organization and the government of Israel in September 1993 was one of those rare moments in world politics when all the necessary and sufficient conditions fell into place and a historic turning point was reached. Although peace is still far down the road and the road itself is strewn with pitfalls and even land mines, the first irreversible step has been taken. The taboo of communication between the PLO and Israel has been broken, and the mutual demonization that reigned for so many years has been swept aside. Whatever difficulties and delays beset the peace process, mutual recognition has been extended and the need for peace negotiations acknowledged. Perhaps as recently as a year before it happened, this step could not have taken place. It was dependent on many factors, and only gradually have they come about, making the direct negotiation of peace possible. My purpose here is to survey the entire complex of factors that have influenced the willingness to negotiate, with particular emphasis on the change in Israeli society.

The Global Environment

The first change was in the global political environment. The decline and ultimate collapse of the USSR altered the configuration of world politics. For decades the international arena was bipolar, based on nuclear mutual deterrence, and the two global superpowers vied for influence in all regions of the world, gathering clients and supporters in every way possible. Israel and the Palestinians found themselves in opposing camps, separated by the global rift as well as by their own national conflict. When the international relations arena became unipolar, each side had to reassess its position. The Palestinians were deprived of political backing, logistical support, and a source of legitimation of their claims. Israel, for its part, suffered a lesser loss, as it found that it was no longer the "strategic ally," "the unsinkable aircraft carrier in the Eastern Mediterranean," that it had been throughout the cold war. Though still in a close relationship with the United States, Israel became aware of uncertainties and doubts regarding the future development of U.S. Middle Eastern policies and of economic aid.[6] Each side therefore had reason to review its past stance and bring it into alignment with current realities.

A New Middle East Agenda

A second change was at the level of Middle Eastern politics. Two central developments had changed the agenda of the Arab world: the Gulf War of 1991 and the continuing rise of Islamic radicalism. During the Gulf War, a strange ad hoc alliance had been formed. When Iraqi missiles fell on both Riyadh and Ramat Gan, Israel and the Saudis found themselves on the same side of the trenches. Although Israel's contribution to the war was primarily through its quiescence, it was clear that the Saudis and the Gulf States understood that they had far more important matters facing them than the pursuit of a fruitless and costly vendetta against Israel. This realization was certainly not hindered by the fact that Arafat and the PLO had enthusiastically backed Saddam Hussein, as had Jordan's King Hussein. The Gulf States had never been militants in the Arab camp. They had been too aware of their vulnerability and weakness and too sensitive to the advantages that they enjoyed as oil potentates to side actively with any radical politicians in the region. At the same time, as long as Arab radicalism did not endanger their regimes, their contribution of financial and political support was considered an act both of fraternal solidarity and of political prudence.

There had been, however, over the years since Anwar Sadat's visit to Jerusalem, a creeping erosion of Arab hostility toward Israel.[7] Egypt had signed a peace treaty with Israel earlier and was anxious for political vindication of this step and a resumption of its role as leader of the Arab world. Morocco had long urged a change of the Arab world's agenda. It should be remembered that the meeting between Israel's foreign minister Moshe Dayan and Sadat's envoy Ismail Touhami at which the basis for Israeli-Egyptian peace was laid took place in Morocco, under King Hassan's auspices; that the king had met with high Israeli officials; and that Israelis of Moroccan origin were allowed to visit Morocco freely. I will return to this in a later portion of the discussion. Saudi Arabia itself has long been a pragmatic behind-the-scenes broker, maintaining channels of contact in many seemingly incompatible directions. Thus, though the Saudis participated in the official Arab condemnation of the Camp David Agreements, Jimmy Carter recently noted that they had played a constructive role during the Sadat initiative and were doing so again in the current negotiations. The Gulf War, however, was a brief episode, and despite the continuing threat posed by Saddam Hussein, might not, by itself, have changed the Arab agenda in the Middle East. It was the spread of radical Islam that provided the critical mass for this change.

Radical Islam has existed for close to a century. Its first victory of the twentieth century was the seizure of control of the Islamic holy sites of Arabia by the Wahabis, headed by the family of Saud, the current ruling dynasty of Saudi Arabia. Its earliest secular political forays were those of the Moslem Brotherhood in Egypt against the Egyptian monarchy. But contemporary radical Islam came into its own with the victory of the Ayatollah Khomeini in Iran in 1979. For a short time it was believed that after the Ayatollah died, Iran would take a more moderate place in the Islamic world. However with the adherence of Sudan to the radical Islamic camp, the rise of a radical Islamic movement in Algeria, and the spread of radical Islamic violence in Egypt, the conservative regimes of the Arab world began to consider more seriously the need for containing this movement. In this regard, Israel and the PLO found themselves sharing a common interest. Israel had countenanced, if not encouraged, the first organizational efforts of Hamas in the Gaza area, on the grounds that it would be a counterforce to the PLO. This calculation proved seriously flawed, for it was the radical Islamic Hamas movement that was the initiator of the Intifada in December 1987, and its adherents were the most violent and inflexible in pushing it

forward, eschewing all negotiation and compromise with Israel. Through this stance they began to undercut the support of the PLO in the West Bank and Gaza. In addition, Hezbollah (the Party of God), an Iranian-supported faction of the Lebanese Shiite Moslems, became similarly active against Israeli forces in southern Lebanon, taking the control of the area and of the population away from the various PLO groups there. Thus the Islamic radicals had become a major factor in Israel's security concerns, having caused casualties militarily and among the civilian population of Israel. When an Islamic movement began to be active in the politics of the Israeli Arab community, with its candidate's defeat of the Communist longtime mayor of Um El Fahm in municipal elections, and established itself as a force for a new Israeli Arab nationalism in place of the declining Communists, this was one more point of concern for Israel. Although the Israeli Islamic movement forswears violence and has talked in moderate political terms, it clearly represents Israeli Arabs' disillusionment with the status quo and should be seen as a warning to the Israeli authorities.[8] Sensitized to the change in Arab attitudes toward Israel, the government of Israel took due note when King Fahd of Saudi Arabia, in June 1993, speaking to a million Moslem pilgrims at the climax of the *haj* (pilgrimage) to Mecca, declared that the state of war with Israel was unnatural and that the time had come to put a formal end to it.[9] The belief that the major powers of the Arab world were ready to get the Palestinian-Israeli conflict off the books and thus free themselves to address more urgent questions was an important factor in bringing Israel to consider negotiations with the Palestinians. This new relationship was publicly demonstrated when the Saudi ambassador to the United States shook the hands of both Prime Minister Rabin and Foreign Minister Peres of Israel following the signing of the Israeli-Palestinian Declaration of Principles at the White House in Washington on September 13, 1993.

Palestinian and Israeli Leadership

In addition to the external factors, there were important internal influences without which the mutual recognition of Israel and the PLO could not have taken place. There had to exist a leadership with sufficient authority to make such a path-breaking change. In addition, the two leaders had to have the flexibility and the personal and ideological motivations to pursue such a course. Without these characteristics on both sides, no meeting of the minds could have taken place.

Despite the fact that the PLO is a heterogeneous confederation of contentious groups, Arafat is the symbol and the recognized leader of the organization in the international community, in the Arab world, and among the Palestinians. As one of the founders of the organization, and heading Fatah, the largest group within the PLO, Arafat has been able to maintain his agenda and discipline against all challengers. At the same time, he understands that much of this control depends on his ability to channel patronage and funds to his supporters, thus retaining them and maintaining the influence of Fatah in the refugee camps and in the territories. Such funds include not only the wages of PLO fighters and officials but also payments to families in the West Bank and Gaza whose breadwinners or other family members have been jailed or killed, and payments for support of social institutions such as trade unions, youth groups, and community centers. The politics of patronage is widely practiced in the territories. When the flow of funds was cut drastically as a result of Arafat's major miscalculation during the Gulf War and his external political support ebbed with the crumbling of the Communist regimes in Eastern Europe and the

Soviet Union, it was abundantly clear to him that new initiatives were needed to reach the point of entering negotiations with Israel. The Madrid talks provided a limited opportunity, granting only semilegitimacy to the PLO presence. When those talks bogged down, Arafat was faced with the need to seek new and more direct channels of communication with Israel. To achieve this, he would have to meet the conditions of the Yariv-Shemtov formula. This he had conspicuously avoided doing in earlier peace gambits.

Time became a factor as well, for the crash landing of his aircraft in the desert in 1992 had been a shocking reminder to Arafat of his mortality and of his age— sixty-five. Perhaps he said to himself that he had already spent thirty years in the wilderness and might never see the promised land. Moreover, competitive forces had begun to erode Arafat's leadership position. On one side was Hamas, whose activist and intransigent policies were gaining increasing support among the Palestinians in the territories, particularly in Gaza. There, by the time the Declaration of Principles had been signed, at least half the population could be counted as admirers, if not active supporters, of the radical Islamic group. On the other side, a West Bank PLO leadership had emerged and was having direct influence on the Palestinians there, whereas Arafat and his aides were a distant and somewhat abstract group. In determining the policies of the Intifada and the stance of the Palestinians vis-à-vis the Israeli authorities, the West Bank organizers and spokespersons were frequently at odds with the Tunis leadership of the PLO.[10] This is a classical problem for nationalist and revolutionary undergrounds, one that has no simple resolution. Arafat had, of necessity, to assert himself and capture center stage.

Although Rabin's life and career have been quite different from Arafat's, there are some factors in their histories that are similar, Rabin, having passed his seventieth birthday, is also deeply aware that his career is near its end. Beyond this, he is challenged by the task he has assumed, of redefining Israel's priorities and returning Israel to its root values. In his first speech to Israel's Knesset after taking office in 1992, Rabin referred to this consciousness. He reminded the new Knesset members that he had led Israel's Defense Forces in their victory in the 1967 Six Day War and declared that he regarded the leading of Israel in the making of peace as a historic completion of that event.

However, two additional factors reinforced Rabin in the decision to embark on negotiations with the PLO. Yitzhak Rabin, Israel's first native-born prime minister, comes to his task with a vastly different view of Israel and of the essence of the Jewish people than did his predecessors. He grew up actively providing the strength that would secure the nascent Jewish state. His predecessors were burdened with the Holocaust image of the Jew as a largely powerless victim. For Golda Meir, Menachem Begin, and Yitzhak Shamir in particular, the imagery of the Holocaust and a conviction that the governments of the world were all tainted by some degree of anti-Semitism were cornerstones of their political faith. Rabin's life experience was of the Jew empowered by his own efforts on his own behalf. For him, the sympathy or hatred of other nations was secondary; indeed, it verged on the irrelevant. He was brought up on Ben-Gurion's credo: "It doesn't matter what the nations *think.* What matters is what the Jews *do."* This self-confident approach also found expression in his rejection of the outlook that an immanent and ubiquitous anti-Semitism is the foundation of the surrounding world's approach to Israel. This change was clearly expressed as one of his policy guidelines at the very outset of his incumbency, when he presented his government and its program for approval by Israel's legislature after the Labor victory in the 1992 elections. He took pains to repeat this, as well as his government's commitment to the pursuit of a negotiated peace, when he brought the Declaration of Principles before the Knesset for ratification. Rabin quoted himself, saying: "We

must overcome the sense of isolation that has held us in thrall for almost half a century. We must join the international movement toward peace, reconciliation, and cooperation that is sweeping the entire globe ... lest we be the last ones to remain, all alone."[11]

Rabin's life experience had two more effects on him that bear directly on this discussion. First, it gave him a very different view of the strength of the Palestinians than the one that had been propagated by previous Israeli prime ministers. Whereas they saw the existence of a Palestinian state as a mortal threat to Israel's existence, Rabin has repeatedly asserted that Israel's army could easily cope with any future action by a Palestinian state against Israel. In addition, as a Sabra growing up in prestate Palestine, he had considerable daily contact with the Palestinian Arabs and was thus far less susceptible to the demonization of the PLO practiced by the Likud government. He sees the Arab world not as a mass but as individual states that can be approached separately, in accordance with the interests of each. When Syria balked at defining its concept of peace and the West Bank Palestinian delegation at the Madrid talks proved incapable of making responsible decisions, Rabin had no insurmountable psychological barrier to overcome in turning to the PLO to make progress toward peace. The move was not one that he took lightly or easily, but for him it was not, as it would have been for his predecessor, one of those acts described in Jewish religious practice as "thou shalt die before committing such a transgression."

It must be said that the Shamir government, a regime that took pride in its intransigent defiance of all pressures for compromise with the Palestinians, nevertheless had prepared the way for Rabin's initiative. In going to the Madrid conference and negotiating with a West Bank Palestinian delegation, the Likud-led government had created an "agreed lie" of the type common in Israeli coalition politics, but instinctively rejected by Sabra Israelis, who by nature call a spade a spade. As the fiction that the negotiations were with Haidar Abd'el Shafi and Faisal Husseini as representatives of the West Bank and Gaza, rather than with the PLO, became more and more transparent, the Israeli public grew psychologically prepared for a direct confrontation that might achieve some political solution. In summary, Rabin's outlook was marked by a growing ascendancy of pragmatism over ideological strictures that might have prevented flexibility in dealing with the problems of peacemaking.

However, Rabin's outlook would not have been sufficient to bring about political talks had he been unable to convince the public that his policies were in Israel's best interest and that they were not an unacceptable risk. In fact, the choice of Rabin as the Labor party candidate for prime minister in the 1992 elections had been based on his image as a tough, security-minded leader, and Labor's victory was in no small part attributed to the acceptance of that image by Israel's voting public. Rabin appeared to understand this, for in all his appearances after his election, he made a point of coupling the word "peace" with the word "security." Moreover, his actions in response to Palestinian terror, such as the mass expulsion of Hamas activists, the mounting of large-scale house-to-house searches for the attackers of Israeli soldiers and civilians, and the closure of the territories, were consistent with his hard-line image. This added to the public's trust in him as a negotiator.[12] Thus the essential similarity in the two leaders lay in their both possessing the authority to negotiate and a strong personal and political motivation to turn to diplomatic negotiations in place of military confrontation.

Perhaps the most essential ingredient was the realization of both leaders that Carl von Clausewitz's dictum that war is a continuation of policy by other means may be construed in both directions. Just as a stalemate in political negotiations may be resolved by war, the prolongation of a stalemate in war is futile and senseless and calls for political resolution. Indeed, the only

successful war is that in which military activity is consummated in a political agreement. This wisdom had been dramatically and successfully demonstrated by Anwar Sadat in the wake of the Yom Kippur War. Perhaps all war is folly, but a war without an achievable political vision of its goals is doubly foolish. Since the abortive 1982 Lebanon war, Israeli public opinion had become sensitized to that point.

The above conditions that formed the environment for negotiations were all necessary factors for negotiation to take place. However, even all of them together could not have guaranteed a successful beginning to negotiations had the conditions not been based in a social matrix of readiness to seek a new direction for ending the stalemated confrontation between Israelis and Palestinians.[13] The fact that opinion polls taken at the time of the signing of the Declaration of Principles showed a majority of both Palestinians and Israelis in favor of the attempt at a negotiated settlement indicates that there was such a matrix.[14] As will be seen, the readiness for this step was tentative and unstable, and it was subject to volatile changes as anticipation soared far beyond the limits of reality. Nevertheless, the readiness was a growing phenomenon, guaranteeing that whatever the obstacles, the process of negotiation could become the dominant mode in Israeli-Palestinian relations.[15]

In the Palestinian community, the failure of the Intifada, the popular uprising against Israel's occupation of the West Bank and Gaza, to produce a radical improvement of the lives of the population and an end to the presence of Israel in the territories generated a frustration and a weariness that were compounded by some of the concomitant phenomena of the uprising. There is more than a little paradox in this situation. It has been claimed, and rightly so in my opinion, that the Intifada was for the Palestinians what crossing the Suez Canal on October 6, 1973, had been for the Egyptian army. But this metaphor must be carried to the end. The Egyptians eventually paid bitterly for this victory, losing massively in the armored battles that followed, and suffering a countercrossing of the canal by Israeli forces as well as the encirclement of one of their armies.

So it was with the Intifada. The beginnings in December 1987 had been accompanied by massive enthusiasm and an enormous outburst of creative energy. The closing of schools and other educational institutions had inspired the organization of child-care and educational centers. The financial pressures that were put on the Palestinians were countered by the levying of "taxes" in the community. Women's groups, community clinics, and youth and sports groups all flourished and brought to the Palestinians the feeling that they were capable of forging their own fate and future.[16] Yet the uprising dragged on for five and a half years without achieving its basic goals. The Palestinians grew weary, and as will often happen with volunteer associations, the first flush of enthusiasm passed and the need to focus more and more attention on the problems of daily life led to the collapse of a goodly part of the community institutions that had been a source of such pride. The people were in bitter economic straits, with both workers and merchants suffering from the weekly strikes and closures dictated by the leadership or by Israeli curfews. Parents, who had taken pride in the Palestinians' being the best-educated community in the Arab world, saw their children missing out on academic opportunities. Five years of school strikes and closures were robbing an entire generation of its intellectual birthright—and no end was in sight.

Indeed, the realization was gradually penetrating the Palestinian public that Israel was not about to be banished by force, that Israel as a Jewish state in the Middle East was a fact of life that had to be faced, and that the most palpable result of the Intifada had been to intensify the Israeli presence. In the years 1988-1992 the Israeli government gave high priority to attracting

more settlers to the territories, and these pressed in steadily to the centers of Palestinian Arab population, such as Hebron and Nablus. Israeli soldiers and Israeli administrators were now more visibly present and influential in the lives of the Palestinians. There were more roadblocks, patrols, and identity checks by the army. Tax inspectors bore down on the Palestinian merchants, and curfews and closures of the network of higher education that had been developing since 1967 became more and more frequent. Thus many within the Palestinian community had an interest in supporting any action that would lift this yoke from their shoulders.

Along with the frustration, the weariness, and the broad deprivations, certain social phenomena that had arisen out of the Intifada caused additional anxiety to the Palestinian intelligentsia. First of all, armed criminal elements appeared and in the name of the people's cause engaged in violent crime and robbery for their own personal ends. This phenomenon became a central subject of public soul-searching among Palestinian intellectuals. Even more worrisome was the mass searching out of alleged "Israeli collaborators," accompanied by torture of the suspects and summary executions. This became so frequent that in 1992 and 1993 the number of Palestinians killed by their co-nationals surpassed the number killed by Israeli troops.[17] In an increasing proportion, these executions were attributable to personal, social, and political motivations that had no connection to collaboration. Accusations of collaboration were, in these cases, a cover for criminal gain, personal vengeance, clan rivalries, or the imposition of religious moral codes.

A third problem was the spread of support for radical Islam, as Hamas took the most militant anti-Israel positions, turning the Intifada into an armed struggle rather than the mass unarmed civil protest that it had been in its first years. Women's groups, in particular, which had been in the forefront of organizing resistance to the occupation, found themselves marginalized and stripped of the status that their secular radical nationalism had gained for them. The growth of Hamas influence was also a palpable threat to the continuation of PLO dominance in the territories. Last, but not least, was the growing sense that the rejection by the Palestinians of autonomy under the Camp David Agreements had been a mistake, a missed opportunity that had cost the Palestinians dearly. The Egyptians had not seriously suffered for their initiative and had regained their place of honor in the Arab world, and the latter was seen by the Palestinians as having no true concern for the plight of the Palestinians. As Israeli-Palestinian contacts increased during the period of the Madrid talks, this opinion could be heard more and more often among Palestinian intellectuals, and among Israelis as well.[18] It was accompanied by a growing realization that another such missed opportunity might be fatal to the Palestinian national movement. To no small extent, this consciousness was formed by the sight of Israel's economic and demographic growth in the wake of the immigration of nearly 500,000 Jews from the former Soviet Union from late 1989 through 1993.[19] As much as any other factor, this growing sentiment among Palestinians convinced Israelis that the Palestinian public was now ripe for substantive discussions toward a modus vivendi.

If the change in Palestinian consciousness was molded largely by external factors, the maturing of Israeli society was the product of a slow, organic growth that translated into a gradually evolving consciousness of new and different interests. These included quality of life rather than physical survival and the development of democracy rather than its sacrifice to security imperatives.[20]

Israeli society is not yet fully formed. The weight of the immigrant population is still felt, and the basic cleavages of native and immigrant, secular and religious, Western and oriental, that have accompanied the entire development of Israel still keep the society in flux. At the same

time, the passing of nearly two generations since the founding of the state and a succession of important events have created a new consciousness that is expressed in public support of the negotiations with the Palestinians. Just as Rabin's age and background are relevant to his being capable of negotiating with the PLO, so the generational change in Israel is a key influence in the support for the negotiations.

If the Intifada was a central event for the Palestinians, it was a turning point for Israelis. Preceded by the public unrest that accompanied the war in Lebanon in 1982, the Intifada led to a crisis of conscience. It stripped Israelis of the comfortable illusion that theirs was a benevolent occupation that had brought civilization and prosperity to the Palestinians. The active and public hatred evinced by Palestinians, including women and children, made the Israeli public engage in critical self-examination. Fuad Ajami, a scholar of Middle Eastern politics and society, characterized the Israelis as "conquerors with scruples ... occupiers with a bad conscience."[21] Although this is not a universal quality among Israelis, any more than among any other people, it is perhaps fortunate for Israel that it is widespread enough for conscience and a changing consciousness to influence political positions.

One generational factor that is pertinent is the fact that those who were the "heroic liberators" of Jerusalem and the West Bank are now largely beyond the age of reserve duty but must send their children to serve as the occupiers and face the enmity of the Palestinians, standing against civilian mobs, chasing children, and conducting house searches while surrounded by wailing, protesting Palestinian women. The difference between the roles they themselves played and the roles of their children is a painful shock to Israelis. After close to six years of Intifada, Israelis, like the Palestinians, began to understand that force could not make the other side break and disappear. With this consciousness came the realization that a different solution had to be found.

In addition to this basic cognitive dissonance, Israelis are becoming conscious of having achieved a new and different status as a society. On the eve of the Jewish New Year in the autumn of 1993, Israel was home to 4,300,000 Jews, and the country is growing rapidly through both natural increase and immigration. Now the second-largest Jewish community in the world, Israelis are within sight of the day when they will be the largest Jewish community and will represent a majority of the world's Jews. Rather than being a precarious experiment, Israel may now be regarded as a solid, self-sustaining Jewish society. This realization was underscored by two signal events. The first was the flood of immigrants that came with the collapse of the Soviet Union. Between October 1989 and December 1991, 350,000 Soviet Jews came to Israel. Although reduced in volume, this immigration continued at an average rate of almost 6,000 persons a month through 1992 and 1993. After years during which emigration from the USSR had been minimal and the bulk of the Soviet emigrants had gone to the United States, this wave brought unexpected gratification. A mass of Jews was opting for Israel as a home. This was a justification of the existence of Israeli society and an affirmation of the choice made by Israelis. Unlike the antagonism that had greeted the immigrants of the 1970s, these immigrants were accepted with enthusiasm by the Israelis.[22] At the height of this immigration in early 1991, an attempt was made to arouse opposition to the immigrants by two political leaders of the underprivileged slum dwellers, largely from the Sephardi communities, but it quickly collapsed for lack of public response. The second "miracle" was smaller in scale, but intensely more dramatic. In a return to the heroic mode of the Six Day War and the Entebbe rescue, Israel flew in 15,000 immigrants from Ethiopia in a single day. Here was a justification for the entire history of the state, a revival of the basic ethos of Zionism. After the lingering trauma of the Yom Kippur War and the self-doubt induced by the invasion of Lebanon, Israel appeared to have

returned to the heroic purity of its pioneering days. Suddenly the West Bank and Gaza appeared in a different light. They were no longer seen as the realization of Israel's destiny but as a diversion from the real agenda of building a nation.

All these influences made a difference to the new generation that was moving into a central position in Israeli life. These were people born with the establishment of the state or having immigrated as young children in the first years of Israel's existence. Now in their mid-forties and early fifties, they are generally economically well established and eager to enjoy a normal life.[23] A large proportion of this group is made up of the children of immigrants from Iraq, Yemen, and Morocco (the latter having been the largest single immigrant group to Israel until the mass immigration from the USSR at the beginning of the 1990s). Many of them are self-employed: building contractors, small manufacturers, farmers, wholesalers, and merchants. As such, many of them have been employers of labor from the West Bank and Gaza, and were dependent on this labor for the continued prosperity of their businesses.

This generation had first shown political independence in the 1992 elections, when many of its members removed their support from the Likud, some returning to support Labor as they had before Begins victory in 1977, others scattering to the Sephardi Orthodox party, Shas, or to other parties.[24] There were numerous reasons for this move: the personality of Yitzhak Shamir, who had nothing of the charisma of Menachem Begin; the elbowing aside of David Levy, the representative of the Moroccan community within the Likud; but no less important, the perception of vast amounts of money flowing to the settlements in the territories and increasing the tax burden on this middle-class business stratum at a time when business was suffering from the frequent disruptions of work because of the political strikes and curfews that prevented Palestinians from coming to their jobs. This was precisely when the flow of immigrants was creating a massive economic opportunity for these businesses, with a burgeoning demand for housing, furniture, and all the needs of a vast new consumer group. Beyond this immediate boom, there was a sense of Israel's being on the verge of an economic boom from which this group of businesspeople could profit. The renewal of ties with Africa, the opening up of new market possibilities in the republics of the former Soviet Union, the beginnings of trade with China, all these made Israelis impatient with the need to expend resources and energies on an occupation of territories that brought only disruption and trouble. This was most particularly true regarding the holding of Gaza, and a broad public consensus was rapidly forming that this territory should be abandoned at the first opportunity.[25] Breaching the barrier of "not one inch" was a milestone in the maturation of Israel's public.

There was an additional dimension to the identity of this generation of well-established commercial Israelis. The Moroccan community in particular had, since the peace with Egypt, been rebuilding its ties with Morocco. From tentative statements by the community's leadership congratulating King Hassan on various occasions to discreet visits that had led to open tourism, pilgrimages to birthplaces, and the visiting of ancestral graves, contacts had grown. It was not only international symbolism that prompted Prime Minister Rabin to stop in Morocco on his way back from the historic signing ceremony in Washington, and it was highly significant that the first organized Israeli economic mission to Arab countries went first to Morocco. Just as it has long been thought that one day Israel's Arab citizens would be a bridgehead to the Arab world, so too Israel's Sephardi business community could have certain natural advantages in setting up commercial connections in neighboring countries.

Although there was nothing in this new Sephardi generation resembling the new ex-Soviet immigrants' massive turn away from Likud and toward Labor, there was a clearly articulated

malaise among these traditional Likud supporters. They were ready to vote pragmatically rather than according to traditional ideological identity. The 1992 elections were characterized by the maturation of the Israeli electorate. Extremist and single-issue parties lost out to those that addressed a broad range of Israel's central social, economic, and political anxieties. The new immigrants from the USSR eschewed an immigrant party, expressing their preferences through the mainstream parties. Arab voters too, gave relatively little support to Arab communal lists, preferring those that were more broadly based. The Radical Right, the followers of Rabbi Kahane and his imitators, was either ignored or received minimal support. The appeal of the Tsomet list, which won eight seats by emphasizing social issues and the slogan of no territorial compromise, may be compared with that of Moledet, which won three seats by campaigning almost exclusively on a platform of "transferring" Arabs (both Israeli and Palestinian) out of the Land of Israel. Though there was a minimal total shift between left and right, the Labor victory was accompanied by a fundamental change of mood away from the focus on the territories that had been the near-exclusive emphasis of Shamir's government. The Likud was the big loser in these elections.[26]

There were two aspects of the background of the members of this new generation that made possible their acceptance of negotiations with the PLO. The growth of their independent businesses, based to no small extent on Palestinian labor, had renewed a direct, daily-life contact with the Palestinians that was historically familiar from the stories of their parents from their countries of origin. Arabic-speaking themselves, they were able to communicate freely with the Palestinians. But the difference between their experience and that of their parents in Morocco or elsewhere was that here they were Jews in a Jewish state, rather than a minority. In addition, the Palestinians, as hired, generally unskilled laborers, posed no social or economic threat to the status of their employers. At the same time, the position of the Palestinians was familiar to them. They themselves had grown up in Israel as an underprivileged minority, perceiving and resenting discrimination. Having achieved security, status, and a measure of affluence by their own efforts, they could empathize with the Palestinians' troubled emotions. At the same time, this generation was conditioned by its historical experience of fighting Arabs in war and terror, and the empathy was highly tentative.

Ready to recognize the Palestinians' desire for equality, Israelis were skeptical as to whether the recognition would really be mutual, leading to a stable state of coexistence and mutually profitable cooperation. It is this mixture of empathy and "show me" skepticism that lends volatility to Israeli public opinion. For anyone whose finger was on the pulse of this generation, it was no surprise that when secret talks with the PLO became public and were quickly followed by mutual recognition and the signing of the Declaration of Principles, Israel's public rallied behind the agreement, ready to explore it. Highly important in this was the fact that 30 percent of those willing to take this path identified themselves as having supported Likud in the most recent elections.[27] Self-confident, impatient to get on with the agenda of normal life, this newly maturing public identified the territories and the problems caused by holding them as more a liability than an asset.

The evolution of Israeli society's outlook on the negotiations with the Palestinians thus paralleled in many ways that of the Palestinians, who harbored a similar ambiguity. For both, the Intifada had meant success and failure, shaking deep-rooted preconceptions. For both, the continuation of the conflict began to be seen as exacting an inordinately high price, without guaranteeing any assurance of a payoff. Both approached the possibility of a mutually acceptable agreement with cautious skepticism.

Although the initial agreement aroused anticipation on both sides, this public support remains highly unstable. The first announcements, as we have noted, were accompanied by about 45 percent support among Israelis, rising to 65 percent at the time of the Washington signing and in the following two months declining to only 39 percent, with a large undecided vote and an increase in those opposed to 45 percent.[28] It is clear that public support, so necessary for the full implementation of the agreements, depends in large measure on the effectiveness of the political leadership on both sides in providing satisfaction for their respective publics and security. Moreover, on the Israeli side, there must be a true reordering of social and economic priorities and, on the Palestinian side, full autonomy and disengagement from Israeli control. Nonetheless, as we have noted, there is a rare and compelling conjunction of circumstances, both domestic and international, creating an environment favorable to a politically negotiated Israeli-Palestinian settlement. Most important of all, the taboo on direct communication has been broken, and the mutual stereotypes of demonization largely discarded. Thus, even should an overall agreement be delayed by failure to resolve the ambiguities of the Declaration of Principles, a new modality of negotiation has already replaced that of military confrontation. What one Palestinian-American observer (Rashid Khalidi) wrote of his own people is equally applicable to both sides: "Whether they leaped of their own volition or were pushed, they are now in midair. Where they will land ... will be determined by nothing so much as the hard choices the Palestinian people and their leaders make in the months and years to come."[29] The bargaining may halt for a time, retreat, or veer from its preset course, but mutual recognition has been publicly extended, and the preference for negotiation over war has been given open recognition in keeping with the mood of international relations now prevalent in the post-Soviet period. Most important, the policy of striving for a negotiated settlement has a firm foundation in the moral, psychological, and material needs of both the Palestinian and the Israeli public. We may therefore expect with a high degree of confidence that despite the painful transition that both sides will necessarily undergo, the Land of Israel, however it may be divided, stands on the threshold of a more peaceful era.

I wish to express my gratitude to the Philip and Muriel Berman Center for Jewish Studies at Lehigh University. It was during a sabbatical leave as a visiting scholar at that center that I was able to conceive and develop the ideas presented in this chapter.

Notes

1. Ben-Gurion's views and their influence on the building of the State of Israel will be found in Avraham Avi-hai, *Ben Gurion: State Builder* (New Brunswick, N.J.: Transaction Press, 1974), and Shabtai Teveth, *Ben Gurion and the Palestinian Arabs: From Peace to War* (Oxford: Oxford University Press, 1985). On the perception of "dangers of Levantinization," with respect to absorption of immigrants from Middle Eastern countries, see Moshe Lissak, "Images of Immigrants—Stereotypes and Stigmata," in Ronald W. Zweig, ed., *Politics and Leadership in Israel* (London: Frank Cass, 1991), pp. 236-249.

2. In addition to Oren, the other participants were Aaron Amir, representing the Movement for a Greater Land of Israel, Knesset member the late Moshe Sneh, and me. Freshly demobilized after active service in the Six Day War, as were most of the listeners, I was one of those present at this historic drawing of the ideological battle lines of the post-1967 period.

3. The late Aryeh Ben Eliezer explained this approach in a meeting with Israeli students at Columbia University at which I was present in 1968. The students, to their eternal credit, rejected his ideas vehemently. In later years I have been told that this idea had been discussed often at closed and informal gatherings of Herut sympathizers.

4. For summaries and discussions of the migration balance in the West Bank territories after 1967, see Miron Benvenisti, *1986 Report: Demographic, Economic, Legal, Social, and Political Development* (Boulder, Colo.: Westview Press, 1986), p. 1. Fred Gottheil, "Demographic and Economic Forces Underlying Likud's Perspective of the West Bank," in Bernard Reich and Gershon R. Kieval, eds., *Israeli Politics in the 1990s* (Westport, Conn.: Greenwood Press, 1991), Table 8.2, p. 137, shows the out-migration balance of the West Bank dropping steadily from a high of 23.7 per 1,000 population in 1980 to

6.1 per 1,000 in 1986. Although Gottheil attempted to make a case against the "demographic argument," he noted that the drop in out-migration and the very young composition of the population presage a major and rapid growth of the Palestinian population.

5. For a discussion of the effect of the massive immigration from the Soviet Union in 1990-1991, see Sergio DellaPergola, "The Demographic Context of the Soviet Aliya," *Jews and Jewish Topics in the Soviet Union and Eastern Europe* 16, no. 3 (Winter 1991), pp. 41-56, particularly p. 55.

6. For Israeli anxieties regarding future American policies, see Clyde Haberman, "Israelis Worry That U.S. Will Need Them Less in New Global Realignment," *New York Times*, August 3, 1992, p. A10.

7. See Laurie Mylroie, "Israel in the Middle East," in Gregory S. Mahler, ed., *Israel After Begin* (Albany: State University of New York Press, 1990), pp. 137-154.

8. This subject is discussed in detail by Eli Rekhess in Chapter 10, this volume.

9. For a report of this speech, see "King of Saudi Arabia Urges a Formal Peace with Israel," *New York Times*, June 2, 1993, p. A3.

10. The relations between the West Bank leadership and the PLO executive in Tunis are analyzed in detail in Ze'ev Schiff and Ehud Ya'ari, *Intifada* (New York: Simon and Schuster, 1991). See also Chapter 5, by Helena Cobban in this book. u. See Israel Ministry for Foreign Affairs, Information Department, "Excerpts from Rabin Speech, Jerusalem, September 21, 1993." Rabins speech to the Knesset on the presentation of his government was included in Clyde Haberman, "Now Is the Moment to Achieve Peace Rabin Tells Arabs," *New York Times*, July 14, 1992, pp. A1, A8. See also Rabin's speech at the White House signing ceremonies (Appendix 4).

12. Jonathan Mendilow, "The 1992 Israeli Election Campaign: Valence and Position Dimensions," typescript, p. 23. This will be a chapter in Asher Arian and Michal Shamir, eds., *The Elections in Israel*—1992 (Albany: State University of New York Press, forthcoming). Mendilow noted that 13.5 percent of potential electoral defectors from the Likud cited Rabin's strength as a leader as the primary reason for changing their allegiance,

13. Israeli analysts and politicians have become understandably sensitive to questions of the influence of public opinion in the formation and implementation of peace policies. See Gabi Shefer, "Public Opinion Is Not the Voice of the Mob," *Ha'aretz*, December 17, 1993, p. B7, and Orit Shohat, "The People Are for 'Topaz,'" *Ha'aretz*, December 17, 1993, p. 8.

14. A poll taken among Israelis on the day of the signing of the Declaration of Principles showed 65 percent supporting the initiative and 29 percent against. See *Montreal Gazette*, September 16, 1993, p. 3. Polls taken among Palestinians in the territories showed a similar measure of support at that time.

15. As the violence of opponents of the settlement mounted on both sides, and the complex uncertainties of the negotiations became more apparent to the public, skepticism mounted. A poll among Israelis published in *Maariv* (Tel Aviv), November 12, 1993, showed that 39 percent supported the agreement, 45 percent were against, and 16 percent undecided. Again, the movement of opinion on the Palestinian side was parallel.

16. For descriptions of the political and social organization of the Palestinian community at the start of the Intifada, see Don Peretz, *Intifada: The Palestinian Uprising* (Boulder, Colo.: Westview Press, 1989), and Schiff and Ya'ari, *Intifada*,

17. Discussion of this problem moved into the general public domain when the Jerusalem-based human rights organization Bitselem published a study that criticized Palestinian organizations for these killings. See *New York Times*, January 10, 1994. This article stated that from the start of the Intifada in December 1987 to December 22, 1993, 964 Palestinians were killed by their compatriots and 1,067 by Israeli soldiers.

18. Such expressions by local Palestinian activists were not generally for public attribution. I have heard them in informal conversations during the past year, and I have heard similar reports from other Israelis conducting conversations with Palestinians. For an Israeli expression of the feeling of having missed opportunities for peace, see Yossi Beilin, "Welcome to the Peace Plan," *Midstream*, November 1993, pp. 3-4. This was a speech before the Conference of Presidents of Major Jewish Organizations and may be taken as a statement of Israeli government perceptions. In the course of this brief speech, Deputy Foreign Minister Beilin turned twice to the theme of missed opportunity and referred to books written on this theme by Gad Yaacobi, Israel's ambassador to the United Nations, and Itamar Rabinovich, Israel's ambassador to the United States and head of Israel's negotiating team with the Syrians.

19. See the comments in "The Gamble," *New Republic*, September 20 and 27, 1993, p. 7. In 1990, 189,759 Jews came to Israel from what had become the former Soviet Union; in 1991, 145,005; in 1992, 67,442; in 1993, 69,191. (Statistics: Consulate of Israel, New York City, "News Bulletin on Jews in the CIS and Baltic States," January 10, 1994, and National Conference on Soviet Jewry Research Report, January 1993).

20. For observations on the influence of social change in bringing the Israeli society to accept negotiation with the PLO, see Michael B. Oren, *Special Report: Israel-Palestinian Peace* (Jerusalem: American Jewish Committee, 1993); Fuad Ajami, "The Other Side of a Dream," *U.S. News and World Report*, September 13, 1993, pp. 10-11, and "Survey of Israel," *Economist* (London), January 22, 1994, p. 4.

21. See Ajami, "The Other Side of a Dream."

22. Avraham Diskin, *Habkhirot Laknesset Hashlosh Esray* (The elections to the Thirteenth Knesset) (Jerusalem: Jerusalem Institute for Israel Studies, 1993), p. 45, noted that among Likud supporters and residents of impoverished neighborhoods, in both of which the concentration of Israelis of Sephardi origin is considerable, there was nevertheless a dominantly positive response to the question, "Do you believe that the government should devote more resources to the absorption of immigrants from Russia?"

23. The eagerness of the Israeli public to enjoy "the good life" was emphasized by Ajami, "The Other Side of a Dream," Oren, "Special Report," and Shohat, "The People Are for 'Topaz.'"

24. Diskin, *Habkhirot*, p. 39, showed that in 1992, Likud received 23 percent of the vote of those born in countries of Asia or Africa as compared with 28 percent in 1988. Of native-born Israelis whose fathers were born in Asia or Africa, Likud received 33 percent instead of 50 percent. In addition, on pp. 30-31, Diskin demonstrated that in three centers of Sephardi population, support of the Likud dropped back to the pre-1977 level.

25. A poll conducted by the Jerusalem Guttman Institute for Applied Social Research just before the signing of the "Declaration of Principles" showed 81 percent of Israelis supporting the plan as it applied to Gaza, 59 percent supporting its application to Jericho, and only 50 percent supporting its extension to other areas of the West Bank. At this time, 57 percent were in favor of giving back some territory on the Golan Heights, though only 5 percent agreed to give back all of the Golan. See *JTA Bulletin*, New York, September 13, 1993·

26. Gideon Doron, "Labor's Return to Power in Israel," *Current History*, no. 1 (January 1993), p. 30, wrote that 6-10 percent of Likud voters shifted to Labor. Diskin, *Habkhirot*, p. 5, wrote that Likud support dropped from 31.9 percent to 24.9 percent.

27. See the poll conducted by Mina Zemach of the "Dahaf" Public Opinion Polling Group in Tel Aviv, as quoted in Clyde Haberman, "Cabinet in Israel Backs Autonomy for Palestinians," *New York Times*, August 31, 1993, pp. A1, A10.

28. *Yediot Aharonot*, January 18, 1994, reported that a recent opinion poll found a return to 51 percent in favor of continuing the negotiations with the PLO, with only 30 percent opposed. It may be proposed that Rabin's firm insistence on security arrangements and his willingness to make the beginnings of implementation conditional on such arrangements made an impression on those waverers who are the balance of public opinion.

29. Rashid Khalidi, "Blind Curves and Detours on the Road to Self-Rule," *New York Times*, September 14, 1993.

5

Israel and the Palestinians: From Madrid to Oslo and Beyond

HELENA COBBAN

Without a doubt, the most momentous development during Prime Minister Yitzhak Rabin's first eighteen months in office was the signing, on the White House lawn on September 13, 1993, of the Israeli-Palestinian Declaration of Principles on Interim Self-Government Arrangements (DOP). With this declaration and the earlier exchange of letters signifying the mutual recognition between the Palestine Liberation Organization (PLO) and the government of Israel, an entirely new set of opportunities presented itself for the resolution of the century-long conflict between Jewish Israelis and Palestinians Arabs in the Holy Land.

The September 13 ceremony did not occur in a vacuum. Indeed, the twenty-three months that passed between the October 1991 opening of the Madrid peace conference and the signing ceremony were filled with dramatic ups and downs in the Israeli-Palestinian talks launched in Madrid. However, the September 13 ceremony had one feature very different from the eleven rounds of "official" Israeli Palestinian talks that had preceded it: the direct participation, at the very highest level, of the PLO. Other important differences between the previous "official" talks and the process that led to the signing ceremony were that the Israeli-PLO talks were not, during any of their substantive phases, pursued under the sponsorship of the United States and that the Israeli-PLO talks succeeded in eight months of negotiations to produce the kind of authoritative political agreement that the twenty-three months of "official" talks did not come close to achieving. That is, they worked.

In this chapter I seek to describe some of the antecedents of the September 13 agreement, both in and beyond the continuing rounds of "official" talks and to examine the importance of the DOP within the broader historical perspective of the long-fought conflict in the Holy Land.

The Israeli-Palestinian Environment from Madrid to the June 1992 Israeli Elections

The "official" Israeli-Palestinian negotiations opened November 3, 1991, in Madrid, four days after the grand opening in that city of the broad-based, U.S.-sponsored Arab-Israeli peace conference. The Israeli-Palestinian talks were held under a slightly clumsy "split-bilateral" formula, according to which they were deemed a subset of a trilateral Israeli-Jordanian-Palestinian "track."

The decision of the PLO leadership to form a delegation to participate in the talks was extremely controversial both at the elite level and among the rank and file. Critics argued that the PLO had made an unacceptable number of concessions up front in the process in order to get into

the room, to participate in talks that offered no guarantee of winning any of the Palestinians' essential demands— for an end to the occupation of all of Gaza and the West Bank (including East Jerusalem); the establishment of a Palestinian state; return or compensation for all the Palestinian refugees, and so on. The concessions that they pointed to included both the fact that final-status issues were explicitly blocked from the first round of discussions and the rigid exclusion from the talks of any individuals deemed by the Americans or Israelis to be part of the Palestinians' own, self-chosen national leadership, the PLO. Instead, the conditions imposed by the American sponsors of the talks and agreed to by the PLO leadership sanctioned the participation inside the negotiating room of only those Palestinians who were residents of the West Bank or Gaza—but not of Jerusalem—who had no formal connections with the PLO, and who had not been deported from the occupied areas for their political activities. It is worth noting that, despite these strictures, all members of the Palestinian negotiating team continued to reiterate their loyalty to the PLO throughout their participation in the talks. In a very real sense, they knew that their mandate to participate came much more from the PLO leadership in Tunis than it did from their neighbors in the occupied territories.

For those Palestinians in the political elite and at the more popular level who supported the talks, the opening of the talks themselves, with the inclusion of Pal estinian issues on the agenda, even as part of a trilateral Israeli-Jordanian-Palestinian track, signified a welcome change in the status quo. These pro-Madrid Palestinians, moreover, felt that the very fact that officially designated representatives of the government of Israel would sit down in direct negotiations with a group described as a "Palestinian delegation" was an important achievement, in light of their long-standing perception that government leaders in Israel preferred to deny the reality of any such identity group as "Palestinians." (That denial had been most memorably—for Palestinians —voiced by Prime Minister Golda Meir in her 1969 declaration: "It was not as though there was a Palestinian people ... and we came and threw them out and took their country away from them. They did not exist.")[1] Over the years since 1969, many of Meir's successors in the leadership of the Labor Alignment had come, certainly, to revise her somewhat arbitrary judgment. But throughout the years of Likud dominance of the Israeli government, Palestinians had continually been reminded of those governments' denials of Palestinian identity, as, for example, in the use of the term "Arab residents of Judea and Samaria" to describe Palestinians living in what they themselves considered to be part of their own ancestral homeland in the West Bank. The fact that representatives of a Likud government, in particular, were now sitting down with a "Palestinian delegation" made this aspect of the talks even sweeter for the Palestinians who supported the talks.[2]

The Palestinians in the occupied territories at first seemed overwhelmingly to favor the Palestinian team's participation in the Madrid process. They greeted the opening of the peace conference with a massive outpouring of popular support. Delegates returning to Gaza or the West Bank from Madrid were mobbed by crowds waving olive branches who blocked their route home for hours on end. However, as I indicated elsewhere, under the extreme deprivations that the Palestinians in the occupied territories experienced during the years of the Intifada, Palestinian public opinion had shown a tendency to extreme volatility. Indeed, I warned specifically that if the Palestinian negotiators in the official talks that started in 1991 continued to be incapable of realizing tangible gains for their people, popular opposition to their engagement in the process might increase as rapidly as it had to the PLO's earlier foray into U.S.-oriented diplomacy, in 1988 1989.[3] Within a few weeks of November 1991, this proved, indeed, to be the case: The Palestinians living under occupation saw the conditions of their own daily life continue

to worsen, with no end of the occupation in sight, and the feeling grew rapidly that the concerns that critics had voiced about the Palestinian leadership's decision to enter the talks were well founded.

Under these circumstances, criticism of the Madrid-launched process and of Yasser Arafat's leadership of the PLO mounted rapidly among both the Palestinians resident in the territories and those outside. The almost inevitable result of this disillusionment was a steady rise in the popular support of the Islamic Resistance Movement (Hamas), and of those groups in the secular-nationalist portion of the Palestinian political spectrum, like the Popular Front for the Liberation of Palestine (PFLP), which voiced mounting opposition to the PLO's support of the Madrid process. By the early summer of 1992, the extreme demoralization of many members of the negotiating team had become evident. "How can we keep going to Washington for these meaningless talks, and then go back and justify our participation to our neighbors living with us under occupation?" one delegation member asked in despair.[4] Meanwhile, political activists of many different formal group allegiances within the occupied territories were resurrecting old arguments about the utility of the use of violence, with new voices arguing, "The Israelis moved out of south Lebanon pretty quickly when the south Lebanese took up arms against them, but what have we got for all of our decades of more passive resistance?"[5]

Along the way, however, the Palestinians' continued participation in the talks contributed to the decision of two small right-wing Israeli parties, Tehiya and Moledet, to pull out of the Likud-dominated coalition in January 1992 and thus to Prime Minister Shamir's decision to call elections later that year. These elections provoked, not surprisingly, their own debates within Palestinian communities everywhere. By and large, most supporters of the Madrid-launched process quietly favored a Labor victory. They all, including Arafat, felt extremely frustrated that the successive rounds of the bilateral negotiations (which moved to Washington from Round 2 on) were producing no tangible difference at all in the political environment or even in the conditions of daily life in the occupied territories, where Israeli actions such as detention without trial, imposition of extremely punishing curfews, or blocks to labor mobility continued as before.

