Review of the Year

UNITED STATES
Civic and Political

Intergroup Relations

The Year 1987 began and ended with concern about the impact of Israel-related events—the Pollard affair and the West Bank uprising. However, what was undoubtedly the most traumatic episode of the year resulted from a conjunction of Kurt Waldheim’s presidency of Austria and his formal reception by Pope John Paul II, preceding the pope’s visit to the United States. This episode contributed to a sense of despair over Catholic-Jewish relations as well as a growing fear among American Jews that the Nazi past was receding in the consciousness of America and the world.

Waldheim, the Pope, and American Jews

The organized Jewish community, which had vigorously condemned the election of Kurt Waldheim to the Austrian presidency in 1986, was gratified when the U.S. government placed Waldheim on the “watch list” of persons barred from entering the country, the first head of state to be so designated. In April the Department of Justice and the State Department jointly announced that “a prima facie case of excludability exists with respect to Kurt Waldheim,” based on the finding that he had “assisted or otherwise participated in the persecution of persons because of race, religion, national origin or political opinion.” That was the language of the 1978 statute, which did not require proof that the proscribed person had personally committed war crimes, but only that he or she had played some role in such crimes.

In fact, a higher standard of proof could have been met. An official of the State Department told the New York Times on April 29 that “the more we dug, the stronger the case got.” He said that the evidence of Waldheim’s involvement in Nazi persecutions (as a German officer) was such that, if he had been a naturalized American citizen, the department would have sought his deportation. (By contrast, the British Foreign Office announced that there was not enough proof of Waldheim’s wartime activity to bar him from visiting the United Kingdom.) Following the U.S. announcement, an Austrian newspaper poll found that more Austrians supported Waldheim, in the wake of the American action, than had elected him as president. More than 70 percent of the respondents did not want Waldheim to
resign, and 57 percent thought he should file libel suits. Waldheim himself, in a televised speech to the Austrian nation, said he had "a clear conscience" about his wartime activity and promised to make public information that would clear him. Shortly thereafter, he gave his assent to the formation of a commission of historians that would investigate the charges against him.

In the May/June issue of Present Tense, Shlomo Avineri, noted professor of political science at the Hebrew University of Jerusalem, took sharp issue with the way in which the World Jewish Congress (WJC), which had taken the lead in exposing Waldheim's past, had handled the case. He complained that the group's allegations were often premature and amateurishly prepared, allowing the Waldheim defenders to counter too readily. Avineri also expressed the belief that the WJC should have consulted more closely with the State of Israel, and that it had pushed Israel into a confrontation with a friendly European country for which Israel was unprepared.

However, Avineri did not discount the larger importance of the Waldheim case, saying that it "revealed the fragility of the post-World War II consensus in both Austria and West Germany regarding the Nazi past. Like the furor over Bitburg, the Waldheim affair shows that attitudes and sentiments that were thought to have been finally buried needed only a hint of quasi respectability to reclaim some sort of legitimacy."

The Waldheim affair became the definitive benchmark against which to measure revisionist efforts to bury the uniqueness of the Holocaust, to depict it as merely part of the "normal" tragedy of wartime. Reference to the normal tragedy of wartime was a constant motif in Waldheim's defensive refrain. As a consequence, Jews in America and around the world were on the watch for efforts by various world governments to legitimize the Austrian leader. In midsummer, there was a rather unsurprising reception for Waldheim in Jordan, an official visit to Waldheim by Prime Minister Nikolai V. Ryzhkov of the USSR, and a private meeting with Chancellor Helmut Kohl of Germany, while he vacationed in Austria. But Western government leaders avoided official contact with the Austrian president.

Against this background, the announcement that Waldheim was to be received by Pope John Paul II in the Vatican in June, in an official state visit, was received by world Jewry as a highly disturbing signal of both legitimation of Waldheim and diminution of Holocaust consciousness. Although Jewish communities around the world joined in the protest, the consternation of the American Jewish community was particularly high because of the impending visit of the pope to this country in September.

AMERICAN-JEWISH REACTION

A special relationship existed between the Catholics and Jews of America. Both had been disadvantaged minorities in a Protestant-dominated land. In the first decades of this century they lived side by side in the large cities of the East. In
immigrant neighborhoods, even if they did not become fast friends, they shared common problems and interests. Starting out in local political machines, both became influential in regional and national Democratic party politics. Although older Eastern European Jews still averted their eyes, or worse, when passing a Catholic church, a place they associated with past persecutions, and Father Coughlin's anti-Semitic movement during the 1930s, while finally opposed by the Church hierarchy, did not improve mutual images, a kind of ease developed between the Jewish and Catholic communities, based on common interests and experiences and a common sense of differentiation from the white Anglo-Saxon Protestant majority. Even after the Catholic and Jewish populations in America began undergoing social change, with many members of both groups moving out of the central cities, this "cultural-comfort" factor lingered. In addition, while good formal relations developed between the Jews and some liberal Protestant denominations, the Catholic Church still represented to many Jews the central and most authentic Christian church in the world.

For these and other reasons, the organized Jewish community felt it had a strong investment in a good relationship with the American Catholic Church. That feeling had blossomed, especially after the Second Vatican Council in 1965 called for a new institution of "the spiritual bond," "mutual respect," and "brotherly dialogues" between Catholics and Jews. In recent years the Catholic hierarchy had established special offices of liaison with American Jews throughout the country, which offices were expressly enjoined to avoid any hint of missionary interest but only to better relations based on mutual respect.

This background helps to explain why the news in June that the pope had granted an official audience to Kurt Waldheim stunned American Jews. On one level, the action was seen as a legitimation of Waldheim, even as an implied downgrading of wartime atrocities, including the Holocaust, as well as a failure to understand Jewish sensitivities on the subject. On another level, the pope's action raised the almost certain prospect of an unwanted confrontation with American Catholics, especially in light of the pontiff's planned visit to America in September. Wherever he was scheduled to appear, the local Catholic hierarchy had formally invited rabbis and Jewish leaders to participate fully in the general ceremonial affairs. In addition, a special meeting of the pope with American Jewish leaders had been arranged to take place in Miami.

