THE OUTSTANDING FEATURES OF ISRAEL'S AFFAIRS in 1979 and the first part of 1980 were the beginning of the normalization of relations with Egypt after the conclusion of the peace treaty; the negotiations on autonomy for the Arabs of Judea, Samaria, and the Gaza strip; continued Arab terrorism and Israeli strikes at terrorist headquarters in Lebanon; the establishment of additional Israeli settlements, especially in Samaria; unrest among the Arab population in the areas under Israeli administration; political realignments in the Likud, and preparations for a showdown in the struggle for Labor leadership; and economic difficulties dominated by record inflation.

Normalization of Relations with Egypt

The signing of the peace treaty between Israel and Egypt on March 26, 1979 (see AJYB, Vol. 80, 1980, pp. 258–263) was followed by Prime Minister Menachem Begin's first official visit to Cairo on April 2. He was cordially received, he reported to the Knesset, not only by President Anwar Sadat, but by "thousands, tens of thousands, some say even hundreds of thousands of Cairo residents," who "applauded us and we could really feel how their hearts opened up." A "hotline" was established between Cairo and Jerusalem to facilitate communication between the two leaders.

On April 6 an agreement was signed between Israel and the United States for the construction, with American finance, of two new airfields, at Matred, east of Beersheba, and at Bik'at Ovda, near Eilat. They were to replace the Etzion and Eitan air bases in Sinai, which Israel was scheduled to evacuate by April 1982 under the terms of the peace treaty. The United States government assumed overall responsibility for the project: the work was to be supervised by the U.S. Army Corps of Engineers and the Americans were to bring into Israel most of the equipment, materials, and labor required, so as to avoid the inflationary effects of such large-scale construction works. It was also thought preferable that the United States have responsibility for completing the project in time to enable the peace timetable to be observed. Contracts for the construction of the two bases, at a cost of $1.04 billion, were signed in May with two American companies.

Concern was expressed in Jerusalem in mid-April over bellicose remarks by Egyptian deputy premier Hassan al-Tohami and statements by Prime Minister
Mustafa Khalil and Acting Foreign Minister Butros Ghali implying that, despite the treaty, Egypt might participate in hostilities between Israel and the Arabs. However, President Sadat, in a conversation over the newly-inaugurated "hotline," reassured Prime Minister Begin that all was well. Defense Minister Ezer Weizman paid a "very friendly" visit to Egypt toward the end of the month, and had talks with Sadat to "further and deepen the already deep friendship between us," as he put it.

The formal instruments of ratification of the treaty were exchanged at the American Sinai field mission station at Umm Khashiba, and went into force on April 26. The first Israel-flag ship passed through the Suez canal on April 30. The town of El-Arish, on the Mediterranean coast, with a broad corridor linking it to the Suez canal area, was handed back to Egypt as a gesture on May 25, eight months ahead of schedule. On the same day, Egyptian and Israeli representatives met in Beersheba to start negotiations on the plan for autonomy in Judea and Samaria (the "West Bank") and the Gaza Strip (see below).

The hand over of El-Arish was preceded by a four-day confrontation between Israeli soldiers and Jewish settlers from Neot Sinai in the Rafa area (Pit'hat Rafi'ah), who had been cultivating a 500-acre vegetable field in the area to be transferred. A minor battle ended only when Prime Minister Begin promised to ask President Sadat to allow the settlers to continue cultivating the field. When the two leaders met on the 27th in El-Arish for talks in which U.S. secretary of state Vance also took part, Sadat insisted that the field be vacated. Begin announced that the borders between Egypt and Israel were now open, although practical arrangements still remained to be worked out. Sadat was welcomed by President Yitzhak Navon and Begin when he visited Beersheba the same day.

The establishment of normal relations between the two countries was based, as Israeli officials put it, on gradualness and reciprocity. During a visit to Cairo early in June, Foreign Minister Moshe Dayan agreed with Prime Minister Khalil and Acting Foreign Minister Ghali on unlimited air and sea travel, leaving land links to be arranged. Other landmarks in the normalization process were: June 9—Yigael Yadin, deputy prime minister, started a six-day visit to Egypt, devoted mainly to antiquities; June 29—the first meeting of the joint military committee took place in Beersheba; July 8—Koor, the Histadrut’s industrial concern, set up a trade office in Cairo in cooperation with an Egyptian company; July 10—Prime Minister Begin started a three-day visit to Alexandria; July 23—Histadrut secretary-general Yeruham Meshel visited Egypt as a guest of the Egyptian minister of labor; July 29—Egyptian defense minister Kamal Hassan Ali came to Israel to discuss the situation after the expiration of the UN Emergency Force’s mandate (see below); August 21—the first group of Israeli tourists left for Egypt via Athens; September 4—President Sadat started a three-day visit to Haifa and was received by President Navon; October 22—an Israeli academic delegation visited Cairo to inspect the Genizah; November 15—the area of Santa Katerina monastery was transferred to Egyptian sovereignty ahead of time, with special arrangements for Israeli tourists; November
25—the area including the Alma oilfield (developed by Israel) was transferred to Egyptian sovereignty; January 7, 1980—Prime Minister Begin arrived for a three-day visit in Aswan; January 25—the area containing the Refidim airfield in Sinai was transferred to Egyptian sovereignty, completing redeployment of Israeli forces on the El-Arish–Ras-Muhammad line. Defense Minister Weizman, returning from a visit to Egypt, reported President Sadat's agreement to complete normalization by February 15; January 26—normal relations between the two countries were officially inaugurated; February 17—a memorandum of understanding on communications was signed; February 26—Sa'ad el-Din Murtada, the first Egyptian ambassador to Israel, presented his credentials to President Navon in Jerusalem. Eliahu Ben-Elissar, the first Israeli ambassador to Egypt, presented his credentials to President Sadat in Cairo; March 2—an agreement on cooperation in education, culture, and science was signed; March 3—air service was inaugurated from Ben-Gurion Airport, Lydda, to Cairo by El-Al, and from Cairo to Lydda by Nefertiti Airline; March 10—a memorandum of understanding on tourism was signed; March 24—a memorandum of understanding on agriculture was initialled; March 30—a memorandum of understanding on land and sea transportation was signed; April 20—a trade agreement was initialled.

Problems arose over the provision of United Nations forces and observers to supervise Israeli withdrawal and security arrangements under the peace treaty. In a letter attached to the treaty, President Jimmy Carter had undertaken that, if the UN Security Council failed to establish and maintain the necessary arrangements, the U.S. would “ensure the establishment . . . of an acceptable multilateral force for the purpose.” The UN Emergency Force (UNEF) set up after the Yom Kippur War was expected to fulfill these functions, but the Soviet Union objected to its involvement in the implementation of the treaty and threatened to veto the extension of its mandate, due to expire on July 24. The Americans found it difficult to get suitable countries to send contingents to the proposed multinational force, and agreed with the Soviets that its functions be carried out by the UN Truce Supervision Observer force (UNTSO). Israel rejected this proposal, regarding UNTSO as inappropriate and inadequate for the purpose, especially as it was responsible to the UN secretary-general, and not to the Security Council. It was agreed, after talks by Foreign Minister Moshe Dayan in Washington at the end of September, that the interim withdrawal would be monitored by the American civilian field mission set up under the 1975 interim agreement (see AJYB, Vol. 77, 1977, p. 485), with UNTSO cooperation, and by joint Israel-Egypt patrols in the buffer zone. Israel made it clear, however, that ultimate withdrawal to the international frontier would depend on the full implementation of the treaty provisions on supervision.