These pro-Madrid Palestinians had some rather good reasons to believe that a Labor victory might bring into office in Israel a government that would be more forthcoming in the peace talks and that thereby would help them to shore up their own eroding political stature within their own community. Throughout the preceding five years or more, many pro-Madrid members of the Palestinian elite had been engaged in an intensive, multifaceted form of citizen diplomacy with many of the individuals who at the time of the elections looked well placed in the ranks of Labor and of Meretz, which seemed to be its natural coalition partner. Through these contacts, Nabil Shaath, Ahmed Khalidi, Leila Shahid, and dozens of other pro-Madrid Palestinians had built up good working relationships with Israelis, such as Labor list members Efraim Sneh and Yossi Beilin and Meretz leaders Yossi Sarid and Naomi Chazan. In various Israeli-Palestinian gatherings sponsored by a plethora of European and American nongovernmental groups, contacts between such individuals had succeeded in establishing a fairly sound evaluation on each side of the location and nature of the other side's extreme sensitivities. They had also discovered potential joint interests and a workable common language, including a set of common approaches toward resolving the many issues in the conflict between their two peoples.

However, the pro-Madrid Palestinians were not able to come out and express open support for a Labor victory in June. The Labor leadership signaled quite effectively that it would not welcome such a step. In addition, from inside Palestinian ranks, there were still plenty of Palestinians who could not identify a clear distinction between the effects of Labor and Likud

policies. These Palestinians pointed out that the whole effort to settle Jewish Israelis inside the territories occupied in 1967 had been first launched by the Labor-led governments of the late 1960s and early 1970s. And many Palestinians inside the occupied territories judged that the human rights abuses they were subject to under Labor defense ministers were actually more extreme than those they suffered under Likud ministers. Thus, also in domestic circles, expressing support for a Labor victory would not have been a totally popular step for the pro-Madrid Palestinians to take. Despite these constrictions, there are indications that the Arafat leadership attempted to keep the situation in the occupied territories as calm as possible in the period preceding the June 23 Israeli elections, in order to decrease the chances that intercommunal violence might sway the Israeli electorate toward radical-nationalist parties, as it appeared to have done just before the 1988 elections.

The Israeli-Palestinian Environment and the Official Talks in Rabin's First Year

With Labor's victory in the June elections, the hopes of the pro-Madrid Palestinians soared that, at last, after eight months of frustration, there would be some progress in the official peace talks. Members of the Tunis-based leadership of the PLO were hopeful, moreover, that their own long period of exclusion from the official diplomacy could now come to an end. One member of the PLO Executive Committee informed me in early August 1992 that he was confident that "very soon indeed" he would be engaged in "ministerial-level" meetings with counterparts from Israel.[6]

Within days after the formation of his first government in August, however, Rabin seemed to be dashing such hopes as these. On August 24, 1992, negotiators met in Washington for the sixth round of the "bilateral" talks. Rabin seemed to signal a clear break from the policy of his predecessor on the Syrian track by replacing Shamir's chief negotiator there, Yossi Ben-Aharon, with his own chief negotiator and longtime tennis partner, Itamar Rabinovich (who later became his ambassador to the United States). On the Palestinian-Jordanian track, no such personnel change was forthcoming; Shamir's nominee Elyakim Rubinstein was kept on as head of this Israeli delegation until January 1993.

August brought further discouraging news for the pro-Madrid Palestinians from two other directions. On August 13, Secretary of State James D. Baker III was named chief of staff in the Bush White House, as the president launched a last-ditch (and unsuccessful) effort to organize a winning election campaign. The removal of both Baker and his key assistant, Ambassador Dennis Ross, from direct personal supervision of the Arab-Israeli talks made all the Arab participants extremely nervous, since they had relied on a strong and well-informed American role in the talks to help to balance their own perceived weakness vis-à-vis the Israelis: Now it looked as though the administration was determinedly turning its attention inward, to domestic political concerns. The second development in August that disturbed the Palestinians was that the Syrians responded to all the other changes in the negotiating environment by making what for them was a remarkable gesture toward increased engagement in the process. In Round 6 of the talks, the Syrians volunteered their own draft of a "declaration of principles" for the Israeli-Syrian talks. This move certainly piqued the interest of Rabin and Rabinovich, who then agreed to use this Syrian draft as the starting point for their negotiations on this "declaration." For many pro-Madrid Palestinians, this development posed what looked like an additional element of threat

in an already-precarious negotiating environment, since it appeared to signal the possibility of a separate Syrian-Israeli "deal" that would have weakened the Palestinian bargaining position.

Nor did the Rabin government's early moves within the occupied territories build any new Palestinian confidence—rather, the opposite. Rabin kept for himself the defense portfolio. Palestinians resident in the territories retained vivid memories of his previous tenure in this role in 1984-1990, when he introduced what Israeli critics dubbed the "Iron Fist" policies of harsh punishment (which helped to set the stage for the onset of the Intifada in 1987). This time, too, there were few surprises. Rabin resumed the practice of deporting suspected political activists, a practice that had fallen into virtual disuse under Likud defense ministers; and he introduced a new practice of firing rockets into any structures, including family homes, in which individuals suspected of terrorism were thought to be hiding. (Israeli government spokespersons stated that this was done to save the lives of Israeli soldiers who had been endangered by room-to-room searches for suspected terrorists.) In his role as defense minister, indeed, Rabin seemed to have absorbed none of the lessons—arrived at over the preceding years by some of his country's most thoughtful political commentators—about the real links that exist between the security situation in which Palestinians were living in the territories and the political balance within the Palestinian community. Rabin's tactics inside the occupied areas only further fueled the growth of Palestinian radicalism. A rapidly escalating spiral of violence was thus pushed into motion in the territories, spilling over into an increased incidence of stabbings by Palestinian extremists against Jewish Israeli citizens inside Israel. This escalatory spiral culminated in Rabin's extraordinary decision on December 17 to deport from the West Bank and Gaza over 400 Palestinians suspected of involvement in Hamas.[7]

The deportations were carried out in an extremely inept way. Lists of deportees contained numerous misidentifications. Because Rabin insisted on deporting so large a group, and because the weather was so inclement, the IDF could not follow its "usual" procedure of loading the deportees into helicopters and disembarking them in the no-man's-land north of the Israeli-controlled zone in southern Lebanon. Instead, they had to be loaded into buses, which gave Israeli human rights lawyers time to file a Supreme Court suit that successfully held up the deportation for twenty-four hours. And when the buses reached the edge of the no man's-land, Lebanese army forces were there to prevent the deportees from going any further into Lebanon. Generally delighted to be thus blocked, the deportees set up a makeshift camp in the hills where they alighted. From the camp they posed a stark challenge to the conscience of many human rights advocates world-wide—and a potent reminder to Palestinians everywhere that the long-standing national trauma of the "transfer" of the Palestinian population away from its homeland remained an ever-present threat. Under these circumstances, and given the continued stalemate in the bilateral talks with Israel, the influence of Hamas rose further among Palestinians. And the influence of the PLO, whose continued participation in the peace talks had failed to prevent this mass expulsion, continued to wane.

Meanwhile, the interregnum in Washington between the lame-duck Bush presidency and the incoming Clinton administration meant that for a crucial period—basically the six months between Secretary Baker's departure from the State Department in August 1992 and the trip that his successor, Warren Christopher, made to the Middle East in February 1993—the U.S. side was taking no initiatives whatsoever in the peace process. This feeling of drift in the peace talks also powerfully contributed to the rise of the extremists' support in Palestinian ranks. By late February 1993, the security situation for the Israelis had worsened to the point that Rabin decided on another draconian punishment: On March 1, the IDF sealed off the Gaza Strip,

forbidding any travel between the strip and Israel to nearly all Palestinians (but not to the Israeli settlers there). On March 30, the cabinet decided to seal off the entire West Bank (except East Jerusalem) as well.[8] The death toll for March from the intercommunal violence in the areas under Israel's control came to fifteen Israelis and thirty Palestinians.

In March, too, Prime Minister Rabin made a return visit to Washington, this time becoming the first head of a Middle Eastern state or government to confer in person with President Clinton. Palestinians watched closely to see how Clinton would deal with the deportee issue during the visit. Intentionally or otherwise, the new president sent a strong (and very negative) message to the Palestinians on this score when he reported that this issue had not even come up in his discussions with Rabin. Instead, Rabin did hold talks on the issue with Secretary Christopher. The two of them decided to implement the decision reached during Christopher's Middle East trip in February, a formula for the phased return of the deportees over a one-year period, which bypassed the whole process through which many members of the UN Security Council were trying to win implementation of the council's fairly strong resolutions demanding the immediate return of all the deportees.

Round 9 of the Israeli-Palestinian talks opened in Washington on April 27, with a much-reduced Palestinian delegation taking part. (The majority of delegation members warned privately that they now felt they could not return to face their neighbors at all after participating in yet another fruitless round of talks at such a tense time.) A small quid pro quo for those Palestinians who made the very difficult decision to attend was forthcoming three days later, when fifteen of the hundreds of pro-PLO people who had been deported from the occupied territories throughout the twenty-six years of Israeli occupation were allowed to return.

In the course of this ninth round of talks, the two official delegations exchanged drafts, in this fairly public forum, of a "Declaration of Principles" or "Statement of Principles" between them. First, on May 6, the Israelis presented what was described (on paper) as a "Non-Paper, Informal Draft" for an agreed-upon statement of principles to govern the establishment of what they called an ISGA (Interim Self-Governing Authority). Two days later, the Palestinians produced a short "Draft Proposal for a Declaration of Principles" for what they strongly insisted on calling the PISGA (Palestinian Interim Self-Governing Authority). In these draft documents, as in all previous rounds of the verbal interaction, one of the main sticking points was the issue of the nature and extent of the jurisdiction of the self-governing authority.

On May 12, the Clinton administration finally looked as though it was assuming the role of "full partner" that the president had promised it would play in the talks when the State Department came up with its version of a compromise document. However, if production of this document was intended to build confidence among Palestinian negotiators who had long sought a more active U.S. role, it backfired quite seriously. Palestinians close to the team judged that the way the American paper was produced—which involved prior consultation on it with the Israelis but no serious analogous consultation with the Palestinians and a very last minute timing, on the eve of the breakup of that round of talks—signaled a considerable lack of goodwill toward themselves. This impression was strengthened when they examined the content of the American text, which some advisers to the Palestinian team judged to be even less favorable to their interests than the Israeli text.[9]

Round 10 of the bilateral talks opened in Washington in the middle of June— once again, with a sharply reduced Palestinian participation. Indeed, the delegation's veteran head, Gaza physician Haidar Abdel-Shafei, and its new head, Faisal Husseini, were reportedly persuaded to attend—after the intense humiliation they felt they had suffered in May—only when Yasser Arafat met

personally with them in Amman and urged or ordered them to take part. Nothing very noteworthy came out of Round 10, and there is a distinct possibility that the Israeli-Palestinian negotiations might have languished in that limbo for many months had not other dramatic developments intervened from outside the closed and sterile world of the State Department talks.

The first of these developments was a rapid escalation of fighting that occurred in Lebanon throughout the month of July. The frontier between Israel's self-established "security zone" inside south Lebanon and the area to its north had long been unsettled. In July, the situation there deteriorated further with increased Hezbollah attacks on Israeli troops and Israeli retaliatory attacks against Hezbollah positions, until Hezbollah militiamen started firing rockets over the "security zone," into Israel itself. Rabin's cabinet responded by ordering a massive bombardment of the whole of south Lebanon, along with a limited incursion of ground forces. The prime minister declared openly that the intention of the action was to inflict such heavy damage on the people of south Lebanon that they would mount pressure to curb Hezbollah. As it was, the bombardment killed 128 residents of the affected areas, of whom 119 were civilians. Thousands more Lebanese were wounded, and the government reported that 10,000 houses were destroyed.

Secretary of State Warren Christopher was undertaking a round of visits to the Middle East during this period. His mission became transformed into a type of shuttle diplomacy between Israel, Syria, and Lebanon. In the course of it, he was able to conclude an agreement among the three governments, under which the governments of Syria and Lebanon would use their good offices to prevail on Hezbollah not to launch attacks into Israel, in return for Israeli agreement not to bomb areas north of its security zone.

The effects of this agreement on Lebanon and on the Israeli-Syrian negotiating track cannot be adequately addressed here. Regarding the Israeli-Palestinian track, one of the effects that was most evident to many Palestinians at the time was that Israeli and American attention seemed to have shifted once again away from the Israeli-Palestinian negotiations and back to the Israeli-Syrian track. Officials in Israel and the United States were eager to point out that when the Israeli armor moved north from the security zone, little attention was paid any more to the deportees camped out on a hillside there. These officials were also eager to point out that Syria's President Assad had proven through this shuttle diplomacy that he was "a man you can do business with." These officials voiced increasing frustration that, by contrast, the Palestinians seemed unable to coordinate their negotiating position effectively.

Problems in intra-Palestinian coordination were indeed extremely evident during Secretary Christopher's early August visit to the Middle East. While in Jerusalem, he and his advisers made a point of meeting with the remaining members of the Palestinian negotiating team. In preparation for this encounter, the Palestinian negotiators consulted, as usual, with the PLO chairman in Tunis on the wording for a new Palestinian document to be presented to the U.S. secretary of state. Arafat produced one such text, titled "Framework of Areas of Emerging Agreement." However, when Faisal Husseini saw this text, he and the other delegation members felt it made an unacceptable number of concessions on points they considered fundamental to the Palestinians' interests. They refused to present it to the Americans and pleaded with Arafat for a text with fewer concessions. (Arafat also reportedly transmitted this text to Egyptian President Hosni Mubarak, who tried to hand it to the secretary. But the U.S. side refused to accept any Palestinian text that was not presented by the "official" Palestinian delegation.) Arafat and the delegation members, after intense debate, succeeded in drafting a second Palestinian text that was—just about—mutually acceptable. Husseini then proceeded to present the second text to Christopher.

There were twelve, relatively small, changes made in the text between these two versions. Some of these appeared to have little substantive impact. But a number of others did denote a clear change in the Palestinian side's negotiating stance. For example, Arafat's first draft was headed by a preamble that stated, "The following principles and/or areas of emerging agreement could be included in the completed Declaration of Principles, subject to agreement on the full Declaration." That statement, which might imply a degree of tentativeness in the Palestinian team's adherence to the principles concerned, was dropped completely from the second draft. The first draft said, "Once negotiations on permanent status begin, each side can raise whatever issue it wants." In the second draft, this principle was stated more broadly: "In negotiations, each side can ...," implying that this would be allowed during either the first set of negotiations, on the transitional arrangements, or the later, final-status negotiations. The first draft stated, "The agenda for the final-status negotiations should include the final status of Jerusalem." The second draft asserted this far more forcefully: "... will include." The first draft said that the process of transferring power to the Palestinians during the transitional phase "should also put an end to the confrontation between Israelis and Palestinians." In the second draft, this was stated as, "should also pave the way to put an end to the confrontation. ..."[10]

The nature of the differences between these two drafts indicated clearly that there were real differences of opinion between Arafat and the "official" Palestinian negotiators on matters of substance, with Arafat urging a significantly more flexible policy than the "official" negotiators. However, the State Department had long based its policy on the premise that Palestinians from "inside" the occupied territories would be more moderate and were anyway the department's preferred participants in the talks. So State Department spokespersons systematically (though not very successfully) tried to downplay the substantive aspects of this intra-Palestinian disagreement.

The intra-Palestinian debate on the wording of the August paper came amid a huge crisis within the Palestinian leadership: The breakdown of confidence between the Tunis-based PLO leadership and the remaining members of the negotiating team was only one dimension of this broader crisis. It was noted above that in June 1993 the Palestinian negotiators returned to Washington to take part in Round 10 of the talks only after some heavy persuasion from Arafat. At the beginning of August, as controversy swirled around the issue of the text to be handed to Secretary Christopher, Faisal Husseini, Haidar Abdel-Shafei, and Hanan Ashrawi submitted to Arafat their resignations from the negotiating team. According to a newspaper report, the minutes of a meeting that Abdel-Shafei and Husseini held with five of the delegation's original members in Jerusalem on August 7 revealed a huge distrust of the Arafat leadership. "We are willing to stand trial if a national trial of the leadership in Tunis is conducted," the very moderate Mamdouh al-Aker was reported as saying, "because it has abandoned the fixed national principles, violated national consensus, and lost its legitimacy." Faisal Husseini, a longtime member of the organizational structure of Arafat's Fatah movement, reportedly declared, "This leadership must be toppled, because it is impotent."[11]

The leadership crisis that grew within the Palestinian movement in the summer of 1993 had many other dimensions also. Hamas continued to gain influence at the expense of the PLO's twenty-five-year secular-nationalist leaders—both inside and outside the Palestinians' homeland. Within the PLO's traditional constellation, more-polarized positions than had been heard for two decades were being voiced by non-Fatah groups like the Popular Front for the Liberation of Palestine and the Democratic Front for the Liberation of Palestine. And within Fatah itself, there were ominous signs of new splits and internal breakdowns more serious than anything the

movement had experienced since 1983. Many familiar criticisms were being leveled against Arafat's leadership: that it had "sold out" the national cause; that the leaders led extravagant lifestyles while doing nothing to support the patriots suffering real injuries for the nationalist cause; that Arafat was acting with unacceptable unilateralism, and so on.

Throughout the crisis that was besetting the Palestinian leadership from many directions, Arafat and his colleagues were—unbeknownst to all their Palestinians critics—coming near to the endgame on a secret negotiation that would revolutionize the terms of Israeli-Palestinian engagement. But before the results of that negotiation were revealed to the world at the end of August, it seemed to many that Arafat's quarter-century tenure as head of the Palestinian nation might be coming to an untidy and unpredictable end.

The Oslo Negotiations

Since 1974, the Palestinian National Council (PNC) had authorized the PLO leadership to attempt to make contacts among Israelis, and the man delegated to pursue this task was the soft-spoken PLO Executive Committee member Mahmud Abbas (Abu Mazen). At the beginning, Abbas's mandate was very narrow: He was authorized to make contact with "anti-Zionist" Jewish Israelis.[12] Gradually, that mandate was broadened to include "non-Zionist Israelis." In subsequent broadenings, it then came to include any Israelis who supported the establishment of a Palestinian state and, then, any influential Israelis at all, regardless of ideology. By the time an official Israeli delegation sat down with an official Palestinian delegation in Madrid, in October 1991, an impressive network of "citizen diplomacy" contacts had been built up between the two communities, as noted above. In addition to Abbas's sustained and systematic outreach efforts over the years, Arafat frequently also used special emissaries, whether Palestinian or otherwise, in order to probe and reach out to Israelis judged influential.[13]

In June 1992, as noted above, the possibility of direct ministerial-level contacts with counterparts from Israel's new Labor-led government seemed to be real to many in Tunis. However, some early probes to well-connected Israelis revealed that Rabin was not about to take any such step. The various citizen-diplomacy efforts continued on their previous course, still separate from the "official" contacts, which were limited to the interactions between the two delegations in the Washington talks. Rabin even eschewed the opportunity that presumably always existed for him, to communicate directly with the senior Palestinian personality in the occupied territories, Faisal Husseini.

Meanwhile, an opportunity for a unique kind of "quasi-citizen diplomacy" presented itself through a Norwegian channel. Researchers from the Norwegian Institute for Applied Social Science (FAFO) had been conducting a wide-ranging survey of social needs in Gaza, and in April 1992, FAFO Director-General Terje Rod Larsen had presented its results to, among others, Israeli Labor Member of Knesset (MK) Yossi Beilin. It seems that in that conversation, Larsen also voiced his opinion that the peace process had to succeed if the deterioration in the economic and social situation in the occupied territories was to be reversed, that the "official" Israeli-Palestinian talks in Washington seemed unlikely to produce a breakthrough, and that it might be worth exploring an alternative channel to link the Israeli government more directly with the PLO leadership. When Rabin appointed his first government, Beilin was named as deputy to his longtime political mentor, Foreign Minister Shimon Peres. After consultations with Norway's

deputy defense minister, Johan Jorgen Holst, Larsen returned to Israel to meet with Beilin again. He urged Beilin to explore the establishment of a back channel to Tunis and offered Norway's help in establishing such a channel. Beilin, as he had done during the April meeting, suggested that Larsen keep in touch with a Haifa University history professor, Ya'ir Hirschfeld. In September, Larsen again returned to Israel, this time accompanied by Deputy Foreign Minister Jan Egeland. They met with Beilin and Hirschfeld, and it was agreed that, for the moment, Hirschfeld would be the principal Israeli involved in setting up this channel. (Until the Labor government succeeded in changing the law in Israel in January 1993, it was illegal for any Israeli to meet with a PLO member.)[14]

In December, Hirschfeld held his first meeting with a senior PLO figure, Ahmed Sulaiman al-Krai (Abu-Alaa), the head of the PLO's social rehabilitation organization, Samed (steadfastness), and a longtime member of Fatah's ruling Central Committee. This meeting, at a hotel in London, was organized by Larsen. After the meeting, Hirschfeld and Krai reported back to their respective principals (Beilin and Arafat); they then met again to agree to set up a series of meetings in Norway to explore wording for a joint Declaration of Principles. The first three of these meetings were held between January and April 1993. They involved, on the Israeli side, only Hirschfeld and his research associate, Ron Pundak. Krai continued to be the lead PLO negotiator.[15] At that stage, according to Hoist, the talks were still all conducted under a "rule of deniability if the stories should leak or the talks ended in failure."[16] It soon seemed clear that additional legal and governmental expertise was needed in the talks. The Israeli team was therefore strengthened from May on by the addition of Uri Savir, the director-general of the Foreign Ministry, and ministry legal expert Yoel Zinger. Krai also brought in additional legal expertise at this time.

The Israeli decision to send Savir and Zinger upgraded the government's commitment to the channel. Most important, the decision to include government officials Savir and Zinger in the Norway talks signaled a clear decision by Rabin as well as Peres to endorse the channel. Deniability was being rapidly eroded, though the degree of secrecy in which the talks were shrouded was effectively maintained through numerous clever stratagems in which the Norwegians were also involved. The big fear of all participants was that news of the channel might somehow leak to the press before the discussions were complete—a circumstance that most considered would abort any possible agreement. Part of the "deception" effort involved not countering an impression widespread in Israel during early 1993 that Peres, though he was foreign minister, was "out of the loop" on many aspects of Israel's negotiations with the Arab parties—though he was, indeed, the principal handler for the most crucial of these negotiations.

The Norway talks continued through eleven more sessions between May and August. Gradually, the combination of the commitment that each side brought to the channel and the skillful moderating role played by the small circle of Norwegian facilitators headed by Hoist (who had become his country's foreign minister) brought the two parties closer to agreement.[17] One crucial stage in this process occurred when Holst and his wife, Middle East expert Marianne Heiberg, visited Israel and Tunisia with Larsen and his wife (who worked with Hoist), in June and July 1993. In face-to-face meetings in these countries, Hoist was able to assess the seriousness and commitment to the Oslo process that was shown by both Shimon Peres and Yasser Arafat. He was thereby convinced that the process could be completed in timely fashion. July brought further enormous difficulties, including an apparently deep crisis of conscience experienced by Krai, who expressed a determination to quit the whole process, and news of the effects on Palestinians as well as Lebanese in Lebanon of the extensive Israeli air strikes against

that country. Despite these problems, the talks edged closer to agreement. The Israeli side, after some initial reluctance, agreed to include the West Bank toehold of "Jericho" (however defined), along with the Gaza Strip, in the area from which Israel would enact the speediest withdrawal. But the Israelis refused to allow any possibility for change of the status of Jerusalem during the transitional phase: an extremely hard condition for the Palestinian side to accept.

By mid-August, the wording of the DOP and its annexes was virtually agreed upon, with differences continuing only on the wording that dealt with half a dozen extremely critical issues. On August 17, Peres was on a state visit to Sweden. He contacted Hoist with some urgency, saying he feared that news of the Oslo channel was about to leak, and that it was imperative that the remaining points of disagreement be eliminated within twenty-four hours. He asked Hoist to join him in Sweden that night, to help him to achieve this. The final wording of the agreement was then agreed upon in a mammoth eight-hour negotiating session conducted over a phone line unwittingly supplied by the Swedish government, between Hoist, sitting in a room next to that of Peres, and Yasser Arafat and his top lieutenants, who had gathered around a telephone in Tunis in response to Hoist's and Peres's urging. Two nights later, the two men who would later sign the DOP in Washington, Peres and Mahmud Abbas, joined Hoist's secretary in Oslo, and on a historic table furnished by the Norwegians, Savir and Krai initialed their respective sides' preliminary agreement to the DOP.

On August 27, Holst and Peres flew together to California, where they gave Secretary Christopher a full briefing on the achievements of the Oslo channel. Hoist had kept the State Department informed about the existence of the channel since May, when it had become more authoritative on the Israeli side. But for months, few U.S. officials seemed to take the channel seriously. At the top levels of the Clinton administration, there remained a strong distaste toward the idea of any contacts with the PLO; and the impression that Peres was "out of the loop," which had served the channel's general deception effort so well, contributed to some of the Americans' undervaluing of what was being forged in Norway. Once fully informed by Peres, however, the U.S. administration swung fully behind the negotiated DOP and behind the idea of treating the PLO as the authoritative Palestinian interlocutor.

There remained, for Rabin, the sensitive question of finding a formula through which he could accord formal recognition to the PLO as an interlocutor. The Norwegians helped to broker this agreement also through meetings they organized in London and Paris. On September 9, it was Hoist himself who traveled to Tunis to receive the signed copies of the two letters required from Arafat under this agreement. One of these letters was addressed to "Yitzhak Rabin, Prime Minister of Israel." It stated directly, "The PLO recognizes the right of the State of Israel to exist in peace and security." It reaffirmed that the PLO accepted Security Council Resolutions 242 and 338 and stated, "The PLO renounces the use of terrorism and other acts of violence and will assume responsibility over all PLO elements and personnel in order to assure their compliance, prevent violations and discipline violators." It also affirmed that "those articles of the Palestinian Covenant which deny Israel's right to exist, and the provisions of the Covenant which are inconsistent with the commitments of this letter are now inoperative and no longer valid." The second letter was a separate undertaking to Hoist, stating that "the PLO encourages and calls upon the Palestinian people in the West Bank and Gaza Strip to take part in the steps leading to the normalization of life, rejecting violence and terrorism, contributing to peace and stability and participating actively in shaping reconstruction, economic development and cooperation."[18]

On September 10, Holst secured Rabin's signature to a letter addressed to "Yasser Arafat, Chairman, The Palestinian Liberation Organization." It stated, very briefly, "In response to your

letter of September 9,1993,1 wish to confirm to you that, in light of the PLO commitments included in your letter, the Government of Israel has decided to recognize the PLO as the representative of the Palestinian people and commence negotiations with the PLO within the Middle East peace process."

What Arafat received in return for the extensive undertakings he made in his letter to Rabin was much more than this curt statement from Rabin. Once the government of Israel had recognized the PLO, there were no further barriers to Arafat's being included in the DOP signing ceremony scheduled three days later. Thus it was that, on a single day, the PLO chairman, who had been considered an outcast, a terrorist, and worse by two generations of Israelis and Americans, found himself being greeted at the White House by the president of the United States and shaking the hand of the prime minister of Israel.

The Declaration of Principles and Its Consequences

The Declaration of Principles on Interim Self-Government Arrangements (DOP), as it emerged from the Oslo channel, was a relatively brief document with seventeen articles, four annexes, and a few paragraphs of agreed minutes. The participation of the head of an economic organization as lead negotiator on the Palestinian side seems clearly to have influenced the purview of the DOP. Two entire annexes are devoted to issues of economic coordination, whereas the security aspects of the transitional phase received much less attention.

The DOP stipulated that its provisions would enter into force one month after the signing (October 13, 1993). Within two months of that date, Israeli and PLO negotiators should have completed negotiations under which Israel would "implement an accelerated and scheduled withdrawal of Israeli military forces from the Gaza Strip and Jericho area." This withdrawal should have been completed during the following four months (Annex II)—by April 13, 1994.

The DOP also established a "goal" of holding elections for a Palestinian Council, in which all residents of Gaza and the West Bank (including East Jerusalem) could participate, not later than July 13, 1994. The elections would be held "under agreed supervision and international observation, while the Palestinian police will ensure public order" (Article III). Not later than the eve of these elections, "a redeployment of Israeli military forces in the West Bank and Gaza Strip will take place," to be guided by the principle that "its military forces should be redeployed outside populated areas" (Article XIII).

As the Israeli military disengaged from administering the affairs or the Palestinian population, authority would be handed over to "authorized Palestinians" in the following fields: education and culture, health, social welfare, direct taxation, and tourism (Article VI). This transfer would be transitional, pending the establishment of the Palestinian Council after the July 1994 elections. In addition, Annex II specified that after the IDF withdrawal from the Gaza-Jericho zones, arrangements would be made "for the assumption of internal security and public order by the Palestinian police force consisting of police officers recruited locally and from abroad (holding Jordanian passports and Palestinian documents issued by Egypt)." Article VIII spelled out that after the IDF redeployment in the rest of the West Bank, "the [Palestinian] Council will establish a strong police force, while Israel will continue to carry the responsibility for defending against external threats, as well as responsibility for overall security of Israelis."

Article IV defined the area of jurisdiction of the Palestinian Council as covering "West Bank

and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations." In an Agreed Minute to this article, these issues were spelled out as comprising "Jerusalem, settlements, military locations, and Israelis."

The concept of a five-year transitional period, with negotiations over the final-status agreement not starting until the beginning of the third year of the transition, had been embedded in the Madrid process from the beginning. According to Article V of the DOP, "The five-year transitional period will begin upon the withdrawal from the Gaza Strip and Jericho area"—though it was not clear whether the clock would start ticking at the beginning or end of that four-month-long withdrawal process. Article V also spelled out the agenda for the final-status talks as comprising "Jerusalem, refugees, settlements, security arrangements, borders, relations and cooperation with other neighbors, and other issues of common interest."

The DOP was received with widespread support in Israel, where opinion polls conducted soon after the signing ceremony showed that around two-thirds of Israelis supported it. The Tel Aviv Stock Exchange boomed, with the prospect for peaceful economic growth thus apparently—and so dramatically—enhanced.

On the Palestinian side, the reception accorded the DOP was much more diverse (see Appendix 5 for Arafat's speech). Arafat himself seemed totally elated by the reception that he found in Washington, where leaders of a broad range of interests joined President Clinton in giving the longtime PLO leader a warm welcome. From Washington, Arafat flew off on an extensive series of international visits, where he tried to garner even more personal and political support as coauthor of the Oslo deal. (For his part, Rabin followed up his departure from Washington with the first public state visit by an Israeli leader to Morocco.) Inside the occupied territories, there was considerable original elation that Arafat's portrait and all the other symbols of Palestinian nationalism that had for so long been outlawed by Israel's military government could now be displayed with pride and with apparent impunity.

However, even before September 13, it was evident that there would be a considerable body of opinion within the Palestinian body politic that would consider that the terms of the DOP represented an unacceptable set of concessions on fundamental Palestinian demands and interests. Opposition to the DOP was particularly strong among two identifiable groups. Political opponents to Arafat, whether from the religious-based opposition or the secular-nationalist opposition, criticized not only the terms of the DOP but also the new prominence it gave Arafat internationally and within the Palestinian sphere. And the quarter-million-plus Palestinians in Lebanon, their formal political affiliation notwithstanding for the most part, expressed opposition to an agreement that once again postponed the crucial issue of the status of the Palestinian refugees from 1948 until a future date. Many Palestinians in Lebanon felt that their community had paid a higher sacrifice in blood and general deprivation for the survival of the Palestinian national movement than that paid by any other Palestinian community anywhere. They discovered that while they had been suffering under the Israeli attacks of July, the PLO chairman had been secretly negotiating with the Israeli government on a deal that addressed none of their basic concerns.

Over the weeks that followed September 13, a Palestinian team led by the head of the PNC's Foreign Relations Committee, longtime Fatah member Nabil Shaath, carried out the negotiations over the modalities for the Israeli withdrawal from Gaza and Jericho with an Israeli team led by General Amnon Shahak. As the December 13 deadline for the conclusion of these negotiations approached, the opposition to the DOP seemed to mount among many parts of the Palestinian movement, both inside and outside the occupied territories. Inside, Hamas and the hard-line

secular nationalists joined forces in a coalition to try to bring down the deal. Meanwhile, criticisms were voiced by Palestinian technocrats in many places about Arafat's continued reliance on a leadership style apparently based more on patronage and the rewarding of blind loyalty than on respect for the kinds of expertise that would be required to run the new entity. However, there still remained a good chance that once the Gaza-Jericho agreement had been suecessfully concluded and the IDF had started to disengage in a meaningful way from the Palestinian population in those areas, these technocrats might form the nucleus of a hope-filled new constituency for the Arafat leadership and for the remainder of the peace process.

Conclusions

The two years between the opening of the Madrid peace conference and the signing of the Israeli-Palestinian Declaration of Principles constituted a period in which both sides underwent a huge amount of learning. On the Palestinian side, those Palestinians who favored a negotiated settlement with Israel learned that the most effective way for them to attain this goal was through direct discussions with representatives of the government of Israel. The events of 1991-1993 dashed any lingering hopes these Palestinians might have had that the U.S. government would play a helpful role as a bridge between Israeli and Palestinian interests. They found that it was more effective to deal directly with the Israeli government and that an improvement in relations with the United States flowed from this, rather than vice versa. Prior to this period, only very few Palestinians had come to that conclusion.[19]

On the Israeli side, the 1991-1993 period led the majority of the Israeli public to the successive conclusions, first, that the Shamir government's policy in the peace process and in other matters was not a preferable one for their country and, second, that the PLO might well be the best partner with which Israel could conclude a negotiated settlement of the century-old Jewish-Palestinian conflict. One fairly persuasive explanation of why it was that Yitzhak Rabin, author of the "Iron Fist" policies against the Palestinians in the mid-1980s, became the first Israeli prime minister to give official recognition to the PLO was that he had become convinced of the validity of an argument long used by Israeli President Ezer Weizman, that unless Israel dealt with the PLO, it would have no one left to deal with on the Palestinian issue but Hamas.[20] In any case, it became clear to the Israelis long before it became clear to the U.S. government that dealing directly with the PLO leadership would be more effective a negotiating strategy than continuing to try to work through the hard-pressed members of the "official" Palestinian negotiating team.

If implementation of the DOP could proceed with something closely approaching the pace agreed upon therein, then there would be remarkable new chances for the terms of the Palestinian-Israeli interaction to be irreversibly changed over a broad range of issues. Of course, the toughest issues—Jerusalem, borders, settlements, refugees—had still been left to the final-status discussions. But addressing these issues in a climate of established cooperation and growing trust should be considerably easier than attempting to do so with the two sides still engaged in a damaging hand-to-hand battle for control of the streets of towns and villages of the occupied territories. In this sense, the DOP was almost exactly analogous to the disengagement agreements with which Egypt and Syria had long ago prefaced any attempt at negotiating final-status issues with Israel. In the Palestinian case, however, the disengagement would not be

between two armies as such but rather between the army of one side and a considerable portion of the civilian population of the other.

From this point of view, the loud criticisms heard from Damascus that the PLO had broken an inter-Arab consensus by holding its secret negotiations for the DOP could easily be countered by the Palestinians with a reminder that Syria, too, had negotiated its own disengagement agreement with Israel unilaterally, back in 1974. The point when real coordination between these two pivotal Arab participants in the peace talks would be crucial would come when the Palestinians, in early 1996, would join the Syrians in discussing final-status issues with Israel. However, as of the end of 1993, distrust between the two sides remained a lively reality. Syrian President Hafiz Assad had declared, at the time of the September 13 signing ceremony, that such a decision was one that the Palestinians should take, and should take responsibility for, on their own. But his regime continued to allow full freedom for Arafat's critics to use Syria as a base for organizing and publicity, while denying these same courtesies to Arafat and his supporters. It remained to be seen whether Syrian opposition to the Palestinian DOP would mount and whether it might, over time, be a factor helping to undermine the DOP's implementation.

Implementation of the DOP would also almost of necessity change the political constellation within the Palestinian national movement, since it would involve real, popular elections for a national leadership for the first time ever in Palestinian history. Successful implementation would also increase the role of technocrats and businesspeople in Palestinian society, and therefore presumably reduce the role of those whose purely political loyalties had assured them the dominant voice in nationalist politics since the 1950s.

Some supporters of the DOP, such as chief Gaza and Jericho negotiator Nabil Shaath, held out rosy hopes that the Palestinian entity could become an economic powerhouse, inspired by principles of political liberalism; and that therefore, after five years, Israelis need have no fear of such an entity when it would, as he hoped, become a Palestinian state (which would, most likely, be joined in a confederation with Jordan). Shaath's major model for such a path had for a long time been Singapore—an Asian "tiger" that had experienced considerable economic success but was scarcely at the forefront of the liberal movement. Other forces were at work within the national leadership, however. Arafat himself and a number of those around him remained sensitively attuned to the need to reward past political loyalties, perhaps even at the expense of economic or political good sense. Critics of such an approach conceded that the Palestinian entity would initially need a strong state sector in order to build basic infrastructure and meet the extreme social needs of the entity's population. But they added that they certainly did not want their liberation movement to end up in the situation of Algeria's— running a state-dominated economic dinosaur that bred only failure, hopelessness, and religious extremism.

Whatever course the Palestinian entity should take, its inauguration would represent the start of a new era for Palestinians: the establishment of the first form of self-rule that they had ever experienced in modern times. Of course, the challenges facing the new entity in every sphere—political, administrative, economic, diplomatic—would be manifold. But the achievement of the Palestinians' first-ever form of self-rule could rightly be credited to Yasser Arafat and all who had worked with him over the previous forty years to lift the Palestinians from the deep trauma represented by the 1948 dispersion, to guide them through the rocky shoals of inter-Arab politics from the 1950s until the 1980s, and then to pass the torch of championing Palestinian national rights to those Palestinians living in the West Bank and Gaza, inside the ancestral homeland. Accommodation between Israelis and Palestinians would certainly not be easy for either side, at the many different levels at which it would be needed—both practical and psychological. But a

start had been made. And the fact that the gruff old fighting man Yitzhak Rabin had been the one who, having overcome internal rivalries with Shimon Peres, had made this possible on the Israeli side certainly also deserved recognition and acted as some kind of guarantee for Israelis that this accommodation would be one based on hardheaded pragmatism as well as the required level of idealism.

Notes

1. *Sunday Times* (London), June 15, 1969.

2. It should be noted, however, that Elyakim Rubinstein, the leader of the Israeli delegation to the Israeli-Jordanian-Palestinians talks, continued until Round 3 (January 1992) to display great reluctance to sit down in any bilateral context with the Palestinians in the absence of any Jordanians.

3. See Helena Cobban, "The Palestinians and the Iraqi Invasion of Kuwait," in Robert O. Freedman, ed., *The Middle East After Iraq's Invasion of Kuwait* (Gainesville: University Presses of Florida, 1993), pp. 271-274.

4. Interview with a delegation member, Washington, D.C., January 1992.

5. Observation from my visit to Gaza and the West Bank, June 1992.

6. Their exclusion from any direct role in the U.S.-sponsored talks and their concomitant disbarment from receiving any of the diplomatic benefits of such a role became more and more irritating for the PLO leaders as 1992 wore on. In July, Arafat was reportedly telling friends that he felt that the Americans were requiring him to play the role, with respect to the official peace talks, of "a male bee—that is, to fertilize the process, then die." He did not take kindly to this idea.

7. What was extraordinary about the decision was both the scale of this deportation order, which exiled more than fifteen times as many Palestinians as had ever been exiled on any one preceding occasion, and the fact that it seemed to be accompanied by no further political strategy for dealing with the issues of violence raised by the continuation of the occupation. It should not need stressing in connection with deportation issues that all deportations of residents from occupied territories are counter to the Fourth Geneva Convention.

8. The effects of this latter sealing were particularly harsh for the scores of thousands of West Bankers whose nearest available services in medicine, law, or other professions or trade was in Jerusalem.

9. Discussions with advisers to the Palestinian team, May 1993.

10. Comparison of the two texts published in *Mideast Mirror* (London), August 9, 1993, pp. 12-15.

11. Reported in *al-Sharq al-Awsat* (London), August 12, 1993, pp. 1, 4, as translated in *FBIS-NESA-93-155,* August 13, 1993, pp. 6, 7.

12. The PLO was able to maintain a continuing relationship with some leaders of the Neturei Karta sect in Jerusalem, whose leader on occasion would describe himself as the PLO's "foreign minister." But neither the Neturei Karta (which refused, on religious grounds, to recognize Israel's right to exist) nor the extreme-left Israeli groups with which the PLO maintained links were ever able to influence broad sectors of Israeli opinion,

13. The whole story of this PLO effort, which was frequently very controversial within Palestinian society and which occasioned the killing of several of the Palestinians involved, usually by Palestinian extremists, remains to be told in full.

14. The information for much of this section comes from a conversation with Foreign Minister Hoist, October 1993, and from Mark Perry and Daniel Shapiro, "Navigating the Oslo Channel," in *Middle East Insight* (Washington, D.C.), September-October 1993, pp. 9-20.

15. It is not clear who accompanied him on the Palestinian side at this stage.

16. Johan Jorgen Holst, "Reflections on the Makings of a Tenuous Peace," in *Middle East Insight* (Washington, D.C.), September-October 1993, p. 31.

17. For a fuller description of this process, see ibid., some parts of Perry and Shapiro, "Navigating the Oslo Channel," and Laura Blumenfeld, "The Absent-Minded Miracle Worker: Yair Hirschfeld Quietly Taught History in Israel, and Very Quietly Made It in Oslo," in *Washington Post,* September 23, 1993, p. C1.

18. The texts of these letters, of the DOP, and the statements made at the September 13 ceremony where the DOP was signed have all been published by the Israeli Ministry of Foreign Affairs as a booklet, *Declaration of Principles on Interim Self-Government Arrangements* (Jerusalem: Ministry of Foreign Affairs, September 1993), and are reprinted herein as Appendixes 3, 4, and 5.

19. One who did was the late Salah Khalaf (Abu Iyad)—as related to me in conversations in June 1990.

20. This was one of the factors Foreign Minister Hoist adduced as a reason for Rabin's decision to close the deal with the PLO.

6

Israeli Negotiations with Syria, Lebanon, and Jordan: The Security Dimension

ANN MOSELY LESCH

Introduction

Israel has had complex and largely conflictual relations with its Arab neighbors since its creation in 1948. Israelis see their survival in terms of the threat from hostile Arab regional powers. Engagement in five major wars since 1948 has set the tone and priorities for almost all Israeli security discussions. Prevention of terrorism, which occurs in the form of attacks across its borders by small armed groups and which is aimed at creating fear and public insecurity, is another Israeli security issue.

Despite its military strength, Israel perceives itself as disadvantaged strategically. Therefore many Israelis look at the potential security advantages of controlling the Golan Heights and south Lebanon as well as the Palestinian West Bank and Gaza Strip. The current Arab-Israeli peace negotiations seek alternative ways to meet Israel's security needs and are premised on the assumption that a stable security regime in the long run must encompass political, economic, and social dimensions, as well as military aspects. At a Palestinian-Israeli gathering in 1991 it was suggested: "The peace agreement by itself will reduce motivation for war and hostility in the region. Political stability in the region, resulting from a comprehensive peace settlement, will reinforce security in the region. Economic prosperity and interdependence will ensure the common interest in maintaining a lasting peace."[1]

At present (early 1994), Israel has diplomatic ties and mutual security arrangements with Egypt alone among the Arab states. Gidon Gottlieb termed Israel a "diminutive territory with no strategic depth,"[2] vulnerable to a surprise attack from the East. Israeli strategic doctrine relies on launching preemptive strikes and moving the fighting rapidly into enemy territory in order to preserve intact the vulnerable coastal zone in which most Israelis live and where industrial development is concentrated. In this security vision, the occupation of the West Bank and Golan Heights provides Israel with territorial depth in case of a land attack as well as a small amount of additional time to react to an air strike. Early-warning stations and troops on the Golan Heights guard against conventional attacks.

Israel maintains buffer zones on all sides: the zone seized and held in south Lebanon, the Syrian Golan Heights, the West Bank facing Jordan, and the Sinai peninsula (which was largely demilitarized as a result of negotiations with Egypt as part of the 1979 peace treaty). The Israeli navy patrols the Mediterranean Sea and seals off the Gaza Strip. This comprehensive security system was initially imposed by Israel. Buffer zones guard against threats to Israel's survival. Indeed, the initial Arab successes in the war of October 1973 appeared to confirm the military

value of territorial buffers—Israel was able to absorb the first strike by Egypt and Syria across the Suez Canal and the Golan Heights without serious risk to its pre-1967 territory. Similarly, the buffer zone in south Lebanon has enabled the Israeli armed forces to prevent most armed Lebanese or Palestinian groups from crossing the border or mounting artillery barrages against northern Israel.

The buffer zones have been supplemented by tacit red lines beyond which Arab forces cannot move without anticipating an Israeli military reaction. In Lebanon, Syrian troops are warned against moving south of the red line at the Litani River. Another red line would be crossed if Iraqi troops entered Jordanian territory. Israel, however, did cross an implicit red line itself when its forces seized sections of the Beirut-Damascus highway in 1982. A related concept of deterrence lies in the implied threat to bomb Arab cities if Israeli population centers are hit. That red line apparently deterred Syria and Egypt in 1973. The Israeli air force, however, bombed Beirut in 1981 and 1982 without any response possible from the Lebanese and Syrian air forces against Israeli territory. Israel's possession of nuclear weapons, although not formally acknowledged, poses a potentially strong deterrent to Arab states should they use weapons of mass destruction against Israel or threaten Israel's existence by conventional means.

The Gulf War necessitated reappraisals of Israel's strategy. Israel's confidence in its strategic superiority coupled with the buffer zones and red lines was shaken by even the limited threat posed by Iraq's SCUD missiles. Senior Israeli military analyst Ze'ev Schiff commented that the political requirements of the U.S. and allies' war effort meant that Israel had to absorb Iraqi strikes without launching retaliatory counterstrikes, even though SCUDs hit the country's heartland. This emphasized the vulnerability of civilians and reinforced Israelis' sense of being besieged.[3] Israel had to rely on Patriot antimissile batteries rather than its own forces. The buffer zones and strategic depth to the east did not make the Israeli heartland invulnerable against surface-to-surface missiles launched by a distant country. Iraq could potentially harm the small territory of Israel with ground-to-ground missiles located 375 miles away in western Iraq more effectively than Israel could damage Baghdad (600 miles distant) or harm the extensive Iraqi territories by using the Jericho II missile. Nonetheless, Iraq did not cross the most critical red line by employing chemical or nuclear weapons. Schiff stressed that the crisis could lead Israel to expand antimissile defenses, enhance sophisticated military intelligence devices, particularly via satellites, and increase such civil defense measures as the construction of bomb shelters. The crisis thereby widened the scope of Israel's security perimeter well beyond the occupied territories, the buffer zones, and the red lines established in the past.