The Vatican announcement on June 17 that an audience with Waldheim would take place a week later set off a wave of protest from American Jewish groups. The day after the announcement, "profound shock and dismay" was expressed jointly by the American Jewish Committee, the American Jewish Congress, the Anti-Defamation League, B'nai B'rith, the National Jewish Community Relations Council, and the Synagogue Council, a body comprising the rabbinical and lay leadership of all three major Jewish denominations. There were, as well, individual statements from these groups and others. The Synagogue Council said that "these developments cast a dark cloud on Jewish-Vatican relations and on the scheduled meeting
of the Pope with leaders of the American Jewish community in Miami."

The Vatican responded immediately that it was "surprised and profoundly
grieved" that the planned meeting with Waldheim raised doubts about "the Holy
Father's respect for the Jewish people." Theodore Ellenoff, president of the Ameri-
can Jewish Committee, anticipating one defense that was to come from Vatican
circles, said that "it would be altogether a matter of personal conscience were the
Pope to receive Dr. Waldheim as a private Catholic communicant seeking pastoral
solace, [but for] the head of the Holy See to receive Kurt Waldheim as President
of a state makes a mockery of truth and justice."

There was a moment of gratification as leaders of eight different Protestant
denominations issued a joint statement saying that "the invitation disgraces the
memory of the victims of the Nazi Holocaust." Archbishop John L. May of St.
Louis, president of the National Conference of Catholic Bishops, also issued a
statement expressing sympathy with Jewish concerns.

But American and world Jewish dismay was compounded by the substance itself
of the meeting between the pope and Waldheim on June 25. The pope praised
Waldheim for his activities in behalf of peace, making particular reference to his
term as secretary-general of the United Nations, and made no mention of either the
controversy surrounding his election or the Holocaust. A *New York Times*
editorial the next day said that it had been waiting "to hear [the pope's] balancing remarks. There were none; only praise for Kurt Waldheim, peacemaker. The effect is to slight
all the victims of Hitler's war."

The protests mounted. The American Jewish Congress and the Synagogue Coun-
cil announced that they would boycott the scheduled September meeting with the
pope in Miami. Other Jewish groups said that they were reconsidering their attend-
ance at that meeting. By way of response, Agostino Cardinal Casaroli, Vatican
secretary of state, met with American Catholic and Jewish leaders in July in New
York to discuss the conflict. Another Vatican diplomat said that "the Holy Father
is anxious that his meeting with the Jewish community in America go forward in
a fruitful and friendly manner. It is very important."

JEWS MEET WITH POPE

Mutual efforts to repair the relationship led to an unusual two-day meeting in
Rome—the first part, on August 31, between members of the Vatican's Commission
on Religious Relations with the Jews and a nine-person delegation of the Interna-
tional Jewish Committee on Interreligious Consultations, composed primarily of
American Jewish leaders; the second, on September 1, between the Jewish leaders
and the pope. The conversation with the pope, lasting over an hour, was described
by one participant, Rabbi Henry Siegman, executive director of the American
Jewish Congress, as "a historic meeting which would have been inconceivable to
previous generations."

The subject of the Waldheim visit was, of course, introduced by the Jewish
delegation, but the agenda was much larger, including the Holocaust, anti-Semitism in general, and the Vatican's relations with Israel. A joint communiqué issued after the two meetings did not comment directly on the Waldheim affair but did announce the intended preparation of an official Catholic document "on the Shoah [Holocaust], the historical background of anti-Semitism and its contemporary manifestations." Further, the Vatican agreed to establish a mechanism enabling the Catholic Church and the Jewish community to keep in closer touch, to prevent such "surprises" as the Waldheim visit, and to provide access to the pope "whenever the need arises." One assessment of the meeting was expressed in this statement by the National Jewish Community Relations Council:

In and of itself, the meeting with the Pope was historically significant and unusual; the very fact that it took place was reflective of the convergence of three critical factors: the regard the Pope has for the American Jewish community, the Vatican's sensitive relations with the American Catholic hierarchy, and the cordial relationship between the American Jewish community and the American Catholic church. . . . Those who participated in the Rome meetings were in agreement with one of their number who stated that the Vatican went as far—perhaps further—than we could expect them to go.

The Rome talks cleared the way for the scheduled meeting between Pope John Paul and American Jews in Miami on September 12. Although it was a well-publicized event, it was not as substantive as the Rome meeting, essentially recapitulating the points made in August.

Some Jewish groups did not respond favorably to the Rome and Miami meetings. Elan Steinberg of the World Jewish Congress claimed that very little was accomplished. Tensions remained, and some Jewish resistance was offered in the various American communities visited by the pope. In San Francisco, a local archdiocesan spokesman announced on television that the planned program for the pope's visit to that city had been cut back because of budgetary problems. He explained that a major reason was the curtailment of Jewish contributions to the planned program because of the controversy. A few Jewish communities felt it mandatory to present to the pope, through channels, statements of communal concern about the Waldheim visit.

Following the pope's visit there was a sense that the crisis in Catholic-Jewish relations had been blunted, that in fact new opportunities had been opened for deepening the relationship, especially in the United States. The Waldheim affair could not be expunged, certainly, but the promised Vatican document and educational program on the Holocaust and anti-Semitism might, in the long run, outweigh the negative effect of Waldheim's audience with the pope.

Other Jewish-Catholic Issues

Considerable controversy had been generated at the end of 1986 over the projected visit to Israel of John Cardinal O'Connor, the archbishop of New York. He
had been forbidden by the Vatican to visit formally with Israeli public officials in their Jerusalem offices, since such visits would appear to legitimate the status of Jerusalem as the Israeli capital, contrary to Vatican policy. This position exacerbated the Jewish community's bitterness at the failure of the Vatican to grant Israel formal recognition.