Difficulties also arose over the implementation of the agreement for the supply of Egyptian oil to replace the two million tons a year (about one-quarter of Israel's total consumption) obtained from the Alma wells, which were to be evacuated under the treaty. Israel wanted to purchase the oil at OPEC prices, but Egypt was only willing to sell at Rotterdam spot prices. Agreement was reached only a few days
before the date of withdrawal; Egypt undertook to supply the two million tons per annum for $30 a barrel during the first year, and thereafter at world market prices (about $8 more a barrel).

The Autonomy Negotiations

The peace treaty with Egypt provided that negotiations for "full autonomy" for "the inhabitants of the West Bank and Gaza," in accordance with the "Framework for Peace in the Middle East" adopted at Camp David, should begin within a month of the ratification of the treaty, with "the goal of completing the negotiations within one year" (AJYB, Vol. 80, 1980, pp. 258-259, 263). The target date was thus May 26, 1980.

Prime Minister Begin's original autonomy plan, approved by the Knesset (with Labor abstaining) on December 28, 1977 (AJYB, Vol. 79, 1979, pp. 273-274), envisaged the establishment of an 11-man administrative council, elected by "the residents of Judea, Samaria, and the Gaza district," to be responsible for "all the administrative affairs relating to the Arab residents of the areas." Security and public order would be the responsibility of Israeli authorities. The Labor party warned that the autonomy plan could give rise to a Palestinian state, but it was prepared to support it as a temporary arrangement for a specified period. As a permanent solution, Labor advocated the establishment of a Jordanian-Palestinian state, whose boundaries with Israel would be based on territorial compromise.

In mid-March the National Religious party (NRP) reached agreement with Prime Minister Begin on the principles to be observed during the negotiations on the scheme, and in mid-May guidelines for the Israeli negotiating team, presented by Begin, were approved by the 11-man cabinet committee on autonomy. The guidelines were not officially published, but they reportedly provided that the military government would be "withdrawn" (presumably from the main centers), but not abolished; Israel would retain responsibility for internal law and order, and control over land and water resources; and Jewish settlements would be subject to Israeli law and sovereignty. Defense Minister Ezer Weizman opposed the cabinet guidelines on the ground that they did not provide a basis for negotiations, and Foreign Minister Dayan had serious reservations about them. As a result, Interior Minister Yosef Burg of NRP was appointed chairman of Israel's six-man negotiating team, and Weizman and Dayan, though nominally members of the team, hardly participated in the negotiations. The other members of the negotiating team were Agriculture Minister Ariel Sharon (Likud-Herut), Justice Minister Shmuel Tamir (Democratic Movement), and Minister Without Portfolio Moshe Nissim (Likud-Liberals).

Egyptian representatives suggested on several occasions that autonomy might be implemented first in the Gaza Strip, which had been under Egyptian rule between 1948 and 1967. The idea was coldly received by Israeli government circles, but was favored by Labor party chairman Shimon Peres. An Egyptian cabinet committee
insisted early in May that autonomy would have to apply to the land of the West Bank and Gaza, and not only the population of the areas. Foreign Minister Mustafa Khalil headed the Egyptian delegation at the first meeting of the negotiating teams. The talks continued, at intervals of approximately two weeks, alternately in Egypt and Israel, with the United States being represented by Under-Secretary of State James Leonard and, starting with the meeting in Alexandria on July 6, by Special Ambassador Robert Strauss. The heads of the teams also met in October, in London. In November Sol Linowitz replaced Strauss as chief American representative.

There was some progress in regard to the method of electing the “self-governing authority (administrative council),” but far-reaching differences over its powers and status came to a head at the meeting in Cairo in mid-January 1980, at which each side turned down the other’s model for the operation of the autonomy scheme. Israel proposed that the administrative council should consist of a chairman and ten heads of divisions, who would be responsible for budgets, issuance of regulations, employment of personnel, etc. “Residual” powers, to remain under Israeli authority, would include foreign affairs and defense; internal security; Israeli inhabitants and settlements; state lands; natural resources and energy; printing of stamps and currency; radio, television, and information; supervision of aerospace and territorial waters; international communications; and supervision of Israeli banking and insurance institutions, and representation of local banks abroad. The Egyptians, on the other hand, demanded the election of a 100-man council with legislative powers, which would take over all the authority exercised by the Israeli military government in the territories occupied by Israel in the Six-Day War, including East Jerusalem. Prime Minister Begin told the cabinet on January 20 that the Egyptian proposals were “in complete divergence” from the Camp David accord, and would lead, if put into practice, to the establishment of a Palestinian state, something which Israel totally rejected. The cabinet unanimously endorsed this attitude. Other crucial points of difference included Egyptian demands that the Arabs of East Jerusalem participate in the election to the self-governing council, and that Arab representatives have a say in determining the “specified locations” in which the Israeli forces were to be redeployed under the Camp David accord.

In hope of breaking the deadlock, President Carter invited President Sadat and Prime Minister Begin to meet with him, separately, in mid-April. After the meeting with Begin, it was announced that negotiations would be carried on continuously, in Egypt and in Israel, in the hope of reaching agreement by the target date. The renewed talks started in Herzliah on the 30th, but on May 7 Sadat surprised his own representatives, as well as the Israelis and the Americans, by announcing the suspension of the negotiations.
Israel kept up pressure on the bases of the Palestinian terrorists in Lebanon, from which detachments were sent out by sea and land for attacks on Israeli civilian targets. Artillery, aircraft, missile boats, and commando detachments were used in these operations. According to official spokesmen, efforts were made to avoid inflicting civilian casualties, but this was not always possible because many bases were situated in or near civilian centers. The Israeli attacks were often launched immediately after terrorist outrages, but Defense Minister Ezer Weizman made it clear that further operations could be expected "whenever and wherever the government of Israel deems it necessary." The aims of the operations were to demoralize the terrorists and to keep them in a constant state of alert, thus impairing their capacity to mount attacks on Israel.

There was frequent press criticism of the failure of the UN Interim Force in Lebanon (UNIFIL) (see AJYB, Vol. 80, 1980, p. 263) to prevent the continued infiltration of Palestinians into South Lebanon. Israel continued to support the Christian militia in the area, headed by Major Sa'ad Haddad. Defense Minister Weizman described Haddad as "a true Lebanese patriot," and called on the Lebanese government to liberate the country from the hold of the Palestinian terrorists. Israel was embarrassed by clashes between the Christians and UNIFIL personnel, some of which led to casualties among the latter.

Difficulties arose over the use of American-supplied "smart" weapons in Lebanon, and Defense Minister Weizman was reported to have discussed the question with State Department officials in Washington in September. Opposition was expressed in Israeli government circles to consultation with the Americans on future military operations, but Weizman stated he had only agreed to "compare notes" on the subject.

There were two serious clashes between Israeli and Syrian aircraft over Lebanon; in June, when six Syrian Migs were shot down, and in September, when the Syrians lost four planes.

Other Foreign Affairs

The U.S. administration continued to regard Israeli settlements in occupied territory as illegal and a threat to peace. There were misgivings in Israel about apparent American support for the Egyptian position in the autonomy negotiations, and about U.S. arms supplies to Egypt, Saudi Arabia, and other Arab countries.

