
Israel *

THE year under review (July 1, 1958, to June 30, 1959) was marked by a consolidation of Israel's international relations with Western Europe and a further development of political, cultural, and economic ties with a number of the new countries in Africa and Asia. The stability of Israel's democratic regime stood out sharply against the background of the tension in the Middle East.

Important Jewish and international gatherings took place within the framework of the tenth-anniversary celebrations. As the general election neared, interparty antagonisms intensified. The period closed with a cabinet crisis over the question of the supply of arms to Western Germany.

Israel's Relations with Arab Countries

Israel remained calm as international tension grew after the Iraqi revolution in July 1958. The government protested when, on July 17, British planes flew over Israel on their way to Jordan, before obtaining Israel's consent; it later authorized limited flights.

When sources in Egypt and the Soviet Union charged that the Israeli army had mobilized with aggressive intentions against the neighboring countries, Premier David Ben-Gurion stated, on November 3, 1958, that "there is no foundation whatsoever for the hostile and baseless slanders against Israel in the Soviet press." On November 5 he said in the Keneset that a change in the status quo in Jordan would constitute a danger to Israel. If Jordan disintegrated, he continued, he personally believed western Jordan should be demilitarized and Israel's territorial integrity guaranteed by the great powers.

Abba Eban, Israel's permanent representative at the United Nations, made an important statement on the Arab refugee problem on November 17 at the Special Political Committee of the UN General Assembly, Emphasizing that "the basic solution of the refugee question lies in the integration of the refugees in the countries where they have been for the last decade," he said:

If such a solution by integration is actually carried out, and if the international assistance offered in 1955 is available, Israel would be prepared to pay compensation even before the achievement of a final settlement or the solution of other outstanding problems.

Border trouble during the year was concentrated mainly on the frontier with the Syrian province of the UAR. On July 2, 1958, two Israeli policemen were wounded by Syrian fire in the east of the Hulah demilitarized zone, and the settlement of Ashmurah was shelled by mortars. On the following day automatic-rifle fire was directed at workers in the same area.

* For meaning of abbreviations, see p. 359.

Toward the end of 1958 a grave series of outbreaks took place on the Syrian border, from Dan village in the north to Lake Kinneret (Lake Tiberias), including the murder of Mrs. Mary Doran, wife of the British air attaché in Israel, on November 17, firing by Syrian forces in the Hulah area, the killing of a shepherd near Gonen on December 3, and the shelling and machine-gunning from Syrian army positions of six Israeli settlements along the border on the same day. The damage done by this last bombardment was estimated at almost a million Israeli pounds.

On December 4 the Israel government asked for an immediate meeting of the United Nations Security Council to deal with these incidents. The firing was repeated on December 6, 7, and 8. The Council again discussed the subject on December 15.

During this period, Israel air space was violated on several occasions, in the north and south, by UAR MIGs, and one plane of a flight of eight was shot down by Israeli Mystère fighters over the Negev on December 20.

UN Secretary General Dag Hammarskjöld visited Israel at the end of the year, and held conversations with Prime Minister Ben-Gurion on January 1 and 2, 1959. They exchanged views on the general position in the Middle East and the international situation as it affected the area. They also discussed the implementation of Article VIII of the armistice agreement between Israel and Jordan (on free access to the educational and humanitarian institutions on Mount Scopus and the Holy Places in Jordan territory) and measures for assuring tranquillity and safety on the Syrian-Israeli border area. Hammarskjöld also visited the Hebrew University, the Weizmann Institute of Science, and the Institute for Arid Zone Research at Beersheba.

After further Syrian attacks, mainly in the Kinneret area, on seven occasions from January 9 through January 15, Israel again appealed to the Security Council. The Council closed its discussions in the matter on January 30 without coming to any decision.

There were also a number of cases of infiltration and mine-laying on the border of the Gaza Strip.

After a period of relative quiet on the Jordan border, Israel returned to the Israel-Jordan Mixed Armistice Commission in March 1959.

From July 5, 1956, to March 1959, over 40 ships of other nations carrying Israeli cargoes passed through the Suez Canal without interference. In the spring of 1959, however, three such ships were detained: the *Capetan Manolis* (Liberian) on March 9, the *Lealott* (German Federal Republic) on March 17, and the Danish ship *Inge Toft* (see p. 103) on May 21. The first two were allowed to pass after their cargoes had been confiscated; the third was still held at the time of writing.

In the Keneset on March 30, Foreign Minister Golda Meir noted "a decisive, almost revolutionary modification in the way in which the problems of the Middle East are regarded in most countries of the world. . . ." She said:

There was a widespread and . . . erroneous notion that the instability in the region, the cold war which penetrated it, and the dangers likely to arise within it and spread to other regions, are exclusively the product of the Arab-Israel dispute. This last year has left no doubt that the problem of

Palestine is completely secondary to the enormous economic and political issues of the region.

Other Aspects of Foreign Relations

In August 1959 Israel maintained 22 embassies, 32 legations, 1 diplomatic mission, and 34 consulates in foreign countries.

Friendly relations with the United States were maintained and fortified. The United States government showed a lively interest in Israel's security, and public sympathy and support for Israel were particularly notable during the tenth-anniversary year. When Abba Eban, Israel's ambassador to the United States and permanent representative at the United Nations, relinquished his posts on February 11, 1959, he was presented with the Freedom of the City by Mayor Robert Wagner of New York, as well as several other mayors.

Food surpluses to the value of \$38 million, to be repaid in local currency, were made available by the United States. Israel also received \$7.5 million in special aid, a \$10-million development loan, and \$1.9 million in technical assistance.

Relations with Latin America continued to be friendly. Several Latin American statesmen visited Israel, and Mrs. Meir made an eight-week tour of ten Latin American countries in June and July 1959. Cultural agreements were signed with Mexico and Brazil during the tour, and it was agreed to raise the diplomatic missions of Israel and Mexico to embassies, and to open an Israel embassy in Guatemala (pp. 181-96).

The growth of mutual understanding and friendship with the United Kingdom was symbolized by the tributes paid by Prime Minister Harold Macmillan and the leaders of the opposition parties to Eliahu Elath, Israel's ambassador in London, before his approaching retirement in September 1959. Britain sold two submarines to Israel in October 1958.

Friendly relations continued with the other countries of the British Commonwealth.

Israel's close ties with France were confirmed after the rise to power of General Charles de Gaulle and Foreign Minister Meir's visit to Paris in August 1958. She also visited Italy in the same month.

Queen Mother Elisabeth of Belgium visited Israel at the end of March 1959, and opened the Institute of Archaeology named after her at the Hebrew University. An Israel consulate was opened in Lisbon in December 1958, and a trade agreement was signed with Portugal in July 1959.

In May 1959 Israel became a provisional member of the General Agreement on Tariffs and Trade (GATT).

Israel was represented by a special envoy at the enthronement of Pope John XXIII, and letters were exchanged between the new pope and President Isaac Ben-Zvi.

Israel's efforts to improve trade relations with the Soviet Union were not successful, and there was no change in the USSR's general attitude to Israel. In reply to the Soviet note of August 1, 1958, protesting the flight of British planes over Israeli territory on their way to Jordan, the government reiterated Israel's loyalty to the principles of the United Nations Charter.

Relations with Poland continued to be friendly, especially in trade and

cultural matters. Trade relations were maintained with Hungary, but there was no improvement in relations with Czechoslovakia. On February 22, 1959, the Rumanian government criticized Israel for statements on emigration from Rumania and accused the Israel legation of illegal activities in that connection. An official of the legation, Amnon Keren, was declared *persona non grata*.

On May 26, 1959, the International Court at the Hague decided that it had no jurisdiction in Israel's claim for damages arising out of the shooting down of an El Al airliner over Bulgaria on July 27, 1955 (AJYB, 1957 [Vol. 58], p. 379; 1959 [Vol. 60], p. 234).