During his visit to Israel at the beginning of January, Cardinal O'Connor met with both President Chaim Herzog and Foreign Minister Shimon Peres in Jerusalem. However, he visited them pointedly in their residences, not their offices, and dressed in plain clerical garb, instead of the cardinal's crimson robes and decorations he wore elsewhere. Some question was raised by the press about his visit to Herzog's home, which served also as his office, but otherwise the problem of venue seemed to have been solved to the approximate satisfaction of both Israel and the Vatican.

Dissatisfaction, however, was expressed by 53 major American Jewish organizations, in a public statement on January 10, saying that they were "disquieted and distressed" by sympathetic remarks made by Cardinal O'Connor about Palestinian Arabs. O'Connor had said that he was shocked by conditions he found in a Gaza refugee camp and disturbed by the fact that Americans stereotyped Palestinian Arabs as terrorists. While speaking in a church in Jordan, he also called for self-determination for the Palestinian Arabs. However, later in January, in a meeting in New York, O'Connor and the leaders of eight major Jewish organizations largely resolved their differences. In a joint communiqué, they explained that the cardinal had clarified his remarks, which had been reported only partially by the media. When he called for Palestinian self-determination, for example, he also told his Jordanian audience that such self-determination had to take a form that would not endanger Israel's security.

Although this particular crisis was averted, the O'Connor episode further emphasized the two underlying critical issues in Catholic-Jewish relations, pinpointed by the statement of the 53 Jewish groups as: "First, the failure of the Vatican to establish de jure diplomatic relations with Israel. . . . Second, the failure of the Holy See to come to terms with the reality of a unified Jerusalem as the capital of Israel."

Certainly, these two issues had not come closer to resolution in the course of the Waldheim affair. In his statement to the Jews at the Miami meeting, the pope did say that "[a]fter the tragic extermination of the Shoah, the Jewish people began a new period in their history. They have a right to a homeland, as does any civil nation, according to international law." In Miami the pope also reiterated the belief that Israel should be accorded "the desired security and the due tranquility that is the prerogative of every nation." At the same time, he said that "the right to a homeland also applies to the Palestinian people, so many of whom remain homeless and refugees." And he came no closer to considering full-fledged and formal recognition of Israel.

Two other issues during the year troubled Catholic-Jewish waters. In May Pope John Paul beatified a Jewish-born Carmelite nun, Sister Teresa Benedicta, born Edith Stein, who had converted in 1922 and had been killed by the Nazis in 1942.
It was reportedly the first case of a Jewish-born Catholic having been beatified, the formal step leading to sainthood. There was scattered Jewish criticism of this act, led by the surviving family of Edith Stein. In part, the complaint was that it was in bad taste and out of keeping with the Second Vatican Council to honor a convert from Judaism, especially since she had been murdered by the Nazis because she was Jewish, not because she was Catholic. In short, she was a Jewish martyr, not a Catholic martyr. Others found awkward and somewhat offensive the pope's effort to fuse Edith Stein's identity, when he called her "a daughter of Israel who remained faithful as a Jew to the Jewish people, and, as a Catholic, to our crucified Lord Jesus Christ."

In November Joseph Cardinal Ratzinger, head of the Vatican Congregation for the Doctrine of the Faith, told a weekly Italian magazine that, with respect to Catholic dialogue with Jews, "the Pope has offered respect, but also a theological line. This always implies our union with the faith of Abraham, but also the reality of Jesus Christ, in which the faith of Abraham finds its fulfillment." This comment, which seemed to contravene efforts in recent years by representatives of the Church to affirm the independent and inviolable authenticity of Judaism, evoked vocal complaints from a number of American Jewish organizations. Subsequently, Cardinal Ratzinger "clarified" his remarks, and Dr. Eugene Fisher, executive secretary for Catholic-Jewish relations of the U.S. National Conference of Catholic Bishops, said that the cardinal's original words had been taken out of context.

Though the American Jewish community had reason to be unhappy with the Vatican in Rome, it was relatively satisfied with the conduct of the American Catholic Church. Speaking before an American Jewish Committee meeting in December, Dr. Fisher said, "While 1987 was a turbulent year in Catholic-Jewish relations, nevertheless, the delicate fabric of the new relationship that Catholics and Jews have been weaving in patient dialogue for the past 20 years in this country ... remained intact." Not all Jews, certainly, but many, agreed with him.

**Jewish-Protestant Relations**

Two major American Protestant denominations took historic steps in 1987 to change their theological stance toward the Jews.

In June, at its General Assembly, the Presbyterian Church (USA) adopted a document entitled "A Theological Understanding of the Relationship Between Christians and Jews." In essence this document asserted the authenticity of Judaism by affirming that "Jews are in a covenant relationship with God," and calling for a "reconsideration of the implications of this reality for evangelism." It also declared that Christians should put an end to "the teaching of contempt for Jews."

Jewish organizations hailed this aspect of the statement, but found the document's treatment of Israel somewhat less satisfying. The original formulation called Israel "the promised land for Jews." However, the Reverend Benjamin Weir, at times one of his church's workers among 50,000 Presbyterians in Arab countries, and a former
hostage in Lebanon, said that he would find it "very difficult to live with" such language. The compromise document acknowledged God's promise of a homeland to the Jews, but said that "the State of Israel is a geopolitical entity and is not to be validated theologically."

At its convention in July, the United Church of Christ, which did not address the theological validity of Israel, adopted a declaration on Judaism which straightforwardly proclaimed for the first time in that Church's history that "Judaism has not been superseded by Christianity." The declaration, easily passed, also stated that "God has not rejected the Jewish people" and asked "God's forgiveness" for the violence to the Jews that resulted from the Christian Church's historical denial of "God's continuing covenantal relationship with the Jewish people."

CHRISTIAN FUNDAMENTALISTS

The Christian fundamentalist groups in America did not share the nonconversatory view expressed by both the United Church of Christ and the Presbyterians that Judaism had independent validity. To the contrary, the year's events provided food for American Jewry's continued ambivalence toward the fundamentalists.