In August there was considerable disquiet in Israel over indications of a possible American opening toward the Palestine Liberation Organization (PLO). On August 5 the cabinet categorically condemned a reported American plan to promote an amendment of UN Security Council 242 (1967) to recognize "Palestinian national rights"; Prime Minister Begin reiterated the Israeli stand in a meeting with U.S. ambassador Strauss on the 17th. Public opinion was also disturbed by President
Carter's comparison of the Palestinians with the civil rights movement in the United States, and by the meetings of Milton Wolf, the American ambassador in Vienna, and UN ambassador Andrew Young, with PLO representatives. Israel denied all responsibility for bringing about Young's resignation from his post.

In 1980 concern was expressed at America's failure to veto Security Council resolutions calling for the end of Israel's "occupation of Arab territories," including Jerusalem.

Negotiations on U.S. financial aid to Israel were conducted mainly by Defense Minister Ezer Weizman, who visited Washington in March, September, and December, but efforts to increase the aid and improve its terms were largely unsuccessful. The total of special aid to meet the costs of the redeployment dictated by the peace treaty with Egypt remained $3 billion—$2.2 billion in loans and $800 million in grants. Israel requested $3.45 billion in financial aid for fiscal year 1980, but the total remained, as in the previous year, $1.78 billion, including $1 billion for defense. President Carter agreed, however, to an interest-bearing loan of $200 million in addition to the special peace treaty supplementary aid. The U.S. agreed to supply all the weapons systems requested by Israel, and to grant co-production rights for the development of a new fighter-bomber.

There was considerable criticism in Israel of statements by Defense Minister Weizman supporting President Carter's candidacy for re-election. This was seen as interference in American internal affairs, and as likely to be harmful to Israel if another candidate were successful.

Disagreements widened between Israel and most West European countries, particularly those of the European Economic Community, which were lukewarm in support of the Camp David accords and showed signs of working toward recognition of the PLO. Visits by Prime Minister Begin to London in May, and by Foreign Minister Dayan to Paris in January, the Hague in July, and Bonn in September, led to no perceptible change in the situation. Indignation was aroused by France's offer to supply Iraq with materials that might facilitate the manufacture of nuclear weapons, and by statements by Austrian chancellor Bruno Kreisky criticizing Israeli policy, advocating negotiations with the PLO, and favoring the establishment of a Palestinian state. In July, after Kreisky's reception of PLO chairman Yasir Arafat with all the honors usually accorded a chief of state, the Israeli cabinet recalled its ambassador in Vienna for consultations, and a strong verbal protest was conveyed through the Austrian ambassador in Israel. Labor party chairman Shimon Peres said he had not been informed in advance of the meeting between Kreisky, Socialist International chairman Willy Brandt, and Arafat. "The upshot of what has happened in Vienna," he said, "is to enhance the prestige of an organization which continues to demand the destruction of Israel."

Israel announced in January 1979 that it was prepared to give asylum to 100 Vietnamese "boat people," in addition to the 66 admitted in June 1977. They were accommodated temporarily, like the first group, in an immigrant absorption center in Afula, a small town in the Jezreel Valley. In the second half of June Israel
undertook to accept 200 more refugees. Prime Minister Begin told the Knesset that he had appealed to 50 heads of government to follow suit, and the Knesset itself issued a similar appeal to the parliaments of the world. In November widespread efforts were made to raise funds for the starving people of Kampuchea, culminating in a marathon TV program through which over IL 4 million was collected. A volunteer medical team went to the area, and a food convoy, headed by Mordecai Lador, Israel's ambassador to Thailand, and Abie Nathan, operator of the "Peace Ship," set out from Bangkok.

**Terrorism**

From time to time, as in previous years, explosive devices were planted by terrorists in markets and other public places, especially in Jerusalem but also in Tel Aviv, Netanya, Tiberias, and other centers. Many of these were discovered by alert passers-by and dealt with before any damage was done.

On January 13 three terrorists penetrated into a vacation center at Ma'alah, about ten kilometers from the northern border, which had been the scene of one of the worst terrorist attacks in May 1974. The terrorists, who tried to hold some of the guests as hostages, were challenged by soldiers and killed, but one woman guest died trying to escape from a balcony. The nation was shocked by an attack on April 22 on a house in the coastal town of Nahariya, in which four people, including two infant girls, were killed. Of the terrorists, who came by sea, two were killed and two captured. Foreign Minister Moshe Dayan said: "No one can expect us to . . . have any dealings with an organization (the PLO) that perpetrates such attacks." On April 29 the cabinet approved, by seven votes to five, a proposal by Prime Minister Begin to empower prosecutors to demand the death penalty for "terrorists who commit acts of inhuman cruelty." The ruling would not apply to offences previously committed. Justice Minister Shmuel Tamir explained that the decision did not involve any change in the law, but stopped interference by the executive in the judicial process by repealing a 1967 cabinet decision which denied prosecutors authority to call for a death sentence. The cabinet decision was severely criticized by the Labor opposition, which also condemned the release of 76 terrorists, including several convicted of murder, in exchange for an Israeli reservist captured in Lebanon in 1978 by the Popular Front for the Liberation of Palestine. No-confidence motions on both subjects were defeated in the Knesset.

Two UNIFIL soldiers—Warrant-Officer Papa Koli Saar, of Senegal, and Lieutenant Colonel Alfred Gom, of Nigeria—were convicted of smuggling explosives into Israel for the use of terrorists. In both cases, challenges to the competence of the courts were rejected. Saar was sentenced to ten years imprisonment, and Gom to 15 years; both men were deported a few months after being sentenced.
Jewish Settlement

The government continued its policy of establishing new Jewish settlements in Judea and Samaria (the "West Bank"). Plans were approved by a joint committee of the government and the World Zionist Organization, chaired by Agriculture Minister Ariel Sharon, and the work was carried out by the WZO settlement division. (The Jewish Agency settlement department was responsible for settlement within the 'green line'.) The two departments were jointly headed by Matityahu Drobless (Herut) and Raanan Weitz (Labor), the former being in charge of operations in the administered areas.

Speaking a few days after the signature of the peace treaty with Egypt, Agriculture Minister Sharon declared that settlement in Judea and Samaria was vital to the safety of the bulk of Israel's Jewish population, which lived on the coastal plain. Prime Minister Begin reminded a Herut party meeting on April 29 that 28 settlements had been set up in Judea and Samaria since he took office. "The 'green line' no longer exists—it has vanished for ever," he declared. He denied that he had undertaken at Camp David to stop setting up new settlements; he had only agreed to a three-month's halt, which had expired on December 17, 1978. Addressing a Herut party convention on June 3, Begin declared that "ever since the concept of law took root in the human race there had never been an act more legal than Jewish settlement in all parts of the Jewish homeland." "Settlement is a right and a duty," he continued.

The Democratic Movement tried from time to time to implement its right according to the coalition agreement (see AJYB, Vol. 79, 1979, p. 268) to appeal against decisions to establish settlements in the administered territories, but with little effect. In mid-May Raanan Weitz called for intensive settlement in the Jordan Valley and the end of all settlement activity in areas of high Arab concentration—Judea and Samaria and the Gaza Strip—so as to avoid the haphazard waste of precious resources. Agriculture Minister Sharon declared that Weitz's statement would cause "irreparable damage" to Israel by indicating that the Alignment favored the return of Judea and Samaria to Arab rule.