The bilateral negotiations with Syria, Lebanon, and Jordan that began at Madrid in October 1991 created the possibility for Israel to achieve strategic accords with its immediate neighbors. Multilateral negotiations that include the Gulf States and Egypt also introduce the prospect of regional arms control accords, including establishing a zone free of weapons of mass destruction. Nonetheless, Syria has yet to participate in the multilateral talks, claiming that they reward Israel before progress has been made on the central bilateral issues. Successful arms control negotiations would make Israel less dependent on unilaterally imposed buffer zones and on its technological superiority. They would enmesh Arab governments in a regional system that would provide enhanced security for all the parties.

Moreover, the negotiations take place in the context of an altered international system. The demise of the bipolar world has ended military and diplomatic support for Syria from the former Soviet Union and has resulted in a regional military balance highly favorable for Israel. Israel can negotiate from a virtually unchallengeable strategic position.

In this chapter I examine the negotiating stances and prospects for an accord between Israel and Syria, Lebanon, and Jordan. Having already reviewed Israel's security doctrines, I will describe the security concerns and approaches of the neighboring Arab states.

Syria

For the first time, Syria and Israel have been holding direct, face-to-face negotiations. Syria had fought against the establishment of Israel in 1948 and engaged in a virtual war of attrition over control of demilitarized zones (DMZs), Israeli land settlement in the DMZs, and water rights related to the Jordan River and Sea of Galilee. The conflict began when Syria tried to divert the headwaters of the Jordan River and culminated in Israel's capture of the Golan Heights in June 1967. Hafiz al-Assad, who seized power in November 1970, criticized his predecessors for losing the Golan as a result of their adventuristic policies. He joined with Egypt to launch a limited war in October 1973 that led to a U.S.-brokered disengagement agreement in 1974. Syria regained civil control over the city of Qunaitra in a widened demilitarized zone monitored by UN forces, but Israeli arms and communications equipment dominated the ridges overlooking Qunaitra as well as Mount Hermon (Jebel al-Shaykh). Israeli troops were only forty miles from Damascus across a flat plain.

Although the border remained quiet, the military accord was not followed by a political agreement. Israel and Syria remained deeply distrustful of each other's intentions and expanded their armaments in anticipation of another confrontation. Moreover, Israel placed more than thirty Jewish settlements on the Golan Heights, which (as of early 1994) have a population of 13,000. The Israeli Parliament voted on December 14, 1981, to extend "the law, jurisdiction and administration of the [Israeli] state" to the Golan.[4] That measure lacked legitimacy in international law but enhanced Syrian fears that Israeli control over the Golan was a fait accompli that Syria lacked the military or diplomatic strength to undo.

Syria's policy toward Israel has been framed in the context of the Levant Security Doctrine, which, as outlined by Laurie Brand, maintains that (1) the security of the Arab east is indivisible; (2) peace is only possible through unity; (3) Syria and Israel are "engaged in an ongoing competition for hegemony over the Western front buffer areas," which include Lebanon and the occupied territories; and (4) "Syria must fight any policy that, intentionally or not, may chip away at its frontline defenses."[5]

The defection of Egypt from the common Arab front in 1979 damaged Syria's ability to uphold that doctrine. The Israeli-Egyptian Peace Treaty left Syria vulnerable to a concentrated attack from Israel, either across the Golan or through Lebanon. Although the battle lines on the Golan remained quiet, Israel engaged in frequent probes into Lebanon to counter Palestinian guerrilla forces. In March 1978, during the Egyptian-Israeli negotiations, the Israeli army attacked south Lebanon. The immediate cause was a Fatah attack on Israel's seacoast, but the Israeli operation covered a wide area and prompted sharp protests from Washington. Subsequently, Israel provided substantial air support for the Maronite Lebanese Forces when they fought Syrian troops in central Lebanon in spring 1981. Syria's greatest fears were confirmed in June 1982 when, six weeks after Israel completed its evacuation of Sinai, the Israeli army launched a massive attack on Lebanon that crossed the "red line" and led to direct confrontations with the Syrian army. Allegedly triggered by an attack on the Israeli ambassador

in London, the invasion had been planned for many months. Its goal was to destroy the PLO and place a client Lebanese in the presidency. Opposition to Israel's occupation of south Lebanon mounted in the following years, compelling the Israeli forces to withdraw substantially by June 1985. Nonetheless, Israel retained in south Lebanon a wide security belt that extended northward toward the Beqaa Valley, a region vital to Syria's own security.

Similarly, Assad could not tolerate independent military or political actions by the PLO since guerrilla attacks could provide "a potential excuse for Israeli intervention that might target Syria or threaten Syrian interests."[6] Peace moves by the PLO outside the context of coordinated Arab actions were also threatening to Assad, in part because Syria viewed itself as the principal Arab state upholding the Palestinian cause and in part because that would weaken the common strategic front vis-à-vis Israel. Brand argued persuasively that proclamations of adherence to Arab unity and Palestinian rights were not just slogans but part of "the basic pragmatic security concerns of the regime: the need to end Israeli occupation of Arab land."[7]

The current Syrian-Israeli peace negotiations appear manageable, since they focus on a clearly defined territory, the 450-square-mile Golan Heights. But each side mistrusts the other's definition of peace, security, and land. The Syrian government maintains that the Golan is its sovereign territory. Syria will negotiate over the pace of Israeli withdrawal but not over the principle of withdrawal. Syrian diplomats state that once that principle is accepted by Israel, they will discuss the content of peace.

Even prior to the Gulf crisis and the Madrid talks, Syrian officials hinted that the modalities of an accord were negotiable—Syrian sovereignty might not mean that Syrian armed forces would patrol the Golan, However, Vice President Abd al-Halim Khaddam, in a discussion with me in July 1990, displayed a deep distrust of Israel's intentions. As I wrote at the time:

> Khaddam evinced a basic distrust of Israel's intentions and potential for flexibility. He argued that Zionism's bases are religious as well as political—a religious polity's margin for diplomatic maneuver is narrow, particularly when God's will is invoked to justify retaining land. He also perceived Israel as seeking to expand territorially well beyond its current borders and he likened Israel to the Crusaders, which triumphed briefly but were ultimately defeated.[8]

Despite that harsh characterization of Israel and Zionism, when Khaddam shifted to practical issues, he adopted a pragmatic approach. By 1990, Syria's doctrine of strategic parity with Israel had yielded to the concept of diplomatic parity. Khaddam emphasized that an Arab-Israeli agreement must be comprehensive—it must be based on UN Security Council Resolutions 242 and 338 and must involve Lebanon and the Palestinians as well as Syria. He noted that Syria could not bargain over occupied soil but could negotiate over the conditions and modalities of peace.

Moreover, Prime Minister Mahmud Zu'bi stressed the urgency of economic development, given the demise of barter deals with "the formerly socialist bloc." Zu'bi lamented the drain on the economy caused by heavy expenditures for defense.[9] He reflected the views of many in the Syrian business community who aspired to realize Syria's potential as a trading, industrial, and agricultural nation without the debilitating effects of heavy defense expenditures and restrictions on access to regional markets.

The official Israeli position shifted with the change of government in July 1992 from the Likud party, led by Yitzhak Shamir, to the Labor party, under the leadership of Yitzhak Rabin. Shamir's government had maintained the principle of "peace for peace"—Israel and Syria should sign a peace treaty encompassing full diplomatic, economic, and cultural relations without any Israeli withdrawal from the Golan Heights. In contrast, Rabin argued that peace required

compromise on both sides—an enduring political accord with Syria required Israel's making territorial concessions. He acknowledged that UN Security Council Resolutions 242 and 338 applied to the Golan and stated that Israel would withdraw *on* (if not *from*) the Golan in return for a peace accord. Rabin's perspective was echoed by Deputy Foreign Minister Yossi Beilin: "All parties understand that peace has a price, and all are seemingly ready to pay—Israel will pay with territory—Israel will withdraw on the Golan Heights. The extent of the withdrawal will be based on the content of the peace agreement and on the security arrangements to be decided with Syria."[10]

Rabin argued that the Likud position was untenable—if Likud did not want to give up the Golan, it should not have established the precedent of total withdrawal in return for full peace in its negotiations with Egypt. Rabin maintained that Israel's armed forces would withdraw to secure, recognized boundaries but that he would not negotiate the geographic dimensions of the accord before he knew first the meaning of peace. Peace must involve open borders for trade, travel, and tourism as well as diplomatic relations, since Israelis fear that they will be giving up tangible assets in return for pieces of paper and words.

Not all Labor party members have supported major territorial changes on the Golan, For example, in an interview in 1991, former West Bank military governor General Efraim Sneh indicated that he viewed as essential for Israel's security the eastern shore of the Sea of Galilee, the springs from which the Jordan River originates on the Golan, and the strategic hills overlooking Israel.[11] Any future agreement with Syria should include Israeli control over those strategic areas, Sneh maintained.

Up to early 1994 the evidence of progress in Israeli-Syrian negotiations was mixed. In spring 1992, for example, Syria announced as a goodwill gesture that the remaining Jewish residents of Syria would be free to travel; 2,600 out of 4,000 left in six months. But in late 1992, the government slowed down the process by issuing only ten exit visas per month. When Washington pressed the issue in December 1993, another 850 Jews soon departed for Europe or the United States. Observers expect only 400 Jews to remain in Syria by 1995.[12]

In October 1992 Assad called for a "peace of the brave and hinted that a breakthrough was near; that hint led Jordan to hasten to initial an agreement on a negotiating agenda with Israel, The PLO also feared Syria would make a separate deal. In July 1993 Assad gained credit from the United States and Rabin for helping to end fighting in south Lebanon between Israel and Hezbollah (see below). He apparently persuaded Washington to press for an Israeli-Syrian accord by indicating that he would spell out his concept of full peace.[13] But the PLO Declaration of Principles with Israel in September 1993 was a rude shock to Assad and threw his negotiating strategy off balance.

Syria adopted a twofold response to the Israeli-Palestinian accord. First, Assad neither endorsed nor rejected the accord, although he expressed skepticism that it could succeed. Meanwhile, he provided a platform for oppositionist Palestinian groups and argued vigorously that "partial solutions are no solutions."[14] Assad met with Arafat on September 5 only after prodding from Egyptian President Hosni Mubarak. Assad termed the Palestinian-Israeli pact "a painful surprise" negotiated behind Syria's back.[15] The anti-Arafat factions headquartered in Damascus declared they would continue violence against Israel; two groups even threatened to assassinate Arafat.[16] Nonetheless, Syria could not afford to support violence by rejectionists while it sought to be removed from the U.S. State Department's list of states that support terrorism. Syria did not want to undermine the diplomatic credit gained by backing the Western alliance in the Gulf crisis. That position opened up the possibility of trade, agricultural credits,

and aid from the West, Syria could not afford to play the spoiler; therefore, it could not play the card of the Palestinian rejectionists without incurring penalties. Those groups understood that they were expendable—Syria could rein them in if offered sufficient incentives.

Second, Syria sought to ensure that its own bilateral negotiations with Israel would not be derailed. Although those talks were held in Washington in early September 1993, subsequent meetings were delayed. Israel gave priority to implementing the accord with the PLO, arguing that Israeli political circuits would be overloaded if they dealt with both tracks simultaneously. An Israeli official commented, "Frankly, our people are still adjusting to the deal with the PLO and are not ready for one over the Golan Heights."[17] Those delays angered Assad and enhanced his fear that Israel's incentives for an accord with Syria were reduced now that peace with the PLO and Jordan was at hand. Syria's Levant Security Doctrine was not only undermined but also potentially challenged by an alternative system embracing Israel, the Palestinians, Jordan, and Egypt.

Syria has little leverage to use to promote negotiations. Moreover, the longer Syria waits, the stronger will be the Israeli position and the stiffer will be Israeli demands. Damascus has tried to employ carrots, such as allowing Syrian Jews to travel and offering to help find and hand over a captured Israeli pilot. Syria also threatens sticks, notably tightening the Arab boycott of Israeli goods and unleashing Hezbollah and Palestinian groups. But those levers have limited utility and could backfire on Syria. Moreover, most other Arab governments are not now willing to strengthen the Arab boycott—a scheduled meeting of foreign ministers in Damascus on October 24, 1993, was canceled when few wanted to attend and the secondary and tertiary boycotts have virtually disappeared.[18] At most, Syria can expect Arab states to delay lifting the primary boycott of Israeli goods until the frontline states reach a diplomatic accord with Israel.

Assad, apparently believing that a high-profile American commitment is essential in order to close the deal, has drawn U.S. President Bill Clinton directly into the negotiations. Syrian officials want to make sure that Washington remains committed to negotiations and that Rabin does not use the accord with the Palestinians to divide Arab ranks and hold Syrian territory.[19] Their fears were enhanced when Rabin indicated to Washington that he would prefer to delay negotiations with Syria until 1994 and when he stated that "leaving Gaza is preferable to a total withdrawal from the Golan Heights."[20] Clinton reassured Assad in phone calls and letters that Syrian-Israeli negotiations remained high priority even as the United States sought to "buy Rabin some breathing space with Syria."[21] Moreover, he sent the secretary of state to meet Assad in December when the Syrian president threatened to boycott the next round of bilateral talks in Washington. At that time, Assad also agreed to permit a congressional delegation to investigate the status of Israeli servicemen missing in south Lebanon.

The maneuvers culminated with the summit between Clinton and Assad in Geneva on January 16, 1994. Clinton emerged from the meeting stating that Assad had committed himself to open borders, free trade, and diplomatic relations. He added that he hoped that Assad's commitment would "provide a positive response in Israel." Assad's statement in their joint press conference was less specific: "We are ready to sign peace now. In honor we fought, in honor we negotiate, and in honor we shall make peace. ... If the leaders of Israel have sufficient courage to respond to this kind of peace, a new era of security and stability with normal peaceful relations shall dawn."[22]

Rabin also tried to reassure Assad that negotiations would continue. After meeting with Egyptian President Hosni Mubarak in Egypt on September 19, Rabin reaffirmed Israel's commitment to continue negotiations with Syria. He did not contradict Mubarak's suggestion that

Israel might "accept a phased withdrawal from the settlements."[23] However, Rabin suggested an alternative negotiating strategy. Just as the PLO-Israeli breakthrough came during secret talks, Rabin proposed that secret discussions were essential to cut through the differences and layers of distrust in the Syrian-Israeli arena. In fact, there were hints in November of secret meetings in Europe between Syrian and Israeli military intelligence officers to work out security arrangements on the Golan that would link surveillance and demilitarization to withdrawal.[24]

After the Clinton-Assad summit, Israeli officials reacted cautiously. Even after American diplomats briefed them on the off-the-record details of the discussions, Rabin sought more information on the concept and timing of peace. But he began to prepare the Israeli public for the "painful price" that Israel would have to pay to achieve a comprehensive peace.[25] He indicated that "significant withdrawal" would include uprooting some settlements. Knowing that polls indicated that most Israelis opposed withdrawal, Rabin added that a national referendum would be held prior to that withdrawal. The pledge itself provoked an outcry from Syria. The foreign minister declared that Israel had no right "to put the Syrian occupied land in the Golan to a referendum" and the official radio station declared that calling a referendum was an effort to evade withdrawal and to blackmail Syria.[26]

Clinton offered Rabin military and economic incentives to move toward a deal with Syria. Those included providing advanced computer and electronics technology so that Israel could maintain its military edge over the Arab states, an offer to sell Israel advanced combat aircraft, and assurances that the current aid level would not be cut.[27]

At the time of writing, one can only hypothesize about the outcome or Syrian-Israeli negotiations.[28] Issues of sovereignty and demilitarized buffer zones in the Golan Heights, diplomatic recognition, and verifiable arms limitations constitute the essence of these negotiations. A phased withdrawal along the lines of the Sinai Agreement could restore Syrian sovereignty, with the Golan as a demilitarized buffer to Israel's northeast. A limited-forces zone might also extend into Syria, east of the Golan Heights, and into Israel to the west.[29]

Those military changes would take place in the context of a peace treaty and the establishment of bilateral diplomatic relations, including an enhanced international presence to ensure compliance by both sides. Israeli early-warning stations would remain on Mount Hermon (Jebel al-Shaykh) during the interim period. Syrian civilians would gradually return to their homes and provision would be made to relocate Israeli settlements. Thirteen thousand Israeli settlers live on thirty-two sites on the Golan. There are also 18,000 Druze in three villages, who are the remnant of the 100,000 Syrian residents on the Golan Heights before 1967. The presence of the settlers will not determine the outcome of the negotiations, just as the Sinai settlers proved peripheral to the Israeli-Egyptian accord. Although they mount strong protests against withdrawal, the settlers' arguments are based on security rather than religion or Jewish history. If the government pays them to move to another site inside Israel and persuades them that security no longer requires their presence, their opposition may diminish.

The Syrian-Israeli peace accord would also encompass full diplomatic relations, including the exchange of ambassadors and the gradual opening of economic relations. Syrian and Israeli businessmen have already met in private in Europe to discuss common interests. Trade in agricultural and consumer goods is likely to develop over time. Tourism has considerable potential but may be handled more cautiously by the Syrian government, given the depth of popular mistrust of Israel and the presence of 300,000 Palestinian refugees in Syria. For both countries, a stable security system would be the crucial component of the accord.

Lebanon

Israel and Lebanon signed an armistice agreement in 1949 and did not fight in 1967. Nonetheless, the disintegration of Lebanon into civil war in 1975 and the presence of Palestinian guerrilla forces in south Lebanon led to frequent Israeli air and artillery raids that culminated in full-scale invasions in 1978 and 1982, Since 1978 Israel has maintained a "security zone" in the south, partly under the client south Lebanese army. Today that security zone encompasses approximately 10 percent of Lebanon's territory. The two governments initialed a peace treaty in May 1983 that called for full diplomatic relations, enabled Israel to maintain a security presence in the south, and was conditional on Syria's withdrawal from Lebanon. The treaty was never implemented, owing to strong opposition by Syria and by most Lebanese political groups.

The Lebanese government has been arguing that Israel must withdraw entirely from south Lebanon, as called for in UN Security Council Resolution 425. Lebanon maintains that the presence of Israeli forces in the security zone exacerbates tension and fosters the very instability that Israel claims it wants to contain. Lebanese officials assert that they cannot finalize a peace treaty until Israel withdraws totally from Lebanon. Prime Minister Rafiq Hariri insisted in an interview in September 1993 that Israel's security could be assured by a political agreement. Once Israel withdrew from the south, he added, the Lebanese government would be accountable for maintaining security there.[30] Hariri stressed that Lebanon would benefit greatly from peace, since its economic and cultural life would flourish again.

The Israeli government agrees that Israel does not have territorial claims on Lebanon but asserts that its forces will not withdraw until a peace treaty is signed. Moreover, the Israeli army must control the buffer zone as long as the Lebanese army is too weak to maintain order. Israel has declared that it must be assured that the Lebanese and Palestinian militias can be controlled (and even disarmed) by the Lebanese army before it will leave. The deputy foreign minister stated in August 1992: "Israel will withdraw from the security zone in the south of Lebanon once there is a peace agreement. We have no territorial claims to Lebanese territory. Our only concern is providing security for our northern towns and farms, and we believe that the security provided by peace treaties is preferable to security enforced by troops."[31]

Even though Israel and Lebanon agree on the objectives of a peace treaty and military withdrawal, they differ on the priority, phasing, and feasibility of these goals. Moreover, the situation is complicated by the fact that Lebanon is not really an independent operator in the negotiations. Syria plays a dominant role politically and militarily in Lebanon. Syria maintains that the withdrawal of Israel from south Lebanon must occur in tandem with the resolution of the Israeli presence on the Golan Heights, since the latter is part of the same geostrategic security system and Syria has a long-standing fear of an Israeli attack on its heartland through south and east Lebanon.

Thus, a Lebanese-Israeli accord is hostage to the Israeli-Syrian talks. Rabin has argued that Lebanon can do nothing until its government gets the green light from Syria. Israel, in turn, could complicate the negotiations by arguing that its forces would not withdraw fully from the south until Syria withdrew its troops from Lebanon. That position would be rejected by Lebanon but could serve to delay or even derail the negotiations.

The talks were further complicated in July 1993 by Israel's week-long bombardment of south Lebanon, which resulted in. the deaths of 128 Lebanese and the displacement of 250,000 villagers. The attacks were launched after seven Israeli soldiers were killed by Hezbollah forces

in the security zone and after Hezbollah rockets hit towns in northern Israel. According to the U.S.-brokered cease-fire on August 1, Lebanese troops would maintain order north of the zone and Hezbollah would stop launching rockets into Israel. However, the cease-fire allowed Hezbollah to continue operations within the security zone, which Lebanon and Syria insisted constituted legitimate resistance against Israeli occupation. The massive attacks induced Syria to reduce supplies to Hezbollah and led to the deployment of Lebanese troops in villages just above the security zone.

By mid-September, when government troops killed pro-Hezbollah demonstrators in Beirut, the likelihood of an army-Hezbollah showdown grew. The outcome, however, would be problematic unless Syria supported the government. This placed Damascus in a potentially awkward situation: If Syria encouraged Hezbollah to assault the Israeli security zone—as it apparently did in mid-November—and Israel then retaliated against Lebanese villages, subsequent efforts by the Lebanese army to restrain Hezbollah could destabilize the internal security arena in Lebanon. Syria would have to choose which side to support.

The Israeli-Palestinian accord caused severe anxiety inside Lebanon. The enhanced sense of isolation prompted the government to tighten its strategic ties to Syria. Prime Minister Hariri feared that the accord would "remain an isolated step unless it is complemented by quick and substantive solutions on the other tracks."[32] However, even if Lebanese and Syrian agreements were signed, that would not resolve the problem of the 350,000 Palestinian refugees from the Galilee whom Lebanon has hosted since 1948. The Israeli-PLO accord made no provision for those refugees to move to the West Bank and Gaza Strip during the interim period. And PLO recognition of Israel meant that the refugees would never return to their original homes. In the multilateral negotiations on refugees, Israel was already arguing that financial compensation was the most that could be expected. Lebanese officials and political parties have always viewed the refugees as unassimilable: In the wake of the Israeli-PLO accord, Lebanese officials reiterated that they could not settle permanently in Lebanon without upsetting the delicate confessional and political balance in the country.[33]

The outlines of an Israeli-Lebanese accord are evident.[34] Key components involve establishing diplomatic relations in the context of restoring the Lebanese government's control over its southern territory and providing assurances to end armed guerrilla incursions into Israel. The establishment of mutually agreed-upon security structures in the south would be a vital aspect of such accords but would also be the most difficult to attain. A bilateral peace treaty would provide for the Lebanese army to regain control over the border area, possibly in conjunction with international forces. Lebanese and Palestinian militias would be disbanded. Specified limitations would be placed on the forces and weapons that both Israel and Lebanon could place near the border. The separate Israeli-Syrian accord would detail the provisions for mutual restraint on Lebanese territory.

Full diplomatic relations would be established and the borders would be open for trade and tourism. Arrangements might be made for Israel to purchase limited water supplies from the Litani River. In time, the coastal road and rail system that had linked the two countries before 1948 could be restored. But their economies would remain largely competitive, as each would seek to be the center for banking, commerce, and light industry on the eastern Mediterranean and their ports would vie for trade between the interior of the Arab world and Europe.

Jordan

Jordan's involvement in the Arab-Israeli conflict can be traced back to King Abdullah, who aspired to rule Palestine from the time that he came to the throne in 1921. After the 1948 war, he annexed the West Bank and accorded citizenship to the Palestinians. Their loyalty remained conditional, based largely on the fear that Israel would seize the West Bank if the king's troops did not protect them. His grandson, King Hussein, lost control over the West Bank to Israel in the 1967 war; that loss damaged Jordan's claim to rule that portion of Palestine. After the armed showdown between the PLO and the Jordanian army in 1970, the king's legitimacy dropped further among Palestinians. Nonetheless, Jordan sought to retain a role on the West Bank even though the Arab League designated the PLO the Palestinians' sole legitimate representative in 1974. In the mid-1980s, Hussein and Arafat agreed to field a joint peace delegation and establish a confederation.

But the king renounced Jordan's claims to the West Bank in 1988, at the height of the Intifada. Jordan itself underwent an important political transformation when democratic elections for the parliament were held in 1989 and 1993. Because of the Gulf crisis, Jordan was forced to absorb more than 300,000 Palestinians and Jordanians who fled Kuwait during or after the war. Moreover, Jordan lost its trade and aid with most Gulf countries, whose governments criticized the king for tilting toward Iraq and criticizing the presence of foreign troops in Saudi Arabia.

At the Madrid conference, the Jordanian delegation was primarily concerned with achieving a peace accord based on international law, notably UN Security Council Resolution 242. Jordan also emphasized that although Jordanians and Palestinians had deep ties, they were two separate peoples. The foreign minister stated: "Jordan has never been Palestine and will not be so." He felt the need to emphasize that point, since the government was deeply disturbed by the views of several ministers in Shamir's government that "Jordan is Palestine." By those ministers' logic, the Palestinian state would be formed in Jordan, Israel would then impose its sovereignty over the West Bank and the Gaza Strip, and many Palestinians would have to leave the territories for the Palestinian state on the east side of the Jordan.

Once the Labor party came to power in Israel, a negotiated accord became relatively simple. Labor leaders rejected the "Jordan is Palestine" slogan and renewed their longtime secret contacts with the king. Jordan and Israel have minimal claims against each other. Their negotiations have focused on mutual security interests, economic cooperation, and ways to contain the Palestinians. Although Jordan was taken by surprise by the Israeli-PLO accord and angered that Jordan no longer had the upper hand in relations with the PLO, King Hussein quickly seized the opportunity to regularize Jordan's relationship with Israel. Jordan and Israel signed an agreement on an agenda on September 14, 1993, one day after the PLO-Israeli Declaration of Principles. Moreover, King Hussein met secretly with Rabin in Aqaba in late September and with Israeli Foreign Minister Peres in early November. Crown Prince Hassan met publicly with Peres in Washington on October 1, in the presence of Clinton. Hassan and Peres set up a Jordanian-Israeli joint committee; the three established a trilateral working group to coordinate economic development, trade regulations, and currency exchanges. Peres and Clinton indicated they would help Jordan find ways to reduce or be forgiven of some of its $16 billion foreign debt and would make sure that Jordan received economic aid. In addition, King Hussein stated on January 26, 1994, that he was ready to meet publicly with Rabin, a declaration that Rabin immediately welcomed.[35]

Few territorial stakes are involved in the negotiations. One aspect involves finalizing the 400-

mile international boundary. Israeli and Jordanian teams surveyed parts of the border in April 1993. The September accord provides for an "agreed definitive delimitation and demarcation of the international boundary." Israel has virtually agreed to withdraw from two uninhabited strips of land seized in 1967: a small strip (less than 1 square mile) south of the Sea of Galilee near the Yarmuk tributaries and a 125-square-mile strip from the Dead Sea to Aqaba.[36]

Demarcating the border also involves establishing complementary security arrangements. The two countries already cooperate to stop guerrilla attacks across the border. Jordan has an interest in Israel's patrolling the western side of the Jordan River rather than turning that function over to the Palestinians. Indeed, in King Hussein's secret discussions with Peres, he apparently sought assurances that Israel, not the Palestinians, would control the bridge crossings into Jordan.[37] Jordan also sought assurances from Israel that, should Palestinian self-rule result in internal violence and instability, Israel will not let large numbers of Palestinians flee into Jordan.

Jordanian Prime Minister and Foreign Minister Abd al-Salam Majali has indicated that a wide range of economic relations is possible with Israel.[38] He commented in early September 1993 that Jordan could soon lift the ban on travelers who have Israeli stamps in their passports and could link phone and communications lines. Jordan also sought permission for its aircraft to fly over Israel, which would shorten flight routes from Europe to Amman. The two countries have been discussing joint industrial projects in the Dead Sea, particularly those focused on potash. They are discussing reviving the plan for a Mediterranean-Dead Sea canal that would provide hydroelectric power and replenish the sharply diminished waters in the Dead Sea. Coordinated tourism along the shores of the Dead Sea is possible, which would also involve the Palestinian authority. Joint projects could be developed in the Gulf of Aqaba, where Eilat's port facilities and airport are inferior to those in Aqaba. Both countries have an incentive to enhance tourism in the Gulf of Aqaba region and to control pollution from oil and sewage that can destroy the delicate coral reefs and kill the fish. They might also construct a joint desalination plant in Aqaba/Eilat for drinking water. Relatively open borders for tourism are likely, although, in my discussions with Jordanian officials in 1992, officials in customs and security panicked at the idea of large numbers of Israeli tourists. Long-term trade relations would require lifting the Arab boycott so that Israeli and Palestinian goods could enter Jordan. Jordanian produce and transshipped goods could then use Israeli ports, which would involve lower costs and fewer complications than shipments to Beirut; however, that route would compete with Jordan's Aqaba port.

Probably the most vital economic issue for Jordan involves water rights. The September accord noted that the two countries would work to secure "the rights for water shares of the two sides" and to find ways to alleviate water shortages. Jordan's construction of the Unity Dam on the Yarmuk River, which is crucial for the long-term maintenance of agriculture in the Jordan Valley and for the storage of winter rainwater, has been delayed for a decade by Israeli insistence upon a significant share of that water. There are indications that a formula for sharing the water from the Yarmuk and Jordan Rivers is nearly complete. Finalization of water sharing, however, may have to await renegotiation of Syria's share of the upstream water and the completion of an Israeli-Syrian accord in the Golan Heights. Thus, Jordan cannot ignore Syria's interests as it enters into discussions with Israel on sensitive resource issues.

Finally, Jordan's relationship with the Palestinians is a key component of any accord. That relationship has three dimensions: the status of Palestinians in other Arab countries, the relationship with Palestinians in the West Bank and Gaza Strip, and the future of the Palestinians who live in Jordan. Jordanian officials emphasize that if Syria or Lebanon compel the Palestinian refugees living there to leave, Jordan cannot accept those persons.[39] Jordan distinguishes

between those refugees and the ones who fled Kuwait, on the grounds that the latter carried Jordanian passports, whereas the former have no claims to rights in Jordan.

Jordans relationship with the West Bank and Gaza Strip is more ambiguous. Jordan has started to turn back Palestinians from Gaza who seek to enter Jordan, ostensibly because they do not carry Jordanian passports. But Jordan seeks to have a continuing role in those territories. The government argues that it not only has security interests to maintain but also needs to be involved in arrangements for trade, currency, and tourism. Israel and the PLO have apparently agreed that the Jordanian Central Bank will play a key role in financial transactions and currency arrangements during the interim period. The king also wants to remain the custodian of the Islamic holy sites in Jerusalem. Jordan remains wary of a fully independent Palestinian state on the West Bank and Gaza Strip and would prefer to form a confederation that it would dominate. But the assertion of an independent Palestinian will, as demonstrated in the PLO-Israeli accord, makes Jordanian predominance in a confederation less likely.

The relationship between Jordanians and Palestinians on the East Bank is also undergoing revision. The prime minister has indicated that Jordan would ask Israel to pay compensation for the cost of maintaining such a large refugee population. But the main issue involves the long-term role of the Palestinians in Jordanian political and economic life. Since the Madrid talks began, the Palestinian role in government has shrunk and Jordan's East Bank identity has been fostered. There is discussion of new regulations that would distinguish among various categories of Palestinians: those who came before 1948, after 1948, and after 1967; Palestinians who left the West Bank on valid travel documents but were then stranded outside; and others who lacked Jordanian documents but had nowhere else to go.[40] Since mid-1988, Palestinian citizens who moved to the East Bank after 1967 carry passports that are valid for only two years; they face restrictions in access to universities and certain other services. Moreover, the king has indicated that once a Palestinian council is formed on the West Bank and Gaza Strip, Palestinian residents of Jordan will not be allowed to vote in elections in both countries. If they vote on the West Bank, they will not be eligible to vote in Amman. To a certain degree, however, the king felt reassured by the results of Jordan's parliamentary elections on November 8, 1993, in which a significant number of Palestinian voters apparently supported candidates sympathetic to the peace process.[41]

In sum, although the Jordanian-Israeli track is often referred to as relatively simple and uncomplicated, it contains critical security and political dimensions that will impact on long-term regional relations. The track is inextricably linked to Israeli-Palestinian negotiations. Jordan fears marginalization in the peace process and has sought to ensure that its interests are treated not merely as residual but as integral to a comprehensive accord. Flanked by Syria, Iraq, and Saudi Arabia as well as by Israel and the Palestinians, Jordan operates under severe constraints.

A negotiated peace agreement between Israel and Jordan will alleviate important security concerns in both countries.[42] For Israel, diplomatic recognition and security arrangements along the extended common border will reduce tension and uncertainty on Israel's critical eastern front. The accord could include an agreement limiting the deployment of forces along their common border. Israel also seeks an agreement that will prevent Jordan from becoming a staging point for other Arab forces—notably Iraqi troops—to launch an attack against Israel. Such an accord will also make it easier for Israel to remove its troops from the West Bank. Jordan's long-standing anxiety about an Israeli attack and about the mass expulsion of Palestinians from the West Bank will be allayed. Given Jordan's military vulnerability, its government also seeks a regional arms control regime that will place specific limits on ground forces, air forces, and ballistic missiles

and will endorse the nuclear Non-Proliferation Treaty and the conventions against chemical and biological warfare. Finally, the anticipated cooperation on water and on industrial and commercial issues will create a network of common interests that will help to overcome lingering distrust and tension.

Conclusion

The twelfth round of bilateral negotiations resumed in Washington in February 1994, in the wake of the Clinton-Assad summit. They were held in an undisclosed site, away from the glare of the media. Meanwhile, multilateral negotiations had already been held in Tunisia and were scheduled for Qatar and Oman; these enabled Israeli negotiators and journalists to travel to those Arab countries for the first time. Israel and the PLO managed to reach an agreement on security arrangements for the first phase of their accord, an agreement that would apply to the Gaza Strip and Jericho. The pieces of the puzzle began to fall into place. Another interim agreement was reached on May 4, 1994. The precise details of the picture that would emerge when the puzzle was complete remained uncertain at the time of this writing.

Nonetheless, from the negotiations to date it is clear that Arab-Israeli relations are no longer viewed in zero-sum terms. That opens up the possibility of stabilizing the state system in the Middle East and enabling Israel to become an integral part of the region.[43] In that sense, peace itself will provide security for all the parties. Despite military power and territorial control, Israel has neither peace nor security. Full peace, normal relations, trade, and economic interdependence will create a more secure situation. Land is tangible but does not ensure security; peace is intangible but brings tangible security.

The material in the "Introduction" is based on Ann M. Lesch, *Transition to Palestinian Self-Government* (Cambridge, Mass.: American Academy of Arts and Sciences, 1991), pp. 65-68, 75.

Notes

1. *Al-Fajr* (Jerusalem), September 23, 1991, p. 9.
2. Gidon Gottlieb, "Israel and the Palestinians," *Foreign Affairs* 68, no. 4 (Fall 1989), p. 122.
3. Ze'ev Schiff, "Israel After the War," *Foreign Affairs* 70, no. 2 (Spring 1991), pp. 19-33.
4. *New York Times*, September 6, 1993.
5. Laurie Brand, "Assad's Syria and the PLO," *Journal of South Asian and Middle Eastern Studies* 14, no. 2 (Winter 1990), pp. 23-24.
6. Ibid., p. 25.
7. Ibid., pp. 43-44.
8. The foreword, *Journal of South Asian and Middle Eastern Studies* 14, no. 2 (Winter 1990), p. vi. For an Israeli view of the limited role of religion in Zionism, see Chapter 9, by Shmuel Sandler.
9. Ibid., p. iv.
10. Op-ed piece in the *New York Times*, August 31, 1993.
11. Interview, July 17, 1991, in Tel Aviv.
12. *New York Times*, January 15, 1994.

13. *New York Times,* August 8, 1993, and op-ed piece by Alon Ben Meir in *Christian Scienee Monitor,* September 29, 1993.

14. *Tishrin* newspaper, quoted in the *New York Times,* September 1, 1993.

15. *Independent,* September 24, 1993; interview on *MacNeil-Lehrer Newshour,* October 1, 1993.

16. *New York Times,* September 11, 1993; on *MacNeil-Lehrer Newshour* (October 1, 1993). Assad said that he could not be expected to suppress Palestinian critics of the accord, any more than Rabin could suppress Likud critics.

17. *Philadelphia Inquirer,* October 18, 1993.

18. *New York Times,* January 22, 1994; in interviews in Saudi Arabia in January 1994, several officials indicated that the secondary and tertiary boycotts had already been quietly ended by their government.

19. Jibran Kourieh (Assad's spokesman) to *Washington Post* (September 11, 1993); Information Minister Muhammad Salman to the *New York Times* (September 17, 1993); Foreign Minister Farouq Sharaa, during his official visit to Washington (Reuters, October 6, 1993).

20. *Philadelphia Inquirer,* September 16, 1993.

21. *New York Times,* September 16, 1993.

22. *New York Times,* January 17, 1994.

23. Reuters, September 22, 1993

24. *Philadelphia Inquirer,* November 8, 1993.

25. *New York Times,* January 19, 1994.

26. *Philadelphia Inquirer,* January 21, 1994.

27. *New York Times,* November 12, 1993.

28. This paragraph is based on Ann M. Lesch, *Transition to Palestinian Self-Government* (Cambridge, Mass.: American Academy of Arts and Sciences, 1991), pp. 75-76, 83.

29. Syria had insisted on equal limited-forces zones, meaning that Israel would have to demilitarize parts of northern Galilee if Syria demilitarized an area east of the Golan. However, the *New York Times* indicated (January 19, 1994) that Assad no longer insisted on that balance.

30. Interview on September 28, 1993, on the *MacNeil-Lehrer Newshour.*

31. Yossi Beilin, op-ed piece in the *New York Times,* August 31, 1993.

32. Speech to the UN General Assembly, quoted in *Jerusalem Post,* October 1, 1993.

33. *New York Times,* September 12, 1993.

34. Paragraph based on Lesch, *Transition,* pp. 76, 83, 91.

35. *New York Times,* January 27 and 28, 1994.

36. Statement by Israeli negotiator Elyakim Rubinstein, *Middle East Economic Digest,* September 20, 1993.

37. *New York Times,* November 8, 1993.

38. *New York Times,* September 5, 1993.

39. Statement by the Jordanian information minister, *New York Times,* September 27, 1993.

40. Distinctions made by the Jordanian under secretary of interior in a discussion with the author in Amman on October 5, 1992.

41. *New York Times* and *Philadelphia Inquirer,* November 10, 1993.

42. Adapted from Lesch, *Transition,* pp. 76, 91-92.

43. Adapted from ibid., p. 96.

7

Labor in the Second Rabin Era: The First Year of Leadership

MYRON J. ARONOFF

Introduction

As I wrote elsewhere, "To a large extent the election of 1992 represented more a vote against the Likud than a resounding vote for Labor."[1] The strong anti-incumbent mood was driven as much by economic factors, including an 11.5 percent national unemployment rate, which included a 40 percent rate among recent immigrants, as by deteriorating internal security, growing strains in relations with the United States, dissension within the government, and serious charges of improprieties in several governmental agencies made by the comptroller general.

Voters saw, in contrast to these issues, Labor's democratic internal reforms, particularly the primaries through which Yitzhak Rabin was selected to head a young and ethnically diverse Knesset slate. Moreover, Labor, because it had organized the most participatory party conference in its history, gained greater self confidence, a new sense of direction, purpose, and hope, and a rejuvenated public image.

The tone or Rabin's leadership of his second government was set during the election campaign. It was conducted as if the law for the direct election of the prime minister had already gone into effect. (It will not do so until the Thirteenth Knesset completes its tenure.) Labor was identified on the official electoral list and ballot as "Labor, headed by Rabin." The focus on Rabin was a successful electoral strategy. After being asked to form a government, Rabin made it clear that he intended to be a strong prime minister and not merely a primus inter pares (first among equals). For example, he insisted that he would personally allocate portfolios in his cabinet.

Forming a Government: Coalition Instability and the Conflict Between Meretz and Shas

The successes and failures of the first year of the government formed after the 1992 elections were greatly influenced by the government's composition. Half of the twenty parties that competed in the 1992 election gained representation in the Knesset. Labor, with 44 seats, combined with Meretz, with 12 seats, and with the support of 3 Democratic Front for Peace and Equality and 2 Arab Democratic party mandates constructed a minimal blocking majority of 61 of the 120 Knesset members. That prevented the Likud from forming a government. Rabin was

unwilling to break precedent by including an Arab party in the government—particularly given the likelihood that any peace settlement with the Palestinians, Syria, and/or Jordan would involve territorial concessions.

From the outset Rabin announced contradictory goals: to form a broadly based centrist government and to reach a settlement in the peace talks within six months. Achieving the first goal was precluded when Meretz was brought into the coalition and Shulamit Aloni was given the Ministry of Education and Culture. Shas, which was the only religious party willing to join a government that included Meretz, precipitated several coalition crises until it eventually succeeded in getting Aloni out of this sensitive job and transferred to responsibility for communications, science, and technology.[2]

Rabin would have preferred to broaden the coalition to balance the influence of Meretz and the Labor doves in the cabinet and the Knesset faction, most of whom were allied with Shimon Peres, Negotiations with the hawkish Tsomet were unsuccessful because Rabin could not give the Ministry of Education and Culture to its leader, Rafael (Raful) Eitan, because it had been promised to Aloni. Rabin would not give Eitan the Ministry of Defense either since the prime minister was determined to retain defense for himself. It is virtually certain that the preliminary agreement with the Palestinians would not have been concluded had Tsomet been a member of the government.

Therefore Rabin, who had his way with the allocation or portfolios in his cabinet, ended up with a narrow, dovish, and feuding cabinet rather than the broad, centrist one he wanted. Rabin insisted on personally arbitrating the incessant feuding, particularly between Aloni (Meretz) and interior Minister Aryeh Deri (Shas). He thereby wasted substantial time and energy reshuffling ministerial portfolios in a political version of musical chairs during his first year in office.[3]

Two different kinds of pressure on the Shas leadership lay behind and intensified the strife with Meretz. The Shas rank and file are generally more hawkish than are their top leaders. The rank and file had been led to believe prior to the election that Shas would not join a Labor-led coalition, but the pragmatic leaders could not resist the enormous benefits that derive from their being the only religious party in the government. However, concessions in the peace talks led to growing demands from Shas militants that the party bolt the coalition. They even demonstrated and held vigils in front of the home of the party's spiritual mentor, Rabbi Ovadia Yosef. Therefore, in one sense, the Shas attacks on Aleretz were a means of diverting criticism from its own supporters. Aloni provided the Shas leaders with ample provocations to justify their politically self-serving expressions of moral outrage.

Several leading Shas officials, including the political strongman of the party, Interior Minister Aryeh Deri, were the subjects of lengthy and well-publicized police investigations for alleged improprieties during the previous government. In January 1993, as the result of a plea bargain, former Shas Knesset member Ya'ir Levy pleaded guilty to 141 counts of theft, 89 counts of forgery, and 144 counts of falsifying financial records with the intent to defraud. In March Deputy Religious Affairs Minister Rafael Pinhasi, after losing his parliamentary immunity, had to face charges similar to those filed against Levy.[4] Shas was concerned that the loss of immunity would become a precedent in the case of Deri, should charges be filed against him.

Deri precipitated a coalition crisis by threatening to resign if Aloni remained in charge of education and culture. He submitted a letter of resignation but eventually withdrew it. He was attempting to assure coalition support to prevent the lifting of his parliamentary immunity. In early July the attorney general sent Deri a draft copy of charges that he had accepted bribes, violated the public trust, engaged in aggravated fraud, and fraudulently registered corporate

documents. The attorney general's office was reportedly working on additional charges of misappropriating funds for personal use and of wrongdoing in the Interior Ministry's transfer of funds to local authorities when Deri was director general of the ministry. Six hours after the High Court of Justice ruled (on September 8, 1993) that Rabin should fire both Deri and Pinhasi, Deri handed Rabin his letter of resignation. Deri's resignation was followed by that of Pinhasi; two other Shas deputy ministers resigned in solidarity with Deri.

Shas's support of the coalition was in doubt until Shas agreed to abstain in the Knesset vote on the Declaration of Principles with the PLO. In exchange, Labor was reported to have agreed to set up a state commission to investigate allegations of discrimination and persecution in the state's handling of the Deri investigation, According to *Jerusalem Post* correspondent Michal Yudelman, Shas was also demanding to retain control over the Interior and Religious Affairs Ministries, possibly an economics portfolio, and the chair of the Knesset's Finance Committee, as well as millions of shekels in financial allocations promised by Labor leaders.[5] The Knesset debated the attorney general's request to remove Deri's parliamentary immunity although he had voluntarily renounced it at the end of September.[6]

The Rabin-Peres Rivalry

During the government's first year, in several of the Labor party contests in which Rabin and Peres backed rival candidates for positions, the Peres-backed candidates, for example, Eli Dayan for party Knesset faction chairman and Nissim Zvilli for secretary-general of the party, won. The party's nominee for the office of president of Israel, Ezer Weizman, was strongly backed by Peres. Although Rabin failed to back a rival candidate, Weizman's 52 percent of the Central Committee vote against two other candidates was viewed as "another in a series of internal party triumphs for Foreign Minister Shimon Peres."[7]

Fortunately for both the Labor party and the nation, the rivalry between Rabin and Peres did not affect the functioning of the government as adversely as it had during Rabin's previous tenure as prime minister (1974-1977), although strains were visible during the first year. For example, Rabin gave an anti-Peres speech on election night. He deprived Peres of the defense portfolio, which the latter is reported to have wanted, and he pushed Peres aside to the less significant multilateral talks while he took charge of the bilateral talks in Washington.

Peres, for his part, was instrumental in postponing a Knesset plenum vote on two amendments to the Basic Law—The Government. Those amendments would have given directly elected prime ministers enhanced power, which was seen as a "slap in Rabin's face."[8] The amendment proposed by Justice Minister David Liba'i would have empowered the prime minister to appoint cabinet members without parliamentary approval and would have required seventy Knesset members rather than sixty-one for a vote of no confidence that entailed the automatic resignation of the premier and the holding of new elections.

The change in the relations between Rabin and Peres came at a crucial stage in the peace talks and made possible the historic preliminary agreement and mutual recognition between Israel and the PLO. Without their cooperation this monumental breakthrough could have never taken place.