On the positive side, a survey commissioned by the Anti-Defamation League, released in January, found that most evangelicals and fundamentalists did not "consciously use their deeply-held Christian faith and conviction as justification for anti-Semitic views of Jews." On an index of traditional anti-Semitic attitudes, fundamentalists registered at about the same level as the rest of the population on similar surveys in the past. Further, about nine out of ten fundamentalists said that Christians were not justified in holding negative attitudes toward Jews on grounds that the Jews killed Christ. Indeed, about a quarter of the fundamentalists felt that God viewed Jews "more favorably than other non-Christians [because] Jews are God's chosen people." That sentiment was the basis of the Christian fundamentalist bias in favor of Israel, along with the classic Christian missionary belief that Jesus would return only after the Jews were all gathered again in Israel, prefatory to their conversion to Christianity.

While fundamentalist groups favored the State of Israel, and their members did not seem to hold more traditional anti-Semitic attitudes than anyone else, their unchanging missionary stance was disturbing. In June the Reverend Bailey Smith told the Conference of Southern Baptist Evangelists that he loved the Jews, but that "unless they repent and get born again, they don't have a prayer." Smith had made substantially the same statement in 1980, and had subsequently apologized. But, said Rabbi A. James Rudin, director of interreligious affairs for the American Jewish Committee, "Smith's statement clearly reveals that he remains where he was seven years ago: a self-imposed prisoner in a theological swamp of narrow triumphalism and religious imperialism."

As the year ended, the fundamentalist cause suffered a setback when the Georgia Baptists, at their state convention, ousted their fundamentalist president and in-
stalled a more moderate leader. A moderate presidential candidate also won a landslide victory over a fundamentalist candidate at the North Carolina Baptist state convention. According to the New York Times of November 11, "Moderates hailed [the Georgia action] as the first major defeat of fundamentalist groups since they began gaining power over the nation's largest Protestant denomination [the Southern Baptists] eight years ago."

Church-State Affairs

SCHOOL-RELATED ISSUES

Fundamentalists met with some significant defeats in the educational arena in 1987. In Mobile County, Alabama, a group of "Christian parents" had asked for the removal from elementary and secondary public schools of 44 textbooks in such fields as home economics, history, and social studies, on the ground that they promoted "secular humanism," which, the plaintiffs charged, was itself religion. It was unconstitutional, they said, and a violation of church-state separation to promote such a sectarian religion in the public schools.

In March federal district court judge W. Brevard Hand in Alabama agreed with the plaintiffs and ordered the textbooks removed from the state's public schools. It was Judge Hand who had previously upheld an Alabama statute permitting a moment of silent prayer in the public schools, a ruling that was overturned by the U.S. Supreme Court in June 1985. In the textbook case, Judge Hand ruled that "for purposes of the First Amendment, secular humanism is a religious belief system"; in the same decision, however, he found that the books he had excluded "discriminate against the very concept of religion, and theistic religions in particular." In August a federal appeals court reversed the decision, saying that Judge Hand had turned the First Amendment requirement that the government be neutral on religion "into an affirmative obligation to speak about religion."

In June a Louisiana statute forbidding the teaching of evolution in public schools unless equal time was given to "creation science," that is, the role of God in creating human beings and the world, was struck down by the Supreme Court, in a 7-2 decision, on the ground that it was an impermissible "establishment of religion." This decision was regarded as significant, not only because creationism was being pressed in many states but because it seemed to preclude the chance of successful appeals to the Supreme Court on the pending textbook cases. The American Jewish Congress, the American Jewish Committee, and the Anti-Defamation League had all filed friend-of-the-court briefs opposing the teaching of creationism in the schools.

Although President Ronald Reagan, in his January State of the Union address, called for a return to school prayer, fundamentalist groups failed to make progress on the public prayer front. A key case involving a "moment of silence" law was
effectively lost by prayer proponents in the Supreme Court. In 1984 a U.S. court of appeals had invalidated a New Jersey law (*May v. Cooperman*) mandating a daily moment of silence in the classroom "for quiet and private contemplation and introspection." The appellate court ruled that the law unconstitutionally facilitated student prayer. In 1985 the Supreme Court struck down an Alabama "moment of silence" law (*Jaffree v. Wallace*), based on the finding that the "sole purpose" of the law was to foster prayer. There were about 25 states in which such laws existed, and all of them waited upon the Supreme Court hearing on the New Jersey appeal.

Conservatives had reason to think the New Jersey law might be upheld by the High Court, not only because the Reagan administration defended the statute but because it did not specifically mention prayer and cited a secular purpose for silent meditation. As it turned out, the court's decision, in December, to let the lower-court rulings stand, was purely on procedural grounds: since the state legislators who had filed the original suit were no longer in office when they filed the appeal, they had no standing. Thus, the substantive legal issues were left unaddressed. Despite the setbacks they had suffered, it was anticipated that fundamentalist groups would pursue their public-school objectives in other ways, including putting pressure on local school boards and on textbook publishers. While most Jewish groups hailed the judicial defeats which the Christian fundamentalists sustained during the year, Orthodox groups demurred at the Jewish organizational consensus on the subject of silent prayer in the public schools. Expressing the belief that private prayer was appropriate on all occasions, the Union of Orthodox Jewish Congregations had affirmed in 1980 that it did "not object to a period of silent meditation," and repeated that affirmation this year.

Even in nonfundamentalist quarters, questions began to be raised about the deeper implications of ignoring religion in the schools. The Association for Supervision and Curriculum Development, a nonpartisan professional organization of 80,000 school principals, teachers, and college professors engaged in curriculum matters, issued a report calling for an end to "the curricular silence on religion." The report complained that the textbooks had almost nothing to say "about the profound part religious belief has played in more recent U.S. history, from the Abolitionist movement to the civil rights movement." The study of world history suffered from the same deficiency, claimed the report, saying that "an elementary student can come away from a textbook account of the Crusades, for example, with the notion that these wars . . . were little more than exotic shopping expeditions."