Much of the initiative for settlement in Judea and Samaria came from the Gush Emunim religious activist movement, which also supplied many of the settlers. However, there was tension from time to time when the Gush or its supporters acted without government authority. At the beginning of May, after some 20 women and 30 children had taken over the disused building of the Hadassah Hospital in Hebron, Prime Minister Begin declared:

Gush Emunim has a number of fine people, but it also has a number of out-and-out liars and frauds. In this country there will be no squatting and seizing houses in Hebron, and there will be none in Tel Aviv either . . . This government will not tolerate grabbers. It will be the sole arbiter of when and where settlement in Eretz Israel will be carried out.
No action was taken, however, to expel the squatters, who were supplied with food from Kiryat Arba, the Jewish township on the outskirts of Hebron, and with water by the army. Mrs. Moshe Levinger, who led the women, declared that they had come "to wipe out the shame of 1929" (when the small Jewish community of the town was almost wiped out by Arab rioters).

The question of the seizure of privately-owned land in the administered areas for settlement purposes aroused much controversy and litigation. In March the High Court of Justice rejected an appeal by Arab landowners against the seizure of land for the settlement of Bethel, about 20 kms. northwest of Jerusalem, accepting the government's claim that civilian settlements were an integral part of Israel's security system. The ruling established a precedent for several similar cases.

A notable exception, however, was Elon Moreh, near Nablus, pioneered by Gush Emunim (see AJYB, Vol. 77, 1977, p. 495; AJYB, Vol. 78, 1978, p. 482; and AJYB, Vol. 79, 1979, p. 262). On April 22 the cabinet approved a decision to give permanent status to the settlement. The three Democratic Movement ministers opposed the decision because they doubted the wisdom of planting Jewish settlements in the heart of the populated region of Samaria; so did Defense Minister Ezer Weizman, who refused to sign a seizure order for 200 acres of land for Elon Moreh. On June 3, however, the cabinet confirmed its decision by 8 votes to 5 (Weizman, Foreign Minister Dayan, and the three DM ministers), and two abstentions, and the settlement was established in a lightning operation a few days later. The move was bitterly criticized by the Labor party, Shai (which had broken away from the Democratic Movement for Change in 1978) (see AJYB, Vol. 80, 1980, p. 226), and the Peace Now movement, which held a demonstration near the site. A general strike, headed by Mayor Bassam Shak'a, was held in Nablus, and was accompanied by riots. Prime Minister Begin, however, repeated his 1977 statement that "there will be more Elon Morehs."

Seventeen Arabs from the village of Rujeib appealed to the High Court of Justice against the requisitioning of their land for the establishment of Elon Moreh, claiming that the settlement was not required for military purposes, which alone justified the seizure of private land in occupied territory. Their counsel submitted supporting affidavits from former chief of staff Hayim Bar-Lev (now secretary of the Labor party) and Major General (res.) Matityahu Peled. The case was heard by a five-man bench, which issued an interim injunction on June 20 ordering the stoppage of all work at the site. The government presented a sworn affidavit by Chief of Staff Rafael Eitan certifying that the settlement overlooked a vital crossroads and was essential for Israel's security, and an agricultural expert testified that the land seized was rocky and unfit for cultivation.

While the court was considering its verdict, Gush Emunim settlers and their supporters demanded government measures to solve the problem of providing land for the expansion of settlement in Judea and Samaria. In mid-September the Likud Knesset faction unanimously called on the government to adopt a master plan giving priority to the construction and development of new settlements in Judea and
Samaria over projects in other areas, and to take steps to solve the land shortage problem. On September 16 the cabinet lifted a 12-year ban on the purchase of land in the administered territories by private persons in Israel. (Since 1967 this had been restricted to public corporations or authorities.) The cabinet spokesman said that the decision removed discrimination against Jews, who could buy land all over the world but not in Judea, Samaria, and Gaza. The decision was vehemently denounced by Arabs in the administered territories, but it was not expected to have any widespread effect, since Jordanian law prohibited the sale of land by Arabs to Jews on pain of death. Ibrahim Tawil, the mayor of El-Bira, called for "an iron hand" to smite any Arabs who sold "Palestinian land" to Israelis. The cabinet decided on October 14 not to expropriate privately-owned Arab land to expand Jewish settlements. Instead, about a thousand acres of public or unregistered land would be handed over to settlements seeking to expand.

On October 23 the High Court ruled unanimously that Elon Moreh had been established for political reasons and that, therefore, the seizure of private land was contrary to the Hague Convention on the administration of occupied territories. It ordered that the settlement be dismantled within 30 days. The settlers threatened to defy the ruling, and Gush Emunim demanded the extension of Israeli law to Judea and Samaria to prevent similar verdicts being handed down in relation to other settlements. The cabinet decided to comply with the High Court's decision as soon as an alternative site for Elon Moreh had been found nearby, and also to expand settlement in Judea and Samaria by reinforcing existing settlements and creating additional ones on state-owned land. On November 18, a few days before the deadline, the cabinet decided that the area should be evacuated in two stages: first, 30 acres belonging to the petitioners, and the rest six weeks later. After an appeal by Rabbi Zvi Yehuda Kook, spiritual mentor of Gush Emunim, most of the settlers moved to a new site at Jabal Kebir, about 8 kms. away, but a small number of die-hards had to be forcibly evicted by the army.

In mid-1980 Matityahu Drobless reported that, during the three years since the establishment of the Begin government, 141 new settlements had been established, 22 of them by new immigrants. Of the total, 35 were set up in Judea and Samaria; 9 in the Jordan Valley; 10 in the Golan Heights; 5 in the Gaza district; 52 in Galilee (including 31 look-out posts); 22 in the Negev and the Arava; and 8 in the center of the country. As a result of the rapid pace of settlement, there was a shortage of adequate housing.

Unrest Among the Arab Population

The signing of the peace treaty between Israel and Egypt was greeted with a massive, but on the whole peaceful, strike encompassing almost the whole of Judea and Samaria and most of the Gaza Strip. Disorderly behavior, including tire-burning and stone-throwing, by Arab students on Israel's Independence Day (May 2) led to the closing of the Bir Zeit University, near Ramallah, until the end of the
academic year. Major General Danny Matt, coordinator of operations in the administered territories, described the Bir Zeit campus as a "den of trouble," where anti-Israel slogans were displayed, seditious material was distributed, and students were suspected of membership in terrorist organizations. Frères University at Bethlehem was also closed for a few days, and curfews were imposed on refugee camps after similar offences. There was another serious incident at Bir Zeit toward the end of December, when student demonstrators blocked the main road through the village, and soldiers, after firing warning shots and tear-gas grenades, entered the college to arrest several students.

Bassam Shak'a, mayor of Nablus, was arrested on November 11, with a view to his deportation for expressing, in a conversation with General Matt, support for terrorism and terrorist organizations. Deputy Defense Minister Mordecai Zippori said the decision had been taken because of a series of actions "which no democratic and tolerant society can put up with." Most of the Arab mayors tendered their resignations in protest against Shak'a's arrest. Shak'a appealed to the High Court of Justice, which told him to apply first to the statutory military advisory committee. When he did so, the committee recommended rescinding the deportation order. Brigadier General Binyamin Eliezer, O.C. Judea and Samaria, accepted the recommendation on December 5, and Shak'a was released.