Peace Talks and Relations with the PLO

The two top leaders were at first at odds in their attitudes toward dealing with the PLO. In its final cabinet meeting of 1992, for the first time an Israeli government debated the possibility of integrating the PLO in the Middle East peace talks. Prime Minister Rabin rejected this proposal as well as one to negotiate with Faisal Husseini, who was widely regarded as the leading unofficial representative of the PLO on the West Bank. Rabin later agreed to include Husseini as an official member of the Palestinian delegation.[9]

As 1992 came to an end, a poll indicated that two-thirds of Labor MKs favored direct negotiations with the PLO. It was reported by Haim Hecht that thirty of the Labor MKs were for direct talks, and fourteen were against.[10] At that time it was estimated that eight ministers favored such talks and an equal number opposed them, with Foreign Minister Shimon Peres apparently undecided.[11] Peres confidant Yossi Beilin had met Terje Rod Larsen, the head of a Norwegian institute researching conditions in the Israeli-occupied territories, at an academic conference in April 1992 in Tel Aviv. This encounter led to a crucial series of back-channel negotiations initially between two academic friends of Beilin and representatives of the PLO. The first of the meetings took place in December in London between Ya'ir Hirschfeld (representing Beilin) and Ahmed Sulaiman al-Krai, a PLO official. In January the government repealed the law that prohibited contacts with PLO members. On January 20 Hirschfeld and Ron Pundak met Ahmed Krai and others in Norway in the first of fourteen sessions in that country; the sessions culminated in Peres's witnessing the initialing of a draft agreement eight months later.

Peres was not brought into the picture by Beilin until March.[12] It took Peres a few weeks to get around to reading Beilin's report. In April Peres went to the prime minister and, according to officials, kept Rabin abreast of all developments and proceeded with his approval from then on.[13] At that time, in response to PLO insistence, it was also decided to raise the Norway talks to an official level. Uri Savir, recently appointed director-general of the Foreign Ministry, was sent to head the "delegation," to which Yoel Zinger, an Israeli attorney, was added. This marked a new stage in cooperation between Rabin and Peres, although even then they did not completely agree on tactics.

For example, at a cabinet meeting in early May Peres raised the idea of not waiting three years before negotiating the final disposition of the territories. Reportedly he said he favored dealing with the final-status issues now; the interim period would be "a transition to a Jordanian-Palestinian confederation."[14] Rabin strongly opposed this proposal and insisted on the advantages of the two-phase approach.[15]

In June Nimrod Novik, a close associate of Peres who serves as an unpaid adviser and ambassador-at-large, held indirect talks with Yasser Arafat through the mediation of an Egyptian presidential adviser. Although Foreign Ministry officials said the talks were not authorized, Novik was reported to have held talks with "senior officials" of the ministry prior to his trip to Cairo.[16]

In July Yasser Arafat said that "senior figures in his Palestine Liberation Organization met with Israeli officials in Washington last month."[17] The assertion was denied by Israeli government spokespersons, although Israeli officials did not go so far as to say that no meetings of any kind had taken place.[18] According to a report in *Haaretz*, the discussions had the

knowledge and approval of both Rabin and Arafat.[19]

In July Clyde Haberman reported that in addition to the four Meretz members of the cabinet, one Labor minister publicly advocated open talks with the PLO. Haberman claimed that a Labor Knesset member created a stir "by announcing that six other Cabinet ministers, including Mr. Peres, privately hold the same view."[20]

In August it was reported that Rabin authorized Environment Minister Yossi Sarid to meet secretly with Nabil Shaath, a senior PLO official. This was the first time an Israeli cabinet member met with a PLO official with the permission of the premier.[21] The same month Health Minister Haim Ramon met with Ahmed Tibi, an Israeli Arab close to Arafat. The meetings between Novik, Sarid, and Ramon were used to obtain independent assessments and confirmation of the agreements that were being hammered out in Norway.

After three key Palestinian delegates to the peace talks were named as members of the PLO committee that monitored the Israeli-PLO peace talks, Foreign Minister Shimon Peres announced that Israel would continue to negotiate with these officials. This essentially ended the charade of Israel's pretending to ignore the involvement of the PLO in the Mideast peace talks and gave the PLO assurance of Israel's good intentions regarding the discussions about mutual recognition that were on the agenda of the talks in Norway.

By August it was reported that a majority of the Rabin cabinet, though not the Prime Minister himself, is ready to drop the few fig leaves that remain and plunge into full negotiations with the PLO, even with Mr. Arafat, on the theory that there is no alternative."[22] By this time Arafat was pushing a more conciliatory line than were the "moderate" delegates to the peace talks approved by Israel. Arafat appeared to do this in order to signal his sincerity and willingness to make concessions with the aim of becoming a direct party to the talks.[23]

Rabin was pressured by his dovish cabinet and Knesset faction to make more-conciliatory gestures than he was inclined to do, particularly in negotiating directly with the PLO. The prime minister lost patience with the official negotiations in Washington when he realized that the delegates lacked the authority to make concessions. He badly needed a breakthrough in the peace talks. Rabin decided to gamble by giving Peres enough rope either to make the deal or to hang himself. Peres would take the brunt of the blame for failure, and Rabin could reap his share of credit if the gamble succeeded. Rabin concentrated on efforts to reach an agreement with Syria and let Peres work on what, from Rabin's perspective, were the less promising prospects of reaching an agreement with the Palestinians. Given the vocal opposition led by the Likud and militantly expressed by groups of settlers, including traditional Labor supporters from the Golan Heights, in addition to more ideologically extreme groups like Gush Emunim, Rabin needed meaningful reciprocal gestures from the PLO.

The decision (in mid-December) to deport 415 Hamas and Islamic Jihad leaders and activists to Lebanon in response to the escalation in terrorist attacks against Israel was widely supported in Israel and helped reinforce Rabin's tough image. Moreover, gestures of Israeli flexibility toward the Palestinians and the Syrians drew widespread protest demonstrations on the home front.[24] Only after the closure of the border in late March (resulting in a figurative redrawing of the Green Line) had significantly reduced the number of attacks on Israelis did widespread condemnation of the government begin to subside.

Heavy Israeli bombardment of southern Lebanon had the intended result of sending hundreds of thousands of Lebanese refugees fleeing north. Had the United States not successfully intervened, further escalation could have seriously disrupted the next stage of negotiations. The operation appears to have been primarily intended to quell domestic pressures that built up over

increased tension along Israel's northern border.[25]

Social and Economic Issues

The peace talks and the escalation of terrorism were hardly the only divisive issues that preoccupied the government in its first year. The nation's civil servants initiated a strike that brought out 60,000 administrative and service employees as well as engineers and academics, seriously disrupting all ministries, government hospitals, health clinics, rabbinical and civil courts, customs and tax offices, and the national railroad. Nurses in the nation's largest health program, Kupat Holim Clalit, struck for two weeks. The teachers' dispute kept one million children out of school. This civil service strike, which began in September 1992, culminated in a nine-day walkout that began on April 27, 1993.

In addition there were numerous demonstrations, such as one by 15,000 new immigrants from the former Soviet Union who rallied in Jerusalem in mid-May 1993 to demand immediate government action to meet their grievances. Their leader, Natan Sharansky, claimed, "This government has a special debt to pay to the immigrants," alluding to the fact that their vote gave Rabin his majority.[26] Such strikes and demonstrations took place against the background of Rabin's campaign promise to change priorities by diverting resources from the "territories" and to focus on social and economic problems within the pre-1967 state borders.

On the economic front, Israel led the industrial world in economic growth. The gross domestic product grew 6.4 percent in 1992. Dramatic increases in exports and tourism were the main factors. Inflation went down to a low of 9 percent and there was a 6 percent real devaluation of the shekel. In 1992, 77,000 immigrants arrived, and 110,000 were expected in 1993.[27] Since growth began before Labor took office, it is unclear how much credit the Rabin government deserved or how much the public credited it for the economic improvement. Perhaps more relevant for many voters was the unemployment rate of 10.6 percent. For a nation that absorbed the equivalent of 10 percent of its population between 1989 and 1993, this was not a bad record compared with other industrial nations. However, for the much larger proportion of these immigrants who have been either unemployed or inappropriately employed, discontent could lead to demonstrations such as those previously mentioned, Joblessness also cuts deep among veteran Israelis, particularly in the defense industries, which have laid off large numbers of skilled workers and professionals.

In evaluating Rabin's economic performance, *New York Times* correspondent Clyde Haberman noted that Rabin had begun making good on promises by cutting some taxes, eliminating nuisance fees, and selling off parts of two state-held banks and a few other businesses.[28] The Rabin government sold approximately $1 billion worth of shares in state-owned companies, including Israel Chemicals, Bank Hapoalim, and Bank Igud. Since there are more than 150 companies in government hands, Finance Minister Avraham Shohat has many more shares to unload in order to fulfill his promise of privatization.

One of his projects, a proposal to create a free export production zone (FEPZ) to attract foreign investment, was unanimously approved (with two abstentions) by the cabinet in June 1993 and awaits approval by the Knesset. Although it is predicted that the FEPZ will create 20,000 new jobs, the Histadrut has threatened sanctions unless the government agrees to have special collective work agreements in the zone and clarifies forty-seven items in the proposal.[29]

The banking reforms introduced by the government adversely affected the powerful Histadrut-owned Bank Hapoalim, which is fighting the reforms. Histadrut secretary-general Haim Haberfeld attacked Labor party members who have called for the "wholesale liquidation" of Histadrut assets to pay off its debts.

Health Minister Hann Ramon's proposed national health insurance bill even more directly threatens to undermine the power of the Histadrut. In fact Haberfeld claimed the bill threatened its very existence.[30] Ramon's bill separated membership in Kupat Holim Clalit (the health fund that covers the vast majority of the population) from Histadrut membership. This threatened the Histadrut in two major ways. First, since many members joined the Histadrut primarily, if not exclusively, to qualify for coverage by Kupat Holim Clalit, there would be significant decline in membership. Second, since not all of the dues paid goes to the health fund, there would be a loss of discretionary funds to the Histadrut even from those members who retained their membership. That is why Ramon's bill has been strongly opposed by Haberfeld and others, such as Labor secretary-general Nissim Zvilli, who said that passage of the legislation would mean the liquidation of the Histadrut.[31]

Ramon sparked a revolt within the Labor party when he submitted the government draft of his bill to the Knesset before all the controversial issues had been resolved. Haberfeld had unsuccessfully sought to delay the debate until after the upcoming Labor convention had discussed it. Labor Knesset faction chairman Eli Dayan (with nine cosponsors) submitted a rival draft of the bill in an attempt to block the government's proposed legislation. A major crisis was averted when it was agreed to pass both proposals through a preliminary reading and to refer them to a committee to resolve their differences.

Zvilli called the compromise "the most crucial resolution ever made in Labor in the past 30 years, and maybe even in its entire existence."[32] Ramon's bill represents the greatest challenge of what Ben-Gurion termed *mamlachtiut* (statism) to the ruling institutions of socialist Zionism since the fateful tenth party conference of Mapai in 1965 that led to the party split in the same year. The recent challenge came in the aftermath of Ramon's even more radical proposals to separate the party from the Histadrut and to liberalize the Histadrut. Both proposals had been defeated in the party conference in 1991.[33] After Rabin switched his support from Ramon's health bill to the weaker version supported by the Histadrut, Ramon resigned from the government and was elected secretary-general of the Histadrut on an independent ticket aligned with Meretz and Shas. It is the first time in the seventy-three-year history of the Histadrut that the Labor party lost control of the executive of this important institution. It is also the first time that a Haredi (ultraOrthodox) party (Shas) and a predominantly Arab party (the Joint Jewish-Arab List) were represented in the executive body.

Rabin's Leadership

Given the emphasis on Rabin's personal leadership during the campaign and the formation of the new government, it is noteworthy that after his first 100 days in office the prime minister's popularity plummeted from 60 percent to 42 percent. His leadership style has been characterized as that of "the national engineer."[34] Rabin, who never viewed himself as a politician, disparages, distrusts, and tends to ignore party functionaries. He holds the reins of power tightly in his grip

and is considered to be a "lone wolf" because he rarely takes his colleagues into his confidence.[35] He relies on a few loyal staffers and selectively consults with specific technocrats who are experts on different issues and policies.

Rabin's key foreign policy advisers are Itamar Rabinovich (ambassador to Washington and chief negotiator with Syria), Elyakim Rubinstein (cabinet secretary and initially chief negotiator with the Palestinians, as he was under the Shamir government), and Major-General Danny Rothschild (IDF coordinator of Palestinian affairs). The military intelligence director, Major General Uri Saguy, and the director-general of the Ministry of Defense, David Ivri, are consulted on intelligence issues. Chief of staff of Zahal, Ehud Barak, is reported to have Rabin's ear on a variety of issues and is considered to be his protégé.[36]

Given the history of tension between Rabin and the foreign minister and the Foreign Ministry, Rabin keeps Peres briefed but appears not to consult closely with him. Peres has had to resort to unconventional tactics in order to get his ideas across. As we have seen, Peres succeeded in persuading Rabin to include Faisal Husseini in the Palestinian delegation to the peace talks. Obviously the relations between the prime minister and foreign minister create a situation that is far from ideal when the nation is engaged in the most important diplomatic negotiations since it was established.

Tension within the party was revealed in an unprecedented attack on the prime minister in February 1993 during a motion of no confidence sponsored by the opposition Likud, when a Labor Knesset member, Haggai Merom, charged that Rabin had imposed a reign of terror on his cabinet. He accused Rabin of being intolerant of criticism and of high-handedness (among other charges). Defending himself in a meeting of the party political bureau, Rabin condemned Merom for "joining the Likud's attack on his own party." Rabin said sarcastically: "A journalist suggested to me that someone in the party was plotting my overthrow. I'm sure that's not so." A source close to Rabin told Sarah Honig, "Merom's words came as part of a continuing attack by the Peres faction against Rabin."[37] Rabin suggested that any minister who found government decisions unacceptable was free to resign.

In an insightful analysis of Rabin's performance in office, David Makovsky faulted Rabin for "failure to understand the link between politics and policy. The public needs to be convinced that its leader knows what he wants."[38] He pointed out that Rabin, since his maiden speech to the Knesset, had not given a single policy speech. Rabin has rarely communicated his goals to the public and very rarely held press conferences and background briefings. The prime minister's decision to report to President Weizman and not to the Knesset his summary of the government's performance after one year in office further alienated him from both his parliamentary colleagues and his constituents.

This is particularly critical because of the need to pass legislation. As Makovsky pointed out, Rabin has failed to use his office as a bully pulpit to mobilize public support. He chose to promote party unity rather than to explain the role of the Histadrut in delaying and diluting the national health insurance legislation, which led to the loss of the party's control of the Histadrut. Similarly, he failed to rally public support against the functionaries of his own party who have attempted to weaken the legislation on the direct election of the prime minister. Nor did he speak out publicly in criticism of the banks for weakening the proposals for bank reform.

Preliminary Conclusions

Any conclusions drawn about the performance of a government after its first year in office are by definition preliminary and tentative. This is particularly true when one is evaluating a political system as complicated as Israel's and making that evaluation during rapidly changing and uncertain times in a perpetually explosive region. Yet certain patterns may be discerned and perhaps preliminary prognoses cautiously made. One of the most critical problems has been the failure of the Rabin government to articulate clear goals, to educate the public, and to mobilize public support for its policies.

Building a constituency of support is crucially important for the success of the peace talks. Whereas Israel cannot control outside variables, the government must clarify the intention of its policies in order to convince the public that they are superior to the alternatives. As David Makovsky correctly noted, in order to overcome the constraint of public opinion at the talks, "Rabin needs to mold public opinion, and not just reflect it."[39]

Rabin got off to an auspicious start when, in his inaugural address to the Knesset as head of the new government, he said: "We must overcome the sense of isolation that has held us in thrall for almost half a century. We have to stop thinking that the whole world is against us."[40] In this speech Rabin boldly indicated his intention to overcome a fundamental psychological orientation and philosophical premise of Israeli political culture that had been exaggerated and exploited to give legitimacy to the policies of the Likud over the past decade and a half. Unfortunately he failed to follow through in the role of "Israel's de Gaulle," which one highly informed observer of Israeli politics, Shlomo Avineri, had predicted.[41] "Rabin will have to demonstrate greater leadership in the year ahead than he has exhibited until now. ... Rabin has yet to deliver the change he has promised to a society yearning for change. One year later, Israel is still waiting for Rabin."[42]

Although Rabin's personal leadership ability was stressed by Labor in the campaign and his personal style has invited a critique of his leadership, in a parliamentary system there is a collective responsibility that includes all members of government. Shimon Peres shared responsibility for perpetuating the rivalry with Rabin that has set the tone at the top of the Labor party for nearly two decades and adversely affected the first year and a half of the present government's tenure. He and his allies have mounted various challenges to Rabin's leadership and policies, some of which were discussed above.

Labor's partners in government, Meretz and Shas, share considerable blame for diverting attention, time, and energy—not to mention resources—from more pressing matters by the petty squabbling of Aloni and Deri (among others). The opposition Likud, led by its chairman Binyamin (Bibi) Netanyahu, launched a policy of all-out harassment of the government that has at times exceeded the bounds of responsibility by challenging the authority of the government to represent the nation at the peace talks. Likud charged that the government had sold out Israel and the Land of Israel. Charges of treason against members of the government by less responsible opposition parliamentarians have deepened political polarization at a time when national unity was never more badly needed.

The Rabin government has thus far sent out mixed signals. On the one hand significant concessions have been made to indicate a sincere commitment to the peace talks and a willingness to make political compromises to reach successful outcomes. On the other hand, the mass deportation of Hamas activists, closure of the borders, and massive bombardment of southern Lebanon indicate a hard line on security issues and a readiness to resort to tough measures. Yet these actions do not appear to be well coordinated, nor do they appear to be linked to an overall strategy. Rather they seem to be ad hoc reactions to provocations.

Similarly, on the domestic front, initiatives toward privatization and bank reform and the introduction of a comprehensive national health care system have been delayed and diluted by vested interests in the Histadrut, kibbutzim, and party apparatus. This gives the public the image of vacillation and lack of firm commitment. Whereas to a certain extent this can be attributed to responsiveness to a diversity of interests incorporated in the party, it leaves serious doubt in the public mind as to the extent that Labor will be able to carry the democratic reforms introduced in its leadership-election process to other areas of decision making.

If Labor gained power in 1992 because the public was fed up with Likud rule, it will be able to remain in office (and be reelected) only if it exercises more decisive leadership and gives greater direction in response to the nation's needs than it did in its first year in office. The direction, pace, and relative success of the normalization of relations with the Palestinians and the Arab states will undoubtedly be the biggest test on which Labor's political fortunes depend. Obviously, much more is at stake than Labor's future.

Notes

1. Myron Aronoff, *Power and Ritual in the Israel Labor Party* (Armonk, N.Y.: M. E. Sharp, 1993), p. 229.

2. Labor paid Shas 1.5 million shekels not to run for the 1989 Histadrut elections and to throw its support to the Labor ticket. In her annual report State Comptroller Miriam Ben-Porat strongly criticized Labor for this and for other acts as well as for keeping faulty records of financing during the 1992 election.

3. Asher Wallfish, "Rabin Faces New Row Days After Government Crisis Resolved: Cabinet Changes to Get Knesset Vote," *Jerusalem Post International Edition,* June 12, 1993, p. 2.

4. A High Court ruling based on a judicial technicality overturned this Knesset decision, and the Knesset had to hold another vote prior to the summer recess. In that vote the previous decision was reversed by a narrow margin.

5. Michal Yudelman, "Labor Moves to Bring Shas Back to the Fold," *Jerusalem Post International Edition,* October 2, 1993, p. 1.

6. The Knesset House Committee voted unanimously to recommend that the plenum remove Deri's immunity after he requested it to do so. The Knesset voted 65 to 9, with 1 abstention, to remove his parliamentary immunity. For the first time in the Knesset's history the vote was open rather than secret. This came after a High Court ruling that barred him from serving as minister or holding any public office unless he was cleared in court. See Evelyn Gordon, "Deri Indicted for Fraud, Violating the Public Trust," *Jerusalem Post International Edition,* October 23, 1993, pp. 1, 4.

7. Sarah Honig, "Labor Nominates Ezer Weizman for President," *Jerusalem Post International Edition,* January 23, 1993, p. 24. It is said that Rabin holds a grudge against Weizman for having criticized his performance on the eve of the Six Day War.

8. Asher Wallfish and Dan Eizenberg, "Labor Blocks Own Electoral Reform," *Jerusalem Post International Edition,* June 5, 1993.

9. Peres suggested to Secretary of State Warren Christopher (in February) that Christopher raise with Rabin the idea of including Faisal Husseini in the Palestinian delegation to the peace talks. Through this indirect means Peres succeeded in influencing Rabin to accept an idea that the prime minister had rejected when it had been raised in a cabinet meeting in December.

10. David Makovsky and Asher Wallfish, "Cabinet Debates Allowing PLO a Role," *Jerusalem Post International Edition,* January 2, 1993, p. 1.

11. Ibid. Those listed as supporting talks with the PLO from Labor: Haim Ramon, Moshe Sballai, David Liba'i, Ora Namir, and Uzi Baram; from Meretz: Shulamit Aloni, Amnon Rubinstein, and Ya'ir Tsaban. Those opposing talks from Labor were Rabin, Avraham Shohat, Binyamin Ben-Eliezer, Micha Harish, Ya'acov Tsur, Shimon Shitreet, and Yisrael Kessar; from Shas, Aryeh Deri.

12. Clyde Haberman, "How Oslo Helped Mold the Mideast Pact," *New York Times,* September 5, 1993, pp. 1, 10. See also Chapter 5.

13. Michal Yudelman, "Rabin-Peres Reconciliation Preceded Oslo Pact," *Jerusalem Post International Edition,* September 18,

1993, p. 12A. Also Haberman, "How Oslo Helped Mold the Mideast Pact."

14. David Makovsky, "Rabin, Peres Diverge," *Jerusalem Post International Edition,* May 15, 1993, p. 2. Among their many other differences, evidently the prime minister is more sanguine than the foreign minister is that time is working to Israel's advantage

15. U.S. Secretary of State Warren Christopher supported Rabin's position in a statement in July. "US: Don't Jump Gun on Confederation," *Jerusalem Post International Edition,* July 31, 1993, p. 1.

16. "On Eve of Tenth Round of Bilateral Talks in Washington, Peres Aide Holds Indirect Talks with Arafat in Cairo," *Jerusalem Post International Edition,* June 19, 1993, p. 1.

17. Clyde Haberman, "Arafat Asserts Israeli Officials Met with P.L.O., but Rabin Denies It," *New York Times,* July 13, 1993, p. A13.

18. Ibid.

19. Reported in ibid.

20. Ibid. Haberman's informant said, "Several of the six ministers denied the assertion, and the others made no public comment."

21. The current president of Israel, Ezer Weizman, reportedly met with a PLO official in 1989 when he was minister of science, but he did so without the knowledge of Prime Minister Shamir. Such contacts with the PLO were illegal at the time.

22. Clyde Haberman, "Talking to the PLO, Israel Seems to Be Approaching the Brink of Direct Contact with a Group It Despises," *New York Times,* August 17, 1993, pp. A1, A10.

23. This led three of the Palestinian members of the delegation to the peace talks (Hanan Ashrawi, Faisal al-Husseini, and Saeb Erekat) to resign, which in turn resulted in their official co-optation on the PLO committee that monitored the talks. See Chapter 5.

24. To illustrate the domestic constraints that extremists placed on Rabin's government, Joseph Alper of Tel Aviv University's Jaffee Center for Strategic Studies estimated that at least 10,000 of the 120,000 settlers would be "willing to fight against transferring any security powers in the territories to the Palestinians." Herb Keinon, "Expert: 10,000 Would Fight Transfer of Power," *Jerusalem Post International Edition,* May 15, 1993, p. 5.

25. "Israel Continues to Blast Villages in Lebanon for Guerrilla Attacks," *New York Times,* July 28, 1993, p. A6.

26. Batsheva Tsur, "Angry CIS [Commonwealth of Independent States] Olim Hold Demonstration," *Jerusalem Post International Edition,* May 15, 1993, p. 5.

27. "An A+ for the Economy," Editorial, *Jerusalem Post International Edition,* January 4, 1993.

28. Clyde Haberman, "Next Israeli Skirmish: Breaking Bureaucratic Grip," *New York Times,* July 22, 1993, p. A3.

29. Joseph Rosenfeld, "Cabinet Okays Free Export Zone," *Jerusalem Post International Edition,* June 26, 1993, p. 24.

30. Judy Siegel, "National Health Insurance Bill Presented to Cabinet," *Jerusalem Post International Edition,* February 27, 1993, p. 24.

31. Dan Eizenberg, "Labor 'Passes' Rival Health Bills," *Jerusalem Post International Edition,* July 17, 1993, p. 3.

32. Ibid.

33. Aronoff, *Power and Ritual in the Israel Labor Party,* p. 226.

34. David Makovsky, "Me, Myself and I," *Jerusalem Post International Edition,* July 17, 1993. p. 9.

35. Ibid.

36.Ibid.

37. Sarah Honig, "Rabin: Ministers 'Free to Resign,'" *Jerusalem Post International Edition,* February 13, 1993.

38. Makovsky, "Me, Myself and I."

39. Ibid.

40. David Makovsky, "Changes in Attitude, Prime Minister Yitzhak Rabin Seeks to Break Israel's Siege Mentality," *U.S. News & World Report,* October 12, 1992, p. 41.

41. Avineri was quoted by Makovsky, in ibid., p. 47.

42. Makovsky, "Me, Myself and I."

8

The Likud Under Rabin II: Between Ideological Purity and Pragmatic Readjustment

ILAN PELEG

Introduction

The Likud under Yitzhak Rabin's second government could be characterized by confusion, bewilderment, and even "shell shock." The party that had led Israel almost continuously since July 1977 (Shimon Peres of Labor served as prime minister between 1984 and 1986 in the first half of the National Unity government) found itself in opposition in mid-1992. A divisive succession battle followed the resignation of Yitzhak Shamir as Likud's leader. The winner, Binyamin (Bibi) Netanyahu, adopted a program designed to bring stability to the party, including the enactment of a new constitution and the election of a new Central Committee (*mercaz*). At the same time, he laid the foundation for close cooperation between the Likud and other right-wing parties, such as Tsomet and Moledet.

Yet before Netanyahu could reap any fruits from his relentless efforts, an unexpected challenge evolved. In August-September 1993 the Rabin government and the Palestine Liberation Organization (PLO) reached an agreement on mutual recognition and a written accord on the establishment of Palestinian autonomy in Gaza and Jericho. The accord also mandated Israeli-Palestinian negotiations about the permanent status of the West Bank and the Gaza Strip.

In this chapter, I have four closely linked tasks to accomplish. First, I will discuss the momentous 1992 election. Characterized by political apathy on all sides of the political spectrum, the 1992 election turned, in fact, into a highly important, possibly decisive, one. There are many important questions about the election, and from the perspective of this chapter none is more important than the following: Why did the Likud lose? It seems that the answer is to be found in the combination of long-term trends among Israeli Jews—trends that the Likud leadership may not have recognized and certainly did not adjust to—and specific factors affecting the June 1992 contest.

Second, I will offer an assessment of the new Likud leadership emerging as a result of the debacle of 1992. Here the fundamental questions are the following: Who is Binyamin Netanyahu? What is the intellectual, ideological, and emotional baggage that the Likud leader brings to his position? In assessing Netanyahu, it is important to examine his writings, particular the 1993 *A Place Among the Nations,* as well as his biography and past behavior.

Third, in this chapter I will examine Likud s reaction to what could be called the crisis of 1993. How has the Likud leadership, as well as the rank and file, responded to what seems to many observers as the beginning of an Israeli-Palestinian reconciliation? Why have so many of the leaders, including Netanyahu, described it as a disaster for Israel? What kinds of historical comparisons and cultural symbols have been used in the effort to convince the public and the

Knesset to reject the government's agreement with the PLO? In trying to understand and explain Likud's response, I will examine its collective belief system. It could be hypothesized that in terms of the content of that belief system, Likud had to reject the government's proposal, since this proposal could have led to a Palestinian state (although Begins autonomy proposal could have also led to a Palestinian state). In terms of the structure of its belief system, Likud seems to have displayed a radically closed and inflexible mind in its response to the government's proposal.

Fourth, I will attempt to make an evaluation of Likud's future. One of the critical questions that ought to be dealt with is whether Likud will opt to maintain its ideological purity by insisting on a Greater Israel and by resisting the emerging Israeli-Palestinian "grand compromise." Or, alternatively, will Likud read, or at least attempt to read, what seems to be the writing on the wall and adjust itself to the new reality? If Likud accepts the grand compromise, it might continue to be a tough-minded, nationalist opposition that insists on the most favorable conditions within the framework of the compromise. The history of the Israeli Right is not entirely one-sided in this regard. Whereas Vladimir Ze'ev Jabotinsky and Begin resisted with all their might the partition of the land in the 1920s (e.g., 1922), the 1930s (1937), and the 1940s (1947-1949), Herut in effect accepted that division following the 1948 war and the establishment of the 1949 armistice lines. Whereas Likud led the struggle for a Greater Israel following the 1967 war, its own leader, Menachem Begin, accepted a total Israeli withdrawal from the Sinai, including areas with significant economic and strategic value. So the future position of Likud is, at least, unclear. In brief, the focus of this chapter is Likud's acute crisis, stemming from the tension between its ideology and tradition, on the one hand, and its ability to influence the solution for the Israeli-Palestinian conflict, on the other. The key for an inquiry into this issue is a thorough understanding of Likud's ideology and tradition, as well as the new political reality. Such understanding may help us in examining Likud's future.

From Government to Opposition: The 1992 Debacle

Before the Israeli election of June 23, 1992, took place, Clyde Haberman of the *New York Times* called it "an Israeli oxymoron: a dull election." What should have been one of the most important elections in many years was characterized in advance as an apathetic and boring affair.[1]

The apparent lack of interest in the election on the part of many Israelis is all the more interesting in view of the clear and long-term ideological polarization in the country between Labor and Likud supporters as well as leaders. This polarization focused, specifically, on the issue of the future of the occupied territories. Table 8.1 reflects this picture in some detail by displaying attitudes of Labor and Likud voters and MKs on the future of the territories.

According to the data in Table 8.1, in terms or a permanent solution to the Israeli-Palestinian conflict, whereas 46 percent of Likud members of Knesset (MKs) supported the establishment of Palestinian autonomy (under Israeli sovereignty), no Labor MK adopted this position. In contrast, 44 percent of Labor leaders supported a Jordanian-Palestinian state, but none of the Likud leaders did. Similarly, whereas 56 percent of the Laborite MKs supported dovish solutions (such as an independent Palestinian state), only 8 percent of Likud MKs adopted a similar position. Although the differences regarding an interim solution were less pronounced, they were also quite substantial.

Despite the ideological gap between the two major parties, the 1992 election was atypically nonideological in nature. Jonathan Mendilow noted that an unusually large proportion of the 1992 electorate consisted of voters with no clear party loyalty (young first-time voters, new immigrants, primarily from the former Soviet Union, and potential party defectors) and that, therefore, both parties decided to ignore divisive ideological issues and to base their appeal on "valence issues" such as leadership and system management.[2] The nonpartisan voters and others were concerned with issues such as unemployment and housing and were troubled by what they perceived as failures of leadership and government performance. Labor, as the opposition party, gained from the dominance of these types of "valence" (as against "position") issues in the 1992 campaign.

A superficial examination of the 1992 election reveals several important factors that led to the Likud's defeat (not necessarily in order of significance):

1. Leadership, and particularly the public's negative perception of Prime Minister Shamir and the much more positive view of Yitzhak Rabin, his challenger
2. Party unity, a factor working this time in favor of Labor and against Likud and extending to more unity in the Left than in the Right in general
3. Economic performance on the part of the government, particularly in the crucial areas of employment and housing, the widespread sense that the economic priorities of the government were misplaced (by focusing on settlements in the occupied territories rather than on immigration absorption and the development towns)
4. The Israeli-U.S. relationship (including the personal Bush-Shamir relationship) and a public perception of a link between these relationships and the Likud policy toward the future of Judea and Samaria
5. The ethnic factor, and particularly the perception of some Sephardim that their leader, David Levy, had not been dealt with fairly.

TABLE 8.1 Attitudes on the Future of the Territories, by Party Affiliation: Members of the Public (P) and of Knesset (M), 1990 (in percentages)

	Interim Solutions				*Permanent Solutions*			
	Likud		*Labor*		*Likud*		*Labor*	
	P	M	P	M	P	M	P	M
Autonomy	23.1	85.0	23.50	53.0	22.2	46.0	21.9	0.00
Palestinian-Jordanian state	3.7	0.0	8.30	0.0	7.3	0.0	18.6	44.00
Status quo	7.5	15.0	2.80	0.0	3.1	0.0	2.3	0.00
Dovish solutions	22.0	0.0	35.00	41.0	33.4	8.0	46.9	56.00
Hawkish solutions	18.7	0.0	2.75	0.0	25.2	31.0	5.6	0.00
Don't know/other	25.0	0.0	27.65	6.0	8.8	15.0	4.7	0.02

Note: The findings for the MKs (M) were based on sixty-two personal interviews conducted by Barzilai, Goldberg, and Inbar in 1991, a representative sample of the Jewish MKs in the Twelfth Knesset. The sample for the public (P) was 1,126, representative of Israeli Jews above the age of eighteen, minus permanent inhabitants of the West Bank and the Gaza Strip. The polls were financed by the Center for International Communication and Policy, the Center for Strategic Studies at Bar-Ilan University, the Leonard Davis Institute for International Relations (Hebrew University), and the Jerusalem Center for Public Affairs. Although G. Barzilai, E. Inbar, and G. Goldberg conducted the polls, I take responsibility for the construction and presentation of this table. A slightly different table from the one presented here was recently published in an article by Gad Barzilai and Ilan Peleg in the *Journal of Peace Research* 31, no. 1 (1994), pp. 59–71 (table on p. 68).

There can be no question that Shamir's leadership, or lack thereof, contributed to Likud's electoral defeat. Many, even among Likud voters, saw Shamir as overly doctrinal, an inflexible ideologue. Roni Milo, one of Likud's leaders, tried to convince Shamir to declare that Likud

would support the idea of Israeli withdrawal from Gaza, a highly popular notion in all quarters of Israel's public. Shamir angrily rejected Milo's last-minute effort to change the electoral trend and to keep the Likud government in power.[3]

Shamir's radical image was further strengthened when, in the midst of the campaign, he sensed a disaster and began accusing Labor of having conspired with Arabs to dismantle a previous (1990) Labor-Likud coalition, Clyde Haberman wrote in the *New York Times* that "the mere reference to Arabs and plots was equivalent to raising specters of the bogeyman for security-conscious Israelis— and to raising doubt about Labor's ability to protect them."[4]

Unfortunately (from Likud's perspective), accusations of disloyalty could not have been terribly convincing when leveled against Labor leader Rabin, a former chief of staff, defense minister, prime minister, and ambassador to the United States with a well-deserved reputation for hawkish positions. In fact, the replacement of Shimon Peres by Yitzhak Rabin—supported by many of Labor's doves— was a sine qua non for Labor's victory. Rabin's "personality, his position on the political spectrum, and the security myth he represents in the Israeli collective memory evidently made the difference at the polls."[5]

But beyond the issue of the leader's personality, there was one of leadership unity, and also in this respect the Left had an advantage in 1992 over the Right. Prior to the election Likud was torn by divisive leadership battles. On Labor's side, Rabin and Peres, despite the intense competition between them, managed to put their traditional rivalry aside and worked together during the election. Moreover, whereas the parties to the left of Labor (Mapam, Shinui, and Ratz) united under the banner of the Meretz party, the parties to the right of Likud (Tehiya, Tsomet, and Moledet) failed to unite. Meretz received twelve seats in the election for the new Knesset, but Tsomet and Moledet received merely ten, and Tehiya disappeared completely from the political map. Ruvik Rosenthal, a political commentator and editor of the business periodical *Status*, argued under the title "Pragmatic Labor, Ideological Likud" that while Labor was projecting itself as a centrist party committed to "security," Likud retained an image of an old-style ideological party that had managed to miss the opportunity for peace and undermined U.S.-Israeli relationships.[6] The combination of Rabin's return to the leadership of Labor and the unification of the Left under Meretz created the impression that the end of Likud as Israel's government was near.

The overall poor shape of the Israeli economy, which was suffering from the worldwide recession, hurt the Likud significantly. Unemployment had reached the 12 percent mark by April 1992, and the unemployed included one out of every two new immigrants. Military veterans, the young, and residents of developing towns, who had all been expected to vote disproportionately for Likud, were particularly hurt in this regard, as were Israeli Arabs (with a 25 percent unemployment rate). Labor skillfully linked the investment in the occupied territories with the lack of investment in the creation of jobs, housing projects in Israel proper, and other priorities. Thus, Likud's strong points—nationalism and security— were effectively linked to its poor performance on the economy.

Particularly damaging for Likud was the general perception in the country that the government under its leadership had failed to deal with the issue of the Russian immigration. Although many observers had expected Likud to do well among the new immigrants, Labor did a lot better, getting about 47 percent of the votes cast by them (as against Likud's 18 percent).[7]

Likud proved additionally vulnerable in the relationship between Israel and the United States —particularly since its policies in this area touched on its very essence as a political party. Under Shamir the relationship had deteriorated to personal animosity between the U.S. president, who

demanded a freeze on Israeli settlement activity in the occupied territories, and the Israeli premier, who insisted on continuing such activity. The U.S. demand "touched the raw nerve of the Likud's ideology, and this on the eve of an electoral campaign with the parties of the extreme right waiting to point an accusing finger at any sign of weakness."[8] Consequently, Shamir was not in a position to accede to that demand, if indeed he ever considered doing so. In view of the fact that 57 percent were in favor of a settlement freeze, and only 32 percent rejected it,[9] the issue was a clear loser for Likud. Likud, some observers thought, had failed to "adjust to the new international climate."[10]

Even the ethnic factor, and particularly the voting patterns of Jews from North Africa, the Middle East, and Asia (Sephardim), did not work this time in favor of Likud. David Levy, the Sephardi leader from the development town of Beit Sha'an, was able to secure a place in the top leadership of Likud for himself but not for any of his supporters, many of them Sephardim also. Accusations of anti-Sephardi racism on the part of Likud's leadership followed, and Levy lacked the incentive to campaign energetically for the party. Allegations of ethnic discrimination, traditionally aimed at Labor, were directed in 1992 against Likud. Arie Na'or, who served as the secretary to Begins first government, warned even before the official opening of the campaign: "The David Levy crisis in the Likud reflects a problem much graver than the political fate of the foreign minister. The Likud rose to power as a result of the support of the Sephardi public, of which Levy is the most authentic representative."[11] It is interesting to note, in the context of Na'or's comment, that at the time of writing (October 1993) the relationship between Likud's mostly Ashkenazi leadership, now under Netanyahu, and Levy's party faction, had still not been repaired.

A combination of all these factors and possibly others (such as Likud's reputation for corruption) led to Shamir's defeat in 1992. Nevertheless, it is important to note that although Likud itself declined dramatically (in terms of its overall Knesset representation), the right-wing bloc came within two Knesset seats of being able to form the postelection new government with the help of the religious parties. In brief, the shift between the Left and the Right was not as dramatic as that between Likud and Labor, a proof of Israel's remarkable political and ideological stability.

Most important from the perspective of this chapter is the fact that Likud's fundamental position on political issues, and especially the future of the occupied territories, was not directly undermined as a result of the 1992 election. Consequently, Binyamin Netanyahu (known as Bibi), a man close to Shamir personally and ideologically, could have been elected Likud's leader following the party's 1992 defeat. It is in this context that Shamir's political legacy must be assessed, not as a legacy proven invalid, but as one that, for its supporters, went into a mere temporary decline. The objective of electing Netanyahu as Likud's leader was to *revive* the Revisionist legacy, not to bury it.

Benjamin Ze'ev Begin, a Netanyahu opponent for Likud's leadership and the son of Menachem Begin, said to a *New York Times* correspondent that Likud had to bounce back from its electoral defeat without compromising its basic message: Keep Israel strong, expand Jewish settlements in the occupied territories, and hold to all the land, which he called "our sacred Jewish soil."[12] The legacy, thus, lives on.

The New Likud Leadership

Likud's defeat in the June 23, 1992, election was followed quickly by Yitzhak Shamir's announcement that he intended to retire from politics. Thus, less than ten years after Begin's sudden withdrawal from politics, Likud found itself engulfed in a major internal battle for its leadership. This battle was all the more significant because it would confer the mantle of leading the Israeli Right on someone who was not a member of the founders' generation.

Competing against Benny Begin and two of Likud's prominent Sephardi politicians (David Levy and Moshe Katzav), Binyamin Netanyahu was elected Likud's new chairman by 52.1 percent of the Central Committee. Some important Likud leaders (notably Ariel Sharon) and a group of younger politicians known collectively as the "princes" in view of their parents' long-standing position in the ranks of the Right (Dan Meridor, Uzi Landau, Roni Milo, Ehud Olmert, among others) decided to take no part in the contest, probably responding to early signs of a Netanyahu victory.

Immediately after his surprisingly convincing victory, Netanyahu called for the "replacement of the government of failure."[13] Nevertheless, although two of his opponents, Begin and Katzav, announced that they would cooperate with him, his main challenger, David Levy (who had received 26.3 percent of the votes), remained uncompromising in his opposition to Bibi. Moreover, despite the fact that Netanyahu, since his election, has succeeded in passing a new constitution for the party—a document that gives him unprecedented authority—many of Likud's leaders remained skeptical as to his ability to lead them back to power. The crisis of August-September 1993, triggered by the Israeli-PLO rapprochement and Netanyahu's handling of it, further eroded his position within the Right's largest party.

Who is Binyamin Netanyahu? Biographically, he cuts a fairly uncomplicated figure. Born in Jerusalem in 1949, he moved to the United States with his parents as a teenager. His father, an old-time Revisionist, was a professor of Jewish history in an American university. After high school, Bibi returned to Israel, joined the army, and served for five years in an elite unit (Sayeret Matkal). Upon his release from the army he studied again in the United States, completing his bachelor's degree in architecture and his second (a master's) in business administration (at Massachusetts Institute of Technology). He was involved in business, first in the United States and then in Israel. Moshe Arens, Israel's foreign minister under Shamir and Netanyahu's mentor, appointed him as Israel's number-two man in Washington, and on October 1, 1984, Netanyahu became Israel's UN ambassador. By 1988 he had returned to Israel; he was elected twice to the Knesset (1988, 1992), demonstrating on both occasions his enormous popularity.

In Shamir's government Netanyahu served as deputy foreign minister, working (at least formally) under David Levy. Their relationship was strained and Netanyahu became deputy minister in the Office of the Prime Minister. When Likud was defeated (in June 1992) and both Shamir and Arens announced their retirement, Netanyahu declared his intention to run for the position of Likud's chairman.

There is no doubt that a variety or events in Netanyahu's life are of great relevance for his politics. He was raised in a Revisionist home, where ideological commitment to Jabotinskys legacy reigned supreme. In 1976 his brother Yoni was killed during the famous Israeli rescue operation at Entebbe, Uganda. Bibi's youth in the United States made him into a great admirer of the country and its political tradition.

Nevertheless, before one can make connections between Netanyahu's life and his political thinking—ideology, if you will—one must clearly understand the fundamental ideas that the Likud's new leader represents. Luckily for those interested in penetrating Bibi's belief system, simultaneously with his election as Likud's leader, Netanyahu published a 467-page book, *A*

Place Among the Nations: Israel and the World.[14] The comprehensive volume allows us to examine his ideas in light of his life prior to and following the election to the leadership of Likud.

One can ask several thought-provoking questions about Netanyahu: Is he truly an ideologue? If so, what are his basic beliefs? Are they reflective of the Revisionist ideology left by Jabotinsky as an intellectual foundation for the entire Israeli Right? Are they different at all from the Neo-Revisionist legacy of the duo Begin and Shamir? What is the core belief of Binyamin Netanyahu? These are among the essential questions for understanding Netanyahu's and Likud's behavior in the dramatic second half of 1993 (with an Israeli-PLO new relationship emerging) and for making intelligent predictions as to the future of Likud in years to come.

The most interesting and fruitful way to proceed in examining Netanyahu's ideology systematically and comprehensively is to compare it to the ideological beliefs of Revisionism and Neo-Revisionism (that is, Begins ideology). The comparison of Netanyahu's ideology with the traditional ideological pillars of Israel's right wing is useful as a guide for examining Likud's behavior today and in the future.

The Territorial Imperative

Revisionism was born in 1922 in the name of territorial greatness to guarantee that Eretz Israel (the Land of Israel) in its entirety, on both banks of the Jordan, would be in Jewish and only Jewish hands. The father of the movement was Vladimir Ze'ev Jabotinsky, and he fought until the end of his life (in 1940) for the idea of a Greater Eretz Israel. The majority of the Zionists rejected his territorial prescriptions as unrealistic. Nevertheless, Menachem Begin, who saw himself as Jabotinsky's successor, continued to fight for maximal territorial expansion, as did Yitzhak Shamir. Although Jabotinsky's Revisionism claimed both sides of the Jordan and Begin-Shamir's Neo-Revisionism focused on the West Bank alone, both ideologies put a great emphasis on territoriality.

Similarly, Netanyahu's book offers a territorial approach to the problems facing Zionism. He recommends the eventual annexation by Israel of all of the occupied territories: "One simply cannot talk about peace and security for Israel and in the same breath expect Israel to significantly alter its existing defense boundaries."[15] Moreover, within the Greater Israel of the future, he sees only Jews as having any real political power. As individuals, Palestinians might be citizens, but they would not share power with the Jews as a group. The Netanyahu approach is identical to Jabotinsky's and Begin's.

It is important to understand that Netanyahu's territoriality is not merely a practical solution to Israel's security dilemma: It is a deeply held ideological conviction based on Netanyahu's reading of competing historical rights in the land. He argues boldly that Britain promised Palestine in its entirety (on both sides of the Jordan) to the Jews alone, even though the Balfour Declaration spoke merely about establishing a Jewish national home *in* Palestine. Accordingly, Chapter 2 of Netanyahu's remarkable book is simply titled "The Betrayal."

Moreover, Netanyahu ignores a series of important events relating to the territorial question. Thus, he does not mention that the Jewish majority (in Palestine and beyond) accepted Britain's decision to separate Transjordan from the Palestine Mandate; to focus on this crucial event would be to recognize that in 1922 Jabotinsky, the founder of the Revisionist movement, represented only a tiny and radical faction within the Zionist movement, a faction that did not

understand the need for a territorial compromise to the evolving Arab-Jewish conflict.

Similarly, in discussing the Peel partition plan (1937),[16] Netanyahu does not mention that the majority of the Zionists were willing to seriously discuss the partition of Palestine on the basis of this first partition plan. Moreover, when Netanyahu says that the Peel plan was "rejected by both Arabs and Jews,"[17] he states a clear falsehood. A similar treatment is accorded to the 1947 UN Partition Resolution. The pattern is clear: A committed territorialist, Netanyahu is rewriting history from a Revisionist perspective. He tries to eradicate from the chronology of Mandatory Palestine the central fact that although the majority of the Zionist Jews was ready to compromise territorially (1922, 1937, 1947), the Revisionist minority (led by Jabotinsky and later by Begin) refused to accept *any* territorial compromise.

More recent events are treated similarly: The territorial imperative gives the book the coherence it might have lacked without it. Thus, Netanyahu indicates that he does not accept Security Council Resolution 242 as requiring an Israeli withdrawal from at least part of the West Bank, nor does he see the Camp David Agreements as effectively blocking Israeli annexation of the West Bank to Israel.