The same complaint about the slighting of religion in the public schools was sounded in reports by two groups notably liberal on the church-state issue: People for the American Way and Americans United for Separation of Church and State. They made the distinction between teaching religion doctrinally and teaching about religion. The complaints indicated that such "silent treatment" for the role of religion in history and art was not only academically insupportable but added unnecessary fuel to the fundamentalist campaign to breach the principle of church-state separation.
The report of the curricular professionals noted parenthetically the existence in public schools of a "hidden curriculum" that might indeed foster certain unfortunate doctrinal and sectarian religious assumptions and practices. As examples, the report cited school events scheduled for "the most sacred hours of the Jewish week," and choral music which "typically conveys Christian belief and worship." In this connection, a federal court ruled in August that the North Babylon, New York, school board would have to change the date for its 1988 high-school graduation, scheduled for a Saturday, in order to accommodate the religious needs of an observant Jewish student.

OTHER CHURCH-STATE ISSUES

The perennial debate over government's role in either accommodating or limiting religion continued to produce mixed, often murky, results.

In February the U.S. Supreme Court ruled that states could not deny unemployment benefits to employees who were dismissed for refusing to work on their Sabbaths. The case was that of a woman who had been working in Florida for a store whose sales were heavy on Friday nights and Saturday. After becoming a convert to the Seventh Day Adventist Church, she refused to work any longer at those times—her Sabbath—and was dismissed. The state then refused to pay her unemployment benefits. The High Court stood on the "free exercise of religion" clause of the First Amendment, rejecting the state's argument that granting such benefits could violate the "establishment of religion" clause. While the case did not directly address the "religious accommodation" provisions in the civil rights law, the Anti-Defamation League said the decision "strengthens the obligation of employers to accommodate their employees' religious practices."

In March the U.S. Supreme Court upheld a ruling of the Oregon supreme court that had approved the suspension of a teacher for wearing Sikh religious clothing in her elementary-school classes. The Oregon court held that limiting the teacher's free exercise of religion was allowable in order to maintain religious neutrality in the schools, although it explicitly suggested that common decorations, such as a small cross or a Star of David, could not constitutionally be prohibited. In May, however, the U.S. Justice Department, which was not involved in the Oregon case, took a different position on the matter of religious garb. It accused the State of Pennsylvania and the Philadelphia school board of religious discrimination, for banning a teacher wearing an Islamic headpiece. The Justice Department indicated that while the Oregon case was based on the First Amendment, its Pennsylvania case rested on Title VII of the Civil Rights Act, which required employers to make reasonable accommodation for employees' religious observances and practices. The Justice Department also noted that the Pennsylvania case was not affected by the previous year's Supreme Court ruling upholding the right of the U.S. Air Force to ban the wearing of a yarmulke in military situations. Title VII, said the Justice Department, did not apply to the armed forces.
The issue of religious headgear in the armed forces was resolved this year, finally, through congressional action. An amendment to the Defense Authorization bill, passed in December, permitted members of the armed forces to wear “neat and conservative religious apparel which is part of the observance of the religious faith practiced by the members, while in uniform if it would not interfere with their military duties.”

Various state and local jurisdictions took action during the year to accommodate Jewish religious needs. At the request of Agudath Israel, for example, the Los Angeles City Council passed a law to relax parking rules on religious as well as other major holidays. Agudath Israel had claimed that 40 to 50 Orthodox Jews received parking tickets after each Jewish holiday because religious observance prevented them from moving their cars. In a similar vein, and also initiated by Agudath Israel, the State of Ohio passed a law providing that autopsies would not be performed if they violated religious belief, except in cases of “compelling public necessity.” California, New York, and New Jersey already had such laws. On another matter of concern to observant Jews, the U.S. Department of Housing and Urban Development rescinded a memorandum that would have required federally subsidized Jewish apartment complexes to offer nonkosher food in addition to their kosher meal programs.

In at least one instance, an accommodationist request was denied. A federal district court ruled in May that the Satmar Hassidic community of Kiryas Joel in suburban Rockland County, New York, could not demand that the publicly provided school buses for their United Talmud Academy be driven only by men.

Controversy continued over the placement of religious symbols on public property during Christmas and Hanukkah. In June a U.S. district court denied a suit by the American Civil Liberties Union to prevent both a crèche and a menorah from being displayed in and around the City-County Building in Pittsburgh. The ACLU was expected to appeal. In a contrasting case, a U.S. court of appeals held, in August, that the traditional Christmas-time crèche in Chicago’s City Hall was unconstitutional. City Hall officials said they would not appeal. This court decision was particularly satisfying to the American Jewish Congress, which had filed suit against the crèche in 1985, because it reversed a previous U.S. district court ruling in which the judge said the crèche was appropriate because “America is a Christian nation.”

**Nazis in the U.S.**

The case of Karl Linnas was played out to its conclusion in 1987. Linnas had been sentenced to death *in absentia* by the Soviet Union in 1962 for his role as commandant of a concentration camp in Tartu, Estonia, where thousands of men, women, and children were executed during World War II. In 1981 he was stripped of his citizenship by a U.S. district court because of his war crimes and because he had
entered this country illegally in 1951, concealing his wartime activity. He was ordered deported in 1983.

Appeals by Linnas to 14 different courts, including the Supreme Court, had all been turned down, and 17 different countries rejected his request for asylum. Earlier in April it was discovered that Attorney General Edwin Meese had arranged for Linnas to receive asylum in Panama. However, immediate representations by Jewish organizations caused Panama to reverse its position. On April 20, the Supreme Court rejected a request to stay the deportation order, and hours later Linnas was placed on a plane to the Soviet Union. Because Linnas was the first ex-Nazi to be forcibly deported by the United States to the USSR, questions were raised about the morality of sending someone to almost certain death. As it happened, on July 3, the official Soviet news agency, Tass, reported that Linnas had died in a Leningrad hospital of heart and kidney disease, even as he was awaiting action on an appeal for a pardon. Later that month, Feodor S. Fedorenko, a former Nazi who had been deported from the United States in 1984, was executed in the Soviet Union for war crimes.