The year was marked by closer relations with several countries in Asia and Africa, especially those that had recently become independent or were on the verge of independence. The first Burmese ambassador to Israel arrived in May 1959, and Prime Minister Ne Win of Burma visited Israel in June of that year. Several joint Burma-Israel companies were set up. There were still no diplomatic relations with India, but Minister of Development Mordecai Bentov went there in May, and a number of important Indian personalities also visited Israel.

Joint Israel-Ghana shipping and development companies continued to make progress, and a number of Israeli experts went out to advise the Ghanaian government. A treaty of friendship with Liberia was signed in March 1959, and Ethiopia requested Israeli physicians and teachers. Israel opened an embassy at Conakri, Guinea, and decided to set up consulates in Dakar and Senegal. Several Nigerian leaders visited Israel.

Israel was represented at 54 governmental and 112 nongovernmental conferences and gatherings. Fifty-two Israeli experts were sent to advise and assist the governments of African, Asian, and Latin American countries, and over 150 students from abroad came to Israel for advanced study.

Domestic Affairs

LEGISLATURE

The third Keneset, elected on July 26, 1955, ended its fourth and last session on August 6, 1959; it had passed 285 laws. Elections to the fourth Keneset were to take place on November 3, 1959.

The composition of the Keneset at its dissolution was as follows:

<i>Party</i>	<i>Seats</i>
Israel Labor (Mapai)	40
Herut	15
General Zionist	13
National Religious	11
Unity of Labor	
(Ahdut ha-'Avodah—Po'ale Zion)	10
United Workers (Mapam)	9
Agudat Israel and Po'ale Agudat Israel	6
Communist	6
Progressive	5
Arab Democrats	2
Progress and Work (Arab)	2
Agriculture and Development (Arab)	1

Since the resignation of the National Religious party's ministers on July 1, 1958, the coalition government of Mapai, Mapam, Ahdut ha-'Avodah—Po'ale Zion, and Progressives had been supported by the 64 votes of these parties and the five of the Arab parties. It was opposed by Herut, the General Zionists, the National Religious party, Agudat Israel and Po'ale Agudat Israel, and the Communists. The cabinet crisis at the end of the session, however, disrupted the coalition.

Some of the more important laws passed by the Keneset during its final session provided for giving legal effect to collective labor agreements on wages and labor conditions concluded between representatives of a majority of employers and employees; nationalizing labor exchanges, previously run by representatives of the labor unions, and allowances under the state's national insurance for the fourth and subsequent children of large families.

In October the cornerstone was laid for the new Keneset building, funds for which were donated by the late James de Rothschild.

In December 1958 Sephardi Chief Rabbi Jacob Moses Toledano of Tel Aviv was appointed minister of religious affairs in place of Moses Hayyim Shapira. In November Minister of Health Israel Barzilai took over the portfolio of posts, which had been vacated by Joseph Burg, and in January 1959 Perez Naphtali, minister without portfolio, was appointed minister of social welfare in place of Shapira.

When Joseph Sprinzak, the first speaker of the Keneset died (see p. 301), the Keneset named Nahum Nir (Ahdut ha-'Avodah—Po'ale Zion), the senior deputy speaker, to succeed him on March 2, 1959.

At the end of June a cabinet crisis broke out when the German magazine *Der Spiegel* disclosed that Israel had undertaken to manufacture small arms for the German army. Ahdut ha-'Avodah and Mapam spokesmen denounced the agreement and declared that their ministers would demand its cancellation.

Prime Minister Ben-Gurion contended, on the basis of cabinet minutes and correspondence, that the cabinet had formally approved the sale in December 1958 and had again discussed it on subsequent occasions. The Ahdut ha-'Avodah and Mapam ministers declared that they had not been aware of the cabinet decision of December 1958, had opposed it when it was brought to their notice, and had in vain demanded a cabinet discussion.

On June 29 the cabinet again discussed the question; a majority upheld the previous decision.

The Keneset approved the government's policy on July 1 by 57 votes to 45, with 6 abstentions. Ahdut ha-'Avodah and Mapam, including their representatives in the cabinet, voted against the government motion. Of the opposition parties, the General Zionists voted with the government.

The prime minister described the vote by four cabinet ministers against the cabinet decision as a violation of the statutory obligation of collective responsibility, as well as of a special agreement on cabinet discipline concluded after the crisis over leaks to the press at the beginning of January 1958 (AJYB, 1959 [Vol. 60], p. 235). He therefore demanded the resignation of the four ministers. When they refused he submitted his own resignation to the president on July 5. This was constitutionally equivalent to the resignation of the entire cabinet.

Negotiations with the General Zionist and National Religious parties failed to produce a new majority. Hence the outgoing administration continued in office until a new government, enjoying the confidence of the fourth Keneset, could be established after the elections.

Other Domestic Affairs

Important Jewish and international gatherings in Israel, most of them connected with the tenth-anniversary celebrations, included the 20th-anniversary convention of UJA and the first World Jewish Youth Conference, in July 1958, sponsored by the WZO; the International Mobilization Conference for Israel Bonds and the International Lawyers' Convention, in August; the three-month International Seminar on Cooperation, under the joint auspices of the ministry of foreign affairs and Histadrut (General Federation of Labor), starting in November; the International Farmers' Convention, in April 1959; the second International Conference of the Association of Bi-national Chambers of Commerce with Israel, and the triennial convention of B'nai B'rith, in May.

On October 12, 1958, a special military tribunal presided over by Judge Benjamin Halevy, president of the Jerusalem district court, found eight officers and men of the border patrol guilty of "deliberately causing the deaths" of 43 members of the Arab village of Kafr Kassim on October 29, 1956, the eve of the Sinai campaign. They received sentences ranging from 7 to 17 years. The court laid down the principle that a soldier who obeyed a manifestly unlawful order would be held criminally responsible for the consequences. "The protection of the criminal law will always be extended to everyone—whether a citizen of the state or a ward of the state, and whether within the borders of the state or in occupied territory," the court declared.

On May 8, 1959, the sentences were reduced by the Supreme Court, on appeal, to terms of 10, 8, and 7 years, respectively, for two officers and one corporal. The terms of the 5 privates were reduced from 7 to 3 years and they were set free, having been allowed 6 months off for good behavior.

The 50th-anniversary celebrations of the foundation of Tel-Aviv opened on March 10, 1959.

The elections to the ninth national congress of the Histadrut took place on May 17. About 80 per cent of those eligible to vote went to the polls. The results (with those of the elections in 1955 in parentheses) were as follows: Mapai—55.42 (57.7); Ahdut ha-'Avodah—17.03 (14.6); Mapam—13.92 (12.5); ha-'Oved ha-Tziyoni (Progressive)—5.77 (5.3); General Zionist Workers—3.48 (3.8); Communists—2.80 (4.1); ha-'Oved ha-Dati (Orthodox)—1.57 (2.0).

Zionist Gatherings

The Jewish Agency executive, meeting in plenary session in August 1958, discussed the need to intensify support of Israel in view of the new Middle East situation following the Iraqi revolution. The Smaller Zionist General Council, which convened on October 15, 1958, heard reports on preparations to deal with the increased immigration expected from Eastern Europe.

The Zionist General Council, meeting from May 31 to June 9, 1959, approved the amendment of the constitution of WZO to empower President Nahum Goldmann to negotiate with Jewish national and international bodies accepting the Zionist program, with a view to their admission to the organization *en bloc*. WZO was redefined as an association of national and territorial Zionist organizations and federations.

Population and Migration

At the end of December 1958 the population of Israel was 2,031,672, consisting of 1,810,148 Jews and 221,524 others (152,568 Moslems, 47,612 Christians, and 21,344 Druse). There were 5,000 members of the Karaite community and 150 Samaritans. As of June 1, 1959, the figures were 1,836,886 Jews and 225,116 non-Jews. Of the population increase of 55,000 in 1958, net immigration supplied about 15,000 and natural increase the remainder.

There were 27,290 immigrants¹ in 1958, as against 72,634 in 1957. Another 15,797 came in the first six months of 1959, bringing the total number of immigrants since the establishment of the state to 938,071.