There were several incidents in which residents of Kiryat Arba and other settlements in Judea and Samaria were accused of assaulting Arabs or damaging their cars, especially in Hebron and the nearby town of Halhoul, in retaliation for stone-throwing against Israeli vehicles. Two followers of Rabbi Kahane's Kach organization, arrested in May for breaking into Arab houses in Hebron and terrorizing the inhabitants, were sentenced to terms of imprisonment. Prime Minister Begin was denounced as a traitor and shouted down by Kach followers in Kiryat Arba when he paid his first visit to Judea and Samaria in 20 months. Kahane himself was also arrested repeatedly, and in mid-May was detained for three months under the Emergency Powers Law.

Tension rose when a student at the Kiryat Arba yeshiva, Jesper Yehoshua Sloma, was shot dead in Hebron on January 31, 1980. The town was placed under curfew and the approaches to Kiryat Arba were sealed off to prevent retaliation. Nationalist circles called for Jews to be allowed to occupy Jewish-owned houses in Hebron as a "Zionist reaction" to the murder. The Knesset rejected a Labor Alignment resolution opposing the settlement of Jews in the town, but the DM ministers, most of the Liberals, and Defense Minister Weizman were of much the same mind as the opposition, and the cabinet adopted a compromise resolution affirming the principle that Jews had the right to live in Hebron, but deferring its implementation. On March 23 the cabinet decided by 8 votes to 6, with 3 abstentions, to establish a residential yeshiva and a field school in the town, but Deputy Premier Yigael Yadin (DM) announced that he would appeal to the foreign affairs and defense committee of the Knesset against the decision. Since there was no assurance of a majority in
the committee to support the cabinet decision, it was not put to a vote, and up to mid-1980 no steps had been taken to implement it.

On March 26 a strike was held in the main Arab cities to protest against the government decisions on Hebron. Brigadier General Ben-Eliezer severely reprimanded Mayor Fahd Kawasma for inflammatory statements made at one protest meeting. At the same meeting, Sheikh Rajud Bayud al-Tamimi, the kadi of Hebron, bitterly denounced Jews and declared: "The Jews must know that this country has Muslim owners—not only in Hebron, but in Jaffa, Haifa, and Acre." Tension continued to rise in the following weeks—stones were thrown by Arab youths at Israeli passers-by; a hand-grenade, which did not explode, was tossed into a busload of Israeli settlers; and windows and car windshields in the twin towns of Ramallah and al-Bireh were smashed, presumably by Jewish settlers from the neighborhood. Mayor Karim Khalaf of Ramallah called for a strike by "Palestinian laborers who work in Zionist factories."

By far the most serious outrage in the administered areas occurred in Hebron on May 2, when six yeshiva students, returning from Friday night prayers at the Tomb of the Patriarchs, were mowed down by rifle fire and grenades in front of the Hadassah building, which they intended to visit before going home to Kiryat Arba. Defense Minister Weizman was denounced by Kiryat Arba representatives for excessive leniency in dealing with Arab unrest. The military government took stern measures; several stores and workshops near the Hadassah building were demolished to facilitate its protection, and Mayor Kwasma of Hebron, Kadi al-Tamimi, and Mayor Mohammed of Halhoul were deported to Lebanon.

Political Affairs

Three leading ministers resigned during 1979 and the first half of 1980—Finance Minister Simcha Ehrlich as a result of widespread disquiet over economic developments, and Foreign Minister Moshe Dayan and Defense Minister Ezer Weizman because they found themselves out of tune with the government's foreign policy.

Ehrlich was the first whose position appeared shaky. In July a crisis broke out over the government's failure to tackle growing inflation and rising state expenditures. A special cabinet meeting was called for the evening of July 17, and the country anxiously awaited a severe slash in subsidies for essential foodstuffs and a consequent rise in prices. The cabinet adjourned, however, without making any major decisions; it was reported that Begin and Ehrlich had taken alarm at the high prices that would follow resolute action. The next morning there was a wave of panic-buying throughout the country, and Deputy Finance Minister Yehezke'el Flomin called in effect for Ehrlich's resignation. Ehrlich dismissed his deputy, but offered his resignation, which Begin did not accept.

On July 19 Prime Minister Begin was admitted to a hospital suffering from an arterial blockage in the brain. Thus, there was a lull for a while, but disquiet grew
after his recovery. The balance of trade was deteriorating rapidly, and a survey published in mid-September showed that living costs had almost doubled during the past year. Ehrlich dismissed criticism of his policies as exaggerated, however, and declared that a program of economic restraint to combat inflation was impracticable. Toward the end of September, while Ehrlich was abroad, pressure mounted for his resignation; there was considerable support for his replacement by Yigael Hurvitz, of the La'am party, who had resigned in 1978 as minister of industry, commerce, and tourism (see AJYB, Vol. 80, 1980, pp. 260, 266, 268). On his return to Israel, Ehrlich at first suggested that all the Liberal party ministers resign so as to enable Prime Minister Begin to reorganize his cabinet. There was little support for this proposal, however, and Ehrlich finally agreed to exchange the finance portfolio for that of deputy prime minister (in addition to Yigael Yadin), giving way at the finance ministry to Hurvitz, who insisted, as a condition of taking on the post, on the establishment of a small "economic cabinet" with extensive powers. The new appointments were approved by the Knesset on November 6. A proposal to compensate the Liberals by putting Minister Without Portfolio Moshe Nissim in charge of a new ministry of information was dropped.

Dayan was repeatedly overruled by the cabinet during the peace negotiations. In mid-February a furor arose when he made a statement seemingly foreshadowing eventual negotiations with the PLO, although both Dayan and Prime Minister Begin said that he had been misunderstood. Another statement by Dayan, in mid-April, which seemed to imply that Israel might ultimately have to evacuate the Golan Heights in order to reach a peace agreement with Syria, led to Herut demands for his dismissal. On August 8 Dayan, in an interview with the two mass-circulation evening papers, declared that Israel presented to the world a deplorable image of economic weakness and dependence on foreign aid. Leading Likud members of the Knesset expressed unprecedented criticism of the government and called on Prime Minister Begin to reorganize his cabinet to prevent defeat at the next elections. On October 21 Dayan submitted his resignation because of his disagreement with the manner in which the autonomy negotiations were being conducted, and his conviction that no foreign minister could carry out his duties under such circumstances. At the same time he continued to offer the government general support. He proposed that if the autonomy talks failed, Israel should unilaterally replace its military government in the administered areas with a civilian Palestinian administration; the army would only return if the PLO overran the areas and turned them into a base for terrorist activity.

Defense Minister Weizman frequently disagreed with the majority in the cabinet over the autonomy talks and settlement policy in the administered areas, and criticized the government and the prime minister in cabinet discussions and statements to the media. The situation came to a head in May 1980 when Finance Minister Yigael Hurvitz, supported by the economic cabinet, demanded additional cuts in defense expenditure. Weizman announced his resignation on the 24th.
The appointment of a new foreign minister was held up because of complaints by the Liberals that they were under-represented in the cabinet after the replacement of Ehrlich by Hurvitz as finance minister. It was not until March that they agreed to the nomination of Yitzhak Shamir, the speaker of the Knesset. Yitzhak Berman (Likud-Liberal) succeeded Shamir as speaker.