The Negation of the World

In terms of his perception of the world and the way he sees the world's attitude toward Israel, Netanyahu represents a different approach from the one exhibited by Begin and Shamir; there are, however, surprising similarities between him and Jabotinsky. The founder of Revisionism was a true cosmopolitan and a great admirer of the British. Although Netanyahu is a fierce nationalist with no cosmopolitan tendencies, he is a great admirer of the leading superpower of his day, the United States. The main objective of *A Place Among the Nations* is to win the battle for American public opinion.

The Begin-Shamir record indicates a highly pessimistic view of the world's attitude toward Israel. Begin, in particular, tended to interpret criticism of Israel as reflective of anti-Semitism, even when such criticism came from old friends of the Jewish state. Netanyahu, it seems, is less dominated by such notions, although he is not entirely liberated from them.

In discussing the world's reaction to what he called the "harsh" military administration in Judea and Samaria, Netanyahu argues that Israel is judged, not according to accepted international norms, but on the basis of a different and much stricter standard, applying only to the Jewish state.[18] In dealing with the demand for a freeze on Israeli settlement on the West Bank, Netanyahu states that this is merely a handy euphemism for people who wished to find a polite way of saying "No Jews."[19] Although Begin would use (and indeed did use) the German term "Judenrein" to bluntly accuse the world of anti-Semitism, Netanyahu softened the message; he did not, however, change it.

In echoing Begins oft-repeated charge that the world treated Israel unfairly, as a reflection of the world's anti-Semitic bias toward the Jewish state, Netanyahu writes: "Israel encounters difficulties in explaining its position that no other nation encounters. No other country faces both constant threats to its existence *and* constant criticism for acting against such threats."[20] Netanyahu continues to argue that there is a "psychological bedrock underneath" this attitude. It consists of "a basic difficulty in accepting the revolutionary change in the status of the Jews,"[21] the inability of Israel's opponents and friends alike to come to terms with Jewish power.[22]

Nowhere in this long book does Netanyahu consider the possibility that the criticism of Israel is not a function of the perception of the Jew in history, but a reaction to Israeli control of the occupied territories. In this regard, Netanyahu is very much a follower of Prime Ministers Begin and Shamir. At the same time, his condemnation of the world's "double standard" is muted and reserved.

Mystical Justifications and Prescriptions

In terms of justifying the claim for a Greater Israel, Netanyahu uses the basic arguments developed by his predecessors, especially Jabotinsky and Begin. At the same time, he tends to be somewhat less passionate in promoting mystical justifications and bases his argumentation mostly on rational considerations such as the topography of the West Bank and the military balance between Israel and the Arabs.

Like Jabotinsky and Begin, Netanyahu is full of admiration for the military glory of past Jewish heroes. Passages dealing with Jewish heroism are reminiscent of Jabotinsky's famous historical novel, *Samson*, which Netanyahu does not mention. Moreover, Netanyahu's claim for the occupied territories is based in the final analysis on historical rights, covered by legalistic argumentation founded on what he believes the British promised the Jews toward the end of World War I. Behind legality and strategy there is always the old biblical claim. And, although that claim has always characterized Zionism in general, other brands of Zionism have found ways to balance the fundamental historical claim with pragmatic considerations. In refusing to be pragmatic, Netanyahu is following the footsteps of Jabotinsky and Begin.

Chapter 8 in *A Place Among the Nations* is devoted to what Netanyahu calls the demographic Demon. The title itself reflects Netanyahu's belief that demography is not a serious problem and that, in any event, it should not prevent Israel from implementing its territorial mission and annexing the occupied territories. The mysticism of the Revisionists is quite evident throughout the chapter. Netanyahu writes: "Zionism is anything but finished, and its central message remains intact. Today more than ever, it must be pursued as Herzl envisioned it: not by making Zion weaker in body and spirit, but by making it *stronger* ... so it can realize the tremendous opportunities ahead of it."[23]

Normalcy

As I have explained elsewhere in detail,[24] whereas the whole idea of Herzlian Zionism was a return to normalcy by the Jewish people—a position fully accepted even by Jabotinsky—post-Holocaust Neo-Revisionism (and Israeli religious messianism) has rejected this idea altogether as neither possible nor even desirable.[25] Most people view the world as becoming smaller and increasingly interdependent, but Neo-Revisionists focus on Jewish uniqueness, separation, and even secession from a world that is, for them, fundamentally and inalterably hostile to Jewish concerns.

Netanyahu is hard to classify when attitudes toward normalcy are examined. On the one hand, he advances ideas that have no chance whatsoever of being accepted by the Palestinians, the Arabs, the Moslems, and, indeed, the world at large. Thus, he quite specifically accepts the continuation of abnormalcy in the life of Israel. In demanding the democratization of the Arab

world as a precondition for peace, he, in effect, declares his willingness to accept a no-peace condition in the foreseeable future.

On the other hand, Netanyahu's identification with the West and with the United States in particular—indeed his biography itself—is so great that to the extent to which he negates the world, he finds it necessary to declare his allegiance to part of it. Be that as it may, *A Place Among the Nations* is written for the outside world, and Netanyahu's negativism toward that world is muted. In a surprising challenge he writes: "Israel must resist the ... immature conception of the Israeli right that nothing we will do or say will make a difference to an implacably hostile world."[26]

Positive Image

Revisionism and Neo-Revisionism have a long-standing tradition of reliance on an overcompensatory attitudinal prism. On the one hand, they see the Jew as an eternal victim, powerless and discriminated against, dominated and persecuted. On the other hand, they dream of the Jew as a powerful being, strong and domineering. Jabotinsky and Begin alike, men given to passionate expression, identified with a large Eretz Israel, insisted on an all-powerful Jewish army, and dreamt of an Israel as a regional superpower. Zionism was, for them, not merely a solution to the Jewish problem; it was an over-solution, a dramatic reversal in the fortunes of the Jews

Netanyahu, although less expressive than his predecessors in the leadership of Zionism's right wing, nevertheless adopts their fundamental approach. The overcompensatory nature of his positive image is quite evident: Greater Israel is to encompass all of the occupied territories,[27] its survival is to be based on overwhelming strength[28] and on a deterrence posture.[29] For Netanyahu, and for previous ultranationalist leaders, the choice is between a status of a regional superpower— powerful and domineering, expansive, and in control of other people—and survival itself. A smaller Israel, at peace with its neighbors, is not truly a choice for Likud's new leader.

The approach to international politics taken by Netanyahu is clearly militaristic, reminiscent of Jabotinsky's fundamental attitude. Peace, for Netanyahu, is not a function of mutual recognition and acceptance, but a function of strength, deterrence, and domination. Chapter 10 of his book, entitled "The Question of Jewish Power," begins with a description of Netanyahu's visit to Auschwitz, a symbol of Jewish powerlessness; it ends by calling for the Jewish people to assume — through power—"its rightful place among the nations."[30] Equally interesting,Chapter 7 is entitled "The Wall," an allusion to Jabotinsky, who called upon the Jews (more than sixty years ago) to build an *iron wall* that would force the Arabs to accept them. The message of Chapter 7 is as simple as it is noncompromising. To survive, Israel must keep the Samarían and Judean mountains (the "wall") in its control forever. Although for Netanyahu this is a *defensive* wall, he refuses to recognize that some may look at it as an offensive wall that prevents rather than facilitates peace.

It is interesting to note that nowhere in this lengthy book is there a serious effort to deal with the question of the creation of better relationships between Arabs and Jews on both sides of the imaginary wall. The approach, militaristic to the core, is how to make the wall higher and stronger. It is also important to note that whereas Netanyahu quotes over and over again a Pentagon document that apparently supported the control of the West Bank by Israel,[31] he does

not quote the numerous Israeli generals who have stated that control over the West Bank is not a military necessity for Israel.

Despite his strong militaristic approach and his message of national grandeur through strength, Netanyahu presents the previous Likud government as conciliatory. Discussing the return of the Sinai to Egypt, Netanyahu states: "No victor in recorded history has behaved similarly."[32]

Holocaust Fixation

One of the main characteristics of Neo-Revisionism under Menachem Begin was its not only strong but truly overwhelming focus on the Holocaust, an event that became a measure of all things. The PLO was compared to the SS, Arafat to Hitler, and Israels critics to anti-Semites of the worst kind. Israeli responses to Arab aggression were compared to the Allies' war on Nazi Germany.

Netanyahu's Holocaust fixation is undoubtedly less prominent than Begin's, and his ability to use the Holocaust analogy in relative moderation is evident. Nevertheless, the fixation is there. Thus, in dealing with Israel's conflict with the Arabs, he compares it to Germany's assault on Czechoslovakia: "The Arab world's campaign against Israel is not the first time that totalitarian regimes have used a perversion of the concept of self-determination in concert with threats of force as a weapon against a small democracy. The most striking precedent for this strategy in this century is Nazi Germany's campaign against Czechoslovakia."[33] In his book, Netanyahu quotes Chamberlain's infamous sentence: "My friends, I believe it is peace in our time."[34] It is interesting to note that when the first signs of an Israeli-PLO deal appeared in 1993, Netanyahu immediately resurrected this very image. He depicted the Arabs as Nazi Germany, the Palestinians as the Sudeten Germans, and the small Israeli democracy as Czechoslovakia, forced to cede territory without which it would not be able to defend itself against the inevitable future attack. When the Israeli-Palestinian agreement was announced, Netanyahu quickly published an op-ed piece in the *New York Times* under the title "Peace in Our Time?" The link between Netanyahu's ideology and his behavior as a political leader in a crisis has been clear.

The Arabs

In his approach to the Arabs, especially the Palestinian dilemma, Netanyahu is closer to the Neo-Revisionist ideology than to Jabotinsky's Revisionism. For him the major problems in the Middle East are the unmitigated hostility of the Arabs toward the West, Pan-Arab nationalism, and Islamic fundamentalism. The Palestinian dilemma is merely an extension or reflection of these forces, not an independent cause for conflict. In Chapter 3, "The Theory of Palestinian Centrality," he maintains that "only against the background of this intense animus toward the West can the Arab rejection of Israel be truly grasped. Israel ... is understood as a tool or weapon by which the Western governments can inflict further defeats and humiliation upon the Arab nation."[35] Put differently, the Arabs hate Israel because of their hatred of the West, and, therefore, no matter what Israel does (e.g., in relation to the occupied territories), it will continue to be vehemently rejected. In Netanyahu's schematic presentation, the Arab-Western conflict—described as a permanent historical fixture—has now replaced the East-West conflict. Israel is once again a forward post of the West in a hostile Middle East.

This type of argumentation and the analogizing of the Israeli-Palestinian conflict to the problem of the Sudeten Germans in the 1930s enables Netanyahu to describe the Palestinian problem as an artificially manufactured dilemma, not as the major (or a major) issue in the Middle East. This approach is compatible with his attitude that the Palestinians have no justified claim on any part of Eretz Israel or that, alternatively, their claim has already been satisfied by the establishment of Jordan. Both claims are made in his book.

Netanyahus refusal to recognize the authenticity of Palestinian national rights in any part of Western Palestine (Israel and the occupied territories without the Golan Heights) is, in the final analysis, what makes his attitude so Revisionist. More than any other brand of Zionism, Jabotinsky's movement carried the torch of opposition to any territorial compromise for over seventy years. Netanyahu is merely the latest segment in a long chain stretching from the 1920s to the 1990s.

Most of the other arguments promoted by Netanyahu in regard to the Arabs are logical extensions of his fundamental attitude:

1. The Arabs are not real partners to a possible compromise unless they democratize.[36] (This argument allows Netanyahu to postpone a settlement while Israeli occupation of the West Bank and Gaza Strip continues.)
2. The occupied territories are, in fact, "in large part vacant."[37] (Therefore, à la Netanyahu, continued Israeli settlement is acceptable.)
3. The antisettlement policy of the United States and other governments is "the application of apartheid to Judea and Samaria."[38] (Netanyahu, of course, did not see the settlement policy as a move toward the dispossession of the Palestinians, a people who, in Netanyahu's view, had no rights in the land to begin with.)
4. Although the Arabs maintain that the Palestinians were expelled from Palestine, Netanyahu argues that it was actually they who expelled the Jews upon their conquest of the land in the seventh century.[39] (In fact, most Jews were expelled by the Romans.)
5. Netanyahu omits or dismisses all of the PLO moderate pronouncements, but he quotes the more radical statements.[40] Thus he believes that the so-called Phased Plan-—the destruction of Israel in stages—is still in force, even though it was invalidated by many subsequent Palestinian positions; similarly, he dwells on the "Right of Return" as if it were still operational.[41] He refuses to recognize any signs of increasing Palestinian moderation. (He recognizes, obviously, that to do so would mean a demand for a territorial deal with them.)
6. Netanyahu offers, as a permanent solution for the West Bank, autonomy for the Arabs, with Israel as the sovereign in the area, "similar to an arrangement for the division of responsibility between national government and local authority;"[42] at the same time, he proposed, Israel would not only maintain complete freedom of movement in the territories but also continue settling Jews in them. The West Bank would be annexed and Arab urban centers (Netanyahu mentions four of these) would receive local autonomy.[43] (Hertzberg, in his review of Netanyahu's book, calls the four Arab centers "ghettos." He describes them as "four Sowetos" and as "places where people live in ever greater constriction while Jews build modern settlements in the lands beyond the tight boundaries of the Arab pale of settlement."[44]) Netanyahu evaluates the area of the four Arab autonomous areas at about 20 percent of the West Bank[45] and states boldly that the Arab self-government there would be an "experiment in democracy." He does not rule out the possibility of extending to the

Palestinians Israeli citizenship, provided Israel wished to do so and that the new citizens give a "pledge of allegiance" to Israel.[46]

Netanyahu: A Summary of His Views

Altogether, Netanyahu's ideology as reflected in his recently published book is a mixture of ideas developed by Vladimir Jabotinsky in the 1920s and 1930s and by Menachem Begin until his resignation as Israel's premier in 1983. These ideas are adapted by Netanyahu and applied to Israel's contemporary dilemmas. In brief, one may call the ideological message of *A Place Among the Nations* "Revisionism for the 90s." Whereas the principles laid down by Jabotinsky and Begin are fundamentally intact, their application by Netanyahu, a renowned public opinion expert, is quite effective and imaginative.

Thus, the territorial imperative and the demand for *exclusive* Jewish rights in all of Eretz Israel are still the foundation, as is their necessary derivative: the negation of Arab collective rights in the land. Other characteristics are moderated and refined (although they never disappear altogether): the negation of the world, the mystical justification for the Zionist effort, the rejection of Jewish normalcy, and the Holocaust fixation are all adjustable elements within the overall Revisionist prism. Not so is the dream of grandeur, the militaristic spirit, the call for territorial expansionism, and the overall Machiavellian outlook on the nature of international politics.

How important is this book? Does it really reflect Netanyahu's inner belief system, or is it merely a product for mass consumption? Will Netanyahu act on this credo? Will he deviate from it if pressured? These are truly difficult questions, but in general, the twentieth century is full of examples of leaders—especially of the ideological-crusader type—who have acted on their convictions. So far there is no reason to believe that Netanyahu will deviate from the belief system as presented in the book. His behavior since late August 1993 indicates a total and complete commitment to his ideology. Although some deviations in the future are possible and even likely, it is doubtful that these will be substantial. It is possible to argue that Netanyahu may not have written this radical book on his own and that if he did, it was done for public consumption. Yet, in either of these cases, he is now publicly committed to the radical message included in the volume. It is this commitment that is most relevant for Netanyahu's politics.

Despite the heavy reliance on Netanyahu's book as my source of identifying Likud's ideology, it is important to realize that the Likud is *not* a monolith and that alternative views are possible, especially in the post-Beginist era. At the same time, it is essential to note that despite nuances, the Likud has been characteristically homogeneous in its commitment to Greater Israel and to Jewish exclusivity in the land. Deviant leaders who ignored this reality (e.g., Moshe Amirav) found themselves chased quickly out of the fold.

The Crisis of 1993: The World Closes In

Binyamin (Bibi) Netanyahu was elected chairman of the Likud in late March 1993, nine months after the party's defeat in the 1992 election. He quickly assumed a strong personal leadership role inside the party and an aggressive one toward Likud's outside opponents in the Rabin

government. Thus, insofar as the inside political game was concerned, Netanyahu quickly let it be known in Likud that he and he alone would be making decisions in the party. That kind of leadership was prevalent in Herut and later in the Likud under Begin but was absent after his retirement in 1983. Moreover, in a party that lacked clear-cut rules and regulations for managing its internal affairs, Netanyahu succeeded in passing a new constitution. The document ratified Netanyahu's role as the leader by giving the chairman unprecedented powers. Some observers thought that Netanyahu had decided to bring about the Americanization of Likud, that is, to turn it into an election-year party that is called upon to support its leader once every four years.

As for his outside rivals, Netanyahu's style was equally assertive. To create a sharp contrast with Labor, he declared that when (not if) he becomes Israel's premier, "there will not be any additional territorial concessions. We have already done too much."[47] In a series of speeches he demanded emergency laws for the occupied territories, the curtailing of the High Court's authority to deal with these areas, the death penalty for terrorists, and so forth. Doron Rosenblum wrote in *Haaretz,* responding to Netanyahu's behavior, "The radicalization of Likud looks like political suicide, taking into account that it achieved the height of its popularity particularly in the short periods in which it masqueraded as a pragmatic, centrist party which seeks compromise and peace."[48]

Despite such blunt criticisms and public warnings, Netanyahu's new leadership seems to have taken hold. He completely ignored those who challenged him for Likud's leadership (Levy, Begin, and Katzav) and those who remained outside that battle (Sharon and the "princes"). He established a cooperative parliamentary group with Tsomet and Moledet and continued to attack the Rabin government vehemently. Opinion polls showed him and Likud running strongly against Rabin and Labor, despite some popular steps taken by the government (such as the *seger,* the closure of the occupied territories, and the massive week-long bombardment of south Lebanon in summer 1993).

All this changed, dramatically and unexpectedly, in late August 1993, with the first signs of a major breakthrough in the Israeli-PLO relationship. The mutual recognition and the Israeli-Palestinian Declaration of Principles—establishing autonomy in the occupied territories and a framework for negotiating a permanent solution for the Palestinian problem—challenged in a direct way all Netanyahu's ideological principles. The agreement recognized the Palestinians as a party to the conflict, gave them control over small parts of Western Palestine, and implicitly promised them others. The call for Israeli withdrawal from Gaza and Jericho and the redeployment of the IDF in other parts of the occupied territories convinced Netanyahu that the establishment of a Palestinian state was merely a matter of time. Large segments of Likud, although not all, agreed with Bibi's reading.

The territorial provisions of the agreements and the recognition of not only the Palestinians but also their main political body, the PLO, triggered a sharp ideological and emotional reaction by Netanyahu. The fact that the United States and virtually the entire outside world (as well as the majority of Israel's public and MKs) endorsed the agreement did not change Netanyahu's negative reaction. His entire belief system and the ideology of the Revisionists since the 1920s were challenged. Netanyahu's reaction was as reflexive and instinctive as it was predictable and noninnovative. His fundamental belief system, ingrained in his mind since childhood, dictated an ideologically based, nonpragmatic response.

Netanyahus arguments to the Israeli public and the outside world were virtually identical to the ones made in his book. Thus, on September 5, 1993, the *New York Times* published an op-ed piece under the title "Peace in Our Time?" in which Netanyahu accused Rabin and Arafat of

talking about autonomy—which is indeed what this agreement and Begins Camp David Agreements discuss—but meaning, in fact, an independent Palestinian state. He continued then to argue that the Judean and Samarian mountains were Israel's defensive wall, a wall without which there was a "mortal threat" to Israel. As expected, Netanyahu then compared the Israeli concession to the one extracted from Czechoslovakia in 1938. He ended by maintaining that the agreement made war virtually inevitable. The *New York Times* piece was essentially a summary of *A Place Among the Nations.*

In his articles and interviews with the Israeli press, Netanyahu was even more passionate in his criticism of the agreement, accusing Rabin of purposely deceiving the public.[49] When the Israeli-Palestinian agreement was signed in Washington, Netanyahu defined it as "a black day for Israel and a day of celebration for Israel's enemies."[50] His predecessor in Likud's leadership, Yitzhak Shamir, when asked about the possibility of a Labor-Likud government, said that under no circumstances should there be unity with people who destroy the state. A right-wing ally, Tsomet leader Rafael Eitan, said about the agreement, "This is the destruction of the Third Temple." Netanyahu wrote a strong piece under the title "Open Your Eyes, the Israeli People,"[51] Israel Eldad, an old Revisionist and a close friend of Menachem Begin, wrote: "Our settlements, children and grandchildren in Judea and Samaria ... are now being thrown away, becoming a desert in Eretz Israel and given to savages thirsty for the blood of our children."[52]

Why has Netanyahu reacted in such an extreme, almost fanatical, manner to an agreement that, after all, established a more limited autonomy for the Palestinians than the one promised in the 1978 Camp David Agreements? Rather than negating the entire agreement as a "mortal danger" for Israel, he could have adopted a more limited critique, pointing out problems in the Rabin-Arafat deal and proposing revisions.

There are, on the face of it, two major explanations for Netanyahu's behavior. The first one is political. A new, young, inexperienced leader, Netanyahu could not afford (or mistakenly believed he could not afford) to be moderate, in view of his many enemies both in Likud and in Israel's Right in general. Put differently, in spite of all his success—winning a majority in a four-way election for Likud's leadership, approval of the new Likud constitution, and so on—Netanyahu's power in September 1993 was considerably more limited than Begin's power in 1978. Moreover, even the legendary Begin met with severe opposition to "his" Camp David Agreements and had to rely on Labor for their final approval in the Knesset. At that time, a few prominent politicians left his party and established Tehiya, accusing Begin of betraying the movement. It is possible that Netanyahu simply believed (and he might have been right) that anything but the most fanatical opposition to the agreement would lead to an early end to his career as Likud's leader.

A second explanation for Netanyahu's response is ideological and psychological (and ideology and psychology interact here in an interesting manner). According to this explanation, Netanyahu is primarily an ideologue, a convinced Revisionist. Some politicians are pragmatists, and others are ideological; some are ready to do that which is instrumentally necessary to achieve their goal, and others are true crusaders, acting according to their inner convictions. I believe Netanyahu acted mainly out of ideological conviction, believing that the agreement is genuinely dangerous for Israel and that it violates all the Revisionist principles on which he was raised since childhood.

In essence, September 1993 was for Netanyahu and most Likudniks a trying month. Their fundamental belief system—developed over a period of seven decades and fortified especially since the 1967 war—was suddenly put under frontal attack, assaulted not only by the outside

world (which has always rejected their message) but also by an increasing majority of Israelis (and even many of the Likud rank and file). For the first time since the 1967 war it became clear that Likud's prophecy of territorial expansion and Jewish exclusivity in Eretz Israel was about to fail. In a typical way, Netanyahu and Shamir, among other Likud leaders, did not admit publicly or (perhaps) even to themselves that the prophecy was false.[53] Rather, they explained away the new developments by arguing not only that Arafat was deceiving the world but also that Rabin was "seducing" the Israelis to support the deal. Netanyahu began his *New York Times* op-ed piece of September 5, 1993, by stating that "a seductive promise of a quick and easy peace is a potent anesthetic to dull the senses of an embattled people." Other Likud politicians talked about the Israeli people being *shikorei-hushim* (euphoric, or literally drunk-of-senses), and unable to really understand the dangers inherent in the proposed Israeli-Palestinian deal.

By accusing the world and their own cocitizens of not really comprehending the true meaning of the agreement, Likud's leaders, headed by Netanyahu, not only assigned themselves superior analytical powers but also found a way for keeping their belief system intact. To accept the validity of the agreement and the commonly held interpretation of it as a good deal for Israel would have been to negate everything that Revisionism has stood for since the 1920s; the integrity of the Revisionist belief system demanded the rejection of the September 1993 agreement. In rejecting the deal so totally, Netanyahu and his colleagues displayed the operation of a closed mind: dealing with the world not as it is but as the ideological prism wants it to be.[54]

A closed mind could prove dysfunctional in dealing with real problems. Prudence demands that politicians deal with the world realistically, not solely in accordance with their ideological prism. In this sense, Netanyahus immediate response to the Israeli-Palestinian agreement could possibly indicate serious difficulties for him and for Israel, if and when he reaches the leadership of Israel. In reacting to the diplomatic breakthrough, rather than dealing with it for what it was, Netanyahu argued that Rabin was naïve and a liar, that the PLO of 1993 was the very same organization as it was in 1974 (when the "Phased Plan" was passed, a plan that many have seen as the beginning of PLO moderation), that no one— but him and Likud—saw the truly relevant analogy of 1938 Czechoslovakia, and so forth. All of these "explanations" enabled Netanyahu to leave his own ideological belief system unexamined, intact, and inflexible.

Despite Netanyahu's and Likud's vehement opposition, the Knesset strongly endorsed the agreement. The various parts of the government hung together, with Labor, Meretz, and the Arab parties voting for the agreement and Shas (minus one member who was missing) abstaining. More important, the opposition split, with three of Likud's own MKs abstaining. The abstention was read, correctly, as an indication of both Netanyahu's weakness and an ideological split within Likud.

The identity of the Likud MKs who abstained in this crucial vote (with rumors about five or six additional MKs who wanted to but did not dare to abstain) is extremely interesting: Asad Asad, a Druze MK; Meir Shitreet, a moderate Sephardi from Yavneh; and Roni Milo, a Likud "prince" with family connections to the Begins, who was elected mayor of Tel Aviv on November 2, 1993.

Of the rationale of the three "traitors" (as they were considered by Likud diehards), Shitreet's blunt explanation was the most revealing. He said that if the Likud wanted to rule Israel again, it had to be a pragmatic and centrist, not an ideological, party. His argument resurrected memories of Tehiya's withdrawal from the Begin coalition following the Camp David Agreements. Nevertheless, Shitreet's rather compelling point did not cut ice with Netanyahu and apparently with the majority of Likud's MKs. Said one of them, Tzachi Hanegbi, in a sharp exchange with

Shitreet, "I do not care if I am elected or not." Hanegbi, son of Geula Cohen, who had led Tehiya out of Begins coalition, apparently reflected Netanyahu's thinking on the Declaration of Principles. The Hanegbi-Shitreet exchange was truly a battle for Likud's soul, a battle in which the ideologues won over the pragmatists.

Roni Milo's abstention was also highly significant. Already during the 1992 campaign this Likud scion had shown a tendency toward the pragmatic when he proposed to Shamir that Likud offer an Israeli withdrawal from Gaza. He was bluntly rebuffed, despite the popular nature of the move he proposed and despite the fact that Likud (and Shamir) was fighting for its very future and, more important, the future of its territorial prescription for Israel.

In 1993 Milo struck out on his own, abstaining on the critical Knesset vote. It is possible that he did so sensing that the Tel Aviv bourgeoisie that he aspires to lead would not forgive him if he joined Likud's ideologues in voting against the Israeli-PLO agreement. It is important to note in this context that about fifteen Likud mayors also came out, publicly, in favor of the deal. The list included the mayors of important towns such as Petach Tikvah, Netanya, Herzlia, and Raanana. In other words, the mayors of the most important towns along the coastal strip north of Tel Aviv, the very same strip that Netanyahu argued would be in the shadow of PLO guns when the agreement was implemented, opposed Netanyahu and Likud. They reflected the position of the majority of their inhabitants. Giora Lev, the mayor of Petach Tikvah, the very first town established by Zionist settlers in the last quarter of the nineteenth century, in explaining his position in favor of the Israeli-Palestinian deal, said that the Likud should not become an extremist, right-wing party.

The Future of Likud

At the time of writing, the future of Likud, and of Netanyahu personally, is rather unclear. The agreement with the PLO, coming in the wake of the 1992 electoral defeat, was a major setback for a party whose raison d'être, its very essence, has always been the idea of Greater Israel under exclusive Jewish rule. There are already signs that its diplomatic defeat—a public Israeli recognition of the PLO—lowered the level of Liku d's self-confidence quite significantly. Thus, in the wake of the developments, some Likud leaders began talking seriously about the need to return to a National Unity government, this time under Rabin as prime minister, with Likud playing second fiddle.

Even Netanyahu himself, despite committing himself so decisively to oppose the Israeli-Palestinian deal, said in a recent interview that if he became prime minister, an "agreement signed by the government will not be unilaterally broken," although, as public support for the agreement eroded in the face of continued Arab terrorism, he would back away from this commitment.[55] He also came out against any kind of violence against the agreement and hinted that Likud had to adjust to the new reality.[56] This pragmatic response is a reaction to indications that the majority of the public, including Likud rank-and-file voters, was in favor of the agreement, especially a short time after it was announced (see Table 8.2).

Table 8.2 reflects the new political reality as measured in a Dahaf poll published by *Yediot Aharonot* on September 29, 1993. A quick reading of the table indicates a sharp increase in support for Labor, translated as rising from forty-four mandates in the 1992 election to forty-nine if the election were held the day of the polling. Interestingly, most of Labor's gain was at the

expense of Meretz, not of Likud (which actually gained one mandate). Most other parties maintained their electoral power, with the radical Moledet losing one (of three) MKs and Shas losing a mandate as well (in wake of a series of the financial scandals in which its leaders were involved). Overall, the Left seems to have gained electorally from the new agreement. At the same time, the poll also reflected Israel's remarkable stability.

The future dilemma for Likud is how to maintain its traditional ideological commitment in a system that adopts a significantly more moderate policy, that of a long-term reconciliation with a historical enemy. Can Likud's will to survive bring about its acceptance of the "grand compromise"? The stakes for Likud are extremely high: If it does not adjust to the new reality, it will cease being a cen

TABLE 8.2 Political Preference Poll in Israel After Israeli-PLO DOP

Question: If the Knesset elections were held today, how would you have voted? (The numbers reflect seats in the Knesset.)	9/27/93 Poll	1992 Election	Result
Labor	49	44	+5
Likud	33	32	+1
Meretz	8	12	-4
Tsomet	8	8	0
Moledet	2	3	-1
Mafdal	6	6	0
Aguda	4	4	0
Shas	5	6	-1
Arabs	5	5	0
Question: Who should serve as Israel's prime minister? (The results are in percentages.)			
Rabin	48		
Netanyahu	35		
Both are equally fit	4		
Neither	11		
No response	2		

Source: "A Poll of Jewish Population in Israel," *Yediot Aharonot*, September 29, 1993.

trist, catch-all party and it could very well return to the status of Herat in the 1950s, a largely irrelevant ideological sect on the periphery of the political system. It is between pragmatic adjustment and ideological purity that Likud now must choose. If Netanyahu is "attempting to transform the Likud from an outsider's coalition of Holocaust survivors and Sephardi immigrants into a mainstream party,"[57] he will have to come to terms with the emerging grand compromise.

On October 19, 1993, Netanyahu presented his alternative political program to a gathering of about 500 Likud Central Committee members. He stated that his plan was based on three principles: Israel's right to the land, the idea of autonomy, and the establishment of security

zones. It was clear that in talking about the right to the land he meant exclusive right to all the land. "This is our country and not theirs," said Netanyahu. As for autonomy, he explained that "it is not a state (*medina*) but a form of administration."[58] The autonomy for the Arabs would not apply in the security zones, areas that would be set up to prevent the establishment of a Palestinian state. Other Likud leaders, such as Sharon and Shamir, spoke in similar terms.

Thus, about two months after the first signs of a breakthrough, Netanyahu presented to his party and to the country the Revisionism of the 1990s. He clearly continued to promote the idea of Greater Israel. Although some members of the Central Committee and Likud's rank and file talked in moderate tones—one of them proposing the opening of a Likud-PLO dialogue and others even planning a trip to Tunis to meet with Arafat—they were clearly a minority in the party. One Likudnik quipped at the Central Committee meeting, "The Likud continues to sell its old merchandise."[59]

In approaching the new situation, Netanyahu and his colleagues in the Likud leadership had two options: (1) accept the Israeli-PLO accord as a fact of life, but fulfill Likud's role as the main parliamentary opposition by proposing ideas for the best possible agreement; or (2) continue the support of the old dream of Greater Israel despite the diplomatic march toward a grand compromise. The Netanyahu speech at the Central Committee meeting (as well as Sharon's position) reflected the continued, fundamental commitment to Greater Israel and to exclusive Jewish rights in the land, even though the speech made it seem as if Netanyahu had actually accepted the new agreement.

Not all Likudniks reacted as Netanyahu did. Some understood that the political game had assumed a new character. They urged Likud to adjust quickly to the new reality. Yitzhak Berman, a former minister in Begins government and a member of the Liberal wing of Likud, protested not only the "euphoria" but also the "hysteria" (presumably Likud's) by which the Israeli-PLO agreement was greeted. He saw the deal as "a step toward peace."[60] Yossi Olmert, a spokesman for the most recent Likud government, stated bluntly: "There is an intellectual vacuum. People expect a new agenda from Likud, and all they are getting is the same old ideological slogans."[61] Zalman Shoval, the last Israeli ambassador to Washington under Likud, proposed that Likud acknowledge the agreement as a fait accompli; the party "has to say yes to something," he stated.[62] Most important, Likud's candidates for mayoral positions in a number of Israeli cities—notably Roni Milo in Tel Aviv—found that their support for the agreement was highly popular with the voters. The *Washington Post* reported that since Milo's abstention in the Knesset (in the vote on the PLO-Israeli deal), "more and more Tel Aviv Meretz supporters, left-wingers and Sheinkin cafe-goers are saying out loud that they intend to vote for Milo."[63]

Despite all the signs that moderation works, Netanyahu found it difficult to go along with what some thought was necessary heart surgery for Likud,[64] but what could better be termed "heart transplant." For Likud to give up the dream of Greater Israel would be to give up its very essence. In the struggle for Likud's identity, accompanied by a power struggle at the top, the rank and file proved more moderate than the leaders (with roughly one-third of Likud members expressing support for the agreement). It remains to be seen whether the leaders will follow the followers on the path toward the historic grand compromise.

Notes

The author would like to thank Professors Gad Barzilai, Theodore Friedgut, and Jonathan Mendilow for their comments on a previous version of this chapter. Thanks are also extended to Professor April Gresham for calling my attention to relevant psychological writings.

1. Clyde Haberman, *New York Times*, June 14, 1992.

2. Jonathan Mendilow, "The 1992 Israeli Electoral Campaign: Valence and Position Dimensions," in Asher Arian and Michal Shamir, eds,, *The Elections in Israel—1992* (Albany: State University of New York Press, forthcoming).

3. Arie Avnery, *The Defeat: The Disintegration of Likud's Rule* (Tel Aviv: Midot, 1993), p.

4. Clyde Haberman, "Israelis Debate; Focus Is on Security," *New York Times*, June 17, 1992. p. A3.

5. Gideon Doron, "Labor's Return to Power in Israel," *Current History*, no. 1 (January 1993), pp. 27-31 (quote on p. 27).

6. Ruvik Rosenthal, "Crucial Choice," *New Outlook* 35, no. 3 (May-June 1992), p. 709. And Clyde Haberman wrote in the *New York Times* (June 28, 1992) that "the real winner (in the Israeli election) was pragmatism and the big loser uncompromising ideology."

7. Clyde Haberman, "Israel's Labor Party Wins Clear Victory in Election; Ready to Form Coalition," *New York Times*, June 24, 1992.

8. Mendilow, "The 1992 Israeli Electoral Campaign," p. 18.

9. Ibid.

10. Doron, "Labor's Return to Power in Israel," p. 27. For a comprehensive analysis of Israel's relations with the United States under Shamir, see also Leon Hadar, "The Last Days of Likud: The American-Israeli Big Chill," *Journal of Palestinian Studies*, vol. 21, no. 4 (Summer 1992), pp. 80-94.

11. Arie Na'or, "A Recipe for Losing Power," *Yediot Aharonot*, March 31, 1993.

12. Clyde Haberman, "Likud Again? Yes, Says Benny Begin," *New York Times*, July 5, 1992, p. A10.

13. *Yediot Aharonot*, March 26, 1993.

14. The book was favorably reviewed in *Commentary* (96, no. 1 [July 1993], pp. 55-58, by Paul Johnson), the *American Spectator* (26, no. 7 [July 1993], pp. 65-66, by Joseph Shattan), *National Review* (45, no. 14 [July 19, 1993], pp. 58-60, by Eliott Abrams), and *Midstream* (39, no. 5 [June 1993], pp. 36-38, by Gary Wolf). Merely a month after the publication of these glowing reviews of Netanyahu's treatise came the breakthrough of 1993 in which an Israeli government violated all of Netanyahu's prescriptions. One of the few negative reviews of Netanyahu's book was published by Arthur Hertzberg in the *Washington Post* (reprinted in *Israel Horizons*, Summer-Fall 1993, pp. 7-8). See also Yossi Klein Halevi's review in *Jerusalem Report*, June 17, 1993, pp. 44-45.

15. Benjamin Netanyahu, *A Place Among the Nations: Israel and the World* (New York: Bantam, 1993), p. 343.

16. Ibid., p. 68.

17. Ibid., p. xvii.

18. Ibid., p. 170.

19. Ibid., p. 177.

20. Ibid., p. 397.

21. Ibid.

22. Ibid., p. 398.

23. Ibid., p. 328.

24. Ilan Peleg, *Begins Foreign Policy 1977-1983: Israel's Move to the Right* (Westport, Conn.: Greenwood Press, 1987), chap. 3.

25. See in this context Ya'acov Herzog, *Am Levadad Yishkon* (A people who dwells alone), and A. B. Yehoshua, *B'Zechut Ha'normaliut* (In favor of normalcy). Yehoshua favors normalcy, but Herzog negates it.

26. Netanyahu, *A Place Among the Nations*, p. 395.

27. However, his position on Gaza is not entirely clear.

28. Netanyahu, *A Place Among the Nations*, p. 250.

29. Ibid., p. 253.

30. Ibid., p. 401.

31. Ibid., p. 273.

32. Ibid., p. 141.

33. Ibid., p. 154.

34. Ibid., p. 157

35. Ibid., p. 121.

36. Ibid., p. 248,

37. Ibid., p. 175.

38. Ibid., p. 176.

39. Ibid., pp. 24-25.

40. Ibid., pp. 212-214.

41. Ibid., p. 226.

42. Ibid., p. 351.

43. Ibid., p. 352.

44. Hertzberg, in *Israel Horizons,* p. 8.

45. Netanyahu, *A Place Among the Nations,* p. 353.

46. Ibid.

47. An interview with *Yediot Aharonot,* May 21, 1993.

48. *Haaretz,* May 7, 1993.

49. Interview with *Yediot Aharonot,* September 3, 1993.

50. *Yediot Aharonot,* September 10, 1993.

51. *Yediot Aharonot,* September 15, 1993.

52. *Yediot Aharonot,* September 24, 1993,

53. Leon Festinger et al., *When Prophecy Fails* (St. Paul: University of Minnesota Press, 1956).

54. See Milton Rokeach, *The Open and the Closed Mind* (New York: Basic Books, 1960); see also Charles G. Lord, Lee Ross, and Mark L. Lepper, "Biased Assimilation and Attitude Polarization: The Effects of Prior Theories on Subsequently Considered Evidence," *Journal of Personality and Social Psychology* 37, no. 1, (1979), pp. 2098-2109.

55. *Yediot Aharonot,* October 4, 1993.

56. *Yediot Aharonot,* September 29, 1993.

57. Yossi Klein Halevi, "The Savior: Bibi Netanyahu's New Likud," *New Republic* 208 (June 21, 1993), pp. 19-21.

58. *Haaretz,* October 20, 1992.

59. Ibid.

60. *Jerusalem Post,* October 21, 1993.

61. Clyde Haberman, "Israel's Right Wing in the Wilderness," *New York Times,* October 3, 1993, sect. 4, pp. 1, 4.62. David Hoffman, "Israel's Likud in Disarray, Seeks Ways to Remain an Effective Opposition," *Washington Post,* October 21, 1993., p. A27.

63. *Washington Post,* October 8, 1993.

64. Hoffman, "Israel's Likud in Disarray."

9

Rabin and the Religious Parties: The Limits of Power Sharing

SHMUEL SANDLER

Introduction

Israeli politics has gone through major changes in the past two decades. For one thing, it has changed from a dominant-party system into a two-bloc system. Another change is that the political system, as a result of electoral reform, is now in the process of shifting power to the executive at the expense of the legislature and the parties. Third, in June 1992, after a decade and a half of dominance by the Likud and other nationalist parties, Labor achieved a plurality and returned to ruling the country. What has not changed has been the participation of a religious party in the coalition government. Power has shifted from left to right, but what seems to have remained unchanged is the power sharing between secular and religious parties in government. In 1992 Arab parties became semilegitimate partners in the government and were able to provide the ruling center-left elite the sixty-one-MK edge in the Knesset. However, Yitzhak Rabin, who had loathed accompanying Shimon Peres when the latter was courting the rabbis of Shas and Agudat Israel in order to replace Likud, chose Shas over a Jewish-Arab coalition.[1] He preferred MK Aryeh Deri, who had served only three months in the Israel Defense Forces (IDF), as partner in his government over Tsomet leader Rafael Eitan (Raful), a retired general, whose social background was much closer to Rabin's. Undoubtedly the psychological and social profile of the Labor or Meretz voter was much closer to that of the typical Tsomet voter than to that of a Shas one, but Rabin still chose Shas. One aim of this chapter will be to explain the role of religious parties in the Rabin government, in line with their traditional role in Israeli politics.

In contrast to the Likud governments, in which all the religious parties were almost permanent fixtures, only one religious party participated in the Rabin center-left coalition and it was a Sephardi one. Also of significance is the fact that although the participation of the Sephardi Torah Guardians party (Shas) was sufficient to prevent changes in the religious "status quo" through religious or secular legislation, Rabin and Peres succeeded in passing the September 13,1993, Declaration of Principles between Israel and the PLO. A disproportional share of the price of this agreement would come from the religious camp, albeit less from the ultra-Orthodox than from the Religious Zionist community. Many of the Jewish settlements in Judea and Samaria (the West Bank) that are destined to suffer most were those that were inhabited by members belonging to the latter movement. Rabin had been unable in 1974-1975 to overcome the Gush Emunim opposition and acquiesced in their settlement in Judea and Samaria. How did this same person a decade and a half later plan to overcome the settlement movement opposition that had grown to over 130,000 settlers and many more supporters within Israel? Part of the

answer may be that the Rabin government was the first in Israel's history that did not include the nationalist National Religious party (NRP), a movement that had been in the forefront of Zionism since the dawn of the twentieth century and had been in alignment with the Labor movement since the mid-1930s.

A second aim of this chapter will be to explain the transformation of the religious segment of Israeli society and the expansion of its agenda to include foreign policy questions. I will argue that Labor, under Rabin, adopted a policy of limiting cooperation with religious parties to the religious domain and excluding foreign policy issues from this partnership. Finally, I will try to evaluate the nexus between these questions and the forthcoming transformation of the Israeli political system to a semimajoritarian system.

Some Historical and Theoretical Background

To understand political life in Israel one must comprehend coalition politics. Since achieving independence and even prior to it, the Yishuv (the preinde-pendence Palestinian Jewish Community) and the state have been ruled by a coalition government. Coalition politics is an integral part of the tradition that emerged during the "state in the making" (Yishuv) era and was transmitted to the state when it actually came into existence.[2] It is this tradition that is now being threatened by the direct vote for prime minister.

Coalition making in Israel has rarely followed Riker's "minimum winning coalition theory."[3] Most Israeli government coalitions have been broad ones. One theory advanced to explain coalition making in Israel was the "consociational model of political accommodation." This theory perceives coalition making as conflict regulation between rival ideological camps.[4] The Jewish community has been a "divided society" since its emergence in Mandatory Palestine, and consequently a power-sharing tradition evolved that was carried over to the state. This system, which was designed to achieve consensus, should be distinguished from a majoritarian system, where "winner takes all" and where the minority usually remains outside of the government. A majoritarian electoral system shares with a minimum winning coalition system of politics the idea that representative government does not have to resemble accurately the divisions within the polity. Consensus politics, by contrast, relates democracy and stability to a broad coalition.[5] The coalition assembled by Prime Minister Yitzhak Rabin in July 1992 is midway between the consociational tradition and the minimum winning coalition model and also is between the consensus politics model and the majoritarian politics model. The Meretz-Labor coalition was a natural one in light of the ideological proximity between the two parties,[6] but the coalition with Shas resembled the consensus politics in religious affairs practiced by previous governments. At the same time the government did not go much beyond the minimum winning coalition principle. After blocking a Likud coalition with the help of the Arab parties, Rabin added Shas and thus constructed a slight "Jewish" majority in the Knesset. Despite the lack of major disagreement on foreign policy between Labor and Agudat Israel, whose electorate was more dovish than that of Shas, Agudah stayed outside of the government. Most significant was the fact that even though according to a consensus-building theory, the partner should have been the NRP or Tsomet, which could have provided the support of the Right on foreign policy, Rabin decided to conciliate the religious sector instead of the nationalist one.

Did Rabin continue or break away from previous practice? A brief historical review may

provide some pertinent insights. Up to 1961, Mapai, the NRP (previously Mizrahi/Hapoel Hamizrahi), and the Progressive party constituted the core of the government coalition. Following a short disruption between 1961 and 1965, the Independent Liberals (heir to the Progressive party) returned to government and continued the traditional coalition with the NRP and Mapai until 1977. These three parties represented the three traditional camps of the Zionist movement— Labor, non-Socialist, and Religious.[7] The two other parties of the Labor camp—Ahdut ha-Avodah and Mapam—which prior to 1948 had participated only partially in coalitions of the Jewish Agency and the World Zionist Organization, joined the ruling party in the government coalition only in 1955. Whereas neither the Progressives nor the NRP as partners of Mapai expressed an independent line in foreign policy, the two Socialist parties did.

Another characteristic of the parties that constituted the core of government was their readiness to compromise in their ideological disagreements on state and religion or on socioeconomic questions. Mapai was the most moderate wing in the Labor camp, leaving Socialist fervor to the other parties on its left. Mizrahi was the moderate party on religious affairs, and Agudat Israel represented the fundamentalist Orthodox position, which disallowed cooperation with secular Zionists. In the bourgeois camp, the Progressive party was the most moderate on free trade policies, whereas Herut (the heir of the Revisionists) was uncompromising on questions in the area of foreign policy. The common denominator of the "mainstream" parties that allowed them to cooperate with one another as coalition partners was their identification with the central institutions of the state, which was as important to them as their particularistic ideological commitments.

The centrist orientation of all three parties and the fear of their respective ideological rivals within their own camps generated a political interest in maintaining the partnership. Participation in the coalition allowed them access to resources that assisted them in gaining favorable conditions vis-à-vis their opponents within their respective camps. In electoral terms Mapam was Mapai's competitor more than Mizrahi was, and Mizrahi saw Agudat Israel as more threatening than a nonreligious party. None of the self-perceived "purist" Socialist, Orthodox, or nationalist parties, Mapam, Agudat Israel, or even Revisionist Herut, could identify with the existing state's self-perception to the extent that the "core" parties could. The latter parties accepted the ultimate authority and identified with the civic symbols and the rituals of the new state. The coalition partners, although competing against one another, also had an inherent interest in the success of each party in its respective camp so that the coalition would be renewed in subsequent governments.