Emigration from Israel in 1958 amounted to about 11,500, approximately the same as in 1957. Between the establishment of the state and the end of 1958 about 100,000 Jews left Israel to settle in other countries. About three-fifths of these were new immigrants and two-fifths veterans. Almost half the latter were born in Israel, including some of the children of the departing new immigrants.

TABLE 1
POPULATION, DECEMBER 1948 TO JUNE 1959

<i>Year end</i>	<i>Total</i>	<i>Jews</i>	<i>Others</i>
1948	879,000 ^a	758,702	120,000 ^a
1949	1,173,871	1,013,871	160,000
1950	1,370,094	1,202,993	167,101
1951	1,577,825	1,404,392	173,433
1952	1,629,519	1,450,217	179,302
1953	1,669,417	1,483,641	185,776
1954	1,717,814	1,526,009	191,805
1955	1,789,075	1,590,519	198,556
1956	1,872,390	1,667,455	204,935
1957	1,975,954	1,762,741	213,213
1958	2,031,672	1,810,148	221,524
1959 ^b	2,062,002	1,836,886	225,116

^a Estimated.

^b As of June 1, 1959.

After the 1957 wave of immigrants from Eastern Europe, especially Poland and Hungary, immigration declined in the first half of 1958. There was an upward trend towards the end of the year, when the Rumanian government allowed some Jews to leave to facilitate reunion of families, but this trend was not maintained in the first half of 1959 (see p. 274).

¹ Immigration figures given in this survey include tourists and temporary residents obtaining permission for permanent residence.

About half the immigrants in 1958 came from Eastern Europe (mostly in the second six months of the year), 7,500 from Asia, 4,000 from Africa (mainly North Africa), 800 from South America, 720 from Western Europe (including about 500 from Britain), 378 from the United States, and 31 from Canada.

At the beginning of December 1958 a voluntary Immigration Loan of I£120 million was launched in Israel. As increased immigration was expected, this was replaced by a compulsory Absorption Loan, approved by the Keneset in April 1959. The collection of this loan was postponed, however, pending a decision by the Keneset finance committee.

In 1958 the Jewish birth rate fell about 2 per thousand to 24.05 per thousand, while the birth rate among non-Jews rose 1.38 to the high figure of 48.03 per thousand. The death rate fell about 1.5 per thousand among both Jews and non-Jews, to 5.62 and 7.87 per thousand respectively. Infant mortality fell 2.48, to 30.91 per thousand live births, among Jews, and no less than 11.11, to 51.34, among non-Jews.

Children under 14 were 34.8 per cent of the Jewish and 45.7 per cent of the non-Jewish population. The percentages for other age groups were: 15 to 29, 21.8 and 26.3; 30 to 44, 19.8 and 13.0; 45 to 64, 19.0 and 10.4; over 64, 4.6 and 4.6.

DISTRIBUTION OF THE POPULATION

At the end of 1958 the population lived in 21 towns, 36 urban settlements, 45 large villages, 133 small villages, 344 *moshavim* (cooperative smallholders' settlements), 228 *kibbutzim* and *kevutzot* (collective settlements), 20 *moshavim shittufiyim* (combining features of the *moshav* and the *kibbutz*), 11 temporary settlements, and 63 large farms, agricultural schools, and other institutions.

There were 166 local authorities: 21 municipalities, 95 local councils, and 50 regional councils administering 682 villages.

The urban population constituted 76 per cent of the total, compared with 75.7 per cent at the end of 1957.² The proportion in the three chief cities—Haifa, Jerusalem, and Tel-Aviv—was almost stationary, at 35 per cent. In 1949 it had been 44.5 per cent.

Of the Arab and Druse population, 74.5 per cent lived in 104 villages, of which 21 were administered by local councils and 9 were included in regional councils, and a number of Beduin encampments. The remainder lived in the municipalities of Nazareth and Shefar'am, and in six towns of mixed population.

Economic Developments

NATIONAL INCOME

The gross national product increased in 1958 to I£3,530 million at current prices, I£263 million higher, in real terms, than the 1957 figure. This was an increase of 8.1 per cent, as compared with an increase of 11 per cent from 1956 to 1957. National income in 1958 was estimated at I£2,728 million, an

² In figures previously published the rural population included settlements later given municipal status.

increase of 7.3 per cent in real value over 1957; the increase at current prices was 13.3. The share in the national income of the various branches of the economy in 1957 and 1958 is shown in the following table:

TABLE 2
NATIONAL INCOME BY ECONOMIC ORIGIN, 1957 AND 1958
(in percentages at current prices)

	1957	1958	Increase 1958 over 1957
Agriculture	12.4	12.2	11.1
Industry and mining	20.6	20.6	12.9
Contract construction	6.7	6.5	7.9
Utilities	1.6	1.7	16.8
Transport	7.8	8.0	17.7
Commerce	9.8	10.0	16.4
Finance and real estate	11.9	11.9	13.5
Other services	9.4	9.6	16.6
Public sector and non-profitmaking institutions	19.8	19.5	11.8

National income *per capita* rose from I£1,245 in 1957 to I£1,364 in 1958, an increase of about 9 per cent, or 3.5 per cent at constant prices.

MANPOWER

Quarterly manpower surveys carried out in 1958 indicated that while the total population 14 years and over had increased 3 per cent since 1957 (from 1,275,300 to 1,313,650), the civilian labor force had risen on the average only 1.4 per cent (from 689,750 to 698,275). The average number of those employed, however, increased 2.5 per cent, and the average daily number of unemployed registered at the labor exchanges fell from 12,500 in 1957 to 9,300 in 1958.

There was an increase from 16.3 to 17.6 in the percentage employed in agriculture and a decrease from 13.0 to 12.3 per cent in the proportion of those engaged in trade, banking, and insurance.

INVESTMENTS

Gross investments increased 4.6 per cent in real terms, from I£883 million ³ (at 1958 prices) in 1957 to I£924 million in 1958. The percentage of the total devoted to productive purposes—agriculture, industry, mines and quarries, and electricity—rose from 40 per cent to 45. The share of investment financed by the government, the Jewish Agency, and other public bodies fell from 57 per cent in 1957 to 50 per cent in 1958. The total investment was divided as follows:

³ Revised estimate.

TABLE 3
GROSS FIXED INVESTMENT BY INDUSTRIAL USE, 1957 AND 1958
(millions of 1958 I£)

<i>Industry</i>	<i>1957^a</i>	<i>1958</i>	<i>Increase or decrease (per cent)</i>
Agriculture and irrigation	171.4	211.7	+23.5
Industry	106.0	151.5	+42.9
Mines and quarries	18.2	5.5	-69.8
Electricity	57.5	51.5	-10.4
Transport	148.3	117.1	-21.0
Residential building	278.2	277.5	- 0.1
Services	103.7	108.7	+ 4.8
TOTAL	883.3	923.5	+ 4.6

^a Revised estimate.

A revised Law for the Encouragement of Capital Investment, providing more generous concessions for foreign investors, was passed on August 6, 1959.

AGRICULTURE

Gross agricultural production from October 1957 through September 1958 was I£716 million, 13 per cent higher at constant prices than in the previous year. The increase was highest in eggs and poultry (48.6 per cent) and milk and beef (21.1 per cent), and lowest in crops—vegetables, grain, fruit (3.6 per cent).

The cultivated area in 1958-59 was 4,040,000 dunams (one dunam = about ¼ acre), of which 1,290,000 dunams were irrigated, compared with 3,947,000 and 1,230,000 dunams respectively in 1957-58.

The improvement in production was achieved in spite of a drought during part of the year. It was the result of expansion of the area under cultivation, increase in the number of agricultural workers, improved efficiency, and higher labor productivity.

Agricultural exports increased 6 per cent in 1958, to \$57 million. Provisional figures for the first half of 1959 showed little change. Citrus exports, 85 per cent of the total (compared with 89 per cent in 1957), were 8 million cases in 1957-58, about the same as in the previous year, but prices were on the average 1.3 per cent higher. Agricultural exports other than citrus rose 47 per cent in 1958, to \$8.6 million. The increases were mainly in eggs, grapes, bananas, and melons.