The filling of the defense portfolio proved to be even more difficult. Begin proposed that Shamir should take over the post and be succeeded by Yitzhak Modai, the minister of energy and communications, who had achieved a dominant position at the recent Liberal party convention. The Democratic Movement ministers, however, categorically opposed the nomination of Modai on the ground that he was not qualified for the post. At the same time, Agriculture Minister Ariel Sharon (a noted former army general) threatened to resign if anyone other than himself were given the defense portfolio, but his appointment came up against determined opposition from the Liberals and DM. For the time being, therefore, Begin himself served as acting defense minister, but this was widely regarded as an unsatisfactory arrangement because of the complex nature of the problems involved.

Geula Cohen (Herut-Likud) and Moshe Shamir (La'am-Likud) had vociferously denounced the government's peace policy ever since the Camp David accords. Shamir resigned from the Likud in May, and Cohen followed suit two months later, the two forming a new faction called Banai (from the initials of Brit Ne'emanei Eretz Yisrael—League of Land of Israel Loyalists), which demanded a revision of the peace treaty with Egypt and permanent Israeli rule over the whole of former Western Palestine and the Golan Heights. At the beginning of October they joined forces with Professor Yuval Ne'eman, a distinguished physicist, to form Tehiya (Renaissance), which also included many members of Gush Emunim and the Land of Israel Movement. Ne'eman demanded the resettlement of the Arab refugees in Arab countries, with the Arabs under Israeli rule being given the choice of leaving the country, remaining as resident aliens or, if they wished, becoming fully integrated citizens of Israel. Tehiya expected to win as many as 20 seats in the next election.

The Labor party, under its chairman, Shimon Peres, and its secretary-general, Hayim Bar-Lev, made considerable efforts to reorganize its finances, recruit new members, and prepare for a membership census and convention in 1980. The party was troubled, however, by lingering bad blood between Peres and former prime minister Yitzhak Rabin (see AJYB, Vol. 78, 1978, pp. 476-477, and AJYB, Vol. 80, 1980, pp. 266-267), and the prospect of a contest for the party leadership. Rabin's animosity found expression from time to time in acrimonious exchanges at party forums.

Toward the end of June, Yigal Allon, who had been deputy prime minister from 1968 to 1977, announced that he intended to seek the party leadership, but said he was on good terms with Peres and wanted "a clean and civilized fight." The solid base of Allon's backing was the Kibbutz Meuhad movement, of which he was a leading member. Peres' supporters argued that the question of leadership could not
be left open, and in mid-July the party leadership bureau declared, by agreement between Peres and Allon, that it continued to regard Peres as not only chairman of the party, but also its candidate for the premiership in the next election. At the same time, it recognized the right of every member to stand for any office.

It had been expected that the struggle would be postponed until the party convention in 1980, but tension flared up again in mid-August when Rabin published his memoirs, in which he accused Peres of having used subversion and deception to undermine his position as prime minister, and declared that he would never serve in a cabinet headed by Peres. The leadership bureau almost unanimously condemned Rabin for publishing his allegations, Allon being the only dissenter.

Disquiet continued over the holding of unofficial public gatherings, some of them apparently meant to advance the claims of aspirants to the second spot in the leadership, some to whip up support for Allon or Peres, and others representing party “doves” or “hawks.” Toward the end of the year Peres' supporters decided to bring matters to a head and called a special meeting of the central council, which, on January 20, 1980, resolved, by a two-thirds majority, to confirm Peres' position as candidate for the premiership in the next elections. Although Allon did not present his candidature, he said he was encouraged by the fact that almost one-third of the central council members voted against the motion. Allon's sudden death on February 29 seemed to transform the situation, but Kibbutz Meuhad representatives announced that the “Allon Camp” still existed, and it soon became evident that their support had been transferred to Rabin. Although Rabin refused to commit himself, his supporters conducted an aggressive campaign against Peres, and backers of both men organized unofficial groups to carry on the struggle.

Public opinion polls indicated a steady swing toward Labor and away from the Likud. A June poll showed that if the elections were held then, Labor might reverse its 1977 defeat, winning 46 seats to the Likud's 40. The gap between the two continued to widen, until in March 1980 it seemed that the Labor-Mapam Alignment might even win an overall majority for the first time, with 65 seats to the Likud's 22. The religious parties seemed to be holding their own, but the two sections of the DMC appeared to have lost most of their support, with Shai unlikely to win more than two or three seats and the Democratic Movement facing possible extinction. It was noted, however, that a large percentage of the electorate—ranging from 30 to 40 per cent—were undecided or would not state their preference.

**Economic Developments**

Economic developments in 1979 were dominated by unprecedentedly rapid inflation, especially in the second half of the year, rising to a peak of 9.7 per cent (monthly) in November. The consumer price index in December was 114 per cent higher than at the end of 1978. While the index rose more slowly in the first quarter of 1980, it jumped again by 10.2 per cent in April. Currency devaluation was rapid—from IL 19 per U.S. dollar at the beginning of 1979, to
IL 35 at the end of the year, and to IL 46 in May 1980—but it lagged behind the rise in prices.

Inflation was reflected in the rise in the nominal total of the budget—from IL 202.7 billion (revised value) in 1978–1979 to IL 424.9 billion in 1979–1980 and IL 653 billion (estimate) in 1980–1981. Of the 1980–1981 total, 30.6 per cent was to go for defense; 28.1 per cent for debt interest and repayments; 8.7 per cent for economic services; 7 per cent for education; 6.1 per cent for welfare; 5.7 per cent for housing; 3 per cent for health; 3 per cent for general administration; and 7.8 per cent for local authorities and reserves.

Finance Minister Yigael Hurvitz, who took office in November 1979, instituted a series of tough measures, including the abolition of most subsidies and severe cuts in others, leading to drastic increases in the price of bread, dairy products, and public transportation; reductions in the allocations to government departments, including defense; and cuts in the civil service, mainly through a ban on the filling of vacancies resulting from resignations, retirements, or death. Despite these measures, however, inflation continued, and was expected to be as high in 1980 as in the previous year, or even higher. There was also a considerable degree of unemployment by Israeli standards, especially among professional men, with over 12,000 receiving unemployment benefits by mid-1980.

On February 22, 1980 it was announced that the Israel pound (lira) would be replaced by the shekel, at the rate of one shekel for ten lirot. For a transitional period, both would be legal tender.

The gross national product, at fixed prices, grew by 5 per cent in 1979, the same as 1978, but the rise in the agricultural product (in 1978–1979) was only 1 per cent, compared with 7 per cent in the previous year. National income at current prices and total nominal wage payments almost doubled, and indirect taxation rose at the same rate, but total national insurance and welfare payments rose by only 78 per cent. Since the average consumer price index in 1979 was 78 per cent higher than the 1978 average, there was, thus, a rise in real wages, national income, and taxation, while the real level of national insurance and welfare payments was unchanged.

Of the resources at the disposal of the economy, about 40 per cent went to private consumption; 12.3 per cent for defense; 6.6 per cent for civilian public consumption; 16.3 per cent for gross domestic investment; and 24.6 per cent for exports. Total resources were 3.6 per cent higher during the year; domestic investment grew by 15.8 per cent and private consumption by 6.1 per cent, while defense consumption dropped by 6.4 per cent owing to a drop of 35.4 per cent in defense imports.