Prior to Linnas’s deportation, Attorney General Meese had come under attack for failing to carry out the deportation order with dispatch. According to Elan Steinberg, executive director of the World Jewish Congress, if the news of Meese’s arrangement with Panama had not leaked out, Linnas would have been safely "vacationing" in Panama. Among those who supported Linnas was Patrick J. Buchanan, conservative columnist and former White House communications director, who argued that the case against Linnas was suspect, partly on the ground that some of the evidence had been fabricated by the Soviet Union, which was seeking to discredit Baltic nationalists.

Although the long delay in deporting Linnas was seen by some as a sign of the government’s growing disinterest in prosecuting Nazi war criminals, the Office of Special Investigations (OSI) of the Department of Justice continued to pursue its investigations of alleged ex-Nazis. Neal M. Sher, director of the OSI, reported in November that since 1979, when that office began operations, it had prosecuted more than 50 immigrants who were found to have lied about their Nazi past. Of these, 26 had been stripped of their citizenship and 19 had been deported or had left the country voluntarily.

In November deportation proceedings were begun against 74-year-old Jakob Habich, from Chicago, who was charged with having lied to U.S. immigration officials about his involvement as a member of the Nazi SS at several death camps in Poland and Germany.

A troubling case to many Jews was that of 75-year-old Jacob Tannenbaum, a Polish Jew charged with complicity in Nazi war crimes because he had served as a kapo, or overseer, at a forced-labor camp in Gorlitz, in what became East Germany. He was accused of viciously beating fellow prisoners and with hiding his past when he entered the United States in 1949. In May the Justice Department moved to revoke Tannenbaum’s citizenship as the first step toward possible deportation.
He was the fourth Jew ever to be charged by the U.S. government as a Nazi collaborator; only one of the previous three had been deported.

Wide coverage was given by the media during the year to the dramatic trials abroad of two well-known Nazi war criminals. The trial of John Demjanjuk, known as "Ivan the Terrible" because of the brutalities and killings he had committed as a camp guard at Treblinka, began in Israel in February and was still under way at year's end. Demjanjuk was a Ukrainian who had immigrated to the United States in 1952, settling in Cleveland, where he was employed as an automobile worker. He was extradited to Israel in 1986 after proceedings instituted by the OSI. (See AJYB 1988, vol. 88, pp. 154-55 and 405-06, as well as the article "Israel" elsewhere in this volume.)

The trial of Klaus Barbie began in France in May and ended in July. Known as "the butcher of Lyons," Barbie had been the wartime chief of the Gestapo in that French area during the German occupation. He was accused of having organized the roundup and deportation of several hundred Jews, including the 44 "children of Izieu," to Auschwitz, as well as the torture and deportation to death camps of non-Jewish members of the resistance movement. Barbie had been extradited to France from Bolivia in 1983, at the initiative of Serge Klarsfeld. Convicted by a Lyons court on July 4 and sentenced to life imprisonment, he was expected to appeal. (See the article "France" elsewhere in this volume.)

Neither case was without controversy in America. The Demjanjuk extradition continued to arouse criticism in the American Ukrainian community, based primarily on questions about the reliability of 40-year-old memories and evidence supplied by the Soviet Union. The Barbie case brought to light information about Barbie's rescue by U.S. intelligence agents after the war, who employed him and then—because he had been convicted of war crimes by the French government—arranged his escape to Bolivia.

**Extremism and Racism**

The previous year's high level of concern about bigoted extremist groups tapered off in 1987. Some of the earlier furor resulted from the public exposure of violent and illegal extremist activity; 1987 was a year in which some of those exposed extremists were prosecuted and sentenced. In addition, the annual Anti-Defamation League study, "The Hate Movement in America," reported a general decline in the membership of those groups, to its lowest point in a decade. Ku Klux Klan membership was reported at about 5,000 in the nation, about half of what it had been in 1981. The neo-Nazi membership was reported at less than 500 nationally, a 10-to 20-percent decline since 1984, and other extremist groups, such as the Order and the Aryan Nations, had also dropped in numbers. In some cases this decline was seen as a direct result of vigorous prosecution of some law-breaking extremist leaders by law-enforcement agencies.

The leadership of the Order, for example, was severely decimated when two of
its leaders were sentenced to 150-year prison terms in December. David Lane, 48, and Bruce Carroll Pierce, 33, had been convicted of the 1984 murder of a Denver radio talk-show host, Alan Berg, a Jew, who attacked white supremacists on his program. Lane was already serving a 40-year sentence on racketeering charges. Two other defendants, Richard Scutari and Jean Craig, were acquitted in the murder case, but were already serving 60 and 40 years, respectively, on racketeering charges. The man who planned Berg's killing, Robert T. Matthews, had been killed by federal agents in 1984, near Seattle.

By order of a federal court, in May, the national headquarters building of the United Klans, in Alabama, was turned over to the mother of Michael Donald, a black teenager who had been killed by members of that organization in 1981. (Two leaders of the United Klans, one of the nation's largest Ku Klux Klan organizations, had already been convicted of the crime, one sentenced to execution, the other to life imprisonment.) In February the youth's mother, Beulah Mae Donald, had won a $7-million damage suit against the United Klans, the first instance of a Klan organization being held financially liable for the actions of its members. Mrs. Donald was given the 7200-square-foot building and over six acres of wooded land in partial fulfillment of her suit, because few other assets could be found for United Klans. Her lawyer indicated that the court action was "pretty much a death blow" to that organization, which was already "in decline."

In January, in Forsyth County, Georgia, Klansmen demonstrated that despite declining numbers and legal setbacks, the Klan still had an appeal that extended beyond its formal membership. (See below, "Blacks, Jews, and Jesse Jackson.") However, in Greensboro, North Carolina, in June, and in Rumford, Maine, in September, Klansmen were heavily outnumbered by anti-Klan demonstrators when they held marches in those towns. Among the organizers of the anti-Klan protest in Maine was the Jewish Federation of Southern Maine, along with mainstream Christian, labor, and political groups.