An agreement between the state and JNF established two central authorities, with representation for both participants, to deal with state and JNF land; each retained ownership of its own holdings. A National Land Authority, within the framework of the government, was to administer the lands, while a Land Development Authority, within the framework of JNF, was to deal with land reclamation, afforestation, and the like. The agreement awaited Keneset ratification.

INDUSTRY

The aggregate value of industrial output at current prices was estimated at I£1,715 million, 12.7 per cent above the 1957 figure of I£1,522 million. Since

prices rose 2 to 3 per cent, the real output rose about 10 per cent. The increase was greatest in chemicals, metals, electrical equipment, paper and printing, transportation equipment, and clothing. The value added by manufacture was estimated at I£658.2 million in 1958, as against I£581.7 million in 1957, an increase of 13.2 per cent, or 10 per cent in real value.

Industrial exports were steady at \$82 million, though prices fell 3 per cent. They included cut diamonds—\$34.3 million; textiles and wearing apparel—\$7.5 million; rubber tires and tubes—\$5.8 million; preserves and fruit juices—\$5.7 million; potash—\$3.0 million; plywood—\$2.9 million; art objects, religious requisites, and books—\$1.9 million; cement—\$1.7 million; motor vehicles—\$1.6 million, and postage stamps—\$1.5 million.

BUILDING

The volume of building in 1958 was slightly greater than in 1957, when there was a considerable rise in building for new immigrants. Residential building decreased slightly as construction for new immigrants declined, but there was a considerable rise in the building of homes for persons living in *ma'barot* (temporary immigrants' quarters) and in government "saving for housing" developments. There was also an increase in industrial construction. The value of all types of buildings rose to I£371 million, an increase of 3 per cent at constant prices over 1957. Two-thirds of the homes built were financed by public funds, mainly in the form of long-term government loans.

In August 1959 Labor Minister Mordecai Namir announced in the Keneset that 47,000 families in tents and in canvas or aluminum huts had been rehoused, leaving only 800 in this category, and that good progress was being made in rehousing those in wooden huts. The next step would be a special project to build new homes for people living in slums.

TRANSPORTATION

The transportation industry earned some I£400 million in 1958, 12 per cent more than in 1957. Shipping activity increased about 9 per cent, and El Al Israel National Airlines expanded its operations by 68 per cent, but railroad traffic fell 6.5 per cent as a result of the transportation of oil by pipeline and an increase in the carriage of goods by road.

While freight at Haifa port was almost unchanged, and the number of passengers fell from 121,000 in 1957 to 88,000 in 1958, there was a considerable expansion in the operations of Eilat harbor. After I£2 million was invested in developing the harbor in 1957 and 1958, imports through Eilat rose 31.8 per cent to 29,000 tons in 1958, and exports 57.9 per cent to 30,000 tons.

An agreement for the completion and operation of a 16-inch oil pipeline from Eilat to Haifa was signed in July 1959 between the government and an international group of investors headed by Baron Edmond de Rothschild, who were to invest over \$20 million in the undertaking.

Six more ships were added to the Israel merchant fleet in 1958 and four in the first half of 1959, bringing the gross tonnage to 233,405 and the dead-weight tonnage to 290,626 on June 30, 1959; these included four passenger ships, two passenger-and-cargo ships, 35 freighters, and four tankers.

El Al brought into service the fourth of its Bristol Britannia jet-propelled airplanes, greatly reducing the time required for the Atlantic crossing.

PRICES

The consumer's price index (1951 = 100) stood at 248 in 1956, 264 in 1957, and 273 in 1958. The percentage rise in prices over the preceding year was thus 6.5 in 1957 and 3.4 in 1958. There was no change in the first half of 1959. Average building costs rose only 1.1 per cent from 1957 to 1958.

LABOR

Though there was no increase in basic wages in 1957, the gross wages and salaries per worker rose 5 per cent, because of higher cost-of-living, seniority, and family allowances, as well as increased output and upgradings due to improved skill.

There were 48 strikes in 1958, with 87,751 days lost, compared with 57 strikes and 166,955 days lost in 1957, but in 1958 there were 6,050 strikers as against 3,648 in the previous year.

The Histadrut reformed the administration of its industrial and marketing undertakings, promoting decentralization and public control through Hevrat 'Ovedim, its economic arm.

FOREIGN TRADE

Israel's foreign trade was affected by a 7-per cent fall in import prices and a 2-per cent fall in export prices in 1957.

Imports of commodities fell from \$432.1 million in 1957 to \$421.5 in 1958, and exports of commodities fell from \$140.8 million in 1957 to \$139.2 million in 1958. Since the cost of Israel's imports declined 7 per cent, and the prices earned by exports declined 2 per cent, these figures corresponded to increases of 5 per cent and 1 per cent respectively at fixed prices. The trade deficit, without taking government services into account, fell for the first time since 1954, from \$297 million to \$281 million, a drop of 5.4 per cent. With government services, transport, and insurance taken into account, the deficit in the balance of payments was \$334 million, against \$335 million in 1957.

Exports in the first half of 1959 (including most of the season's citrus exports) were \$99.5 million, 15 per cent over the \$86.5 million of the corresponding period of 1958. Twelve million dollars of the increase came from industrial exports, including \$6 million more from diamonds. Imports were \$217 million, \$2 million less than in January-June 1958.

Income from services increased from \$81.2 million in 1957 to \$99.5 million in 1958. The tenth-anniversary year brought 75,000 tourists, compared with 44,500 in 1957, and income from this source rose from \$5.5 million to \$11.9 million. Some 44,000 tourists came in the first half of 1959.

Education, Science, and Culture

Enrollment in kindergartens, schools, and colleges of all types was expected to exceed 600,000 in 1959-60, about 9 per cent more than in the previous year. This estimate included 80,000 in kindergartens, 417,000 in primary schools, 32,000 in secondary schools, 30,000 in vocational and agricultural schools and

courses, and almost 10,000 in institutions of higher education. The rest (12,000) consisted of students in *yeshivot*, Christian mission schools, etc.

About 52 per cent of the pupils in the primary schools were born in Israel, 36 per cent in Asian and African countries, and 12 per cent in Europe and America. Between April 1956 and April 1959, new schools containing 2,515 classrooms were built at a cost of I£28,851,000.

Prevocational classes, introduced in a number of centers to prepare children for industry and agriculture, had about 13,000 pupils.

In order to improve the functioning of the Jewish-consciousness program (see p. 299) introduced during the previous year, steps were taken to expand Jewish studies in the teacher-training colleges. Greater stress was to be laid on diaspora history, the characteristics of the various Jewish communities, the relationships between Israel and the diaspora, Jewish culture and thought, and Jewish religious and traditional life.

SECONDARY EDUCATION

Because of the heavy burdens on the country's finances, there was no immediate prospect of universal free secondary education. Plans for the next few years included expansion of the secondary-school network, greater financial support for schools and pupils, and a comprehensive program for training secondary-school teachers. It was also planned to establish two-year secondary schools (for ages 14 to 16) and to introduce a limited form of compulsory secondary education in certain areas, particularly those largely inhabited by new immigrants.

In 1958, 82 per cent of primary-school graduates continued their education, 66 per cent in day and evening secondary schools, 22 per cent in vocational schools, and 12 per cent in agricultural schools.

Beginning with the 1957-58 school year, graduated fees, with government subsidies for parents with limited means, were introduced for new entrants to secondary schools. Each year the new class of entrants was included, so that in the 1959-60 school year the first three years of the secondary school (ages 14 to 17) were covered; and in the following year all secondary-school pupils would be included.

Children from the oriental communities were 22 per cent of the pupils in secondary schools, 42 per cent in vocational schools, and 48 per cent in agricultural schools. The graded-fees plan was expected to increase their proportion in the secondary schools considerably.