**Israeli Arabs**

There was tension at the universities, particularly in Jerusalem and Haifa, between nationalist Arab students, sometimes supported by left-wing Jewish circles, and right-wing Jewish students. Provocative appearances on campus by Rabbi Meir Kahane helped to fuel the situation. Six Arab students at the Hebrew University,
belonging to the pro-PLO Progressive Nationalist Movement, were served orders in January under emergency security regulations, confining them to their home villages. They were said to have signed a cable to the Palestine National Council meeting at Damascus expressing support for the PLO's struggle against the "Zionist entity." At a press conference toward the end of the month, the Jerusalem Arab Students' Committee and the left-wing campus organization condemned both the restriction orders and the cable of support to the PLO. It was stated that, though most of the country's 1,800 Arab students looked to the PLO as "the legitimate representative of the Palestinian people," only some 25 per cent supported the Progressive National Movement, which favored the replacement of Israel by "a secular democratic state."

Problems arose over the expropriation for military and other public purposes of large tracts in the Negev sparsely inhabited by Bedouin. Early in April the High Court severely criticized the action of the authorities in connection with some 750 acres near the township of Laghiya, for which an expropriation order had been issued so that houses could be built for the Bedouin. Despite a previous agreement reached before the court that no further action would be taken without a court order, the public works department had started excavations on part of the land. In the ensuing skirmish, several persons were injured and ten Bedouin detained. Although the responsible officials claimed that there had been a misunderstanding, the attorney-general ordered disciplinary action taken against them.

A particular problem was posed by the need to build a military airfield to replace one of those to be evacuated in Sinai in accordance with the peace treaty with Egypt. The most suitable area was a 21,000-acre tract at Tel Malhata, about 14 miles east of Beersheba, which was inhabited by 5,000–6,000 Bedouin. As the normal expropriation procedure would have taken a long time, a special law was proposed (the Law for the Acquisition of Land in the Negev) which specified rates of compensation to Bedouin living on seized land according to the area and quality of the land, its water resources, the buildings on it, and the extent to which it was cultivated. It would be possible to appeal to the courts about the amount of compensation, but not against the actual seizure of the land. The bill was held up for a time to enable negotiations with representatives of the Bedouin and consultation with the opposition. No agreement was reached with the Bedouin; after a number of changes had been made, the law was passed, with the support of the opposition, in July 1980. Much controversy was aroused by the announcement, early in January 1980, that the government intended to withdraw the concession (granted originally by the Turks before World War I) of the Jerusalem Electric Corporation to supply current to the eastern part of Jerusalem and part of the West Bank. The decision was defended on the ground that there were frequent interruptions in the power supply to Jewish neighborhoods in east Jerusalem, but it was opposed by several cabinet ministers and by Jerusalem mayor Teddy Kollek.

Moshe Sharon, the prime minister's adviser on Arab affairs, resigned toward the end of January 1979 because he felt that the powers of the office were not in keeping
with the needs. He proposed that either a statutory coordinating authority be set up to deal with Arab affairs, or that they be transferred directly to the ministries concerned.

Other Domestic Matters

The population at the beginning of 1980 stood at 3,830,000—3,212,000 Jews and 618,000 non-Jews; it had grown by 2.5 per cent during the year. Of the growth in the Jewish population—72,000 (2.3 per cent)—two-thirds was due to natural increase and the rest to the immigration balance. The non-Jewish population grew by 21,000 (3.6 per cent), almost all due to natural increase. During the decade 1970–1979 the population grew by 901,000—706,000 Jews (471,000 by natural increase and 235,000 due to the immigration balance) and 195,000 non-Jews. The number of Jews increased during the decade by 28 per cent and the number of non-Jews by 46 per cent.

On May 14, 1980, the 13th anniversary (according to the Jewish calendar) of the reunification of Jerusalem, the population of the capital was 402,000—about 290,000 Jews (72 per cent), 100,000 Muslims, and 12,000 Christians.

The efforts of a handful of police officers to promote the establishment of a police union occupied a great deal of public attention toward the end of 1978 and in the first half of 1979. The police command was strongly opposed to the idea, but in December 1978 the High Court ruled that the Police Ordinance did not specifically forbid the establishment of a union. Inspector-General Haim Tavor thereupon issued an order forbidding any unionizing activities, but three police officers again appealed to the High Court, which ruled toward the end of April that Tavor had no legal authority to issue such an order. Following this, Interior and Police Minister Yosef Burg submitted an amendment to the Police Ordinance forbidding policemen to cooperate in the establishment or activities of a trade union. Thousands of policemen took part in a protest demonstration in Jerusalem when the amendment came under consideration in the Knesset, but it passed. At the same time, Burg announced several reforms, including the appointment of a police ombudsman and the establishment of a public council for police welfare. Further attempts to get policemen to demonstrate in favor of the right to form a union fizzled out for lack of support.

There was considerable controversy over the role of Chief of Staff Rafael Eitan in reducing sentences passed by military courts. In April he cut from ten years imprisonment to three the sentence of a Jerusalem reservist who had shot and killed an Arab at random in retaliation for the shooting of an Israeli soldier; in June he reduced from eight years imprisonment to two the sentence on an officer found guilty of killing prisoners during the Litani operation in Lebanon in 1978; and in November he cut from five years imprisonment to two-and-a-half the sentence of another officer found guilty of ordering prisoners shot in the Litani operation. Critics proposed that the chief of staff and senior officers be deprived of their statutory authority to reduce sentences.
Toward the end of May Samuel Flatto-Sharon, who was elected to the Knesset in 1977 as an independent, and two of his aides, were charged with attempted bribery of voters during the elections. Attorney-General Yitzhak Zamir asked the Knesset to remove Flatto-Sharon's parliamentary immunity so that he could be brought to trial. After lengthy consideration, the Knesset, in a secret ballot (61 votes to 30), agreed. Flatto-Sharon's trial was still in progress in mid-1980.

The two kibbutz movements associated with the Labor party, Ihud Hakvutzot Vehakibbutzim and the Kibbutz Meuhad, resolved on June 23 to unite to form Hatenuah Hakibbutzit Hameuhedet (the United Kibbutz Movement), with some 73,000 members in 162 kibbutzim. The new body was expected to play a more active part in political affairs, and to work through the Labor party to achieve a change of government. It was believed that complete fusion of the two groups would take some time. A compromise would have to be found, for instance, between the activist traditions of the Kibbutz Meuhad, which had been associated with the Achdut Ha'avodah party before its reunion with the Labor party in 1968, and the more pluralistic Ihud. The former, too, wholeheartedly supported Yigal Allon, and, after his death, Yitzhak Rabin, in the struggle for the Labor leadership, while the latter took no collective stand on the issue.

At the beginning of July the Tel Aviv district court delivered its verdict in one of the most sensational libel cases in recent years. A businessman, Bezalel Mizrahi, won his suit against the *Ha'aretz* daily, which had alleged, in a series of articles, that he was one of the leaders of organized crime in Israel. The judge ruled that the allegations had not been proved.

Legislation was pushed through the Knesset to implement one of the clauses of the coalition agreement with the orthodox Agudat Israel (see AJYB, Vol. 80, 1980, p. 269). At the end of October Health Minister Eliezer Shostak presented a bill to repeal clause five of the Termination of Pregnancy Law, 1977, which permitted abortion if "continuation of the pregnancy is likely to cause serious harm to the woman or her children, on account of the woman's difficult family or social conditions or her environment." Repeal was opposed, not only by the opposition parties and the Democratic Movement, but also by some members of the Likud, four of whom voted against and four of whom abstained or were deliberately absent from the final vote on November 12. As a result, there was a tie, and the bill was not passed. The future of the coalition was at stake, as the four Agudat Israel members threatened to resign. The government submitted the bill again, this time declaring its passage a matter of confidence, and it was approved on December 22 by a small majority.