In September Lyndon H. Larouche, Jr.—the right-wing purveyor of conspiracy theories—and seven of his leading supporters were brought to trial in a Boston federal district court on charges of criminal activity related to fund-raising for his 1984 presidential campaign. Five of his "front" organizations were also charged, including the National Caucus of Labor Committees and Independent Democrats for LaRouche. Many of LaRouche's supporters had run for political office in 1986, enjoying some initial success because they did not reveal their relationship to LaRouche, but in the end being defeated. LaRouche and his associates were charged with financing their political activities by illegally charging credit-card accounts and securing large loans with no intention of repaying them.

Anti-Semitism

Although organized extremist groups were under attack and in a state of decline, the ADL's annual "Audit of Anti-Semitic Incidents" reported an increase of iso-
lated incidents, after a five-year downward trend. The audit was based on reports gathered by ADL's 31 regional offices from individuals and law-enforcement agencies. (It was acknowledged that the figures might have been affected, up or down, by differences in reporting procedures.)

A large part of the overall increase reflected reports by the California offices of ADL that anti-Semitic incidents in that state had more than doubled over the previous year. New York and Illinois were up slightly; Florida and New Jersey were down slightly. Incidents of vandalism and desecration rose from 594 the previous year to 694. There were also 324 reports of threat or harassment against Jewish individuals or institutions, as compared with 312 the year before. Among its figures, the audit reported about a dozen “major crimes,” including serious damage by arson to a synagogue in Massachusetts and one in California, as well as a Jewish home in Maryland; the pipe-bombing of a Jewish home in Georgia and one in Ohio; and unsuccessful arson attempts on Jewish institutions in New York, Pennsylvania, and Virginia. There were also two cemetery desecrations.

Of the 78 individuals arrested in connection with the reported incidents, four out of five were teenagers. According to a special ADL report on the phenomenon of the “skinheads,” across the country several hundred shaven-headed teenagers were organized in gangs that used neo-Nazi insignia and talked about violence against Jews and blacks. One leaflet in Chicago said: “Skinheads of America, like the dynamic skinheads in Europe, are working-class Aryan youth. We oppose the capitalist and communist scum that are destroying our Aryan race... .The parasitic Jewish race is at the heart of our problem.”

In November, on the 39th anniversary of Kristallnacht, a gang of Chicago youth vandalized 11 Jewish and Korean-owned businesses and three synagogues. On the basis of substantial evidence, police arrested a member of the skinheads who was also a member of the SS Action Group, an organization with a national membership of 50.

Skinheads were arrested for criminal acts related to their gang activities in Ann Arbor, Michigan; Chicago, Cincinnati, Dallas, and Tampa Bay, Florida. They were involved in attacks on, or threats against, blacks in San Jose, California, and Orlando, Florida. The ADL cautioned that not all youths who shaved their heads or thought of themselves as skinheads were racists or neo-Nazis.

In the arena of less violent and more “conventional” anti-Semitism, the case of Ivan Boesky continued to reverberate. The stock-market arbitrager who was exposed at the end of 1986 and pleaded guilty to illegal “insider” activity was sentenced in federal court in New York in December to three years in jail. Because he had been highly publicized as a major contributor to Jewish institutions, much concern had been expressed in Jewish community circles that his activities would breed increased anti-Semitism. However, when the American public was asked, in a February survey by the Roper organization, what factors were to blame for the Boesky scandal, only 1 percent chose “a Jewish background.” Indeed, just as many chose “a Catholic background.” Most people blamed such general factors as “per-
sonal greed” or “insufficient governmental regulation.” By the time of the April New York Times/CBS News survey, while they were generally disapproving, only one out of ten non-Jewish Americans said that the Boesky episode made them “angry.” Twice that proportion of Jews gave that response.

In general, surveys during the year did not reveal any increase in the level of anti-Semitic attitudes. The April New York Times/CBS News poll reported that to the key question “Do the Jews have too much power?” about 21 percent answered in the affirmative, no significant departure from answers to the same question in recent decades. And when the earlier February Roper poll asked Americans to select from a list of different groups those that had “too much power,” only about 7 percent picked the Jews, although multiple responses were accepted. Most people identified business corporations, labor unions, and news media. Even Arab interests, blacks, Orientals, and Catholics were more often identified as having “too much power” than were Jews. The only group lower than the Jews on the list was Hispanics. The response to this key question was about the same as it had been on other multiple-list surveys in recent years.

Civil Rights

The Supreme Court took several significant actions during the year related to discrimination. In May the Court found unanimously that the post-Civil War Civil Rights Act of 1866, outlawing “racial” discrimination, also allowed private lawsuits against discrimination based on ancestry or ethnic identity. This ruling grew out of two cases, one involving an Arab-American and the other involving Jews. Majid Al-Khazraji had sued St. Francis College, in Loretto, Pennsylvania, charging that he was denied tenure on the faculty because of his Iraqi ancestry. Congregation Shaare Tefila in Silver Spring, Maryland, had sued to recover damages from eight men charged with defacing their synagogue with anti-Semitic slogans and swastikas in 1982. The suit had previously been denied by two lower courts which said that anti-Semitic acts did not come within the scope of federal law.

The High Court upheld both suits, which were brought under the 1866 law, on the ground that in 19th-century usage, Jews, Arabs, and other ethnic groups were commonly considered “races.” The Court also referred to the demonstrated legislative intent of Congress to protect ancestral and ethnic groups from discrimination. Apart from the novelty of having Jews and Arabs on the same side of an issue, the ruling was widely hailed as a landmark in civil-rights protection.

In another action, the Supreme Court ruled in May that states could properly outlaw discrimination against women by Rotary Clubs. It was not clear, however, how specifically this ruling might apply to discrimination in general by private clubs. Also, in a matter of continuing interest to the Jewish community, in February the Supreme Court, by a 5–4 decision, ruled that judges could order employers to use strict racial quotas temporarily, in promotions as well as hiring, to counter severe past discrimination. The case involved the promotion of black state troopers in
The subject of temporary court-ordered quotas in severe cases had long divided a number of Jewish organizations.