HIGHER EDUCATION

During the 1958-59 academic year there were 4,569 students in the Hebrew University in Jerusalem, as compared with 4,373 in 1957-58; there were 808 teachers. The university awarded the record number of 617 degrees at the end of the session, bringing the total number of graduates since 1948 to almost 4,700. The school of dentistry gave its first degrees, and the Tel Aviv School of Law and Economics became affiliated with the university.

The 12 faculties and departments of the Haifa Technion, the Israeli institute of technology, had 3,172 students, compared with 2,344 in 1957. The extension division had about 4,000 students.

In 1959 the Weizmann Institute of Science at Rehovot had 200 scientists working in ten departments.

In Tel-Aviv University (excluding the School of Law and Economics) there were about 350 students, and 370 in the religious Bar-Ilan University at Ramat Gan.

Cultural Activities

The centenaries of Eliezer Ben-Yehudah, pioneer of modern Hebrew, and Sholem Aleichem, the great Yiddish writer and humorist, were celebrated in December 1958 and February 1959 respectively. The year beginning February 19, 1959, was proclaimed Sholem Aleichem year in Israel.

A World Jewish Bible Society was founded in October 1958, and a Committee for Interfaith Understanding, representing Jews, Christians, Moslems, and Druse, was set up in January 1959.

Cultural institutions that opened included the Queen Elisabeth of Belgium Institute of Archaeology at the Hebrew University, in March 1959; the new center of the Hebrew Language Academy, in May 1959; the Glass pavilion of Muzeon ha-Aretz (the Land of Israel Museum), in May 1959, and the Helena Rubinstein pavilion of the Tel-Aviv Museum, in June 1959.

On Independence Day, May 13, 1959, Israel Prizes were awarded in belles lettres to Izhar Smilansky, for his novel, *Days of Ziklag*, and to Y. Goleh, the pseudonym of a Hebrew poet living in an East European country, for his poem, *The Burden of Gog*; in religious literature to Rabbi S. J. Zevin, for his work on the *Talmudic Encyclopedia*; in science to Ephraim Katchalsky and Michael Sela for their polymer research; in humanities to the late Leo A. Mayer for his research into Islamic culture; in agriculture to Hillel Oppenheimer for his work on plant growth in citriculture, and in fine arts to Joshua Bertonov, the veteran Habimah actor, and Joseph Zaritski, the artist.

THEATER AND MUSIC

Habimah celebrated its 40th anniversary and was officially recognized by the government as the Israel National Theater on October 10, 1958. Some of its main productions during the season were *Staircase Street*, an original Hebrew play by Judith Hendel; Aristophanes's *Lysistrata*; Eugene O'Neill's *Touch of the Poet*; Shakespeare's *Merchant of Venice*, produced by Tyrone Guthrie, and John Osborne's *Look Back in Anger*.

The Kameri theater presented Luigi Pirandello's *Tonight We Improvise*, Thomas Wolfe's *Look Homeward, Angel*, and Henrik Ibsen's *Doll's House*.

Ohel theater presented Peter Shaffer's *Five-finger Exercise* and Tennessee Williams's *A Streetcar Named Desire*.

The three main companies staged over 1,300 performances, and their audiences totaled over a million. The Sambatyon and Batzal Yarok revue companies performed frequently during the year. There were also a number of children's theater companies, several small repertory companies, and about 200 amateur groups. The Israel National Opera staged *La Traviata*, *Madama Butterfly*, *Die Fledermaus*, and *Alexandra the Hasmonean*, an original Hebrew opera, with libretto by A. Ashman and music by Menahem Avidom.

The Israel Philharmonic Orchestra appointed Jean Martinon as its musical director. In the 173 concerts it gave during the 1958-59 season it was conducted by Martinon, Eugene Ormandy, Josef Krips, Carlo Giulini, Georg Singer, and others, and the soloists included Artur Schnabel, Yehudi and Hephzibah Menuhin, Glenn Gould, and George London. It had 22,000 subscribers. The orchestra presented concert performances of Verdi's *Falstaff* and *The Masked Ball*, and in August 1959 it participated in the international music festival in Athens.

Jewish Religious Affairs

The Jewish-consciousness program in the schools, introduced in 1957 for the purpose of giving the children in the state schools a better understanding of Jewish religious traditions and observances, Jewish thought and life, and the problems of diaspora Jewry, won wider acceptance, though it was still criticized by the Orthodox as not going far enough and by leftist circles as going too far. Special attention was paid to training teachers in the subjects dealt with in the program.

The Circles for Progressive Judaism, which held Friday-night and festival services in Jerusalem, Tel-Aviv, Haifa, and a few other centers, affiliated with the World Union for Progressive Judaism. There was also a circle in Haifa associated with the Conservative movement in the United States.

It was announced on November 30, 1958, that all rules in force since the establishment of the state on the registration of the children of mixed marriages had been annulled.

Jewish scholars and spiritual leaders in Israel and the diaspora had been asked to give their opinion on the nationality of children of non-Jewish mothers and Jewish fathers. Prime Minister David Ben-Gurion stated in the Knesset in July 1959 that for the time being the nationality of the children in question was not being registered. The replies to the prime minister's inquiry, published in August 1959, showed that the overwhelming majority of those consulted believed children should be registered only on the basis of the *halakhah* (Jewish religious law). It was expected that the question would be settled after the general election in November 1959.

Differences of opinion arose between Rabbi Jacob Moses Toledano, the new minister of religious affairs, and Sephardi Chief Rabbi Jacob Nissim on the registration of the children of mixed marriages and the respective powers of the ministry and the chief rabbinate. At a meeting between Rabbis Nissim and Toledano, agreement was reached on most points of dispute.

At the beginning of 1959 there were 177 religious councils. In 1957-58 they expended £4.4 million on religious services in the various localities, in addition to the expenditure of the ministry of religious affairs. Twenty-five additional rabbis were appointed in 1958-59, bringing the total number to about 350. The salaries of rabbis and *daiyanim* (religious-court judges) were raised.

There were over 4,000 synagogues in Israel, including 316 established in 1958-59; in 1948 there had been about 900. A special department of the

ministry of religious affairs cared for the religious needs of 400 new immigrant settlements.

In 1958 Israel exported about half a million dollars' worth of religious supplies—almost twice as much as in the preceding year.

The ministry subsidized 146 *yeshivot*, with over 8,400 students, in 1958. Five new *yeshivot* were established in new immigrant settlements.

Ten local authorities passed by-laws forbidding the sale of pork. Twenty-five such by-laws, in force at the time of writing, covered the greater part of the population.

Christian and Moslem Communities

Ninety per cent of the Christians in Israel were Arabs. There were over 1,100 Christian clergymen, 200 churches, 100 monasteries, and 50 church schools, with 9,500 pupils.

Monsignor Antonio Vergnani, head of the Roman Catholic Latin community, resigned, and was succeeded by Reverend John Kaldani, a Palestine-born citizen of Israel.

The ministry of religious affairs continued to help the Christian communities to maintain their religious activities, paying special attention to the numerous Christian pilgrims who came during the tenth-anniversary year. Regulations were amended to make it easier for clergy to cross the border in both directions to visit holy places in Israel and Jordan. Three thousand Christian citizens of Israel crossed on Christmas to visit the Holy Places on Jordan territory.

The ministry contributed in 1958 to the salaries of 178 Moslem religious dignitaries. The four Shari'ah courts heard 2,524 cases.

Repairs to the Great Mosque in Jaffa and the Jerina mosque in Haifa were completed; repairs to the al-Jazzar mosque in Acre were almost completed.

ARABS IN ISRAEL⁴

On December 30, 1959, Prime Minister Ben-Gurion met the members of the Keneset representing Arab and Druse parties to discuss Arab progress and plans for the future.

In 1958 there were about 1.1 million dunams (over 250,000 acres) of land at the disposal of Israel's Arabs (with the exception of the Beduin), of which about a half was arable and the rest pasture land. Thirty thousand dunams of the total area were irrigated. In addition, the Beduin in the Negev cultivated crops in rotation on 400,000 dunams and pastured their flocks on another 600,000 dunams.