In the early years of the state, power sharing was limited to domestic affairs. Foreign policy was dictated by Mapai and its leader David Ben-Gurion. The inner circle of the three pragmatic "core" parties was not expanded until the radical Socialist parties had undergone a process of moderation in their foreign policy orientations that enabled them to join the core parties. Ahdut ha- Avodah, which had adopted an independent activist line in national security policy, joined the coalition in 1955, merged with Mapai in 1965 in the Labor Alignment, and was totally absorbed by the Alignment three years later. Hashomer Hatzair, the ultra-Marxist wing of the Zionist movement, opposed partition but supported a binational state. Later, Mapam demanded a pro-Moscow foreign policy orientation and opposed the reparations agreement with the Federal Republic of Germany. It also joined the government following the 1955 elections. Although Mapam objected to the Sinai campaign and the arms link to Germany in the late 1950s and continued to advocate a dovish foreign policy toward the Arabs, it nevertheless was absorbed by the Labor establishment.[8] On the eve of the Six Day War and during its aftermath from 1967 to

1970, when it seemed that a consensus in foreign policy had emerged, the coalition grew to include almost the entire political spectrum.

But the Six Day War opened anew the debate in foreign policy. The contact between Jewish Israeli society and the ancient parts of the Land of Israel, especially Judea and Samaria, awakened among some Israelis old aspirations that could be defined as ethnonationalism, namely, the historical aspirations of the Jewish people in the Land of Israel.[9] This new politics of identity ultimately brought to power the party and leader most identified with these aspirations—Herut and Menachem Begin. The change that took place within the religious sector, the group most influenced by the new realities, was significant for the evolution of the Rabin coalition.

The Transformation of the National Religious Sector

More than any other segment in Israeli society, the national religious sector, identified with the Mizrahi movement, advanced Jewish historical aspirations. Mizrahi, which had been inactive in foreign affairs for most of the first two decades of Israeli independence, suddenly appeared to distance itself from, and provided an alternative approach to, that of the establishment, which had been considered the national security elite. Gush Emunim (Bloc of the Faithful)—a movement that originated in the National Religious camp—accused the Labor movement of abandoning the spirit of pioneering and defined itself as the new vanguard of the Zionist revolution.

The religious sector in Israeli society accounts for an estimated 20-25 percent of the Jewish population.[10] This large percentage, together with the NRP's effective control of the state religious stream in education (close to a quarter of the elementary schools), indicates the significance of this sector in Israeli public life. To many members of Israeli society, the religious sector represents the link with the characteristics and norms of the Jews in the past. The Mizrahi played an important function as a centrist force on the political and social map, enabling it to contribute to national unity, especially between religious and secular Jews. In May 1977, for the first time, the religious parties found themselves in a position to determine which of the two camps would enjoy a majority. Those parties gave Menachem Begin the needed margin to rule Israel.

Mizrahi has been an integral part of the Zionist movement since its inception. After the Zionist agenda was expanded from political to cultural affairs, implying also educational activity, the Orthodox religious camp split into Religious Zionist (Mizrahi) and non-Zionist (Agudat Israel) factions. Whereas the non-Zionist faction secluded itself from the majority of secular Zionists, Mizrahi cooperated with Theodor Herzl during the Uganda crisis and later became a constant ally of the Labor movement in developing Zionism in Palestine and later in Israel. Cooperation between the two movements extended beyond the political realm and was translated into what over the years was termed the "historic partnership." As long as conflicts from a religious perspective were not involved, Mizrahi and its Labor offshoot, Hapoel Hamizrahi, in particular, accepted norms that originated in the Labor camp.[11] The two camps were separated, however, in the area of education. In 1902 the Zionist congress resolved that education was to be an integral part of the Zionist movement. But recognizing the incompatibility of the secular and the Orthodox worldviews, it established a dual system of education. Thus, two equal streams were recognized: the traditional and the secular.[12] In the long run, this decision implied autonomy in

education for the religious sector. Once autonomy in education was granted to the Religious Zionists, then it was difficult not to grant autonomy to other streams that did not share with the Zionist majority the centrality and sanctity of the state. Alongside the state stream and the state religious one, an independent (ultra-Orthodox) stream was established.

The national religious movement found itself positioned between the ultra-Orthodox and the secular segments of Israeli society. In many aspects of daily life, especially in the public realm, national symbols, and organizational activity, the religious Zionist was an integral part of the larger Israeli society. However, he or she was separated from the surrounding secular society in matters of religious observance and schooling. Accepting the symbols of Israel's secular state, the religious Zionists were also deeply attached to the values that were cherished by ultra-Orthodox Jewry, even though the ultra-Orthodox did not identify with the values of the state. The graduate of the state religious school system sought recognition and looked for approval according to the standards of both the secular Zionists and Orthodoxy. One manifestation of the attempt to reconcile this dilemma was the establishment of Yeshivot Hesder, a program that combined compulsory military service with Talmudic studies. The Hesder soldier-student was encouraged by his rabbis and leaders in the youth movement to strive to be best in both military service and religious studies, even though it required performing a double job in two noncomplementary areas. Similarly, although religious girls could be exempted from military service, in later decades of the state most of the national religious girls either enlisted in the army or volunteered for nonmilitary "national service." Consequently, a special group was created, highly motivated, with a very strong national identity, which was committed to both Jewish and Zionist core values. Nonetheless these youth felt that their status was challenged by both the secular and the ultra-Orthodox communities and consequently searched for an idea that would give them an opportunity to demonstrate their uniqueness. Eretz Israel represented such an idea. It was around Eretz Israel that they could show their dedication to both nationalism and religion, and this was to be the origin of Gush Emunim.

Modernization was another process that influenced the national religious youth. In many respects, Mizrahi, or the national religious movement, was the Israeli version of American Modern Orthodoxy. Both movements perceived themselves as a religious alternative to fundamentalist Orthodoxy, which expressed itself politically as Agudat Israel. Modern Orthodoxy in the United States became the moderate or even liberal wing of Orthodox Jewry, but its equivalent in Israel expressed itself as a nationalist movement. A central feature of modernity is the belief that an individual or a collective can influence its own fate. Thus whereas ultra-Orthodoxy stipulated that in order for the Jews to hasten the coming of the Messiah, they must remain passive, the Religious Zionist ideology proposed the opposite—active redemption.[13] Moreover, modernization also implied exposure to the study of Jewish history, an element that was absent in the educational curriculum of traditional Orthodoxy. The latter curriculum concentrated on the study of the Talmud and neglected the study of Jewish history and even the Bible. The Talmudic interpretation of Jewish history was supportive of a passive approach to a Jewish renaissance. In contrast, the Modern Orthodox curriculum included, in addition to the Talmud and Torah, the other books of the Bible, as well as Jewish history and the geography of the Land of Israel, sources that strengthened nationalism.

These developments changed the ideological basis for cooperation with secular Zionism. Rabbi Jacob Reines, the founder of Mizrahi, preached cooperation from a pragmatic perspective. Rabbi Meir Bar-Ilan, one of the later Mizrahi leaders, adopted an ethnonational line and during the debate that took place in the mid-1930s was among those who objected to the partition on

ideological grounds. The Reines line was nevertheless the predominant one in the NRP up to the Six Day War. The nationalist tradition that was revived subsequently was identified with Rabbi Avraham Yitzhak Kook and his son Rabbi Zvi Yehuda Kook. These two rabbis, more than anyone else in recent years, left their impact on the ideological discourse of Religious Zionism and particularly that of Gush Emunim.[14]

A basic motif of Rabbi Avraham Kook's thought, which his son developed further, was the idea of holiness. The Mizrahi's basic assumption was that the Jewish people, the Land of Israel, and the Jewish state are holy. In accord with the Kabalistic tradition that sparks of holiness were spread all over the universe, Rabbi Avraham Kook wrote that three main types of holiness were found in the universe; those in man, those in space, and those in time. They reveal themselves in a concentrated manner in the Jewish people (man), the Land of Israel (space), and the Jewish holidays (time).[15] Even Jews who are not observant are motivated, without realizing it, by an inner divine spark. Jews who were redeeming the Holy Land were holy and were merely waiting for the inner holiness to emerge. Advancing a unitary approach to the universe, the rabbi argued dialectically that secular matter was also holy and that the secular and the holy complement each other and just await reunion. By leaving the Diaspora and redeeming the land through agriculture and physical labor, the Jews were essentially advancing the union between the secular material world and the holy spiritual one.[16]

Rabbi Kook's philosophy provided an alternative rationale for cooperation with secular Zionism to that of Rabbi Reines. Whereas Rabbi Reines based secular religious interaction on necessity and rationalism, Rabbi Kook idealized it. Cooperation with secular Zionism was sanctified, redeeming the land was holy, and the forthcoming Jewish state would be an ideal one.[17] Moreover, Rabbi Kook also instilled a messianic idea by defining the process that was taking place in the Land of Israel as the beginning of redemption. According to him, the Balfour Declaration was a divine sign that redemption had begun, although the real signs had appeared four decades earlier with the beginning of settlement in the Land of Israel. Even the unfolding of events in world history indicated that Jewish redemption was near.[18] The National Religious movement in general, and the rabbinical students of Mercaz HaRav Rabbinical College in particular, adopted many of Rabbi Kook's themes. Mizrahi accepted him as its spiritual leader, and he remained so even after his death in 1935. On the basis of his teachings, the renewal of Jewish sovereignty was interpreted as the beginning of redemption, and the state as holy.

The Six Day War was a major event in the transformation of Religious Zionism. Rabbi Zvi Yehuda Kook, who emerged as the most authentic interpreter of his father's writings, applied them to the events taking place during the war and its aftermath.[19] Obviously, for the religious community the liberation of the holy parts of the Land of Israel, the reunification of Jerusalem, and the miraculous victory of the Israel Defense Forces (IDF) over a combination of Arab armies threatening to destroy Israel were seen as a heavenly sign. For many religious Jews and especially for the disciples of Mercaz HaRav, the messianic era was progressing as predicted by the late Rabbi Kook and as reemphasized by his son. It was not a coincidence that they were the first to renew Jewish settlement in Gush Etzion and Hebron,

However, it was the 1973 Yom Kippur War and the atmosphere of doubt following the war that prompted the appearance of Gush Emunim. The latter's ideology received widespread support even from nonreligious segments of Israeli society. The acceptance of Gush Emunim should not be confused with the state's becoming more religious.[20] Gush Emunim's increasing attractiveness was related to the crisis in Israeli society, which also expressed itself in the defeat of Labor at the polls in 1977. Gush Emunim saw itself as expressing the Zionist response to Arab

and PLO international successes following the Yom Kippur War, at a time when Labor Zionism, after leading the Zionist movement for over four decades, appeared unable to do so. "The wide tolerance and even encouragement which the movement has received from the Israeli population," wrote Janet O'Dea (Aviad), was explained by the fact that "Gush Emunim represents a recrystallization of attitudes, a resolute stance around certain ideas, and a reconstruction of social solidarity in face of *anomie* experienced after the Yom Kippur War."[21] Gush Emunim, threatened by the setback to Jewish redemption caused by the Yom Kippur War, raised flags that were welcomed by many in the general population. But for Religious Zionism, the ideological basis for cooperation with secular Zionism was changed from the pragmatic approach of Rabbi Reines to the nationalist approach of Rabbi Zvi Yehuda Kook. For Gush Emunim and the settlers in Judea and Samaria, the return of Labor in 1992 reflected another setback on the road to redemption. Thus Labor and Religious Zionism, which had gone together until 1977, now saw each other as diametrically opposed, without any basis for cooperation.

The Religious Sephardi Parties

he political transformation that took place in the wake of the Yom Kippur War was not limited to the national religious sector. It reached the Sephardi sector when Tami (Movement of Israel's Tradition), starting in 1981, and Shas (Sephardi Torah Guardians), starting in the 1984 elections, succeeded in gaining seats in the Knesset. In 1988, Shas replaced the NRP, reduced to half its strength, as the strongest party in the religious camp. The failure of Sephardi parties to develop in Israeli political life during the large immigration from Asia and North Africa and their success three decades later were not accidental. Both were indicative of new trends in the Israeli polity.[22]

The early failure of purely ethnic parties to emerge as formidable forces could be related to the stigma attached to ethnicity at the time of the Sephardis' arrival in Israel. Perceived as fragmenting national unity and as contradicting the melting pot ideology of the state, the idea of ethnic parties attracted little initial support. By 1981, however, this notion had begun to lose favor.[23] The legitimization of ethnicity could have been associated with the ability of Sephardi Jews to disassociate themselves from the ruling Labor elite that absorbed the new immigrants upon their arrival. But the fact that both party lists that succeeded in breaking the taboo on ethnic parties were religious parties, whereas secular Sephardi parties did not succeed in elections, points to the religious variable. Since separatism along religious lines was not perceived as segmentalist, it added to the legitimacy of Shas.

Because of its religious character, Shas portrayed an authentic ethnicity, which secular Sephardi ethnicity could not constitute. What Shas represented was a return to the historic roots of Sephardi Jewry. Slogans like "restoring bygone glory" and "giving Israel back its soul" stressed the roots and appealed to the pride of Sephardi Jewry. Through its religious messages, Shas provided a Sephardi past, reminding the people of an identity of which they were not ashamed. The ethnic appeal included a recalling of the great rabbinic scholars and sages (Maimonides, Nahmanides, Alfasi, and Caro) that Sephardi Jewry had produced, and a suggestion that the situation in contemporary Israel in which 90 percent of the prison inmates were Sephardim could not be an accurate reflection of Sephardi worth. The portrayal of a glorious past, especially in view of a gloomy present, and the promise of a bright future are the essence of any ethnic ideology.[24] The fact that the origins of the Ashkenazi-Sephardi distinction

were rooted historically in religious tradition only added to the legitimacy of the new religious party.[25]

The strength of Shas's ethnic appeal is reflected in its electoral support, which did not come solely from religious Sephardim. The transmission of a religious-cultural message through television indicated the audience that Shas was addressing; it was not the ultra-Orthodox, who avoid watching television. In these TV messages, Shas leaders attacked modernity and secularization through the very medium that epitomized those two phenomena. Their statement that a genuinely pious Sephardi mother had more wisdom to offer than scores of university professors implied praise for the traditional family structure and family warmth. Shas not only raised the issue of the material condition of Sephardi Jewry but also lamented its spiritual decline. By doing so, Shas spoke to the feelings of inferiority from which Afro-Asian Jews suffered or had had instilled in them since their immigration to Israel by the dominant Ashkenazi secular culture. Recalling the Middle Ages was significant, for it was in that era that Sephardi Jewry was more advanced spiritually than Ashkenazi Jewry. The case was being made subliminally that the current social and economic situation was the product not of inherent Sephardi inferiority but of the lack of political power.

Most of the Sephardim, however, voted for Likud, a trend that had been identified even prior to the Yom Kippur War.[26] Even those who voted for Shas made it clear that they preferred a Likud prime minister,[27] By supporting Likud, the Sephardim sought to demonstrate that they were not segmentalist but rather stood for integration. By voting for, or supporting as a group, a party that stood for the national cause, the Sephardim rallied around the flag and thus displayed that they were more Israeli than the traditional Labor elite. Their vote for Likud may have been influenced by anti-Arab attitudes prevalent among Sephardim, associated with their past experiences in Arab countries.[28] Likud, the hawkish party, was their party, and it was a ruling party, not a minority party.[29] It was the party that stood for the Land of Israel and national security, the party whose colors, blue and white like the flag, contrasted with the red flag of Labor.

The extent of Sephardi ideological commitment to the integrity of the Land of Israel is unclear. The Sephardim have been definitely underrepresented in Gush Emunim and the settlements in Judea and Samaria.[30] Labor and other parties of the Left in their election campaigns stressed that the investment in settlements was made at the expense of the development towns. Gush Emunim saw it differently; its supporters provided the vanguard and the Sephardim the votes that kept the Likud-led coalition in power. Although the settlements did not attract them, the Sephardim did not voice opposition to their erection. The inhabitants of the development towns scorned the kibbutzim and moshavim, which they identified with the Labor movement. They saw those cooperative movements, more than the settlements, as competitors in the slicing of the national economic pie.

The rise of the Sephardim as a sociopolitical force during the Likud era reflected a major cleavage in Israeli society that the Ashkenazim did not admit. Undoubtedly the political behavior of the Sephardi Jews was motivated by socioeconomic and organizational factors. They supported that which they perceived as the antiestablishment party. At the same time, the cultural motivation of Sephardi electoral behavior cannot be denied. The immigrants from Asia and Africa voted for the opposition party in growing numbers not only because it allowed them to express their protest but also because from their perspective, Herut and later Likud, which represented their ethnic interests, were also associated more strongly with traditional Jewish values than the secular Labor establishment. For some, however, the vote for religious Sephardi

parties, especially Shas, reproduced their glorious past within a framework that was legitimate in Israel—religious parties. In part, Shas was an expression of their vision of Zionism. Consequently, in contrast to the other Haredi (ultra-Orthodox) parties, Shas could be defined as a quasi-Zionist party.

The emergence of Shas filled a vacuum that existed between ultra-Zionist NRP and ultra-Orthodox Agudat Israel. As such, it did not escape the eyes of veteran politicians in Labor, such as Peres and others who were looking for a new partnership with some force in the religious camp. Whereas Haredi rabbis like Eliezer Shach could not forget Labor's secularization of Jewish society and religious Zionism could not forgive Labor's betrayal of the Land of Israel, Shas was creating a substitute for the NRP with which Labor could cooperate.

The Extension of Power Sharing and the Rabin Government

The transformation in the religious and the Sephardi sectors of Israeli society provided the Likud with natural allies. Although at a certain level of abstraction one can find tension between religion and nationalism, on the practical level these two segments of society did not find it difficult to cooperate. Even dovish and non-Zionist Agudat Israel did not find it difficult to participate in Likud-led governments, and Rabbi Eliezer Shach, who ridiculed Begin for his need to link Jewish survival with the occupied territories, felt more comfortable within a Likud than within a Labor government.[31] It is clear that the relationship between Begin and Gush Emunim was particularly cordial because of their common belief in the integrity of the Land of Israel. All the. religious parties, including the Sephardi Tami, joined both Begin-led governments in 1977 and 1981 without hesitation and supported him through two major events: the Camp David Agreements and the Lebanon war. Even though Tami abandoned the government in 1984 and forced new elections, in the aftermath of those elections the Likud was saved from going into opposition by its religious partners, including Shas, which refused to join a Labor-led coalition, and thus helped bring about a national unity government and alternating prime ministers: Labor in 1984-1986 and Likud in 1986 1988.

The Likud government realized that despite the Likud majority in the political arena, resulting partially from support among the religious and secular sectors, Israeli society was deeply divided with regard to the territories. Consequently the government tried to emulate the secular-religious mechanism and apply it to the new cleavage that had emerged in the wake of the Six Day War. In retrospect, the secular-religious relationship has proven itself to be a relatively stable one. Despite the deep split in Israeli society, the two camps succeeded, since the establishment of the state, in accommodating each other and avoiding deep conflict that would tear society apart. Ultimately, despite recurrent crises, the secular and religious parties accepted the need to compromise at least in the public domain and share power at the governmental level. It was this aspiration to build consensus that motivated Begin to add the centrist Democratic Movement for Change in the first Likud government, despite the fact that the Likud enjoyed a comfortable majority with the religious parties. The inclusion of Labor MK Moshe Dayan as foreign minister in 1977 and the postponement of annexation of Judea, Samaria, and the Gaza Strip were steps aimed at achieving some consensus with regard to the territories, from the standpoint of the Likud. The Likud abandoned this approach when it generated a major settlement offensive in the wake of Camp David and when following its narrow electoral victory in 1981, it built a coalition

solely with the smaller nationalist and religious parties. The lack of a moderate party in the second Likud government was partly responsible for the failure of the 1982 war in Lebanon, the first Israeli war in which Israeli public opinion was divided. Shamir, who on most issues of foreign policy was even more hawkish than Begin, understood the inherent need for coalition building and shared power with Labor in 1988, at a time when he did not have to do so, as he enjoyed a built-in majority.[32]

At the same time that Likud was trying to expand the power-sharing mechanism and consensus politics from religion to foreign policy, Labor was trying to counteract this strategy by bringing back the religious parties to its camp. The conciliatory approach to the religious parties can be seen as part of a broader domestic strategy that had been adopted by Labor even prior to Rabin's ascendancy to leadership of the party. The Labor leaders, especially Peres, understood that breaking the axis between the religious and the right wing was a precondition for Labor's return to power. Having been rejected repeatedly by the religious parties following the 1981,1984, and 1988 elections, Peres succeeded in attracting Shas and Agudat Israel and caused the breakup of the national unity government in 1990. Despite his failure at the time to assemble a government with Shas, Peres persisted in courting the religious parties in an attempt to decouple the religious issue from the issue of the Land of Israel.

Labor had also realized that its patronizing approach to the Sephardim had been responsible for its defeat, and the party began reaching out to genuine Sephardi leaders. In addition to trying to create a rift between the development towns and Likud over the issue of the allocation of resources to the settlements in the territories, Labor realized the potential of the religious Sephardi parties that appeared on the scene. Labor leaders believed that for Shas leaders the issue of the Land of Israel was secondary to that of religion and ethnicity.

Indeed the lesson of the relative success of the NRP in the area of religion and state was learned carefully not only by leaders of Likud but also by the other sectors of Israeli society. The emergence of Tami and Shas was clearly an attempt to emulate the power-sharing arrangement and apply it to the relations between religious Sephardim and the secular ruling parties. The Arab sector also started realizing the tendency of the Israeli political system to resolve internal divisions through power-sharing mechanisms. The emergence of noncommunist Arab parties and their demands to be included in the government must be seen from this perspective. Here Labor found itself more constrained because of the tradition of Israeli politics not to include Arab parties in the government. It was this constraint that motivated Labor to support the electoral reform that established a direct vote for the prime minister. Since it was assumed that Arab voters would vote for a Labor candidate, a direct vote would give the latter an advantage over Likud without forcing Labor to enter a formal government coalition with the Arab parties. No such obstacle existed in adding Shas to a Labor-led government.

The Labor-Shas coalition in the Rabin government must thus be perceived from three perspectives: (1) the religious factor; (2) the relative moderation of Shas on the issue of the integrity of the Land of Israel; and (3) the Sephardi factor. First, Shas provided Rabin with six votes, whereas Agudat Israel, its competitor in the Haredi camp, could have given Labor at best three votes, in light of the objection of Rabbi Shach, Agudat Israel's Degel HaTorah faction leader, to support a government in which Shulamit Aloni served as minister of education. Second, Shas was preferable to the NRP because of the latter's transformation from a party interested primarily in domestic religious legislation to party that was the champion of the Land of Israel. Shas, unlike the NRP, was primarily interested in preserving the religious status quo and in advancing the interests of its constituency, thus allowing Rabin control of foreign policy.

Third, Shas as a Sephardi party and a partner in government complemented Labor's strategy of improving its image among Asian-North African Jews and helped to further remove the Ashkenazi stigma from Labor.

The ability of Shas to trade on these three major assets suited Labor s strategy so much that Rabin signed a coalition agreement with the Haredi party, knowing very well that Shas party leader Aryeh Deri might be indicted on corruption charges in the near future. When Deri was in fact indicted, Rabin went out of his way to let him serve in the cabinet as long as he was not found guilty. Rabin did this despite the opposition of his attorney general; finally Deri resigned because of a ruling by Israel's Supreme Court (High Court of Justice). Attorney General Yosef Harish's term was not extended because of his opposition to Rabin's behavior. It was also suspected that the postponement of the nomination to the Supreme Court of Dorit Beinish was due to her active role in preparing the indictment against the Shas leaders. Ya'ir Levy, previously a Shas Knesset member and sentenced to prison on corruption charges, was considered for parole for medical reasons after serving less than a fifth of his sentence. Given these gestures by Rabin, it is not surprising that even though Shas formally left the coalition after the indictment of Deri, it refused to join the opposition.[33]

Consociationaiism is based on the ability of elites to share power in exchange for the support of constituencies. Undoubtedly, this rule applies to Shas, as it is a traditional party. The standing of Rabbi Ovadia Yosef among his constituents is even higher than that of the religious leadership of Agudat Israel, which is more pluralistic and divided among different rabbinical authorities, trends, and shades. Rabbi Yosef definitely carries more influence with his disciples than the rabbinate of the NRP over its modernized members. The only possible challenge to his authority is that of Rabbi Shach, who, despite his comments prior to the 1992 elections downgrading Sephardi leadership capabilities, still has influence in Shas because many of its rabbis were educated in Lithuanian (Shach-led) Yeshivot. So far, however, the loyalty of these rabbis is to Rabbi Yosef.

Because of Shas's pivotal role, Labor and Meretz gave it what it desired, namely, the means to build an autonomous educational system. Labor and Meretz did not mind giving this prerogative since it was seen as weakening the state religious (*mamlachti dati)* and the national religious yeshivot, both bastions of the NRP. Minister of Education Shulamit Aloni welcomed Shas Rabbi Moshe Maya as her deputy in charge of the Haredi semiofficial stream of education. But despite Aloni's conciliatory strategy toward Shas, she was ultimately forced to resign. When she proved unable to control her discourse on religious topics and caused friction and instability in the government, Rabin replaced her with Amnon Rubinstein. Even Rabbi Ovadia Yosef needed this gesture to justify Shas's participation in a secular government; he was already under pressure from rank-and-file Shas members for cooperating with a government that looked for accommodation with the Arabs, Ideally Rabbi Yosef would have preferred not to bring the government to the verge of crisis on this issue and to use his influence on more practical issues.

The Shas experience could be compared to that of the NRP before it moved to the right on foreign policy issues. As the NRP had behaved in its classical period, Shas's main concern was building an institutional infrastructure and the foundations for a subculture in Israeli society and leaving "high politics" to the ruling party. In exchange for Labor's prerogative in foreign policy, Shas demanded a share in the allocation of resources. Shas leaders were not totally immune to criticism from religious circles that accused them of selling out to the secularist government in exchange for material benefits. But this criticism enabled them to increase their demands. As the NRP had done, Shas cashed in on its ability to cooperate with Labor, which the other parties

found difficult because of their ideological stands. It was not a coincidence that Shas had a deputy minister in the Ministry of Religion—the traditional habitat of the NRP. Indeed since its appearance on the national scene in 1984, it was Shas's strategy to take over or share in the control of the traditional habitats of the NRP—the Interior, Education, and Religious Affairs Ministries. The Interior Ministry controls the allocation of funds to local governments that share in managing education and religious services and through which moneys can be directed. Education provides the major area of concern for a religious party, and Religious Affairs provides control over the religious councils, which are regional sources of power.

Although Labor was ready to concede all these areas to Shas, as it had earlier to the NRP, Rabin in general also kept the status quo in religious affairs. This policy was expressed in three ways: (1) The state religious education department in the Ministry of Education, which was almost a private fiefdom of the NRP, was not abolished. Aloni added a new department, of which Shas was put in charge. (2) Funding in the 1994 budget for religious institutions associated with Shas and Agudat Israel was increased. In exchange, Shas voted for the budget, and Agudat Israel's three MKs abstained. The fourth Agudah MK, who represents Rabbi Shach, voted against the budget.[34] (3) When the Supreme Court ruled that the government's monopoly on importing only kosher meat was not constitutional, as it contradicted the basic law of freedom of business, Rabin ordered his minister of justice to prepare legislation to correct the situation constitutionally.

In the latter case, double legislation was proposed. First, a law was prepared that allowed the government to control the importation of frozen meat and limit it to kosher meat only. Second, in order to make the law hold constitutionally, the basic law—freedom of business—was amended by adding that such freedom would be guided by the values of a Jewish and democratic state. In the internal debate in the government coalition when the Meretz ministers demanded to be able to veto legislation that undermined the religious status quo, Rabin argued that the importation of nonkosher meat was the real breaking of the status quo. He was also quoted as saying that he did not wish to be the first Israeli prime minister that allowed the importation of nonkosher meat to the Jewish state.[35]

It has already been noted that Rabin treated Aryeh Deri in a way that transcended strict considerations of coalition politics. This attitude was not novel in the history of Labor and was compared by one analyst to that of previous prime ministers like David Ben-Gurion, Levi Eshkol, and Golda Meir toward leaders of the NRP—Rabbi Yehudah Leib Fishman-Maimon, Moshe Haim Shapira, and Yosef Burg—and the attitude of Menachem Begin and Yitzhak Shamir toward Agudat Israel Rabbis Menachem Porush, Avrum Shapira, and Shas's Rabbi Yitzhak Peretz.[36] The love-hate relationship with the religious past that has accompanied secular Zionism since its inception and that can also be detected in much modern Hebrew literature was also at work in the emotions of the first Sabra prime minister of Israel.

Rabin s cautious domestic strategy in religious matters could also be detected in his approach to the domestic setting of foreign policy, Rabin did not dare go much beyond the autonomy plan endorsed originally by Likud. Because he was aware of the domestic divisions over policy toward the future of the territories and the lack of a broad Jewish majority in the Knesset, he limited the dialogue with the PLO to the issue of autonomy in the Gaza Strip and Jericho. This autonomy would later be extended to other parts of the West Bank but would exclude the settlements. Instead of self-rule in the whole West Bank and Gaza, but restricted to the local Palestinians, as conceived by the Likud, he preferred an interim territorial autonomy, restricted geographically, under the PLO. Aware of domestic support of withdrawal from Gaza, he added

the Jericho region, which suited the broad lines of the Alon Plan, Labor's traditional approach to borders and settlement. Labor responded to Likud's criticism of the Declaration of Principles signed on September 13, 1993, by noting that the autonomy principle had been conceived by Menachem Begin. Controversial issues like settlements, the establishment of a Palestinian state, and Jerusalem were left to the next administration, which would be elected according to the reformed electoral system of direct vote for the prime minister.

Even prior to coming to power, Labor, especially Rabin, pushed the electoral reform bill, which would shift Israel toward a majoritarian political system. Labor's support for electoral reform crystallized during the 1990 political crisis orchestrated by Peres and was definitely a major element in the 1992 Labor election victory. The ticket "Labor under Rabin" attracted many voters, as it hinted of the forthcoming direct vote for the prime minister planned for the next elections. Rabin's enthusiasm for the reform could be related either to his military past or his admiration of the U.S. presidential system, acquired while serving as ambassador to the United States. But the calculations went beyond those of personal preferences. As pointed out above, a direct vote for prime minister would translate Labor's advantage in the Arab sector to political power, which Labor was unable to do under the current coalition system. Whether the new electoral system would relieve, as many of the supporters of the bill anticipated, the secular parties from dependency and the need to share power with small parties, especially the religious parties, is still to he seen.

Conclusion

Israeli society has been divided since its inception. One of the main cleavages has been between the religious and the secular sectors of society. Consequently, Israel adopted a mechanism of power sharing that was carried over from the Yishuv to the state. On many issues national decisionmaking was through consensus politics. This mechanism was particularly relevant in the relationship between the religious and secular segments of Israeli society. The ruling party interacted with the religious sector through the religious parties and provided it with resources that the religious population would have received in any case by virtue of its share in society. To be sure, the secular majority could have reached a decision to formally assimilate the religious sector by abolishing support for its educational or other religious institutions. Whether such a road was possible was doubtful especially in light of the desire of the majority of secular Israeli Jews to define the state by a Jewish content, however vague.

This desire was recently confirmed by a study conducted by the Guttman Institute and sponsored by the Avi Chai Foundation.[37] Despite the challenges to the conclusions of the study, it would seem safe to conclude that the majority of Israelis are not hostile to the idea of coexistence with the religious approach to Judaism. A religious view of the Jewish state was integral, along with other approaches, in the Zionist movement, and these approaches together constituted the collective definition of the state. Moreover, autonomy in education was given to the Arab sector even without its participation in government, and one can assume that the same would have been valid for the religious community. Indeed what the Rabin government proved was that even without the participation of the NRP in government, the autonomy of the state religious stream was kept. In short, the ruling party received political support for concessions, many of which it probably would have had to give anyway, if only to maintain domestic political

peace. It was within the interests of both the secular and the religious parties not to admit this reality.

As long as power sharing was confined to matters of concern to the religious sector and to coexistence between the religious and the secular sectors, it was a bearable price to pay. It was bearable as long as the religious status quo that had been formulated before the establishment of the state was maintained. The attempt to break out of that limit through the broadening of the "Who is a Jew?" issue, legislation that would have endangered relations with world Jewry, was contained even by a Likud government.[38] Another possible threat, relevant mainly to the parties of the Left, was the expansion of the definition of religion to include foreign policy issues in the religious agenda. The trend to expand consensus politics to the national security domain was contained by Rabin's government. Power sharing was limited to one party of the religious sector, Shas. When the NRP put forth demands in foreign policy, it was left out of the government for the first time in its history. In this respect, Rabin followed Ben-Gurion's dictum that foreign policy was the domain of the ruling party. Beyond that, Rabin adopted a conciliatory attitude toward religious issues and parties, especially toward Shas. This was true despite the prime minister's personal disgust with the need to court the rabbis. The ordeal with the NRP in his first turn as prime minister between 1974 and 1977, which ultimately brought down his government, may have also influenced his policies.

Finally, the strategy of exchanging the NRP for Shas as the religious partner for sharing power, although it has worked in the short run, must still prove itself. Despite the clear material benefits that Shas has drawn from this partnership, an unresolved question is how far Shas will be able to go toward Rabin without endangering its standing among its constituency, particularly the ethnic rank and file who constitute the majority of the voters. To a certain extent the ability of Shas to become a full partner will depend on Labor's acceptance among the Sephardim. Shas's success in maintaining its budget allocations without formal participation in the government and in sitting on the fence like Agudat Israel may convince Shas to emulate the latter model. The Agudah model is particularly attractive to the more fundamentalist element in Shas in both the religious and foreign policy areas. The refusal to rejoin the government formally is also related to the continued influence of Rabbi Shach and to Deri's trial. Deri or another leader of his type would prefer the NRP model to that of the Agudah. Labor would like full participation of Shas in the government but would choose a loose alliance with it, similar to that with Agudah, as long as Shas confines the partnership to the pure religious arena and leaves foreign policy to the ruling party.

Notes

1. *Maariv*, April 27,1990.

2. Dan Horowitz and Moshe Lissak, *The Origins of the Israeli Polity* (Tel Aviv: Am Oved, 1988), chap. 8.

3. William Riker, *The Theory of Political Coalitions* (New Haven: Yale University Press, 1962).

4. Arend Lijphart, *Democracy in Plural Societies* (New Haven: Yale University Press, 1977)1 PP· 129-134; Eliezer Don-Yehiya, "Religion and Coalition: The National Religious Party and Coalition Formation," in Asher Arian, ed., *The Elections in Israel—1973* (Jerusalem: Jerusalem Academic Press, 1975), pp. 260-264.

5. For a distinction between a majoritarian model and a consensus politics model, see Arend Lijphart, "Israeli Democracy and Democratic Reform in Comparative Perspective," in Ehud Sprinzak and Larry Diamond, eds., *Israeli Democracy Under Stress* (Boulder, Colo.: Lynne Reinner, 1993), pp. 107-123.

6. Moshe M. Czudnowsky, "A Salience Dimension of Politics for the Study of Political Culture," *American Political Science Review 62* (September 1968), pp. 878-888.

7. The three-camp distinction is very basic in understanding Israeli politics. See, for instance, Daniel J. Elazar, "Israel's Compound Polity," in Howard R. Penniman, ed., *Israel at the Polls, the Knesset Elections of 1977* (Washington, D.C.: American Enterprise Institute, 1979). pp-1-38.

8. On Mapam's opposition to the foreign policy line of Mapai in three instances, see Michael Brecher, *Decisions in Israel's Foreign Policy* (London: Oxford University Press, 1974), chaps. 3, 4, and 6. In 1984 Mapam left the Labor Alignment in opposition to its participation in the National Unity government.

9. On the ethnonational dimension of foreign policy, see Shmuel Sandler, *The State of Israel, the Land of Israel, the Statist and Ethnonational Dimensions of Foreign Policy* (Westport, Conn.: Greenwood Press, 1993), chap. 1,

10. The religiously observant population was estimated to be around 23 percent, the secular 40 percent, and the rest traditional; see Yehuda Ben-Meir and Peri Kedem, "An Index of Religiosity for the Jewish Population in Israel," *Megamot* 24, no. 3 (February 1979), pp. 353-362. Another index for measuring religiosity is the distribution of students in elementary schools according to streams. The percentage of students attending the state religious and the "independent" (ultra-Orthodox) streams was 25.8 percent in 1985. See Horowitz and Lissak, *The Origins of the Israeli Polity,* Table 2, p. 93. A recent study found 14 percent of Israeli Jews defined themselves as "strictly observant" and another 24 percent "observant to a great extent." Only 20 percent defined themselves as "totally nonobservant." See Shlomit Levy, Hanna Levinson, and Elihu Katz, *Beliefs, Observances and Social Interaction Among Israeli Jews* (Jerusalem: Louis Guttman Israel Institute of Applied Social Research, 1993), p. 1.

11. Members of the Histadrut Hapoel Hamizrachi were affiliates of the General Kupat Holim (Sick Fund). For further analysis of the historic partnership, see Shmuel Sandler, "The Religious Parties," in Howard R. Penniman and Daniel J. Elazar, eds., *Israel at the Polls, 1981* (Bloomington: Indiana University Press, 1986), pp. 110-120.

12. David Vital, *Zionism: The Formative Years* (Oxford: Clarendon Press, 1975), p. 167.

13. On the active element in religious Zionism, see Aviezer Ravitzki, "Exile in the Holyland: The Dilemma of Haredi Jewry," in Peter Medding, ed., *Israel State and Society, 1948-1988, Studies in Contemporary Jewry,* vol. 5 (Oxford: Oxford University Press, 1990), pp. 89-125, especially pp. 96-98.

14. On the origins of Gush Emunim, see Eliezer Don-Yehiya, "Jewish Messianism, Religious Zionism and Israeli Politics: The Impact and Origins of Gush Emunim," *Middle East Studies* 23, no. 2 (April 1987), pp. 225-227. See also Ehud Sprinzak, "Gush Emunim: The Iceberg Model of Political Extremism," *State, Government, and International Relations,* no. 17 (Spring 1981), pp. 22-49.

15. Zvi Yaron, *The Philosophy of Rabbi Kook* (Jerusalem: World Zionist Organization, 1974). PP· 87-89.

16. Ibid., chap. 6, especially pp. 107-109 and 121-123.

17. Ibid., pp. 319-320.

18. Ibid., pp. 272-273 and 277-280.

19. On the eve of Independence Day in 1967, Rabbi Zvi Yehuda Kook gave a sermon in which he lamented the fact that parts of the Land of Israel and Jerusalem were under Arab rule, and he predicted that this situation would soon be changed. The next day Nasser started pouring troops into the Sinai Desert, thus initiating a process that eventually led to the outbreak of the Six Day War. Kook's prediction made a great impact on his disciples.

20. The new culture was termed by Amnon Rubinstein as a mixture of "Dizengoff" and Judea and Samaria—not a more Orthodox Israel. Rubinstein, *From Herzl to Gush Emunim and Back* (Tel Aviv: Schocken, 1980). Don-Yehiya and Liebman have identified the emergence of a more traditional civil religion, though one very distant from Orthodox Judaism: See Eliezer Don-Yehiya and Charles S. Liebman, *Civil Religion in Israel* (Berkeley: University of California Press, 1983), especially the concluding chapter. See also Liebman and Don-Yehiya, "Israel's Civil Religion," *Jerusalem Quarterly,* no. 23 (Spring 1982). The organizational explanation of Gush Emunim's success is that of Sprinzak ("Gush Emunim"); the ideological explanation was made by Don-Yehiya ("Jewish Messianism").

21. Jane O'Dea (Aviad), "Gush Emunim: Roots and Ambiguities, the Perspective of the Sociology of Religion," *Forum,* no. 2 (1976), p. 45. Coming from a person like Aviad, who would soon become a leader of "Peace Now" and who could not be suspected of sympathy to the Gush Emunim, this observation is even more significant. See also Don-Yehiya, "Jewish Messianism," pp. 231-232.

22. In 1972 first- and second-generation (born in Israel but to a father born abroad) Sephardim constituted 51.8 percent and first- plus second- plus third-generation Sephardim 50.4 percent. See Roberto Bachi, *The Population of Israel* (Jerusalem: Institute of Contemporary Jewry, 1974), p. 266, Table 14.3.

23. On the stigma of ethnic politics and its change, see Hannah Herzog, "Between Political and Cultural Ethnicity: An Analysis of the 'Ethnic Lists' in the 1984 Elections," in Daniel J. Elazar and Shmuel Sandler, eds., *Israel's Odd Couple* (Detroit: Wayne State University Press, 1990), pp. 87-118.

24. The Shas ethnic message in 1984 was analyzed by Herzog (ibid.). For an analysis of the ethnic message of Shas in the 1988 elections, see Eliezer Don-Yehiya, "Religion, Social Cleavages, and Political Behavior: The Religious Parties and the Elections to the 12th Knesset," in Daniel J. Elazar and Shmuel Sandler, eds., *Who Is the Boss in Israel*? (Detroit: Wayne State University Press, 1993), pp. 107-114.

25. The distinction started with a geopolitical separation between Jews dwelling in Spain (Sepharad in Jewish terminology), which was ruled by Islam, and those dwelling in the Christian parts of Europe, primarily the German (Ashkanaz) and Slavic parts. The Sephardim were those Jews who accepted the code of Rabbi Joseph Caro, and the Ashkenazim were those who accepted that code only after it was modified by Rabbi Moses Isserles to fit Ashkenazi rituals and traditions; see Daniel J. Elazar, *The Other Jews: The Sephardim Today* (New York: Basic Books, 1989), chap. 1.

26. Asher Arian, "Electoral Choice in a Dominant Party System," in Asher Arian, ed., *The Elections in Israel, 1969* (Jerusalem: Academic Press, 1972). See also Yael Yishai, "Israel's Right Wing Proletariat," *Jewish Journal of Sociology* 24, no. 2 (1982), pp. 87-97.

27. In 1984 the tie that emerged after the elections resulted from Shas's joining Shamir's camp, thus forcing Peres to form a National Unity government. See Daniel J. Elazar and Shmuel Sandler, "The Two-Bloc System—A New Development in Israeli Politics," in Elazar and Sandler, eds., *Israel's Odd Couple*, pp. 12-14.

28. Following the late Rabbi Meir Kahane's electoral success in 1984, a theory was advanced that the Sephardim hated the Arabs because they were competing with them for employment. See Gershon Safir and Yoav Peled, " 'Thorns in Your Eyes': The Socio-Economic Characteristics of the Sources of Electoral Support of Rabbi Kahane," *State, Government and International Relations*, no. 25 (Spring 1986), pp. 115-130 (Hebrew). For a contrasting view, that the Sephardim are moving toward accommodation with the Palestinian Arabs, see Chapter 4 herein.

29. I. Peres and S. Shemer explained the clear ethnic-electoral nexus by the Sephardi-Arab variable in "The Ethnic Factor in the Elections to the Tenth Knesset," *Megamot* 28, nos. 2-3 (1984), pp. 316-331 (in Hebrew). The findings of Arian and Shamir that hawkishness, especially on the territorial issue, was the clearest indicator influencing the Israeli voter's behavior also support this explanation. See M. Shamir and A. Arian, "The Ethnic Vote in Israel's 1981 Elections," p. 106, in A. Arian and M. Shamir, eds., *The Elections in Israel* (Tel Aviv: Ramot, 1982), p. 96, See also Chana Ayalon, Eliezer Ben-Rafael, and Stephen Shrot, "Ethnicity and Politics," *Megamot* (1987), pp. 333-334 (Hebrew),

30. The low representation of Sephardim in the Gush Emunim leadership has been noted and was confirmed by the editor of *Nekudah* magazine, Israel Harel, in a Political Science Department seminar at Bar-Ilan University on February 27, 1990. In general, Ashkenazim and Israeli-born were more prominent in ideological movements like Gush Emunim or Peace Now.

31. For an interpretation of Rabbi Shach's views, see Baruch Kimmerling's article in *Haaretz*, March 30,1990,

32. On Shamir's strategy, see Elazar and Sandler, *Who Is the Boss in Israel?* chap. 12.

33. *Haaretz*, December 12 and 13,1993, p. 1, and December 14, pp. A5, A9; on Ya'ir Levy, see *Haaretz*, December 16,1993, p. A9; see an op-ed article in *Haaretz* on the same date, p. Bi.

34. On the bargaining process, the share, and the vote of Shas and Agudat Israel in the 1994budget, see *Haaretz*,October 22,1993, p. A6; October 26,1993, p. A6; October 27,1993, p. A5; October 28,1993, p. Ai.

35. On the debate in the cabinet and legal interpretation of the law, see *Ha'aretz*, November 29,1993, p. A4. See also *Ha'aretz*, October 24,1993, p. A4; November 12,1993, p. A5; November 19,1993, p. A7.

36. See Doron Rosenblum, "The Jew of the Israelis," *Ha'aretz*, August 20,1993, p. Bi.

37. For reaction to this Guttman Institute study, mentioned in note 10, see Haim Shapiro, *Jerusalem Post*, December 19,1993; Immanuel Sivan, *Ha'aretz*, December 27,1993, p. Bi; Orit Shochat, *Ha'aretz*, December 28,1993, p. Bi; Yosef Goell, *Jerusalem Post*, January 7, 1994, p. B4. For an earlier critique of Shulamit Aloni's assertion that she represents a secular majority, a critique confirmed by this study, see Henry H. Weinberg, "The Aloni Phenomenon," *Midstream*, August-September 1993, pp. 11-13.

38. Robert O. Freedman, "Religion, Politics, and the Israeli Elections of 1988," *Middle East Journal* 43, no. 3 (Summer 1989), pp. 406-422.

10

Israel's Arab Citizens and the Peace Process

ELIE REKHESS

Introduction

The Arab population in Israel gave the Israeli-PLO accords, signed in Washington in mid-September 1993, a warm reception. Aside from some fringe elements that objected to the agreement, the overall reaction was one of satisfaction and optimism. On a more personal level, many were delighted by the possibility of once again meeting family members and friends from Arab countries from whom they had long been separated.

The political leadership, too, responded positively. Arab Knesset members and heads of local authorities congratulated the government on the breakthrough and on its courageous step in putting "an end to the circle of bloodshed and generations-long hatred between the two peoples."[1]

There were some demonstrative tokens of support. For example, the Arabic weekly *Panorama*, appearing in the so-called Triangle (an area in central Israel densely populated by Arabs), published a special issue including no fewer than fifty-five public statements by leading Arab figures paying homage to Rabin and Arafat for their valiant step.[2] Prominent Arab writers and thinkers gave full vent to their sentiment in describing the historic meaning of the moment. "I feel," commented Emile Habibi, Israel Prize laureate and former leader of the Israeli Communist party, "as if the most elevated goals of my life are being achieved. ... We, the Palestinians in Israel, have the most to gain from this agreement. ... We stayed here and suffered and refused to be evicted and we could not have endured all this had it not been for the belief that this day would come."[3] Salim Jubran, a poet and former editor of the Arabic daily *al-Ittihad*, praised the agreement for its realistic approach. The accord, he said, "is the most significant event in the life of the two peoples since the eruption of the conflict more than 100 years ago. The agreement is the funeral of the impossible dreams of both sides: the Greater Eretz Israel dream, on the one hand, and the Greater Palestine, on the other."[4]

In Nazareth, the largest Arab town in Israel, thousands staged a mass rally in support of the Israeli-PLO Declaration of Principles. For the first time in Israel's history, marchers were carrying the blue-and-white Israeli national flag alongside the four-color Palestinian flag. The demonstration was organized by the Supreme Follow-up Committee of the Arabs in Israel and was attended by a member of the government, Tourism Minister Uzi Baram.[5] Another participant was Sheikh Abdallah Nimr Darwish, the spiritual leader of the Islamic Movement in Israel, who came out in full support of the agreement. He called on Hamas and Fatah (the fundamentalists and the leading PLO component respectively) to join ranks and march together toward peace and the establishment of a Palestinian state.[6]

Other prominent Israeli Arab leaders, representing a more militant trend within their

movement, opposed the agreement. "Yasser Arafat, whose policy had been a total failure and who was losing the support of the Palestinian people, tried to reach a last moment agreement with Israel and depict it as an achievement," asserted Sheikh Kamal Khatib of Kfar Kana in the Galilee.[7] "The postponement of the Jerusalem issue [was] an act of treason," he stated elsewhere.[8] Harsher criticism was voiced by representatives of the ultranationalist Sons of the Village movement. In a public statement of September 10, 1993, the movement condemned Arafat for not having insisted on the main Palestinian demands, namely, a complete Israeli withdrawal from all of the occupied territories and the "right of return of the Palestinian refugees expelled in 1948 and 1967."[9] Moreover, the "Sons of the Village" criticized the agreement for having failed to address the problem of the "1948 Palestinian masses,"[10] that is, the issue of the Israeli Arabs.