There was trouble during the year in Jerusalem over proposals to build a new sports stadium on the outskirts of the city, and to construct a new road to the Ramot quarter in East Jerusalem. Extremist religious elements objected to the stadium on principle, and to both the road and the stadium on the ground that Sabbath traffic would disturb the peace of nearby religious neighborhoods. The stadium project was abandoned for the time being in favor of improvements to the existing Hapoel
football field, and it was agreed to build a bypass to meet the objections of religious residents near the Ramot road.

Israel and World Jewry

A total of almost 37,000 new immigrants arrived in Israel in 1979—46 per cent more than in the previous year. Of these, 18,675 came from Eastern Europe, including 17,600 from the Soviet Union (an increase of 45.3 per cent). The total from Western Europe was up by 19.5 per cent to 3,666, of whom 1,649 came from France and 1,024 from the United Kingdom. The number of immigrants from Asian countries (largely Iran) more than tripled to 7,223. There was a small growth in immigration from North America—3,289 (2.9 per cent)—and the Pacific region—209 (2.5 per cent)—while there were reductions in the numbers from Latin America—2,576 (a drop of 8.8 per cent)—and Africa—1,341 (a drop of 19.2 per cent).

There was a considerable drop in immigration during the first part of 1980; in January-March the total was 6,769—27.4 per cent less than in the corresponding period of 1979. The fall was largely due to the decline in the number of Jews allowed to leave the USSR and to the large percentage of “dropouts” among them; 8,875 Soviet Jews arrived in Vienna during the period, but 5,246, or 59 per cent, did not go to Israel.

During the decade 1970-1979, immigrants totalled 346,000, of whom 110,000 came with potential immigrant visas. The largest group—148,000—came from the Soviet Union, and 42,000 from the United States. Of the 200,000 immigrants aged 18 and over who arrived in 1970-1978, some 25,000 left the country in less than three years; 14,000 of them were among the 56,000 who arrived as potential immigrants. The highest percentage of those leaving—32 per cent—was among newcomers from North America, compared with 18 per cent of immigrants from South America and 7 per cent of those from the Soviet Union.

A survey of a sample of immigrants from the USSR who had completed five years in Israel in 1978-1979 found that 96 per cent had permanent housing (including about 40 per cent who owned their own homes) and practically all those belonging to the work force were employed.

The problem of how to help the Falashas, the “black Jews” of Ethiopia, come to Israel was raised at a press conference held by the Association of Ethiopian Jews in Israel in January. Spokesmen described their tribulations after the Ethiopian revolution, and warned that the community was in danger of extinction. A Jewish Agency representative explained that the Falashas could not be helped to come to Israel before 1975 because it was only in that year that the rabbinate recognized them as Jews. The revolutionary government in Ethiopia did not allow them to leave, and efforts to help them, therefore, had to be discreet. A great deal was in fact being done, the representative said. However, in October a Falasha delegation complained to the Knesset’s immigration and absorption committee that nothing had been done to bring the Falashas out. Shlomo Hillel, chairman of the Public
Committee for the Jews of Ethiopia, said that the government had begun to take more effective steps and that excessive publicity would do more harm than good.

The problem of noshrim—Jews who left the Soviet Union with permits to go to Israel, but, after reaching Vienna on the first stage of their journey, went on to the United States or some other country—continued to be a subject of great concern to Israeli public opinion. At a meeting of government and Jewish Agency officials with American Jewish leaders in June, Jewish Agency chairman Arye Leon Dultzin argued that the presence of the offices of the Hebrew Immigrant Aid Society (HIAS) and the Joint Distribution Committee in Vienna and Rome had helped increase the dropout rate, and proposed that all Russian Jews with exit visas for Israel be sent there. When this idea was rejected, Prime Minister Begin proposed that HIAS and the JDC help only those Russian Jews who had close relatives in the United States. No decision was reached during the period under review.

There was much controversy between Dultzin and David Levy, who held the portfolios of immigration absorption and housing, over the division of responsibility for immigration and absorption between the Jewish Agency and the government. Dultzin urged that the entire process be concentrated in the hands of a single body under the auspices of the Agency, as envisaged in the report of the Horev committee in 1976 (see AJYB, Vol. 78, 1978, p. 480). Toward the end of February 1980 the joint Government-Agency Coordinating Board agreed on a compromise, under which both the ministry of immigrant absorption and the Jewish Agency's immigration and absorption department would remain in being, but a new authority would be set up to coordinate their activities. By the middle of the year, however, the decision had not been put into practice.

There was much misgiving over the slow progress in implementing Project Renewal, which had been initiated at the suggestion of Prime Minister Begin, with the aim of rehabilitating slum quarters and new-immigrant areas through a joint effort of the Israeli government and world Jewry. Deputy Prime Minister Yigael Yadin, who was in charge of the project, said that the delay had been due to the need for detailed planning, and for assuring the participation of the local residents in the planning process.

Personalia

Major General Ze'ev Almog was appointed O.C. Israel navy, in succession to Major General Michael Barkai, on January 13, 1979. Major General Amnon Reshef was appointed O.C. armored corps, in succession to Major General Moshe Peled, on January 13. Major General Yehoshua Saguy was appointed chief of military intelligence, in succession to Major General Shlomo Gazit, on February 2. Yosef "Tommy" Lapide became director-general of the Israel Broadcasting Authority on April 1. Zev Hymovitz, vice president of the American Joint Distribution Committee, became director of Joint-Israel on July 1. Professor Yaakov Ne'eman was appointed director-general of the ministry of finance on November 11.
Major General (res.) Herzl Shafir became inspector-general of police, in succession to Commissioner Hayim Tavori, on January 1, 1980. Mattityahu Shmuellevitz became director-general of the prime minister's office, in succession to Eliahu Ben-Elissar, on February 24, 1980.

Rose Ginnosar, honorary president of World WIZO, died in Haifa, January 10, 1979, at the age of 90. Sara Herzog, widow of the late chief rabbi, died in Jerusalem, January 13, at the age of 79. Ernst Lehmann, chairman of Bank Leumi, died in Tel Aviv, January 28, at the age of 77. Israel Yeshayahu, former speaker of the Knesset, died in Petah Tikva, June 20, at the age of 68. Arthur Saul Super, former rabbi and editor, died in Natanya, July 29, at the age of 71. David Horowitz, former governor of the Bank of Israel, died in Jerusalem, August 12, at the age of 80. Yehoshua Rabinowitz, former minister of finance, died in Tel Aviv, August 14, at the age of 68. Rahel Yanait Ben-Zvi, labor leader and widow of the late president of Israel, died in Jerusalem, November 16, at the age of 93. Shalom Moscovitz ("Der Zeigermacher"), primitive painter, died in Safad, January 4, 1980, at the age of 80. Dov Bernard Joseph, former minister, died in Jerusalem, January 5, at the age of 80. Hanna Rowina, "first lady of the Israeli stage," died in Raanana, February 2, at the age of 90. Yigal Allon, former minister and commander of the Palmach, died in Afula, February 29, at the age of 61. Anna Ticho, distinguished artist, died in Jerusalem, March 1, at the age of 86.

MISHA LOUVISH