On August 4, 1959, the government announced far-reaching relaxations of military-government restrictions in the border areas, in which the majority of the Arab population lived. It authorized Arabs to move freely without permits during the daylight hours in most parts of the country. (The main exceptions were Jerusalem and the Negev.) Arabs were to be encouraged and assisted to settle in mixed towns, in which the restrictions did not apply.

⁴ For population, distribution, and vital statistics, see p. 291.

Local government covered about half the Arab population, and steps were being taken to set up further local councils in the Arab villages. In 1958-59 the regular budgets of the 17 Arab local councils totaled I£1.6 million, and their development budgets I£2 million. The government contributed 20 per cent of the former and 60 per cent of the latter. By the end of 1958, 103 water installations had been set up or basically repaired in Arab villages, the government paying 50 per cent of the cost.

From 1948 to 1958 the value of Arab agricultural produce increased six-fold, at constant prices, mainly as a result of government assistance in introducing new crops and better methods of cultivation. The two government tractor stations were managed by the Arabs themselves, and 22 of the 32 members of the staff of the ministry of agriculture's Arab village-development program were Arabs. The flocks and herds of the Negev Beduin numbered 107,000 sheep and 10,000 camels, eight times as many as in 1948. The ministry of agriculture paid I£1 million in subventions to the Beduin after the 1957-58 drought. A preserves factory was erected with the aid of Arab and Jewish capital in Bak'a al-Gharbiya in February 1959.

The number of Arab unemployed registered at the labor exchanges fell to 1,160 in 1958, compared with 2,470 in 1954. The ratio of the average Arab wage to the average Jewish wage rose to 1:1.5 in 1958, from 1:5 in 1948 and 1:3 in 1953. Arabs engaged through the labor exchanges received the same wages as Jews. In February 1959 the Histadrut decided to accept Arabs as fully equal members. At the end of 1958 there were 47 Arab cooperatives.

In January 1959 there were 116 Arab kindergartens, 131 elementary schools, and 5 secondary schools, with 1,169 teachers and 33,787 pupils. In addition there were about 9,000 Arab pupils in church and other private schools. Attendance of children of compulsory school age was 93 to 95 per cent for boys and 40 to 45 per cent for girls. Sixty per cent of Arab pupils in secondary schools paid reduced fees, compared with 30 per cent of Jewish pupils. There were 73 Arab students at the Hebrew University and 12 in the Technion.

The Israel radio broadcast Arabic programs for seven and a half hours per day. Twenty thousand Arab families, one in three, had radio sets.

Personalia

Joseph Gedaliah Klausner, historian and author, died in Tel-Aviv on October 27, 1958, at the age of 84. Elias Epstein, director of the ZOA House and member of the directorate of JNF, died in Tel-Aviv on November 24, 1958, at the age of 63. Rabbi Abraham Hayyim Shaag (Zwebner), Mizrahi leader, died in Jerusalem on December 6, 1958, at the age of 75. Joseph Tzevi Rimmon, Hebrew poet, died in Tel-Aviv on December 17, 1958, at the age of 69. Joseph Sprinzak, labor leader and first speaker of the Keneset, died in Jerusalem on January 28, 1959, at the age of 74. Ernst Kahn, banker, died in Jerusalem on February 19, 1959, at the age of 75. Zalman Shneour, Hebrew poet, died in New York on February 20, 1959, at the age of 73 (see p. 419). Elijah Berligne, veteran Zionist leader and signatory to the Proclamation of Independence, died in Tel-Aviv on February 24, 1959,

at the age of 94. Zelig Soskin, agronomist and Zionist leader, died in Tel-Aviv on February 26, 1959, at the age of 86. Harry Beilin, chief of protocol in the foreign ministry, died in Jerusalem on March 15, 1959, at the age of 53. Thelma Yellin, cellist, died in Jerusalem on March 22, 1959, at the age of 64. Leo A. Mayer, emeritus professor of Near Eastern art and archeology at the Hebrew University, died in Jerusalem on April 6, 1959, at the age of 64. Reuben Shiloah, political adviser to the foreign ministry, died in Tel-Aviv on May 10, 1959, at the age of 49. Menahem Binyamini, veteran Habimah actor, died in Tel-Aviv on June 18, 1959, at the age of 61. Ashkenazi Chief Rabbi Isaac Hezekiah Halevi Herzog died in Jerusalem on July 25, 1959, at the age of 70.

MISHA LOUVISH

Arab Middle East *

Jewish Populations

IN the Arab countries of the Middle East—Aden, Iraq, Jordan, Lebanon, Saudi Arabia, Sudan, the United Arab Republic (UAR; Egypt and Syria, with Yemen loosely attached)—the Jewish communities, already extremely small at the beginning of the period under review (July 1, 1958, to June 30, 1959), continued to dwindle. In modern times Sudan, Saudi Arabia, and Jordan never had Jewish communities of any significant proportions. Where relatively large Jewish centers had existed—Iraq, Egypt, and Yemen, and to a lesser extent Aden, Lebanon, and Syria—major population changes had taken place before July 1958.

In Iraq a Jewish population of about 130,000 was reduced to perhaps 5,000 by a mass emigration, chiefly to Israel, in 1950-51. Yemenite Jews, who had been emigrating to Palestine since 1881, carried out a virtually total evacuation in 1949-50, when over 40,000 were flown to Israel. The Syrian Jewish community, which had been gradually declining for decades, dropped from approximately 30,000 to about 5,500 after the rise of Israel. A similar decline in Egypt, from perhaps 90,000 in 1947 to between 40,000 and 50,000 in 1956, was sharply accelerated after the Israeli attack on Sinai in 1956. The emigration which followed left behind approximately 15,000 Jews in Cairo and Alexandria. During those years Lebanon and Aden were transit areas for large numbers of Jewish émigrés from Syria and Yemen respectively, but by July 1958 the Jewish population had stabilized at between 6,000 to 6,500 in Lebanon and 800 in Aden.

Those Jews who had remained in the Arab countries were often the wealthy, who had most to lose by leaving, or the old, who were reluctant to leave a familiar environment, however harsh. Community functions, shrunken by the decline in numbers, were generally subject to stringent government control. Jewish economic activities were frequently hampered by policies of "Arabization." In the UAR especially, the government sometimes placed Moslem Arab supervisors in charge of enterprises owned by foreigners, Christians, or Jews, and required them to hire additional Moslem Arab employees. Jews, because of the conflict with Israel, were subject to especially close and suspicious supervision.

Pan-Arab Nationalism

The trend to pan-Arab nationalism, which reached its height when Egypt and Syria joined in the UAR on February 1, 1958, met strong opposition in

* For meaning of abbreviations, see p. 359.

some Arab countries during the year under review. Internal Arab conflicts were interwoven with the global rivalry of East and West. A realignment of forces was still in process in the summer of 1959.

Lebanon

In July 1958 the pan-Arab cause seemed about to celebrate a new triumph through the expansion of UAR President Gamal Abdul Nasser's sphere of influence into Lebanon, torn by civil war. The hard-pressed pro-Western government of President Camille Chamoun and Premier Sami as-Solh was being given little aid by either the Western governments or the UN. On July 4 the first report of the United Nations Observation Group in Lebanon (UNOGIL) declared that it had not been possible to detect evidence of large-scale infiltration of armed forces into Lebanon.

On July 14 Iraqi forces under the command of Brigadier General Abdul Karim Kassim and Colonel Abdul Salam Mohammed Aref, ordered to Baghdad in support of Chamoun, rebelled and overthrew the Iraqi monarchy. On the following day American troops were sent to Lebanon and on July 17 British forces were flown into Jordan, in response to the appeals of their governments.