The Sons of the Village were among the few political groups in Israel to make any reference to the impact of the accords on the lives of the Arab citizens of Israel. Most Arab politicians initially focused on the positive outcome for the Palestinians in the territories and abroad. Thus, for example, Arab Knesset members representing Hadash (the Hebrew acronym for the Communist-led Democratic Front for Peace and Equality, DFPE) and the Arab Democratic party (ADP) argued that the agreement was only a first step, and would subsequently lead to a complete Israeli withdrawal from the occupied territories, including eastern Jerusalem, and to the future establishment of an independent Palestinian state alongside Israel.[11]

However, after the first enthusiasm had worn off, the ramifications of the breakthrough began to sink in. Political figures who had originally supported the government began to discuss in public the repercussions the agreement was bound to have on the future of the Arabs in Israel. "What about us?" asked Lutfi Mash'ur, the editor of the Nazareth-based weekly *al-Sinara.* "Is there anybody ... who thinks about the Palestinians inside Israel?"[12] Mash'ur's question remained unanswered. Yet it soon became apparent that the accords would have far-reaching effects on both the substance and form of future Jewish-Arab relations in Israel. In this chapter I examine the effect of the breakthrough on the two major processes that have characterized the political behavior and socioeconomic development of the Arabs in Israel in the past two decades: "Israelization" and "Palestinization."

Israelization

The signing of the Israeli-PLO agreement led a number of Israeli analysts to believe that it would serve as an important catalyst for promoting the integration of the Arab population into mainstream Israeli society.[13] According to their view, the Arabs in Israel were bound to feel relieved by the fact that, at long last, Israel had recognized the PLO; this was, after all, a goal for which they had striven for so many years. The legitimization thus given to the national rights of the Palestinians, these observers argued, had taken much of the sting out of the contradiction between the Palestinian-Arab and the Israeli components of their national identity. It had relieved them of the need to belong to a communal group that Israel refused to recognize. Now, the argument went on, more Arabs would feel comfortable internalizing their Israeli citizenship. The main concern of the Arabs in Israel would henceforth be to receive full civil equality. Their long-standing emotional identification with the PLO would no longer be suspect, and they would be

able to pursue the practical aims of bettering their situation without feeling that they were neglecting their national cause. There were nevertheless those who were skeptical. Reports about international efforts to aid and rebuild the Palestinian economy and about the imminent influx of major resources into the West Bank and Gaza Strip elicited a new sense of alienation. This was put forcefully by a senior Israeli Arab academic who said, "For forty-five years, I have been loyal to the State of Israel and now I have to go along and continue struggling with problems of open sewage while my brothers in the territories are flooded overnight with millions of U.S. dollars, German marks, and Japanese yen."[14]

Israeli Arabs were also suspicious that the Rabin government was not likely to fulfill its promise that they would achieve civil equality. Immediately following the formation of the new government in July 1992, expectations had gone up and it seemed as if the process of Israelization would be significantly accelerated. For the first time, an Israeli government found itself dependent on the support of Arab Knesset members. This constituted a major change in the relative weight and influence of the Arab vote. The Labor party signed a memorandum of understanding with both the ADP and Hadash, committing itself (and the government) to a long list of improvements in the Arab sector. It promised, inter alia, to form a government committee under the prime minister to oversee Israeli Arab affairs and work for full equality between, Jews and Arabs; to close within five years the budgetary gaps at the municipal level between the Jewish and Arab sectors; to eliminate gaps in the fields of education, industrial development, health, housing, and agriculture; to improve sewage in the Arab villages; to return *waqf* (Muslim religious endowment) property to the Muslim community; to examine the possibility of establishing an Arab college or university in Israel; to absorb Arab university graduates into the civil service; to solve the problem of unauthorized construction in the Arab villages and towns (Arabs had put up some 10,000 unauthorized buildings); and to declare Nazareth and certain other Arab localities "development areas" entitled to tax exemptions.[15]

In his inaugural address to the Knesset, Rabin said that it was proper to admit that for years the government had erred in its treatment of Israel's Arab citizens. He promised that his government would do everything possible to close the substantial gaps between the Jewish and Arab communities in a number of spheres. Arab representatives were appointed to the government: Labor MK Nawaf Masalha, as deputy minister of health, and Meretz MK Walid Sadiq, as deputy minister of agriculture. In the past, such positions had rarely been filled by Arabs. An interministerial committee was set up to handle the affairs of the Arab sector; the position of prime minister's adviser on Arab affairs—once the subject of criticism—was abolished. In an unprecedented move, an Arab Knesset member, Hashim Mahamid of Hadash, was appointed to the Knesset's prestigious State Control Committee.[16]

In its first year in office, the government significantly increased the budget items earmarked for the development of the Arab sector. In March 1993, Shimon Sheves, director general of the Prime Minister's Office and the senior official responsible for executing government policy in the Arab sector, announced that in 1993 an additional sum of NIS 236 million had been allocated to Arab localities (for a total of NIS 420 million in 1993, compared to NIS 184 million in 1992). Sheves added that the government was focusing on three areas: the rehabilitation of Arab neighborhoods in mixed Jewish-Arab towns; the integration of more than 100 Arab university graduates in governmental positions; and the construction of an appropriate road infrastructure in Arab villages.[17]

In the course of the same year, a number of ministries announced their plans to improve the lot of the Arab population. The Ministry of Tourism granted the city of Nazareth the status of a

tourist development area, meaning that investors interested in hotel construction there were entitled to a significant governmental grant. Tourism Minister Uzi Baram also established a special administrative body to supervise the development of tourism in Nazareth.[18] In March 1993, the Ministry of Energy took an unprecedented step when it appointed an Arab geologist, Khalil Mashriqi, as chairman of the government oil drilling company.[19] Minister of Communications Shulamit Aloni, appointed an Arab woman, Kifah Masarwa, of Baqa al-Gharbiyya, as one of the public representatives on the Board of Directors of the Postal Authority.[20] Of special significance was the government's decision to equalize, in 1994, the child allowances paid by the National Social Security Institute. Until then, Israeli Arab families were denied supplemental child payments given to Jewish families whose members served in the army.

Impressive breakthroughs were also registered in the field of education. First under Shulamit Aloni, then under Amnon Rubinstein, the Ministry of Education took far-reaching steps to abolish past discriminatory policies. Within three years, Rubinstein promised, the discrepancies would disappear. The ministry adopted an "affirmative action" policy, granting the Arab sector in the 1993-1994 school year various benefits not given to the Jewish schools. Thus, for example, to improve standards, fourth grades in Arab elementary schools were allotted an additional five weekly study hours. For the first time, the ministry decided to employ fifteen psychologists and thirty-five supervisors in an attempt to bring down the high rate of dropouts from Arab schools. It also ordered the immediate construction of 266 classrooms, compared with only 138 rooms originally planned for 1993.[21]

These steps to do away with the gaps between Jews and Arabs were welcomed by Arab politicians in Israel and by the Arab public at large. Still, suspicions were not removed. A poll conducted in February 1993 by the Nazareth-based Jaffa Research Institute showed that only 35 percent of the Arab population thought that the government "was serious in its intentions to achieve equality in the Arab sector." A plurality of the interviewees, 42.8 percent, was doubtful regarding the government's intentions.[22]

What was causing the skeptical reaction of the Arab public despite the scope of government activities? The results of the poll reflected a basic lack of confidence characteristic of the relations between the Arab population and the government. The Arab public mistrusted the government's determination to carry out its commitments. There was no real conviction that Rabin had genuinely reversed past policies and had truly replaced the old discriminatory trend with a new liberal and egalitarian orientation. Government efforts on behalf of the Arabs were seen as sporadic and unrelated steps rather than as a comprehensive policy based on a strategic plan. Furthermore, in the period that had elapsed since the formation of the government, the gap between promises and actual accomplishments had widened. Pressing issues of primary importance remained unattended. Among them were the resettlement of Bedouins who had been evacuated from their land in the Negev, the problem of forty Arab villages unrecognized by the Ministry of the Interior and therefore denied local authority status,[23] and the question of the administration of the *waqf* property.

The mounting frustration and dissatisfaction owing to unfulfilled expectations was well reflected in the annual report of "Sikkuy," the Association for the Advancement of Equal Opportunity, published in September 1993. The report summarized government activities to achieve integration and equality, acknowledged that there had been a change in approach, yet sharply criticized the authorities for failing to set a long-range, comprehensive policy. It was particularly critical of the lack of progress in economic development and in the absorption of

Arab academics in government positions.[24]

The appointment of Arabs as deputy ministers and Rabin's attitude toward the Arab Knesset members also caused profound concern in Arab public quarters. For years, the Arabs in Israel had had little political impact. Arab parties and individual Arab MKs were traditionally excluded from any significant share of decisionmaking responsibilities. This state of marginality began to change following the 1992 elections when Arab representatives were able to play a crucial role in the formation of Rabin's government. Had it not been for ADP and Hadash support, Rabin would not have been able to bring together a "blocking majority" of sixty-one members, as against the fifty-nine-member opposition bloc composed of right-wing and religious parties. Arab expectations went up, yet Rabin made it clear that he would not include the Arab parties in his coalition government. The freezing out of Abd al-Wahab Darawsha and his counterparts in Hadash from the Labor coalition was in keeping with four and a half decades of Israeli political tradition.[25] Rabin was deterred from bringing Hadash and the ADP into the coalition because of the latter's open identification with the PLO, and because he feared that the right-wing Knesset members would accuse him of relying on the support of the non-Zionist Arab representatives.

This policy of Rabin's was harshly criticized by Arab political figures. "Even this left-wing Labor-Meretz government has double standards," commented Ahmed Tibi, an Arab physician from Taiba and a prominent political figure mediating between Israel and the PLO. "They want us as voters and supporters, but not as real partners," he added.[26]

Labor Deputy Minister Masalha became particularly bitter and annoyed. He was hurt by what he regarded as an outright disqualification of Arab MKs, even those belonging to the Zionist parties, from becoming full ministers. Rabin was interested in peace, he explained, but "he [didn't] want the Jews to say he did it with a cabinet of Arab nationalists."[27]

The government's policy in the territories further alienated the Arab MKs. The Labor government, Masalha complained in August 1993, had committed a series of acts so deplorable that even the Likud had refrained from them. He listed the deportation of the 415 Hamas activists, the closure of the territories, the killing of 38 Palestinian children in the West Bank and Gaza over a period of six months, and the expulsion of hundreds of thousands of Lebanese inhabitants from their homes during Operation Accountability.[28] In fact, Masalha conceded that he had been on the point of resigning following the heavy Israeli bombardment of southern Lebanon in July 1993. Only when he received personal assurances from Rabin that Operation Accountability would end within a short period of time did he withdraw his decision.

In the Knesset, relations between the coalition government and the Arab members supporting it turned extremely problematic and fragile. The Arabs became increasingly torn between, on the one hand, deep resentment toward government policies in the Arab sector and vis-à-vis the Palestinians and, on the other hand, their support, as long as the peace process continued, of Rabin's coalition, even though they were not formally part of it.[29]

Their ambivalence was attested to early in 1993, when the prime minister rebuffed MK Darawsha s initiative to enter the coalition and play a more substantive role in promoting Israeli-Palestinian relations. Rabin reportedly called the move premature.[30] Darawsha reacted furiously: "I think the disqualification of the non-Zionist parties boils down to racism," he said. "It's not a question of politics, it's because we're Arabs."[31] Rabin and his coalition were even more embarrassed by the conduct of Hadash firebrands Arab MKs Tawfiq Zayad and Hashim Mahamid. In late December 1992, following the deportation of the 415 Hamas activists, the latter caused a political storm when, during a "solidarity visit" to Gaza, he declared that "the

Intifada should be prosecuted with full vigor, with stones and all other available means."[32] Right-wing MKs interpreted the statement as an incitement to use firearms against Israeli soldiers and civilians and demanded the lifting of his parliamentary immunity so he could be prosecuted. However, because of coalition pressure, the Knesset only restricted, for a period of three months, Mahamid's parliamentary freedom of movement in Israel and the territories.[33] Tawfiq Zayad made a similarly outrageous scene in the Knesset when he accused his colleagues of racism and added that he was holding the Israel Right "by the balls."[34]

The Arab Hadash and ADP MKs came out in full support of the PLO-Israeli agreement, yet their reaction was somewhat muted. They were well aware that Rabin was wary of basing government approval for the agreement with the PLO on the support of Arab parliamentarians and were, therefore, careful not to supply the Israeli Right with ammunition to act against the government.

Their relative quiet did not, however, deter Likud and Moledet MKs from demanding that Arabs be excluded from the crucial Knesset vote ratifying the Israeli-PLO agreement. MK Ariel Sharon had suggested in May 1993 that Arab citizens should not be granted the right to participate in a future referendum over the future of Judea and Samaria. Sharon disqualified the Arabs, saying that "the real [and] primary, decisive loyalty of most Israeli Arabs, including ... their representatives in the Knesset, is naturally not to Israel but to the Arab Palestinian interest." He dismissed assertions that by excluding the Arab minority from the democratic process he was undermining the moral and democratic foundation of the state. "Our grandparents and parents did not come here to establish a democracy," he said. "It is good that such a real democracy was created. [But our ancestors] came here to set up a Jewish state, remember this!" Sharon concluded.[35]

On the eve of the crucial Knesset vote over the agreement, the support of Hadash and the ADP became critically important, as the ultra-Orthodox Shas party was threatening to withdraw from the coalition because it differed with the government over the way suspected financial scandals involving two of its leaders were being investigated.[36] The Right seized the opportunity to further delegitimize the Arab Knesset members. MK Yosef Ben-Gad of the Moledet faction applied to the High Court to order the Knesset speaker to give reasons why he should not disqualify the Arab Knesset members from participating in the discussion and vote on the agreement. He argued that "the Palestinian Knesset members work for the [cause of the] Palestinians and not for [the cause of] the Israeli citizens ... and therefore there existed a complete conflict of interests" that justified their exclusion.[37] The High Court turned down the application.

Rabin repudiated the right-wing criticism altogether and ridiculed the Likud's arguments. "Didn't the Likud and the National Religious party appeal to the Arab vote?" he asked. (It should be noted that in the 1992 elections 20,000 voters, constituting nearly 9 percent of the Arab and Druze citizens, had voted Likud.) "Each vote which they received [was] legitimate," Rabin went on, "but an Arab vote which went to another party [was in their view] illegitimate." The prime minister defended the Arab cause vigorously. "It is time, once and for all, to decide whether the Israeli-Arab public is an integral part of Israel. Those who claim that it is not should come out and apologize to those Arabs whose votes they had solicited."[38]

In the Knesset vote (with members of the Shas party and three members of Likud abstaining), sixty-one Knesset members approved the agreement; fifty opposed them. Rabin's solid Jewish majority of fifty-six votes was strengthened by the support of the five Arab members of Hadash and the ADR The immediate issue was thus resolved, but the heated debate marked the

beginning of a new overall phase in Jewish-Arab relations. This phase was dominated by a difficult and complex debate over the democratic nature of the state. It therefore had a direct bearing on the other major processes exercising the minds of both Jews and Arabs in Israel: the Palestinization of the Arab citizens of Israel. It is to this process, and the dramatic impact on it of the accords with the PLO, that we must now turn.

Palestinization

The process of Palestinization had been stepped up considerably after the June 1992 Knesset elections. Arab leaders of all political persuasions intensified their involvement in West Bank and Gaza affairs and in the israeli-Palestinian peace process. Israeli Arabs increasingly assumed the role of mediators between rival Palestinian factions in the occupied territories as well as between nationalist Palestinian groups in the territories and the Israeli government. Thus in July 1992 they helped achieve a cease-fire between Fatah and Hamas activists in the Gaza Strip after fierce fighting had erupted there between them. Shortly thereafter, Arab members of the Knesset played a key role in resolving a crisis at al-Najah University in Nablus.[39]

Encouraged by the new administration's dovish orientation, Israeli Arabs also intensified their involvement in the peace process. Israeli Arab personalities— Knesset members, local authority heads, journalists, and other public figures— traveled more frequently to PLO headquarters in Tunis and met with prominent Palestinian figures there, including Chairman Yasser Arafat. The Israeli Arab participants in these contacts had a sense of historic mission, viewing it as their self imposed task to transmit constructive messages from the PLO leadership to the Rabin government and the Israeli public and vice versa. As they saw it, the fact that they were Israeli citizens and at the same time an integral part of the Palestinian people made them particularly qualified to do so.

The pronounced eagerness on the part of the Israeli Arabs to engage in mediation efforts corresponded with the long-standing PLO strategy of engendering a favorable PLO perception in the Israeli public eye by frequently meeting Israeli representatives, Jews and Arabs alike. By portraying their organization as moderate in nature, the PLO had hoped to acquire a more legitimate image.[40]

The Israeli visitors in Tunis had certainly helped pave the way for the September 1993 breakthrough. Ahmed Tibi, upon his return from Tunis in August 1992, for instance, a year before the Israeli-PLO talks became public knowledge, told the press that Arafat was expecting to see the rise of an Israeli de Gaulle, "or at least an Israeli de Klerk." This was not only a reference to the PLO s desire for direct talks with the Israeli government[41] but most probably a hint at imminent developments that Tibi and like-minded people firmly expected (and thought they had good reason to expect). Interviewed by the *Jerusalem Post*, Tibi added that "for the first time in the PLO's history," the PLO was "ready to accept a two-phase solution to the problem with an interim [five-year] self-government stage." At the same time, Tibi made an effort to depict Arafat in Israeli eyes as a legitimate leader. Arafat was the symbol of the national Palestinian movement, Tibi asserted. "His leadership was even accepted by the radical elements.... If other Palestinian personalities were to sign a treaty tomorrow with the Israeli government, it would not be worth the paper it was written on."[42] MK Darawsha, returning from Tunis in October 1992, similarly carried an oral message from Arafat in which he proposed to

meet Prime Minister Rabin "at any place and at any time."[43] Both Darawsha and Tibi stressed that the offer made by the PLO chairman was not a ploy but a sincere gesture.

The ongoing invitations to Tunis indicated a new stage in the PLO's attitude toward the Arabs in Israel. They meant that Arafat had reembraced the Israeli Arab minority and had received it back into the fold as an integral part of the Arab community and the Palestinian people. Ahmed Tibi, summing up this new trend, stated, "The label of traitors that was put on us 20-30 years ago by some in the Arab world is gone."[44]

Tibi was the only Israeli Arab who went beyond conveying a message and became involved in the actual process that was to lead to the mutual Israeli-PLO recognition. His long-standing personal relationship with Arafat and the Fatah mainstream establishment of the PLO, together with his having regular access to Israeli government quarters, made him the perfect choice for carrying out last-moment operational missions and mediation efforts. After the breakthrough became public, Tibi emerged as the most prominent and popular media personality speaking for the Palestinian cause in Israel. He was extensively interviewed by both the Israeli and the foreign media, eloquently spelling out the PLO viewpoint. It was, therefore, not surprising that Yasser Arafat, shortly before he departed for the White House ceremony, appointed him as his special adviser.[45] In this capacity, Tibi continued to function as a go-between, playing an instrumental role in the organization, for example, of the Rabin-Arafat meeting in Cairo on October 6, 1993.[46]

Other than Tibi, Israeli Arabs remained distant from the PLO-Israeli negotiating scene. Although it made use of Tibi's services, Israel did not encourage the involvement of Israeli Arabs in the talks. It had traditionally viewed the question of the Arab minority as a purely domestic one, which should not be negotiated or discussed in international forums.

Arab personalities in Israel, nevertheless, occasionally raised the idea that their fate should be discussed in future peace negotiations. Thus, for example, Adil Man'a, a lecturer at the Beit Beri College, claimed that Jewish-Arab relations were not simply an internal matter. Arab minority affairs, he argued, had to be raised in peace negotiations alongside "other difficult issues such as the question of Jerusalem, Jewish settlements and the right of return."[47] In the past, there had been unconfirmed reports that the PLO meant to raise the issue of the Arab minority in future peace talks with Israel.[48] However, it seems that eventually the PLO recognized the importance of the Arab minority in Israel, not so much as a party to future negotiations, but rather as an instrument of influencing internal Israeli politics. The participation of the Arab citizens in the Knesset elections had come to be thought of as a major channel for consolidating a political bloc to support PLO policies and the Palestinian cause.

Although it might have initially been thought that the Palestinian-Israeli accords would make it easier for the Arab citizens of Israel to reconcile their Palestinian national identity with their Israeli sense of belonging, it can now be seen that in some respects, the agreement had a diametrically opposite effect. The Israeli recognition of the national rights of the Palestinian Arabs undoubtedly strengthened the national consciousness of the Israeli Arabs. In addition, it gave legitimacy—albeit indirectly—to their status as a national minority. It should be remembered that Israeli governments had traditionally classified the Arabs in Israel as "a religious and cultural" rather than a "national" minority. It is reasonable to assume that the implementation of the "Gaza-Jericho First" scheme of self-rule in the territories would give the demand to be considered a "national minority" or a "minority with national rights" an extra impetus. It hardly stands to reason that the Arab residents of Jaffa or Nazareth should continue to be content with the status of a "cultural-religious minority," while the residents of Nablus or Jenin enjoy full national recognition. Rather, it is reasonable to assume that these developments

will generate a lively debate on the significance of forming a national minority. It is unlikely that the Arabs in Israel will demand the right of self determination, with a territorial dimension implied in the demand, but it is nevertheless possible that the new situation will make Israel appear more markedly a Jewish-Zionist state to its Arab citizens. If so, the Israeli Arabs are more likely to reconsider the nature of majority-minority relations.

A poll conducted in the Arab sector in February 1993 went into the question of what type of contact should be established between the Arabs in Israel and a future Palestinian entity. Of those polled, 10.3 percent believed that the Israeli Arab sector ought to be part of the Palestinian entity; 26.1 percent thought that the Arabs should be integrated within the State of Israel; 22 percent thought that autonomy inside Israel was the desirable solution; and 17 percent accepted the present situation as it was, saying that no change was needed.[49] The poll confirmed a widely held notion that the majority of Israeli Arabs would prefer to remain in Israel and not move to a future Palestinian state. The interesting and innovative finding of the poll, however, is that nearly a quarter of the people interviewed thought that granting autonomous status to the Arabs living in Israel was a preferable solution.

The notion of autonomy for Israeli Arabs had been first formulated in late 1989 by Azmi Bishara and Said Zaydani, two Israeli Arab intellectuals, who took their stand on the following assumptions;

1. The Arab minority in Israel can no longer live with the inherent contradiction of simultaneously being an integral part of the Palestinian people and part of the State of Israel.
2. The time has come to admit that as long as Israel is a Jewish state, integration and equality for the Arabs are utterly unachievable.
3. The Arabs should, therefore, administer their own affairs.
4. However, a complete separation between Jews and Arabs is undesirable and objectionable.
5. The alternative is to choose a middle way between integration and secession, in the form of social, economic, and cultural autonomy for the Arab populated regions.[50]

In a more recent article, Bishara elaborated on these points: He distinguished between "territorial" and "personal" autonomy, terming the latter model more suitable to the Israeli case. This was not so "because the demand for territorial autonomy is [the] more far-reaching" but rather because of the geographical distribution of the Arabs in Israel, which made it impossible to devise a territorial autonomy to apply to the entirety of Arab residential areas. Under the definition of "cultural autonomy," Bishara included full authority of Israeli Arabs over the content and form of Arab education (to be exercised by an elected council); over the state-run Arabic-language mass media (the Arabic-language broadcast of Israeli state radio and television); as well as "the authority to intervene in all that relates to the development plans of the Arab sector," including, if necessary, the return of expropriated land, "in consultation with the central [Israeli] government." The author emphasized that autonomy should be seen neither as a solution or a goal in itself nor as a substitute for equality. Rather it should be conceived within a wider context of change that would lead to the transformation of Israel from a Jewish state with an Arab minority to a "state of all of its citizens."[51] What Bishara was in fact suggesting was to change the character of the Jewish state and to strip it of its Zionist symbols, not only as an expression of Palestinian national awareness, but also as a reflection of disappointment about the inability of Israeli Arabs to attain civil equality.

Summary

The conclusion that presents itself at the end of our discussion is that the Israeli-PLO agreement has had a potentially contradictory impact on the twin processes of Israelization and Palestinization among Israel's Arab population. In fact, they may well sharpen the contradiction between the two.

Most obviously, the initial stage of the Israeli-Palestinian negotiations gave rise to a keen urge to reopen the old discussion on the very nature of majority-minority relations in the State of Israel and, in an even broader context, of Israel's basic character as a Jewish-Zionist entity.

For years, the government has shied away from asking too piercing questions in this regard. The state of war with the Arab states and the dispute with the Palestinians made it appear legitimate to avoid such issues. Only when a comprehensive peaceful solution was arrived at—it was often said—would the time come to deal thoroughly with the issue of the Israeli Arabs, for then (and only then) the dilemma of their torn identity and double loyalty would be resolved. At that time, their true integration into all Israeli walks of life would become possible.

It would appear that precisely that moment of truth is now approaching. For the great majority of Israeli Arabs, the Israeli-PLO agreement connotes the first step toward full equality of rights and a major move along the road of Israelization. The ending of the cycle of hostility, they feel, must make it possible to remove psychological, political, ideological, economic, and cultural barriers that have separated Jews from Arabs for so many years.

Yet so far, it remains doubtful whether, on the Jewish side, the proper conditions have been created and the necessary foundations laid. This doubt applies to the level of individual readiness as well as to the preparedness of the establishment. The majority of the Jewish population continues to feel threatened by the Arabs. Its attitude toward the Arab minority in Israel is one of distrust and suspicion, fed by the underlying sense that the "enemy-affiliated" Arab minority presents a security risk in the midst of the Jewish state. This may take years to change.

More than that—distrust is mutual. It is the traditionally suspicious attitude of Israeli Arabs toward the country's government that makes them doubt Rabin's cabinet. Rabin, too, failed—at least during his first year in office—to gain the full trust of the Arab population. The strong measures he took in the West Bank and Gaza, and in particular the deportation of Hamas activists, were distasteful to the Israeli Arab minority and tarnished his image with them. This had an even greater impact than it would have had because of the previously high expectations and the mistaken impression that the existing gaps and discrepancies between Jews and Arabs in Israel were on the point of disappearing. When this did not come about, the government's credibility suffered. These factors explain some of the present dissonance. It should be admitted that in general, the minority is probably right in its perception that Rabin has not made equality of rights his major yardstick. Nor has he, they feel, placed the issue of integration near the top of his agenda.

Presumably, the growing frustration over the failure to meet expectations will lead the Israeli Arabs to intensify their struggle for full equal rights and to channel it into new avenues. The Arab Knesset members are likely to fill a leading role in this development. The fact that the government must rely on the support of their votes in the legislature gives them powerful extra leverage, and they are bound to make efficient use of it. Arab parties and political personalities will probably make new and intense efforts to close ranks and may thereby greatly increase their bargaining power as necessary props for the government's Knesset coalition. They will be able to bring increased pressure to bear on the government to make it work—unflinchingly—for the

realization of equal rights.

Rabin's reliance on the Arab Knesset members as part of his "blocking vote" was tantamount to breaking a historical precedent of long standing. In the future, the Arab MKs are unlikely to content themselves with such an ill-defined and still rather marginal standing. Their frustrating experience in the government since 1992 is likely to cause them in the future to lay down firm conditions in exchange for supporting the government in the Knesset. The next hurdle will be a demand to become formal coalition partners.

At the level of national sentiment, too, the PLO-Israeli accords have caused a major upheaval and a far-reaching rethinking of old concepts. Conflicting trends have emerged. On the one hand the accords contributed to a certain blunting of the contradiction between the Arab-Palestinian and the Israeli component of the minority's self-identification. Yet the same development also sharpened the sentiment of frustration over the less than satisfactory realization of Arab nationalist aspirations. Israeli Arabs came to feel that they (and they in particular) had been left out of the spreading scope of self-determination.

The accords signify the first step toward a solution for "the problem of *1967,"* but to the Israeli Arabs they also connote the reopening of the "problem of *1948"* This is not only a question of the right of return of the 1948 refugees, but also—in the context of minority-majority relations—a question of redefining Israel's national identity. The Israeli-Palestinian reconciliation necessitates rethinking this issue, which has remained undealt with ever since the establishment of the state. Will Israel continue to view itself as—principally—a Jewish-Zionist state, and if so, what status will it grant its Arab citizens?[52] How will it be possible to reconcile its Zionist-Jewish character with its democratic and liberal values? Will the Israeli-Arab public resign itself to the status of a minority, or will it decide to pressure for a measure of "de-Zionization" or a shift to a "binational state" or to a "secular state belonging to all its citizens"? What is the meaning of the Arab definition of themselves as a "national minority"? Does this have territorial implications? What is the link between the Israeli Arab minority and the new entity emerging in the territories, and between it and the PLO? Will representatives of the minority take part in the peace talks and there raise demands of their own? These probing questions attest clearly to the impact of the accords, with this concomitant danger (in the eyes of the Arab minority) of their being relegated to a "double marginality," that is, to the margin of the Palestinian mainstream as well as to the margin of Israeli society. The latter marginality implies growing economic and social gaps between them and the Jews. There may arise a danger of ferment, of inclinations toward an uncompromising fight for civil rights. Defeat may then render secessionist or semisecessionist trends—such as autonomy— more attractive than before.

But then again, the new situation also presents a very special window of opportunity to the Israeli government. It may find itself capable of undoing the negative implications and promoting an optimistic view and a positive trend. The present is the historic crossroads at which the government can reformulate the very nature of minority-majority relations and can lay down a social compact to determine the place of the Israeli Arabs in the State of Israel. There is now an opportunity to redefine the minority's rights and duties: what it may, and may not, do; what it may reasonably expect; and what remains beyond reach. Two parameters need to be made incontrovertibly clear: equal rights and integration—yes; reopening the "1948 file" on the nature of the state—no.

Such an initiative should also revive the old concept of the Israeli Arabs' being a "bridge to peace." Their representatives have important experiences to draw on in order to contribute to the conduct of negotiations. They are capable of doing important work for the consolidation of

peace, for example, in future Israeli embassies in Arab capitals. They are capable of taking up pivotal posts in economic, commercial, agricultural, or tourist development projects to be carried out jointly by Israelis and Palestinians with Arab states. Their close knowledge of the political, economic, social, and cultural ambiance of both sides gives them an important advantage in forming a link between Israel and Arab states.

But to achieve all this requires, first of all, a bold and creative policy by the Israeli government. The government must place the minority issue on the national agenda and deal with it at the level of basic principles. It must establish an operative plan for the minority's integration in the life of the state, with realistically attainable goals for the short term and the long term, the allocation of resources, and the creation of the required administrative tools. In this way, we may dare to hope, the sting of alienation will be blunted, the sense of integration will be enhanced, and a genuine contribution will be made to the cause of Palestinian-Israeli reconciliation.

Notes

1. *Davar,* September 8,1993,
2. *Panorama,* September 12,1993.
3. *Ha'aretz,* September 12,1993.
4. "The Boat of Sanity," *Davar,* September 7,1993.
5. The Arab marchers included the Arab Knesset members, the secretariat of the National Committee of the Heads of Arab Local Councils, and Arab members of the Histadrut Executive Council.
6. *Hadashot,* September 1, 1993; *Jerusalem Post,* September 1,1993; *Davar,* September 23, 1993·
7. *Ha'aretz,* August 31,1993.
8. *Kull al-Arab,* September 3,1993.
9. *Al-Sinara,* September 10, 1993.
10. Ibid.
11. See statements to this effect by MK Tawfiq Zayad, Ibrahim Nimr Husayn, Mariam Mar'i, and Ahmad Darwish, *Davar,* August 30,1993; *Ha'aretz,* August 31,1993; *Kull al-Arab,* September 3,1993.
12. Editorial, *Al-Sinara,* September 10,1993, and also Ahmad Darwish, "The Questions and What After," *Kull al-Arab,* September 10,1993.
13. For example, Sarah Osazky-Lazar and As'ad Ghanim, "The Perception of Peace Among the Arabs in Israel," *Surveys on the Arabs in Israel,* no. 11, Institute for Arab Studies, Institute for the Research of Peace, Givat Haviva, September 1993.
14. Interview with the author, September 16,1993.
15. Elie Rekhess, "The Israeli Arabs," in A. Ayaion, ed., *The Middle East Contemporary Survey, 1992* (Boulder, Colo.: Westview Press, 1995).
16. Ibid.
17. *Ha'aretz,* March 3,1993.
18. *Al-Sinara,* June 11,1993.
19. *Al-Sinara,* April 2,1993.
20. *Ha'aretz,* August 31,1993.
21. For a favorable survey of the activities of the Ministry of Education, see Shafiq Habib, "The Arab Cultural Department," *Kull al-Arab,* May 7,1993; and reports, *Kull al-Arab,* June 19,1993, July 30,1993; *al-Sinara,* July 9,1993; *Ha'aretz,* August 31,1993.
22. The poll was commissioned by *al-Sinara* and was published in that newspaper on February 26,1993.
23. See remarks by Muhammad Abu al-Hija, head of the Association of the 40 villages, *Ha'aretz,* September 13,1993.

24. "Equality and Integration: An Annual Progress Report for the Years 1992/93," Sikkuy, Association for the Advancement of Equal Opportunity, September 1993 (in Hebrew). For reactions to the report, see Attallah Mansur, "Promises, Promises," *al-Hamishmar*, September 10,1993.

25. Elie Rekhess, "The Arab Minority and the 1992 Elections: Integration or Alienation?" in E. Karsh and G. Mahler, eds., *Israel at the Crossroads* (New York: St. Martin's Press, 1994).

26. *Jerusalem Report*, February 11,1993.

27. Ibid.; compare similar remarks by Masalha, cited in *Ha'aretz*, February 28,1993.

28. *Kull al-Arab*, August 6,1993.

29. Leslie Süsser, "Rabin's Strange Bedfellows," *Jerusalem Report*, September 23,1993.

30. Ibid.

31. *Jerusalem Report*, February 11,1993.

32. *Jerusalem Report*, September 13,1993; compare report in *Jerusalem Post*, January 7, 1993.

33. *Jerusalem Report*, February 11,1993.

34. Ibid.

35. *Yediot Aharonot*, May 28,1993.

36. *Jerusalem Report*, September 28,1993. See also Chapter 9.

37. *Ha'aretz*, September 22, 23,1993.

38. Interviewed by *Hadashot*, September 24,1993. See also Yossi Olmert's harsh criticism of the Likud, "There Are No Votes Which Are Worth Less," *Yediot Aharonot*, September 26, 1993.

39. For details of the incident, see Rekhess, "The Israeli Arabs."

40. See Rekhess, "The Arab Minority and the 1992 Elections."

41. *Jerusalem Post*, August 3, 4,1992; cited by Rekhess, "The Arab Minority and the 1992 Elections."

42. *Jerusalem Post*, August 14,1992; cited by Rekhess, "The Arab Minority and the 1992 Elections."

43. *Yediot Aharonot*, November 20,1992.

44. *Jerusalem Post*, August 14,1992.

45. Tibi argued that he had functioned as an adviser to Arafat already several months before the breakthrough was achieved. *Kull al-Arab*, September 10,1992.

46. *Hadashot*, October 8,1993.

47. Cited by Yisrael Landers, "What Else Do the Palestinians Want?" *Dvar Hashavua*, May 14,1993.

48. Osazky-Lazar and Ghanim, "The Perception of Peace," p. 26.

49. Of those polled, 8.9 percent failed to select any of the options presented, and 15.7 percent stated that they had no opinion. The poll was conducted by the Jaffa Research Institute. The results were published in *al-Sinara*, February 26,1993.

50. *Al-Arabi*, December 29,1989, cited by Elie Rekhess, "The Israeli Arabs," in A. Ayalon, ed., *The Middle East Contemporary Survey, 1990* (Boulder, Colo.: Westview Press, 1992), p. 450.

51. *Theory and Criticism: An Israeli Forum*, no. 3 (Winter 1993), p. 19.

52. Uzi Benzman, "National Identity and Equality of Rights," *Ha'aretz*, September 26, 1993.

11

Economic Relations Between Israel and the United States

HOWARD ROSEN

Introduction

The Israeli economy has been outperforming the expectations of its skeptics over the last few years (see Table 11.1). Economic growth has been at record levels, relative to both the recent past and the performance of other advanced economies. Inflation is on a downward path and the government budget is moving into balance. Unemployment, while still quite high, has been stable, given the large increase in working-age former Soviet Jews. And in spite of criticism over delays in privatizing large public enterprises, the government has moved forward in liberalizing the capital market and removing trade barriers.

Since its establishment in 1948, Israel has benefited greatly from economic relations with the United States, which have been dominated by financial assistance. In recent years economic exchanges between the United States and Israel have intensified, matured, and become more balanced, growing from less than $1 billion in 1970 to almost $11 billion in 1990 (see Table 11.2).[1] There has been an increase in financial assistance, trade in goods, investment flows, and technology exchanges, independent of political developments. In addition to these four areas, there is now evidence that Israel might also be importing U.S. economic policies.

TABLE 11.1 Indicators of the Israeli Economy (percentage annual change, unless otherwise specified)

	1990	1991	1992	1993 Estimate	1994 Forecast	Amount in 1992
Gross domestic product (GDP)	5.8	6.2	6.6	3.5	5.5	$58.9 billion
GDP per capita	0.6	0.8	3.0	8.0	2.8	$11,277
Exports of goods and services	2.5	−1.5	14.4	10.3	9.0	$18.3 billion
Imports of goods and services (civilian)	8.3	15.4	13.0	10.0	6.4	$24.7 billion
Investment in fixed assets	22.4	48.1	4.9	−5.0	10.9	$13.7 billion
Immigration (in thousands)	200	176	77	80	80	
Population	3.1	6.1	3.5	2.7	2.6	5.2 million
Unemployment rate	9.6	10.6	11.2	10.2	9.4	208,000
Consumer price index	17.6	18.0	9.4	10.5	9.0	
Budget deficit, excluding credit (percent of GDP)	5.0	6.4	4.9	3.2	3.0	$2.9 billion

Source: "Bank Hapoalim Economic Report," Bank Hapoalim, Issue 49, November 1, 1993.

Financial Assistance

U.S. economic assistance to Israel began with small grants between 1952 and 1955 and expanded over the next ten years to include Export-Import, Food for Peace, and general economic loans. It was not until after the Six Day War in 1967 that the United States began providing Israel with military loans on an annual basis. These loans totaled $250 million through the 1960s. The 1973 Yom Kippur War served as another watershed for military assistance to Israel, beginning with $1.5 billion in military grants and almost $1 billion in military loans in 1974. Over the next ten years the United States provided $6.4 billion in military grants and $8.8 billion in military loans. In 1981 grants replaced loans for economic assistance, and in 1984, with the prospect of Israel having to begin repaying past military loans, the United States restructured its military assistance to Israel also from loans to grants. Aid throughout the rest of the decade leveled off at $1.8 billion in military grants and $1.2 billion in economic grants annually.

Israel has been receiving the largest share of annual U.S. financial assistance since 1976.[2] There are several other unique aspects of assistance to Israel. Economic assistance, which until 1979 was focused on agricultural and food programs, can be used with few conditions for general budgetary support. In 1987, the U.S. Congress passed a provision allowing countries such as Israel to refinance outstanding military debts, carrying interest rates over 10 percent, in the commercial market, guaranteed by the U.S. government. Israel currently owes the United States approximately $4.3 billion in direct economic and military loans and another $5 billion in guaranteed commercial loans. The United States has never canceled any of Israel's official debts, but it has waived repayment of some loans, as it has recently chosen to do for Egypt and Jordan. Another unique aspect of U.S. aid to Israel is that a significant amount of it is used to purchase military items produced in the United States. This is a clear case in which foreign aid ereates jobs in the donor country. Given this feature, the total amount of aid actually overstates its contribution to the Israeli economy. In fact, only a small percentage of the military grants are spent in Israel and the vast majority of the economic grant aid is devoted to servicing loans used to finance past weapon sales.

TABLE 11.2 U.S.-Israel Economic Relations: U.S. Financial Assistance and Bilateral Trade £ Investment (in millions of U.S. $)

	1960	1965	1970	1975	1980	1985	1990
U.S. grants to Israel	13	5	13	507	1,025	3,350	2,987
U.S. loans to Israel	43	60	81	271	760	0	0
U.S. exports to Israel			430	999	1,549	1,679	2,726
U.S. imports from Israel			186	308	954	2,138	3,489
U.S. investment in Israel	NA	64	84	211	379	717	756
Israeli investment in U.S.	NA	NA	NA	NA	324	494	626
TOTAL			794	2,296	4,991	8,378	10,584

Sources: U.S. Department of State, U.S. Department of Commerce (various publications).

Since 1974 U.S. aid to Israel has been directly and indirectly linked to Israel's national security needs. Military grants have financed the vast majority of the increase in Israeli military spending over the period. Economic assistance has basically been tied to repaying the United States for military loans prior to 1984. The Cranston Amendment, appended to foreign aid legislation since 1984, states that it is U.S. "policy and intention" to provide Israel with economic assistance "not less than" the amount it owes the United States in annual debt service payments (principal and interest). This provision does not bind the government, but aid levels have conformed to this

intention since 1984.

Although the United States has been the largest donor of financial aid to Israel, it was not until 1986, when in conjunction with providing $1.5 billion in supplemental assistance in support of the Emergency Stabilization Program in 1986, that the United States began providing Israel with economic advice through the Joint Economic Development Group (JEDG). Secretary of State George Shultz, an internationally renowned economist in his own right, personally supervised this effort to encourage Israel to introduce market-oriented reforms and begin the process of reducing its dependence on U.S. aid. It is true that the United States encourages economic reforms in many countries, but the extent of its involvement in promoting and monitoring economic reform in Israel is unique.

Given the economic and political realities of the day and despite the favorable treatment through the 1980s, by the end of the decade, Israeli officials realized that it was unrealistic to depend on the United States to meet all of Israel's economic needs. However, conditions in Ethiopia and reforms in the Soviet Union suggested that Israel had to be prepared to face huge financial burdens in absorbing new refugees. In addition, the government realized that it would need large amounts of foreign capital to help finance economic reforms that had been under way, albeit at a slow pace, since 1986. Based on these considerations, the Israeli government decided in 1990 to request U.S. government guarantees of $10 billion in commercial loans over a five-year period. It was clear that Israel needed access to more capital, and the fact that these would be commercial loans would mollify those concerned about Israel's dependence on U.S. aid.

Israel's interest in pursuing the idea of the loan guarantees was delayed by the Gulf War, and the official request was not made until September 1991. President Bush asked Congress to delay consideration of Israel's request until January 1992, arguing that it would jeopardize his administration's efforts to convene a Middle East peace conference. The administration changed its position and conditioned its support for the loan guarantees on Israel's freezing of all settlement activity in the West Bank and the Gaza Strip. After the June 1992 Israeli election, when Yitzhak Rabin and the Labor party assumed control of the Knesset and the government and introduced a limited freeze on settlements in the territories, President Bush announced that he would support loan guarantees for Israel. Title VI P.L. 102-391 was signed on October 6, 1992.

In sum, the United States has played several different roles in providing financial assistance to Israel. At the beginning, it provided Israel primarily humanitarian aid. Following the 1967 war, the United States began treating Israel as a strategic ally and aid grew in size and nature, moving from humanitarian and economic assistance to military assistance as well. During the 1980s the U.S. role took on another dimension, and the United States became Israel's "lender of last resort," providing emergency economic and humanitarian assistance and guaranteeing private loans. There is growing concern that this aid distorts market incentives in the Israeli economy, and the United States has taken an interest in promoting market-oriented reforms. Budgetary pressures have heightened interest in weaning Israel from U.S. aid, as it is apparent that large aid flows to Israel are not in the long-term interests of either country.

Trade

Israel has been cut off from commercial relations with its neighbors as a result of the Arab boycott. As part of the boycott, Arab countries refuse to buy any products made in Israel or

produced with any inputs produced in Israel. Given its need for trade because of a lack of natural resources, Israel has followed a policy of securing access to European and U.S. markets. In addition to economic certainty, these markets provided commercial demands that permitted Israel to move up the "industrial ladder," from agricultural goods to technology-intensive manufactured goods.

The most important factor contributing to the increase in U.S.-Israeli economic ties since 1984 is merchandise trade. Total bilateral trade between the two countries doubled from $3.4 billion in 1984 to $7.8 billion in 1992, accounting for more than half of all economic flows between Israel and the United States. Given the relative sizes of the two economies, this trade in aggregate is certainly more important to Israel than to the United States.

U.S. products have consistently amounted to approximately 20 percent of all Israeli imports. U.S. exports to Israel in 1992 were valued at $4 billion, of which half were concentrated in machinery and transport equipment, including aircraft and equipment, telecommunications equipment, automatic data processing machinery, and measuring and controlling instruments. On the Israeli export side, the United States has become an important market for Israeli goods. During the 1970s the U.S. market accounted for less than 10 percent of Israeli exports. U.S. purchases of Israeli products have grown over the past two decades, and the U.S. market now accounts for almost a third of all Israeli exports.

The United States imported $3.8 billion in Israeli goods in 1992, almost all of which was manufactured goods. The top U.S. imports of Israeli goods include cut diamonds and jewelry, aircraft and equipment, telecommunications equipment, optical and medical equipment, parts for office machinery and automatic data processing machinery, and scientific and measuring instruments. Relative to its other markets, the United States currently purchases 40 percent of Israel's machinery and mechanical appliance exports and over a third of Israel's optical, photographic, medical, and measuring devices exports.

Several political developments explain the expansion in U.S.-Israeli trade in recent years. Most important, in 1985 the United States and Israel signed the Free Trade Area Agreement (FTA). Israel saw it as a means of locking in and expanding preferential access to the U.S. market, which it had been afforded under the Generalized System of Preferences (GSP). In addition to other political reasons, the United States wanted to ensure its own access to the Israeli market, as Israel had already signed a similar bilateral free trade agreement with the European Community (EC) in 1975. The FTA brought tariffs down in both countries and promoted more trade, but there is still no guarantee that both countries will reach the ultimate goal of totally duty-free bilateral trade by 1995.

U.S.-Israeli trade promises to continue to be important, but significant future growth in Israeli trade is most likely to be associated with the emerging markets in Eastern Europe and the Far East. Israeli trade policy has already shifted attention, focusing on unilaterally removing import barriers to goods from countries other than the United States or EU members. Excitement over the U.S.-Israeli FTA has dissipated, and both countries have shown very little enthusiasm for negotiating the removal of tariffs on the most highly import sensitive products. These negotiations were to begin in 1990, and tariff reductions were to be phased in by 1995. Both the United States and Israel have yet to agree on the list of products to be discussed, let alone any timetable for phasing out tariffs. Initial interest in extending the original FTA to include trade in services is also now history, given U.S. attention to the North American Free Trade Agreement (NAFTA) and the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) talks.

Trade is a primary example of how Israeli economic relations grow out of political relations

but then take on an independent status. The FTA was clearly motivated by political factors, and the agreement has now opened the Israeli market to American products, enabling U.S. exports to almost double between 1985 and 1991. Even though Israeli products already received preferential access to the U.S. market through the GSP, prior to the FTA, Israeli exports to the United States still grew by $1.5 billion between 1985 and 1991. Political attention may have turned elsewhere, but business interests will continue to follow markets, especially the newly opened markets in the United States and Israel.

Foreign Investment

Foreign investment is one area that has not fully developed in the bilateral relationship. The value of U.S. investment in Israel averaged about $600 million during the 1980s and has risen to more than $700 million over the past few years. In spite of Israel's policy of encouraging foreign investment, there are numerous barriers to such investment in Israel, the most significant being the secondary Arab boycott. In addition to the direct boycott of Israeli products, the secondary boycott is aimed against any country that has commercial relations with or invests in Israel, including foreign investment. In addition to the boycott, national security concerns and restrictive bureaucratic business regulations have also deterred investment. There is growing awareness in Israel that the country needs foreign private capital in order to return to pre-1967 economic growth rates. Various governments have attempted to reduce the bureaucratic barriers since 1986. The greatest achievement has been reform of the capital market, including the removal of foreign capital controls. Economic stability since 1986 has also improved the investment environment in Israel.

Bilateral foreign direct investment flows are small in both absolute terms and relative to other U.S.-Israeli economic flows; thus they do not warrant too much attention here. One important explanation for the fact that Israeli investment in the United States is larger than its reciprocal is that U.S. barriers to foreign investment are much lower than those in Israel. In addition, the United States is seen as a much "safer" place to invest, although commercial investment in Israel may in fact have a higher economic return. Overall, Israel is not an important player in foreign investment in the United States.

Technology Partnerships

Both the U.S. and Israeli economies support technologically advanced industries. In the case of the United States, this is primarily the result of large investments in research and development. Israel's highly skilled labor force has promoted the country's membership among the world's advanced-technology countries. Bilateral technological exchange is a natural outgrowth of these factors. This is one area in which economic relations between the United States and Israel can be characterized as "cooperative" and balanced, which is unique given the differences in the two countries' size and available resources.

The Israel-U.S. Binational Industrial Research and Development Foundation (BIRD), founded in 1977, is at the center of technological cooperation between the two countries. With an original

endowment of $110 million, cofinanced equally by the United States and Israel, BIRD was established "to promote and support joint, nondefense, industrial research and development activities of mutual benefit to the private sectors of the two countries." Using the interest on the initial endowment, the foundation provides matching funds to projects bringing together U.S. and Israeli companies for the purpose of developing and commercializing innovative, nondefense, high-technology products and processes. Since its inception, BIRD has invested close to $100 million in over 300 projects, 175 of which have already led to more than $3 billion in sales. These projects have produced five U.S. jobs for every one Israeli job created. About half of all projects initiated within the past few years have been between companies brought together by BIRD. The foundation is viewed by both the United States and Israel as a prime example of the benefits for both countries when they enter into cooperative arrangements.

The Binational Science Foundation (BSF) and the Binational Agricultural Research and Development Fund (BARD) are two other examples of U.S.-Israeli cooperation. BSF, founded in 1972, grants funds to support research in the natural and applied sciences, including agriculture, health sciences, and technologies of broad interest to both countries, such as mass transportation, energy, and environmental research. BARD, like BIRD, founded in 1977 as an endowment fund of $110 million, awards grants for cooperative research projects that include active collaboration between Israeli and American scientists.

Building on these successes, President Clinton and Prime Minister Rabin announced on March 15, 1993, the establishment of a U.S.-Israel Science and Technology Commission aimed at increasing cooperation in science, technology, and defense conversion programs. This new commission is expected to encourage joint ventures in areas in which Israeli scientists, especially those from the former Soviet Union, have demonstrated expertise.

"Rabinomics"—Putting Clintonomics into Practice

U.S.-Israeli economic relations have recently broadened beyond the traditional aid, trade, investment, and technology flows. It seems that Yitzhak Rabin has been benefiting from U.S. economic policies by borrowing a page from Bill Clinton's economic strategy book.

Two notions characterize economic policymaking in Israel. The first is that although Israeli public debate is dominated by national security issues, economic concerns have played a significant role in the outcomes of four of the last five elections.[3] Second, all but one of Israel's prime ministers have seemed to observe an unstated tradition of lack of interest in economic matters, in spite of the fact that recent developments have forced Israel's leaders to become more sensitive to economic issues.[4]

Yitzhak Rabin's administration has not proven to be much different than preceding administrations with respect to these two notions. To begin with, even though the 1992 election focused on addressing the Israeli-Palestinian conflict, in the end, both Prime Minister Shamir and candidate Yitzhak Rabin were also judged on their ability to address Israels pressing economic problems. Many people felt that the Shamir government was not moving aggressively enough in absorbing the flood of immigrants from the former Soviet Union, thereby causing severe pressure on the economy. Interestingly enough, Yitzhak Rabin, like most of his predecessors, did not have any particular expertise in economic issues, but he was viewed by the electorate as being more capable of helping the economy. Rabin was successful in "taking" the economic

issue away from Shamir, which helped him win the election.

The economic themes of Rabin's campaign in early 1992 were very similar to those espoused by Bill Clinton in the United States later that year. Both candidates focused on the importance of increasing public investment in human and physical capital, including education, training, technology, and infrastructure. This strategy proved as successful for Yitzhak Rabin as it did for Bill Clinton.

In actuality, Rabin inherited an economy very much on the mend. Long-term structural improvements in the economy resulting from the 1985 stabilization program were firmly in place. The number of new immigrants had fallen and the initial public resource-intensive stage of the absorption of the half million Jews from the former Soviet Union had already taken place. The immigrants were also beginning to make their own contributions, starting the process of reversing their net drag on the economy.

The Israeli economy grew by 6.6 percent in 1992, the highest growth rate of any industrialized country that year, and close to 4 percent in 1993. Inflation fell below 10 percent in 1992, for the first time since the 1970s, and was expected to rise less than one percentage point in 1993. Unemployment has been falling steadily, from close to 12 percent in the beginning of 1992 to approximately 10 percent by the end of 1993. Israel managed to create a quarter of a million jobs in 1993, quite an achievement, but still not enough jobs to absorb all the talent of the recent immigrants and the young new entrants into the labor force.

There are numerous similarities and differences between the U.S. and Israeli economies. Notwithstanding these differences, it is interesting to note that both Governor Bill Clinton and Yitzhak Rabin shared a similar economic strategy during their respective campaigns. Given this similarity in strategy, it is interesting to compare the actual records of both leaders.[5]

Focusing on the domestic economy and the need to create jobs and raise incomes proved to be a successful election strategy for both Rabin and Clinton. However, Prime Minister Rabin seems to be more successful than his colleague President Clinton in translating these campaign themes into actual policies.[6] Probably the best exposition of the Clinton campaign's economic strategy was put forward in *Putting People First*, written by Bill Clinton and Al Gore when they were governor and senator respectively. This strategy had five components: (1) putting the American people to work, (2) rewarding work, (3) supporting lifelong learning, (4) providing affordable quality health care, and (5) revolutionizing government. The plan called for investing $50 billion per year (approximately 1 percent of GDP) while cutting the federal budget deficit in half (from 5 percent to 2.5 percent of GDP) by 1996.

In the absence of any similar document by Yitzhak Rabin, the following is a review of economic achievements of the first year of the Rabin government. It is based on the goals set out by President Clinton during his campaign.

Putting People First: The Israeli Version

The Clinton plan called for several approaches to "reward people who work hard creating new jobs, starting new businesses, and investing in our people and our plants here at home." Rabin has also concentrated on "investing in people," focusing on education reform and investment in public infrastructure and technology.

Favorable economic conditions enabled the Rabin government to enact some tax-policy

changes aimed at reducing the cost of creating jobs. The payroll tax on businesses was removed and there was a two-percentage-point reduction in the employers' national insurance contribution (similar to U.S. Social Security). There has also been some discussion of reducing the corporate tax rate.

Under the rubric "Rebuild America," Governor Clinton's plan envisioned the renovation of transportation systems, the establishment of an information network, the development of environmental technologies—all accomplished with economic resources that had been freed up by defense conversion. Like the United States, Israel is also in the process of converting defense resources to civilian purposes. Defense purchases constituted between 12 and 14 percent of GDP from 1981 to 1985. Against the backdrop of the end of the Lebanon war and rising domestic economic pressures, Prime Minister Shimon Peres and Defense Minister Yitzhak Rabin began Israel's own defense conversion in 1985. Prime Ministers Shamir and Rabin have both maintained this policy, and defense purchases have continued to fall steadily since 1985, to approximately 8 percent of GDP in 1993. Defense conversion in Israel has placed additional pressure on the labor market, as it attempts to absorb the recent immigrants and young entrants into the labor force.

Investing in Israelis

Prime Minister Yitzhak Rabin focused much attention on the need to build and maintain Israel's physical infrastructure, and his budget reflects this shift in priorities. Investment in fixed assets rose by 22 percent and 48 percent in 1990 and 1991 respectively, primarily as a result of construction to house the massive inflow of immigrants from the former Soviet Union. The decline in the number of new immigrants caused investment in residential construction to flatten in 1992 and fall 30 percent in 1993. Nonresidential construction rose by more than 10 percent in 1992 and 1993. Investment in machinery and equipment grew by over 5 percent in both years. Much of this investment is either directly financed or indirectly encouraged by the Israeli government. As evidence, the 1993 budget called for a 30 percent expansion in the capital budget, in particular for road construction and education.

The Clinton campaign called for encouraging private investment through targeted investment tax credit, tax incentives for small businesses, and a permanent R&D tax credit. The structure of Israel's tax system already serves to encourage investment rather than consumption. The primary mechanism for collecting government revenue is the value-added tax (VAT), which is applied to almost all products sold in Israel. The VAT was reduced from 18 to 17 percent in 1993. Israel does not tax capital gains; thus this disincentive to investment is absent. In addition, there was a 50 percent increase in accelerated capital depreciation allowances in 1993. The Israeli government also encourages research and development through direct grants and subsidies.

Opening up world markets to exports was a central theme in candidate Clinton's trade policy. Israel's efforts toward opening world markets to its goods in exchange for opening its markets to foreign goods began several years ago. Israel is a signatory to free trade agreements with the European Community (1975) and the United States (1985). The EC-Israel agreement has recently been extended to include the countries of the European Free Trade Area (EFTA). In addition, Israel has unilaterally converted its remaining import restrictions—primarily licensing requirements—for countries other than the United States and European Community (now

European Union) members ("third" countries) into tariffs, with a commitment to phase them out by the year 2000. All these decisions predate the current government, but Prime Minister Rabin appears to be committed to them.

Another important ingredient of Governor Clinton's strategy of investing in people was a system of lifetime learning. This includes reforming basic education, creating new programs to assist the transition from school to work, improving worker training, and consolidating and expanding programs for displaced work

There was also considerable debate over education reform during Prime Minister Rabin's first year in office. Two issues dominated the debate: length of the school day and control over the curriculum. One of the by-products of Israel's party electoral system is that in the past small religious parties were granted control of the country's education system in return for their participation in successive coalition governments. Many believe that as a result of their control, the quality of the country's nonreligious schools was compromised.

In forming his government, Yitzhak Rabin transferred the responsibility of the nation's education system to the Citizens' Rights Movement (CRM), predominantly composed of liberal, secular Israelis, Under the new leadership, one of the first actions was to extend the school day. Lengthening the school day meant increasing teacher salaries, which was achieved after a rather unpleasant strike. There have also been several changes to the curriculum, which have raised the ire of the religious community, cost the job of one education minister, and almost brought down the government. In all, education reform is gaining public attention, and some small steps have been taken to improve the quality of education students receive.

In the area of worker training, many Israelis already have access to something similar to an "individual training account." Workers and employers make regular contributions, and after a certain period, workers can begin to use this money, within certain restrictions, to improve their skills. The government also has a program of wage subsidies to encourage employment of certain segments of the economy. The Rabin government has not introduced any new initiatives in this area, although the Israeli social safety net is already rather tightly woven.

One of President Clinton's top concerns is health care reform. Interestingly enough, the Clinton reform proposal incorporates many of the aspects of Israel's current health care system. The Israeli system is based on an assortment of "sick funds," and every citizen joins one. Each fund offers a basic coverage plan and operates very similarly to a health maintenance organization. Individuals can supplement this coverage at their own expense. Government subsidies to the sick funds, as well as to individuals for their membership fees, account for about half of the nation's total health bill.[7]

At the same time that the United States is attempting to move toward the Israeli system, Israel is trying to move in the direction of the U.S. system. Government subsidies have removed any incentives for the sick funds to be run efficiently. Medical personnel are frequently involved in labor disputes over wages and hours, and a two-tier system of health care has evolved. Israeli reformers want to move more of the health system into the private sector.

Israel's health care system already meets many of the criteria set out by President Clinton. There is universal coverage, provided in large part by "managed care networks," which offer a core benefit package. The great missing link is the absence of a cap on national health care spending, which is where the Israeli system serves as an ominous lesson to U.S. reform efforts.

The last area of Governor Clinton's campaign strategy was "reinventing government." Here too, the Rabin government has taken the lead in translating campaign rhetoric into policy. Near the end of the Shamir government term, the Knesset passed a bill similar to the Gramm-Rudman

Amendment, fixing the path of the government's budget deficit, which was planned to reach zero in 1995.[8] The Rabin government weakened the existing targets, requiring only that the deficit as a percent of GDP fall each year and removed the zero target date. The government, however, introduced multiple-year budgets, further encouraging the shift in spending priorities toward investment and away from consumption and entitlements. The budget deficit fell to approximately 3 percent in 1993 (see Table 11.2), down from almost 5 percent in 1992.[9]

Conclusion

Prime Minister Rabin has had relative success in implementing policies consistent with his campaign promises of increasing investment in physical and human capital and removing barriers to job creation and economic growth. Although he was afforded a favorable starting point, Prime Minister Rabin has been able to achieve many of his stated goals. The critical test will be whether he can convert the current economic upturn into long-term improvements in the standard of living for all Israelis. There is no doubt that his peace efforts with Yasser Arafat and King Hussein have already won him a place in history. This is also a critical time for the Israeli economy, and if Prime Minister Rabin can navigate the economy through its ups and downs, then he may also secure a place in Israel's economic history. There is currently quite a void there.

The author serves as the Executive Director of the Competitiveness Policy Council, a federal advisory commission. The views expressed in this paper are his own and do not reflect in any way the views of the Council or any of its members.

Notes

1. Several caveats should be kept in mind in analyzing these data. First, unilateral financial assistance is qualitatively different from trade and investment flows. Second, exports and imports are added in this case to measure the value of total bilateral trade flows. Third, investment data represent the value of investment in a given year, not the change from year to year and therefore are not exactly comparable to the aid and trade data.

2. In 1990, Israel accounted for 37 percent of U.S. military assistance and 17 percent of U.S. economic assistance. Other significant recipients included Egypt ($2.2 billion), Turkey ($515 million), and Greece ($349 million). Together, these four countries accounted for half of all U.S. military and economic assistance in 1990.

3. The Begin election in 1977, the election in 1984 that led to a Likud-dominated National Unity government, the Shamir election in 1988, and the Rabin election in 1992.

4. Shimon Peres is the only prime minister who not only took a deep interest in the Israeli economy but also concentrated during most of his term in office (1984 to 1986) on addressing critical economic issues.

5. Israel faces two challenges that the United States does not: absorbing a half million new immigrants and continuing the process of economic liberalization begun in 1985. However, both the United States and Israel face the common challenges of maintaining fiscal discipline in spite of growing demands on government resources, defense conversion, and responding to structural change.

6. Rabin's success may be a reflection of the differences between a parliamentary and a constitutional system with a clear separation of power between the executive and legislature.

7. The government also "bails out" several large sick funds at the end of every year, by offsetting deficits in their annual operating budgets.

8. It is interesting to note that the Israeli version targeted the size of the deficit relative to GDP, whereas the original Gramm-Rudman Amendment employed nominal dollar levels. In economic terms, the Israeli version is preferred.

9. In contrast, the U.S. budget deficit declined by 1 percent of GDP over the same period.

Appendix 1

TABLE A.1 Israeli Election Results, 1977-1992

	Number of Seats				
	1977	1981	1984	1988	1992
Labor Alignment	32	47	44	39	44
Likud	43	48	41	40	32
Meretz[a]					12
Mapam[a] (united into Meretz in 1992)				3	
Tsomet				2	8
National Religious party (Mafdal)	12	6	4	5	6
Democratic Movement for Peace and Equality (Communist)	5	4	4	4	3
Shephardi Torah Guardians (Shas) (ultra-Orthodox Sephardi—broke away from Agudat Israel in 1984)			4	6	6
Center-Shinui[b] (united into Meretz in 1992)		2	3	2	
Movement for Citizens' Rights and Peace[a] (united into Meretz in 1992)		2	3	5	
Yahad[a]			3		
Progressive List for Peace			2	1	
United Torah Party[c]					4
Agudat Israel	5	4	2	5	
Degel Hatorah				2	
Morasha (broke away from Mafdal in 1984)			2		
Tami (broke away from Mafdal in 1981)		3	1		
Courage to Cure Economy			1		
Kach[d]			1		
Tehiya		3	5	3	
Molodet				2	3
Arab Nationalist				1	2

[a]Following the Labor party leadership's decision to enter into a National Unity government with Likud in 1984, the six-member Mapam faction of the Labor Alignment broke away to form an independent party, and Yossi Sarid resigned from Labor to join the Citizens' Rights Movement. In 1986 the Yahad party formally merged with Labor, and Morasha split, with Zvulun Hammer rejoining the NRP, which he left in 1984. In 1992 Mapam, Citizens' Rights, and Center-Shinui united in the Meretz party.

[b]Merger of Shinui and Centrist party.

[c]A union of the Ashkenazi ultra-Orthodox religious parties Agudat Israel and Degel HaTorah along with ex-Shas MK Yitzhak Peretz.

[d]Declared unfit by Central Election Commission because of racism in 1988 and 1992.

Appendix 2

TABLE A.2 Israeli Election Results, 1992

	Number of Votes[a]	Percentage of Votes	Seats in Knesset (120 total)[b]
Labor	906,810	34.6	44
Likud	651,229	24.9	32
Meretz	250,667	9.5	12
Tsomet	166,366	6.3	8
Mafdal (NRP)	129,663	4.9	6
Shas	129,347	4.9	6
United Torah party[c]	86,167	3.2	4
Moledet	62,269	2.3	3
Hadash (Arab Communist Party/ Democratic Front for Peace & Equality)	62,546	2.3	3
Arab Democratic List	40,788	1.5	2

Potential Voting Blocs in the Israeli Parliament

Labor & Left		Likud & Right		Religious		Arab	
Labor	44	Likud	32	Mafdal	6	Hadash	3
Meretz	12	Tsomet	8	Shas	6	Arab Dem. List	2
	56	Moledet	3	United Torah	4		5
			43		16		

Coalition Formed on July 13, 1992

Labor	44
Meretz	12
Shas	6
(Arab parties)	(5)
	62 (67)[d]

[a]Qualifying threshold: 39,253.

[b]Number of votes after qualifying threshold per seat: 20,715.

[c]A union of the Ashkenazi ultra-Orthodox religious parties Agudat Israel and Degel HaTorah along with ex-Shas MK Yitzhak Peretz.

[d]The Arab parties voted for the Rabin government but do not have ministerial positions and are not officially part of the ruling coalition.

Appendix 3:
Declaration of Principles on Interim Self-Government Arrangements, September 13, 1993

The Government of the State of Israel and the PLO team (in the Jordanian-Palestinian delegation to the Middle East Peace Conference) (the "Palestinian Delegation"), representing the Palestinian people, agree that it is time to put an end to decades of confrontation and conflict, recognize their mutual legitimate and political rights, and strive to live in peaceful coexistence and mutual dignity and security and achieve a just, lasting and comprehensive peace settlement and historic reconciliation through the agreed political process. Accordingly, the two sides agree to the following principles:

Article I: Aim of the Negotiations

The aim of the Israeli-Palestinian negotiations within the current Middle East peace process is, among other things, to establish a Palestinian interim Self-Government Authority, the elected Council (the "Council"), for the Palestinian people in the West Bank and the Gaza Strip, for a transitional period not exceeding five years, leading to a permanent settlement based on Security Council Resolutions 242 and 338.

It is understood that the interim arrangements are an integral part of the whole peace process and that the negotiations on the permanent status will lead to the implementation of Security Council Resolutions 242 and 338.

Article II: Framework for the Interim Period

The agreed framework for the interim period is set forth in this Declaration of Principles.

Article III: Elections

1. In order that the Palestinian people in the West Bank and Gaza Strip may govern themselves according to democratic principles, direct, free and general political elections will be held for the Council under agreed supervision and international observation, while the Palestinian police will ensure public order.
2. An agreement will be concluded on the exact mode and conditions of the elections in accordance with the protocol attached as Annex I, with the goal of holding the elections not

later than nine months after the entry into force of this Declaration of Principles.
3. These elections will constitute a significant interim preparatory step toward the realization of the legitimate rights of the Palestinian people and their just requirements.

Article IV: Jurisdiction

Jurisdiction of the Council will cover West Bank and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations. The two sides view the West Bank and the Gaza Strip as a single territorial unit, whose integrity will be preserved during the interim period.

Article V: Transitional Period and Permanent Status Negotiations

1. The five-year transitional period will begin upon the withdrawal from the Gaza Strip and Jericho area.
2. Permanent status negotiations will commence as soon as possible, but not later than the beginning of the third year of the interim period, between the Government of Israel and the Palestinian people's representatives.
3. It is understood that these negotiations shall cover remaining issues, including: Jerusalem, refugees, settlements, security arrangements, borders, relations and cooperation with other neighbors, and other issues of common interest.
4. The two parties agree that the outcome of the permanent status negotiations should not be prejudiced or preempted by agreements reached for the interim period.

Article VI: Preparatory Transfer of Powers and Responsibilities

1. Upon the entry into force of this Declaration of Principles and the withdrawal from the Gaza Strip and the Jericho area, a transfer of authority from the Israeli military government and its Civil Administration to the authorized Palestinians for this task, as detailed herein, will commence. This transfer of authority will be of a preparatory nature until the inauguration of the Council.
2. Immediately after the entry into force of this Declaration of Principles and the withdrawal from the Gaza Strip and Jericho area, with the view to promoting economic development on the West Bank and Gaza Strip, authority will be transferred to the Palestinians in the following spheres: education and culture, health, social welfare, direct taxation, and tourism. The Palestinian side will commence in building the Palestinian police force, as agreed upon. Pending the inauguration of the Council, the two parties may negotiate the transfer of additional powers and responsibilities, as agreed upon.

Article VII: Interim Agreement

1. The Israeli and Palestinian delegations will negotiate an agreement on the interim period (the "Interim Agreement").
2. The Interim Agreement shall specify, among other things, the structure of the Council, the number of its members, and the transfer of powers and responsibilities from the Israeli military government and its Civil Administration to the Council. The Interim Agreement shall also specify the Council's executive authority, legislative authority in accordance with Article IX below, and the independent Palestinian judicial organs.
3. The Interim Agreement shall include arrangements, to be implemented upon the inauguration of the Council, for the assumption by the Council of all of the powers and responsibilities transferred previously in accordance with Article VI above.
4. In order to enable the Council to promote economic growth, upon its inauguration, the Council will establish, among other things, a Palestinian Electricity Authority, a Gaza Sea Port Authority, a Palestinian Development Bank, a Palestinian Export Promotion Board, a Palestinian Environmental Authority, a Palestinian Land Authority and a Palestinian Water Administration Authority, and any other Authorities agreed upon, in accordance with the interim Agreement that will specify their powers and responsibilities.
5. After the inauguration of the Council, the Civil Administration will be dissolved, and the Israeli military government will be withdrawn.

Article VIII: Public Order and Security

In order to guarantee public order and internal security for the Palestinians of the West Bank and the Gaza Strip, the Council will establish a strong police force, while Israel will continue to carry the responsibility for defending against external threats, as well as the responsibility for overall security of Israelis for the purpose of safeguarding their internal security and public order.

Article IX: Laws and Military Orders

1. The Council will be empowered to legislate, in accordance with the Interim Agreement, within all authorities transferred to it.
2. Both parties will review jointly laws and military orders presently in force in remaining spheres.

Article X: Joint Israeli-Palestinian Liaison Committee

In order to provide for a smooth implementation of this Declaration of Principles and any subsequent agreements pertaining to the interim period, upon the entry into force of this

Declaration of Principles, a joint Israeli-Palestinian Liaison Committee will be established in order to deal with issues requiring coordination, other issues of common interest, and disputes.

Article XI: Israeli-Palestinian Cooperation in Economic Fields

Recognizing the mutual benefit of cooperation in promoting the development of the West Bank, the Gaza Strip and Israel, upon the entry into force of this Declaration of Principles, an Israeli-Palestinian Economic Cooperation Committee will be established in order to develop and implement in a cooperative manner the programs identified in the protocols attached as Annex III and Annex IV.

Article XII: Liaison and Cooperation with Jordan and Egypt

The two parties will invite the Governments of Jordan and Egypt to participate in establishing further liaison and cooperation arrangements between the Government of Israel and the Palestinian representatives, on the one hand, and the Governments of Jordan and Egypt, on the other hand, to promote cooperation between them. These arrangements will include the constitution of a Continuing Committee that will decide by agreement on the modalities of admission of persons displaced from the West Bank and Gaza Strip in 1967, together with necessary measures to prevent disruption and disorder. Other matters of common concern will be dealt with by this Committee.

Article XIII: Redeployment of Israeli Forces

1. After the entry into force of this Declaration of Principles, and not later than the eve of elections for the Council, a redeployment of Israeli military forces in the West Bank and the Gaza Strip will take place, in addition to withdrawal of Israeli forces carried out in accordance with Article XIV.
2. In redeploying its military forces, Israel will be guided by the principle that its military forces should be redeployed outside populated areas.
3. Further redeployments to specified locations will be gradually implemented commensurate with the assumption of responsibility for public order and internal security by the Palestinian police force pursuant to Article VIII above.

Article XIV: Israeli Withdrawal from the Gaza Strip and Jericho Area

Israel will withdraw from the Gaza Strip and Jericho area, as detailed in the protocol attached as Annex II.

Article XV: Resolution of Disputes

1. Disputes arising out of the application or interpretation of this Declaration of Principles, or any subsequent agreements pertaining to the interim period, shall be resolved by negotiations through the Joint Liaison Committee to be established pursuant to Article X above.
2. Disputes which cannot be settled by negotiations may be resolved by a mechanism of conciliation to be agreed upon by the parties.
3. The parties may agree to submit to arbitration disputes relating to the interim period, which cannot be settled through conciliation. To this end, upon the agreement of both parties, the parties will establish an Arbitration Committee.

Article XVI: Israeli-Palestinian Cooperation Concerning Regional Programs

Both parties view the multilateral working groups as an appropriate instrument for promoting a "Marshall Plan," the regional programs and other programs, including special programs for the West Bank and Gaza Strip, as indicated in the protocol attached as Annex IV.

Article XVII: Miscellaneous Provisions

1. This Declaration of Principles will enter into force one month after its signing.
2. All protocols annexed to this Declaration of Principles and Agreed Minutes pertaining thereto shall be regarded as an integral part hereof.

Done at Washington, DC, this thirteenth day of September, 1993.

Annex I: Protocol on the Mode and Conditions of Elections

1. Palestinians of Jerusalem who live there will have the right to participate in the election process, according to an agreement between the two sides.
2. In addition, the election agreement should cover, among other things, the following issues:

    a. the system of elections;

b. the mode of the agreed supervision and international observation and their personal composition; and
c. rules and regulations regarding the election campaign, including agreed arrangements for the organizing of mass media, and the possibility of licensing a broadcasting and TV station.

3. The future status of displaced Palestinians who were registered on 4 June 1967 will not be prejudiced because they are unable to participate in the election process due to practical reasons.

Annex II: Protocol on Withdrawal of Israeli Forces from the Gaza Strip and Jericho Area

1. The two sides will conclude and sign within two months from the date of entry into force of this Declaration of Principles, an agreement on the withdrawal of Israeli military forces from the Gaza Strip and Jericho area. This agreement will include comprehensive arrangements to apply in the Gaza Strip and the Jericho area subsequent to the Israeli withdrawal.
2. Israel will implement an accelerated and scheduled withdrawal of Israeli military forces from the Gaza Strip and Jericho area, beginning immediately with the signing of the agreement on the Gaza Strip and Jericho area and to be completed within a period not exceeding four months after the signing of this agreement.
3. The above agreement will include, among other things:

a. Arrangements for a smooth and peaceful transfer of authority from the Israeli military government and its Civil Administration to the Palestinian representatives.
b. Structure, powers and responsibilities of the Palestinian authority in these areas, except: external security, settlements, Israelis, foreign relations, and other mutually agreed matters.
c. Arrangements for the assumption of internal security and public order by the Palestinian police force consisting of police officers recruited locally and from abroad (holding Jordanian passports and Palestinian documents issued by Egypt). Those who will participate in the Palestinian police force coming from abroad should be trained as police and police officers.
d. A temporary international or foreign presence, as agreed upon.
e. Establishment of a joint Palestinian-Israeli Coordination and Cooperation Committee for mutual security purposes.
f. An economic development and stabilization program, including the establishment of an Emergency Fund, to encourage foreign investment, and financial and economic support. Both sides will coordinate and cooperate jointly and unilaterally with regional and international parties to support these aims.
g. Arrangements for a safe passage for persons and transportation between the Gaza Strip and Jericho area.

4. The above agreement will include arrangements for coordination between both parties regarding passages:

    a. Gaza—Egypt; and
    b. Jericho—Jordan.

5. The offices responsible for carrying out the powers and responsibilities of the Palestinian authority under this Annex II and Article VI of the Declaration of Principles will be located in the Gaza Strip and in the Jericho area pending the inauguration of the Council.
6. Other than these agreed arrangements, the status of the Gaza Strip and Jericho area will continue to be an integral part of the West Bank and Gaza Strip, and will not be changed in the interim period.

Annex III: Protocol on Israeli-Palestinian Cooperation in Economic and Development Programs

The two sides agree to establish an Israeli-Palestinian Continuing Committee for Economic Cooperation, focusing, among other things, on the following:

1. Cooperation in the field of water, including a Water Development Program prepared by experts from both sides, which will also specify the mode of cooperation in the management of water resources in the West Bank and Gaza Strip, and will include proposals for studies and plans on water rights of each party, as well as on the equitable utilization of joint water resources for implementation in and beyond the interim period.
2. Cooperation in the field of electricity, including an Electricity Development Program, which will also specify the mode of cooperation for the production, maintenance, purchase and sale of electricity resources.
3. Cooperation in the field of energy, including an Energy Development Program, which will provide for the exploitation of oil and gas for industrial purposes, particularly in the Gaza Strip and in the Negev, and will encourage further joint exploitation of other energy resources. This Program may also provide for the construction of a Petrochemical industrial complex in the Gaza Strip and the construction of oil and gas pipelines.
4. Cooperation in the field of finance, including a Financial Development and Action Program for the encouragement of international investment in the West Bank and the Gaza Strip, and in Israel, as well as the establishment of a Palestinian Development Bank.
5. Cooperation in the field of transport and communications, including a Program, which will define guidelines for the establishment of a Gaza Sea Port Area, and will provide for the establishing of transport and communications lines to and from the West Bank and the Gaza Strip to Israel and to other countries. In addition, this Program will provide for carrying out the necessary construction of roads, railways, communications lines, etc.
6. Cooperation in the field of trade, including studies, and Trade Promotion Programs, which will encourage local, regional and inter-regional trade, as well as a feasibility study of creating free trade zones in the Gaza Strip and in Israel, mutual access to these zones, and cooperation in other areas related to trade and commerce.

7. Cooperation in the field of industry, including Industrial Development Programs, which will provide for the establishment of joint Israeli-Palestinian Industrial Research and Development Centers, will promote Palestinian-Israeli joint ventures, and provide guidelines for cooperation in the textile, food, pharmaceutical, electronics, diamonds, computer and science-based industries.
8. A program for cooperation in, and regulation of, labor relations and cooperation in social welfare issues.
9. A Human Resources Development and Cooperation Plan, providing for joint Israeli-Palestinian workshops and seminars, and for the establishment of joint vocational training centers, research institutes and data banks.
10. An Environmental Protection Plan, providing for joint and/or coordinated measures in this sphere.
11. A program for developing coordination and cooperation in the field of communication and media.
12. Any other programs of mutual interest.

Annex IV: Protocol on Israeli-Palestinian Cooperation Concerning Regional Development Programs

1. The two sides will cooperate in the context of the multilateral peace efforts in promoting a Development Program for the region, including the West Bank and the Gaza Strip, to be initiated by the G-7. The parties will request the G-7 to seek the participation in this program of other interested states, such as members of the Organization for Economic Cooperation and Development, regional Arab states and institutions, as well as members of the private sector.
2. The Development Program will consist of two elements:

    a. An Economic Development Program for the West Bank and the Gaza Strip.
    b. A Regional Economic Development Program.

A. The Economic Development Program for the West Bank and the Gaza Strip will consist of the following elements:

    1. A Social Rehabilitation Program, including a Housing and Construction Program.
    2. A Small and Medium Business Development Plan.
    3. An infrastructure Development Program (water, electricity, transportation and communications, etc.).
    4. A Human Resources Plan.
    5. Other programs.

B. The Regional Economic Development Program may consist of the following elements:

    1. The establishment of a Middle East Development Fund, as a first step, and a Middle East Development Bank, as a second step.

2. The development of a joint Israeli-Palestinian-Jordanian Plan for coordinated exploitation of the Dead Sea area.
3. The Mediterranean Sea (Gaza)-Dead Sea Canal.
4. Regional Desalinization and other water development projects.
5. A regional plan for agricultural development, including a coordinated regional effort for the prevention of desertification.
6. Interconnection of electricity grids.
7. Regional cooperation for the transfer, distribution and industrial exploitation of gas, oil and other energy resources.
8. A Regional Tourism, Transportation and Telecommunications Development Plan.
9. Regional cooperation in other spheres.

3. The two sides will encourage the multilateral working groups, and will coordinate towards their success. The two parties will encourage intersessional activities, as well as pre-feasibility and feasibility studies, within the various multilateral working groups.

Agreed Minutes to the Declaration of Principles on Interim Self-Government Arrangements

Any powers and responsibilities transferred to the Palestinians pursuant to the Declaration of Principles prior to the inauguration of the Council will be subject to the same principles pertaining to Article IV, as set out in these Agreed Minutes below.

B. Specific Understandings and Agreements

Article IV

It is understood that:

1. Jurisdiction of the Council will cover West Bank and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations: Jerusalem, settlements, military locations, and Israelis.
2. The Council's jurisdiction will apply with regard to the agreed powers, responsibilities, spheres and authorities transferred to it.

Article VI (2)

It is agreed that the transfer of authority will be as follows:

1. The Palestinian side will inform the Israeli side of the names of the authorized Palestinians

who will assume the powers, authorities and responsibilities that will be transferred to the Palestinians according to the Declaration of Principles in the following fields: education and culture, health, social welfare, direct taxation, tourism, and any other authorities agreed upon.

2. It is understood that the rights and obligations of these offices will not be affected,
3. Each of the spheres described above will continue to enjoy existing budgetary allocations in accordance with arrangements to be mutually agreed upon. These arrangements also will provide for the necessary adjustments required in order to take into account the taxes collected by the direct taxation office.
4. Upon the execution of the Declaration of Principles, the Israeli and Palestinian delegations will immediately commence negotiations on a detailed plan for the transfer of authority on the above offices in accordance with the above understandings.

Article VII (2)

The Interim Agreement will also include arrangements for coordination and cooperation.

Article VII (5)

The withdrawal of the military government will not prevent Israel from exercising the powers and responsibilities not transferred to the Council.

Article VIII

It is understood that the Interim Agreement will include arrangements for cooperation and coordination between the two parties in this regard. It is also agreed that the transfer of powers and responsibilities to the Palestinian police will be accomplished in a phased manner, as agreed in the Interim Agreement.

Article X

It is agreed that, upon the entry into force of the Declaration of Principles, the Israeli and Palestinian delegations will exchange the names of individuals designated by them as members of the Joint Israeli-Palestinian Liaison Committee.

It is further agreed that each side will have an equal number of members in the Joint Committee. The Joint Committee will reach decisions by agreement. The Joint Committee may add other technicians and experts as necessary. The Joint Committee will decide on the frequency and place or places of its meetings.

Annex II

It is understood that, subsequent to the Israeli withdrawal, Israel will continue to be responsible for external security, and for internal security and public order of settlements and Israelis, Israeli military forces and civilians may continue to use roads freely within the Gaza Strip and the Jericho area.

Done at Washington, DC, this thirteenth day of September, 1993.

Communications

September 9,1993

Mr. Prime Minister,

The signing of the Declaration of Principles marks a new era in the history or the Middle East. In firm conviction thereof, I would like to confirm the following

PLO commitments:

The PLO recognizes the right of the State of Israel to exist in peace and security.

The PLO accepts United Nations Security Council Resolutions 242 and 338.

The PLO commits itself to the Middle East peace process, and to a peaceful resolution of the conflict between the two sides and declares that all outstanding issues relating to permanent status will be resolved through negotiations.

The PLO considers that the signing of the Declaration of Principles constitutes a historic event, inaugurating a new epoch of peaceful coexistence, free from violence and all other acts which endanger peace and stability. Accordingly, the PLO renounces the use of terrorism and other acts of violence and will assume responsibility over all PLO elements and personnel in order to assure their compliance, prevent violations and discipline violators.

In view of the promise or a new era and the signing of the Declaration of Principles and based on Palestinian acceptance of Security Council Resolutions 242 and 338, the PLO affirms that those articles of the Palestinian Covenant which deny Israel's right to exist, and the provisions of the Covenant which are inconsistent with the commitments of this letter are now inoperative and no longer valid. Consequently, the PLO undertakes to submit to the Palestinian National Council for formal approval the necessary changes in regard to the Palestinian Covenant.

Sincerely,
Yasser Arafat
Chairman
The Palestine Liberation Organization

Yitzhak Rabin

Prime Minister of Israel

September 9, 1993

Mr. Chairman,

In response to your letter of September 9, 1993,I wish to confirm to you that, in light of the PLO commitments included in your letter, the Government of Israel has decided to recognize the PLO as the representative of the Palestinian people and commence negotiations with the PLO within the Middle East peace process.

Sincerely,
Yitzhak Rabin
Prime Minister of Israel

Yasser Arafat

Chairman

The Palestinian Liberation Organization

September 9, 1993

Dear Minister Holst,

I would like to confirm to you that, upon the signing of the Declaration of Principles, I will include the following positions in my public statements: In light of the new era marked by the signing of the Declaration of Principles, the PLO encourages and calls upon the Palestinian people in the West Bank and Gaza Strip to take part in the steps leading to the normalization of life, rejecting violence and terrorism, contributing to peace and stability and participating actively in shaping reconstruction, economic development and cooperation.

Sincerely,
Yasser Arafat
Chairman
The Palestine Liberation Organization

His Excellency

Johan Jorgen Holst

Foreign Minister of Norway

Provided by courtesy of the Government of Israel: *Declaration of Principles on Interim Self-Government Arrangements* (Jerusalem: Ministry of Foreign Affairs, 1993), pp. 21-40.

Appendix 4:
Speech by Yitzhak Rabin (Prime Minister of Israel) at the September 13, 1993, Ceremonies

President Clinton, the President of the United States, your excellencies, ladies and gentlemen. This signing of the Israeli-Palestinian declaration of principles here today is not so easy, neither for myself as a soldier in Israel's wars, nor for the people of Israel, nor for the Jewish people in the Diaspora who are watching us now with great hope mixed with apprehension. It is certainly not easy for the families of the victims of the wars, violence, terror, whose pain will never heal, for the many thousands who defended our lives with their own and have even sacrificed their lives for our own. For them, this ceremony has come too late.

Today, on the eve of an opportunity for peace, and perhaps an end to violence and wars, we remember each and every one of them with everlasting love. We have come from Jerusalem, the ancient and eternal capital of the Jewish people. We have come from an anguished and grieving land. We have come from a people, a home, a family that has not known a single year, not a single month, in which mothers have not wept for their sons. We have come to try and put an end to the hostilities so that our children, and our children's children, will no longer experience the painful cost of war, violence and terror. We have come to secure their lives and to ease the sorrow and the painful memories of the past, to hope and pray for peace.

Let me say to you, the Palestinians, who are destined to live together on the same soil in the same land. We, the soldiers who have returned from battles stained with blood; we who have seen our relatives and friends killed before our eyes; we who have attended their funerals and cannot look into the eyes of their parents; we who have come from a land where parents bury their children; we who have fought against you, the Palestinians, we say to you today in a loud and clear voice, enough of blood and tears. Enough!

We have no desire for revenge. We harbor no hatred towards you. We, like you, are people—people who want to build a home, to plant a tree, to love, live side by side with you in dignity, in affinity, as human beings, as free men. We are today giving peace a chance and saying again to you, "Enough." Let us pray that a day will come when we all will say farewell to arms. We wish to open a new chapter in the sad book of our lives together—a chapter of mutual recognition, of good neighborliness, of mutual respect, of understanding. We hope to embark on a new era in the history of the Middle East.

Today here in Washington at the White House, we will begin a new reckoning in the relations between peoples, between parents tired of war, between children who will not know war. President of the United States, ladies and gentlemen, our inner strength, our higher moral values have been derived for thousands of years from the Book of Books, in one of which Koheleth (Ecclesiastes), we read, "To every thing there is a season and a time to every purpose under heaven. A time to be born and time to die, a time to kill and a time to heal. A time to weep and a time to laugh. A time to love and a time to hate, a time of war and a time of peace." Ladies and gentlemen, the time for peace has come.

In two days, the Jewish people will celebrate the beginning of a new year. I believe, I hope, I pray that the new year will bring a message of redemption for all peoples; a good year for you,

for all of you; a good year for Israelis and Palestinians; a good year for all the peoples of the Middle East; a good year for our American friends who so want peace and are helping to achieve it. For presidents and members of previous administrations, especially for you, President Clinton, and your staff, for all citizens of the world, may peace come to all your homes.

In the Jewish tradition, it is customary to conclude our prayers with the word "Amen." With your permission, men of peace, I shall conclude with words taken from the prayer recited by Jews daily. I would ask the entire audience to join me in sayins "Amen."

May he who makes peace on High, make peace for us and all Israel. Amen.

Provided by courtesy of the Government of Israel: *Declaration of Principles on Interim Self-Government Arrangements* (Jerusalem: Ministry of Foreign Affairs, 1993), pp. 16-17.

Appendix 5:
Speech by Yasser Arafat (Chairman of the PLO) at the September 13, 1993, Ceremonies

In the name of God, the most merciful, the passionate, Mr. President, ladies and gentlemen, I would like to express our tremendous appreciation to President Clinton and to his administration for sponsoring this historic event which the entire world has been waiting for.

Mr. President, I am taking this opportunity to assure you and to assure the great American people that we share your values for freedom, justice and human rights—values for which my people have been striving.

My people are hoping that this agreement which we are signing today marks the beginning of the end of a chapter of pain and suffering which has lasted throughout this century.

My people are hoping that this agreement which we are signing today will usher in an age of peace, coexistence and equal rights. We are relying on your role, Mr. President, and on the role of all the countries which believe that without peace in the Middle East, peace in the world will not be complete.

Enforcing the agreement and moving toward the final settlement, after two years, to implement all aspects of U.N. resolutions 242 and 338 in all of their aspects, and to resolve all the issues of Jerusalem, the settlements, the refugees and the boundaries will be a Palestinian and an Israeli responsibility. It is also the responsibility of the international community in its entirety to help the parties overcome the tremendous difficulties which are still standing in the way of reaching a final and comprehensive settlement.

Now as we stand on the threshold of this new historic era, let me address the people of Israel and their leaders, with whom we are meeting today for the first time, and let me assure them that the difficult decision we reached together was one that required great and exceptional courage.

We will need more courage and determination to continue the course of building coexistence and peace between us. This is possible and it will happen with mutual determination and with the effort that will be made with all parties on all tracks to establish the foundations of a just and comprehensive peace.

Our people do not consider that exercising the right to self-determination could violate the rights of their neighbors or infringe on their security. Rather, putting an end to their feelings of being wronged and of having suffered an historic injustice is the strongest guarantee to achieve coexistence and openness between our two peoples and future generations. Our two peoples are awaiting today this historic hope, and they want to give peace a real chance.

Such a shift will give us an opportunity to embark upon the process of economic, social and cultural growth and development. And we hope that international participation in that process will be as extensive as it can be. This shift will also provide an opportunity for all forms of cooperation on a broad scale and in all fields.

I thank you, Mr. President. We hope that our meeting will be a new beginning for fruitful and effective relations between the American people and the Palestinian people.

I wish to thank the Russian Federation and President Boris Yeltsin. Our thanks also go to Secretary Christopher and Foreign Minister Kozyrev, to the government of Norway and to the

Foreign Minister of Norway for the positive part they played in bringing about this major achievement. 1 extend greetings to all the Arab leaders, our brothers, and to all the world leaders who contributed to this achievement.

Ladies and gentlemen, the battle for peace is the most difficult battle of our lives. It deserves our utmost efforts because the land of peace, the land of peace yearns for a just and comprehensive peace. Thank you.

Mr. President, thank you, thank you, thank you.

Provided by courtesy of the Government of Israel: *Declaration of Principles on Interim Self-Government Arrangements* (Jerusalem: Ministry of Foreign Affairs, 1993), pp. 18-19.

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About the Book

The 1992 elections represented a watershed in Israeli politics. Returning to power for the first time in fifteen years, the Labor government, under Yitzhak Rabin, has implemented significant changes in foreign policy and domestic politics. Perhaps the most important changes were Israel's recognition of the PLO and the signing of the Declaration of Principles in 1993.

Bringing together a broad spectrum of viewpoints, this volume offers a compelling analysis of Arab-Israeli relations and Israeli politics in this period of dramatic change. In the first six chapters contributors examine Israel's relations with the United States; with the successor states of the Soviet Union; with the Palestinians; and with Syria, Jordan, and Lebanon. Chapters 7 to 10 look at domestic politics, focusing on the major political parties and evaluating the challenges Israel faces as it moves toward peace. Chapter 11 deals with the Israeli economy and Israel's economic relations with the United States.

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