The political consequences in Lebanon were inconclusive. On July 31 the Lebanese parliament chose General Fuad Chehab as a candidate acceptable to both sides to succeed President Chamoun when his term of office expired on September 28. By September 24 Rashid Karami, a leader of rebel forces, was announced as Chehab's proposed premier. This provoked armed opposition by the (Christian) Phalangist movement. On October 14 a compromise government headed by Karami but composed of a balanced group of pro-Western and pro-Nasser, Christian and Moslem, elements, was announced. Hostilities gradually came to an end, and American forces were withdrawn by the end of the month. On December 10 Karami announced that Lebanon no longer supported the Eisenhower Doctrine.

The political upheavals of 1958 did not pass without seriously unsettling the Jewish community in Lebanon. In June the rebel groups had threatened to blow up the Jewish quarter in Beirut, charging that ammunition was being stored in the synagogue (*London Jewish Chronicle*, June 27, 1958). In September Jews were arrested or kidnapped by Moslem extremists on several occasions. On November 7, 1958, the *Jewish Chronicle* reported that 500 Jews had emigrated to Latin American countries "in recent weeks" and 500 more had applied for admission to the United States.

Jordan

The Iraqi rebellion of July 14, 1958, marked the end of the Arab Union, formed five months earlier by the Hashemite kingdoms of Iraq and Jordan in opposition to Nasser's UAR. It seemed to many that Iraq would soon join Nasser's pan-Arab federation, and that British occupation was only a temporary barrier to the engulfment of Jordan. However, the outcome was a sharp setback to Nasser in both cases.

Egyptian pressure against Jordan was countered a few days before the Iraqi

revolt by the arrest of 60 Jordanian officers as alleged plotters against the regime. When the British paratroopers began to leave Jordan at the end of October, King Hussein felt sufficiently strong to cancel death sentences imposed upon rebels. On November 10 he departed by plane for a trip abroad, but it was cut short. Threatened—or allegedly threatened—by UAR aircraft over Syria, the young monarch returned to his capital of Amman, his prestige among his people strengthened by the apparent plot to kidnap or assassinate him. Martial law was lifted on December 1. In December, too, the situation seemed stable enough for the UN to withdraw its last observers from Lebanon and Jordan. On March 8, 1959, King Hussein departed for his postponed trip, during which he successfully negotiated in Washington and London for increased aid to his kingdom. He also visited Nationalist China, Italy and the Vatican, and Turkey.

Iraq

In Iraq the chief advocate of closer ties to the UAR was the Ba'ath party. (Adherents of this international pan-Arab socialist party had taken the initiative in bringing about the federation of Egypt and Syria on February 1, 1958, in part to prevent Communist domination of Syria. Subsequently Nasser banned all parties except the officially-sponsored mass movement.) In Iraq Ba'ath had support in the top echelon of the revolutionary command from Colonel (later Brigadier) Aref. The pro-Nasser pressure exerted by Aref and his partisans brought together in defensive alliance varied elements, including Communists, who opposed Iraq's absorption in the UAR. Kassim based himself upon this coalition and in a series of moves crushed the supporters of Nasserism in Iraq.

On September 12, 1958, Aref was deposed as deputy commander-in-chief of the Iraqi forces. At the month's end he was also relieved as deputy premier and minister of the interior, and was named ambassador to West Germany. On October 7 Kassim placed Aref under house arrest. On October 12 Aref finally departed for Europe. But he soon returned to Iraq, and was arrested on arriving at the Baghdad airport on November 4. Rioting took place in the streets of Baghdad at this time between supporters and opponents of union with the UAR, the latter showing a strong Communist influence. On December 8 the old extremist-nationalist leader, Rashid Ali al-Gailani, was arrested as the leader of a new plot; but on January 14, 1959, Kassim took measures to curb the growing Communist influence by ordering the police activities of the so-called People's Resistance Force to be restricted. In January both Aref and al-Gailani were condemned to death for treason in secret trials before a "people's court" headed by Kassim's fellow-traveling relative, Colonel Fadhil Abbas al-Mahdawi, but Kassim did not approve execution of their sentences. On February 7 Foreign Minister Abdul Jabbar Jomard and five other ministers resigned and were replaced by opponents of union with the UAR. A climactic effort by pro-Nasser elements was the uprising by army units under Colonel Abdul Wahab Shawaf, aided by Shammar tribesmen, in Mosul on March 8. Loyal army and air-force units, together with Kurdish tribesmen, repressed this rebellion and administered a decisive defeat to pro-Nasser forces in

Iraq. In Cairo and Damascus, as well as in Western capitals, these developments were interpreted as the beginnings of a Communist take-over. But in May Kassim issued a succession of statements in which he rejected Communist demands for official recognition as a distinct political party and specific representation in the cabinet.

The position of Iraq between the Eastern and Western blocs was marked by a "neutralism" as ambiguous in its intentions as that of Egypt in earlier periods. In July 1958 Iraq and the UAR alike suspected that the American-British intervention in Lebanon and Jordan was directed against the uprising in Baghdad. When Israel, after a short delay, granted permission for British flights over its territory to supply Jordan, the Egyptians and Iraqis were joined by the Soviet Union in condemning the alleged "Zionist-imperialist" plot against Arab nationalism. Communist delegations from the Soviet Union, China, East Germany, and the Soviet satellite states appeared in Baghdad, and treaties for trade, cultural exchange, and technical and military assistance were signed. As the Iraqi opposition to absorption in the UAR became clearer, Egypt, its own "neutralist" attachment to Moscow growing cooler, began in November and December 1958 to charge that the Communists were engaged in an antinationalist plot against Arab unity. Nevertheless, in November 1958 Nasser accepted Soviet assistance in carrying out the first stage of the Aswan dam, while Kassim did not let his "neutralism" or his new ties with the Eastern bloc prevent him from maintaining advantageous relations with the West. Throughout the period the Iraqis conducted negotiations with the Iraq Petroleum Company to keep Iraqi oil flowing to the West and to obtain the introduction of additional Iraqi personnel (reportedly enjoying Russian technical advice) into strategic positions in the company. On March 24, 1959, Iraq withdrew officially from the Baghdad Pact (see p. 104). On May 11 an agreement was announced by which Iraq was to receive new British equipment for its armed forces, in addition to the material being supplied by the Soviets.

SEQUESTRATION OF JEWISH PROPERTY

After the mass flight of the Jews in 1950-51, a law of March 22, 1951, provided that Jews who had left the country individually and on Iraqi passports (like those affected by the laws concerning the mass evacuation) were to be denationalized, and their property was to be sequestered, if they did not return to Iraq within two months after their names were posted by Iraqi diplomatic or consular service. On November 30, 1958, Radio Baghdad announced that on the following day Jewish property sequestered under this law would be auctioned off in the central market place of the city. In April 1959 it was reported that the government, with the aid of a citizens' committee of Shi'ite clerks, had begun checking the past transactions of firms, large and small, suspected of serving Jewish or Israeli interests.

UAR

The period under review saw a decided swing in the policy of the UAR against Communist influence in the Arab countries. Nasser also increased his efforts for a political and economic rapprochement with the Western

powers. At the same time he did not mean to abandon the advantages he gained from relations with the East. The cautious policies adopted toward the UAR by both Eastern and Western blocs made this policy feasible.

On July 17, 1958, after the American intervention in Lebanon, Nasser flew to Moscow. Cairo reports of his activities there stressed that he was urging Premier Nikita S. Khrushchev not to intervene with force in the dispute. Other interpretations would have it that the Soviet authorities were not interested in committing themselves further to aiding Egypt militarily—except through war-of-nerve tactics such as talk of sending “volunteers”—and that they had suggested economic aid as an alternative in order to sweeten the pill. At this time the UAR and the Russians both condemned the American and British interventions as a “Zionist-imperialist plot.”

United States Deputy Under Secretary of State Robert Murphy was very coolly received in Cairo on August 6, when he came to discuss the situation. (For U.S. aid to Egypt see p. 103.)

France and the UAR signed an agreement on August 13 settling financial claims against each other arising out of the Suez fighting of 1956. On August 30 President Nasser invited Premier Amintore Fanfani of Italy to make a state visit in Cairo. Through the mediatory efforts of President Eugene R. Black of the International Bank for Reconstruction and Development, an agreement on the settlement of claims arising out of the Suez campaign was finally signed by Great Britain and Egypt on February 28, 1959. In May 1959 discussions took place between Egypt and the International Bank on a possible loan for widening the Suez Canal.

By the end of 1958 the strain on UAR-Soviet relations caused by the events in Iraq had become acute. Nevertheless, the Soviet agreement to finance and execute the first stage of the Aswan dam was announced in October. In December Nasser accused Syrian Communists of plotting to break up the UAR and soon thereafter took measures to repress the Communists in Syria and Egypt. Yet on January 7, 1959, Premier Otto Grotewohl of East Germany, visiting Cairo at the same time as Premier Fanfani of Italy, announced an agreement to exchange consuls-general. In response to West German protests the Egyptians explained that what was contemplated was not the establishment of diplomatic relations, constituting recognition of East Germany, but only facilities for trade relations. The exchanges between the UAR and the Soviet Union grew sharper in tone. Khrushchev remonstrated against the persecution of Communists on January 27 and rebuked Nasser as a “hot-headed young man” on March 20, while Nasser charged Iraq and the Soviets with plotting against Arab unity. It was generally believed that the emigration of Rumanian Jews to Israel was suspended in March 1959 because of Arab League and UAR protests, among other reasons (see p. 275).

In the negotiations between the UAR and Western powers on financial claims arising from the Suez fighting and its aftermath, the claims of Jews were a source of recurrent difficulty. A UAR decree of April 8, 1958, provided that Jews within certain broad categories who had left Egypt should be inscribed on “the lists of persons to whom access [to the territory] is forbidden.” The French agreement of August 1958 provided that French citizens who wished to regain or liquidate assets released from sequestration by the UAR should be

readmitted to Egypt, but at the discretion of the Egyptian government. The press continued to report that such French Jews were normally not being readmitted. During his visit to Cairo in January 1959 Premier Fanfani obtained a similar agreement on behalf of Italian citizens. In reply to critics in Rome, it was stated that no discrimination against Jews was accepted by Italy in the agreement, and that among the first 20 Italian nationals to return to Egypt, three were Jews. However, on May 3, 1959, members of an Italian economic mission returning from Cairo said that they had asked the UAR government "to suspend the sale of property owned by Italian nationals, including several Jews" and cancel its sequestration, so that the owners could sell it or transfer it to Italy, in accordance with the agreement.

The Anglo-Egyptian settlement was long delayed by Egyptian demands for war damages and Britain's wish to establish a mission in Egypt to observe the execution of the agreement without implying resumption of diplomatic relations. When other details were worked out, it was disclosed on February 28, 1959, that the Egyptians had listed as agricultural land a large section of valuable suburban real estate near Alexandria, developed from a marsh by a British Jew, Joseph Smouha. The issue was resolved not by revising the evaluation but by an agreement that most of the land would be restored to its owner.

Other Arab Affairs

The division of Nile water for irrigation remained a source of friction between Egypt and the Sudan. The diversion of Nile water by Sudan was a theme of UAR agitation among Egyptian peasants, and in Sudan itself pro-Nasser elements sought a new government more amenable to Cairo. A military *coup* led by Lieutenant General Ibrahim Abboud on November 17, 1958, was generally understood as being intended to strengthen Sudanese independence. The military junta in Sudan faced internal difficulties from certain younger officers, widely regarded as pro-Communist. In June 1959 two of these officers, Brigadier Abdul Rahman Shennan, who had been made minister of local government, and Minister of Communications Mohieddin Ahmed Abdullah, were arrested by order of General Abboud.

Saudi Arabia, which in earlier years had played a leading role in the politics of the area, remained preoccupied with its fiscal difficulties. Attention was devoted chiefly to the problem of balancing the national budget, in large part given over to the maintenance of the royal kinsmen and retainers, and Saudi Arabia remained relatively inactive internationally. However, the policy of the Arabian American Oil Company (Aramco) of banning Jewish employees not only in Saudi Arabia but also in New York State became a public issue (see p. 106).

In July 1958 the dispute between Yemen and the British in Aden over the allegiance of the sheikhs on the borders of these two countries was acute. During the summer of 1958 one sheikh, the sultan of Lahej, attempted to organize his peers in opposition to the British, with the result that recognition of his rule was withdrawn by London and he fled to Cairo. There he consulted with Sheikh Abdullah as-Salim as-Sabah, ruler of oil-rich Kuwait, who had for

months been discussing a possible relationship of his country with the UAR. It had long been one of Egypt's dreams to combine the oil wealth of such countries as Kuwait with the control of all the lanes of Middle Eastern transport as political and economic levers for raising over-populated Egypt out of its extreme and seemingly hopeless poverty.

However, the Iraqi-Egyptian split and the shift in Egypt's position between East and West changed the picture. Whatever interest Kuwait may have had in a federal relation with the UAR dissipated, and in February 1959 pro-Nasser as well as pro-Kassim demonstrations were banned in Kuwait. In April an attempt to overthrow the government of Kuwait was reported by Cairo as Communist-inspired.

The unrest on the Yemen-Aden frontier continued through the summer and fall of 1958. In the beginning of November fighting in Aden itself left 5 dead and 18 wounded, and during the disturbances the Selim Jewish school, maintained by the Anglo-Jewish Association, was set afire. The elections of January 9, 1959, were boycotted by Arab labor and nationalist groups. On February 11 Britain joined six sheikhdoms on the Yemen-Aden borders in a Federation of Arab Emirates of the South, tied to Great Britain but promised ultimate independence. In May a Yemeni delegation was sent to Aden to negotiate a settlement of the outstanding disputes.

Arab League, United Nations, and Israel

The sharpening conflicts among the Arab countries had the paradoxical result of bringing back into prominence one symbol of Arab unity, the Arab League. But attempts to use the league to solve critical differences ended in failure. On the issues between the Arab states and Israel, such as the refugee problem, the Arabs remained uncompromising. The sharper the rivalry between opposing Arab countries, the more keenly they competed to appear most ardent in hostility to Israel; sometimes joint action against Israel could bring together Arab countries which refused to meet for a settlement of their own differences.

During the first week of June 1958 the Arab League met in an unsuccessful effort to settle the dispute between Lebanon and the UAR, then pending before the UN. After the Iraqi rebellion and the Anglo-American intervention in Jordan and Lebanon, an Arab-sponsored resolution passed the UN General Assembly unanimously, even Israel voting in favor, on August 21. It called on the Arab states—i.e., the Arab League—to settle their internal differences in a spirit of mutual respect in consultation with the UN secretary general. But the meetings of the league in September were marked by an acrimonious dispute between the UAR and a new member, Tunisia. This led to a walkout by the Egyptian delegate and Tunisian withdrawal from the league (see p. 316). At the same session the league voted to oppose the election of Charles Malik of Lebanon as president of the UN Assembly, and he was elected against its opposition. Later, in May 1959, he was violently attacked by Lebanese parliamentarians because he had been photographed drinking a good-will toast, in his official capacity, at the Israeli pavilion in the international exhibition at the New York Coliseum. (Malik said he had been tricked into visiting it.)

When Sudan, on March 24, 1959, asked that the Arab League council be convened to mediate between Iraq and Egypt, Iraq refused to attend the session, which took place in the first week of April. Iraq also boycotted an Arab oil conference in April. Inter-Arab polemics gave indirect evidence of the peculiar role of Israel as a deterrent to military adventures by one Arab regime against another. In the trial of Major General Ghazi Daghestani in Baghdad in August 1958, the accused and a former Jordanian officer, General Ali Abu Nuwar, testified that Hashemite plans to invade Syria or to move Iraqi troops across the Jordan were held back by fear of Israeli action against the Jordanian West Bank. A similar revelation was Nasser's charge, on March 22, 1959, that the Iraqis had refused to join him in a "decisive battle" against Israel in November-December 1958, when Arab radio services were raising an alarm over alleged Israeli plans of aggression.

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