**Blacks, Jews, and Jesse Jackson**

The year began with an episode that harked back to the racial unrest and upheavals of the sixties. On January 17, in Cumming, Georgia, only 30 or so miles from Atlanta but in all-white Forsyth County, hundreds of Ku Klux Klan members and supporters broke up a small civil-rights march, labeled a "walk for brotherhood," held to mark the birthday of Dr. Martin Luther King, Jr. The Klansmen hurled bottles, rocks, and verbal abuse at the small group of black and white marchers, forcing them back on their bus. Stunned by the intensity of racial hatred displayed in the incident, civil-rights leaders quickly organized a second, mass brotherhood march to take place in Forsyth County the following Saturday. The Atlanta chapters of the American Jewish Committee and the American Jewish Congress helped to organize the event, and Atlanta's largest Reform temple opened its doors to marchers who had no accommodations. Representatives of Jewish communities around the nation joined the march, which drew some 15,000-20,000 supporters from all parts of the country. Order was maintained by National Guard troops and local law-enforcement officers, but while local officials welcomed the marchers, a crowd of 1,000 to 2,000 Klan supporters jeered along the route.

Although this largest civil-rights demonstration since Martin Luther King, Jr., led the 1965 march in Selma, Alabama, was a heartening show of black-white solidarity, events during the year reflected the undeniable malaise that now afflicted the black-Jewish coalition. Nation of Islam leader Louis Farrakhan continued to arouse Jewish anger as he spoke around the country. In Syracuse, in November, he said that Jews should not "walk around like pompous peacocks." In December, New York Mayor Ed Koch criticized a black Catholic priest, Lawrence Lucas, who made a public statement accusing other Catholics of "murdering us in the streets," referring to the police, and then saying that still others "are killing us in the classroom. I do not have to tell you from what persuasion they come. You just have to look at the Board of Education, and it looks like the Knesset in Israel." Incidents periodically occurred to heighten tensions between blacks and Hassidim in Brooklyn.

The prime focus of the strained relationship was Jesse Jackson, who was preparing a major effort to gain the 1988 Democratic presidential nomination, with the overwhelming support of the black population. Still under criticism in the Jewish community for his "Hymietown" remark and his association with Louis Farrakhan during the 1984 election campaign, as well as for some of his attitudes toward Israel, Jackson made deliberate efforts during the year to mend fences. Speaking to delegates from the Union of American Hebrew Congregations in Washington, in April, Jackson said that "blacks and Jews demonstrate similar commitments to the values of social justice, civil rights and human dignity." He continued his public support
for a more liberal Soviet emigration policy, and, in response to a Jewish request, wrote a letter to Syrian president Hafez al-Assad, asking for the extradition to West Germany of alleged Nazi war criminal Alois Brunner. He avoided public association with Louis Farrakhan, who, in turn, said that he would not publicly support Jackson's campaign.

In September, however, Jackson made certain remarks to a political action group of young Democrats in Los Angeles—in particular a comment about "Jewish support for South Africa"—that led some of the Jews present to stop the checks they had made out to his campaign. And an interview with Jackson on black-Jewish relations in the October issue of the magazine *Tikkun* was described by Rabbi Alexander M. Schindler, president of the Union of American Hebrew Congregations, as "bitterly disappointing." Rabbi Marc Tanenbaum, director of international relations for the American Jewish Committee, observed that the interview was "a regressive step in what many of us had taken to be a genuine effort on the part of Jesse Jackson to build bridges between himself and the Jewish community."

Although Jackson offended some readers of the *Tikkun* interview by refusing to condemn Pope John Paul's meeting with Kurt Waldheim, and by equating the South African situation with the Holocaust, the main area of contention between the Jewish community and Jesse Jackson was Israel and the Middle East. In the *Tikkun* interview, while calling for the security of Israel, Jackson again enunciated his even-handed support for a Palestinian homeland, at one point asserting that "affirmative action for Zionism had to do with uprooting people from lands."

In some views, Jesse Jackson's approach to the Middle East issued more from a general "third-world" and simplistic approach to international affairs than from any specific hostility to Israel. However, Jackson's continued close association with Arab political groups made pro-Israel supporters distinctly uneasy. In March, Jackson was the keynote speaker at a political conference of Arab Americans. Later, he met with some 20 Arab Americans in Washington, including James Zogby, president of the American Arab Institute, the most prominent American lobbyist for the Palestinian cause and the man Jackson had chosen to second his candidacy at the 1984 Democratic party convention.

In the April *New York Times/CBS* News poll, about half of the Jews, but only about a third of the non-Jews, said that they had an "unfavorable opinion" of Jackson. This despite the fact that Jews were disproportionately identified with the Democratic party and, even among Democrats, Jews voted disproportionately for black candidates, as in the case of the 1987 Chicago mayoralty election.

In the February Roper survey, the black public's attitudes toward the Middle East tended to mirror Jackson's. A quarter of the blacks, as against half the whites, said that they were more sympathetic to the Israeli cause than to the Arab cause. To put it another way: among those Americans who took a position on one side or the other, the ratio in favor of Israel was about six to one among whites, about two to one among blacks.
Israel-Related Issues

According to conventional Jewish wisdom, two kinds of crises would be most likely to trigger an anti-Semitic backlash in the United States. One would be a devastating economic breakdown. Nothing of the kind was on the horizon in 1987. The other triggering crisis would be a radical break between Israel and the United States, raising in a heated context the question of American Jewish “dual loyalty.” Such a crisis was not really on the horizon, either, but events were taking place that raised the issue more sharply than before in American Jewish minds.

A key concern was the case of Jonathan Pollard, former civilian intelligence analyst for the U.S. Navy, who pleaded guilty in June 1986 to spying on the United States for Israel. In March 1987 Pollard was sentenced to life imprisonment, and his wife, Anne, to five years in prison as an accessory.

The issue of American Jews' dual loyalties was occasionally hinted at, as in the case of one lead-off on an ABC-TV “Nightline” broadcast on the Pollard affair: “Is it a question of divided loyalties?” But there were no serious charges or debates on the subject of dual loyalty. However, an American Jewish fear of anti-Semitism resulting from charges of dual loyalty would not have been outlandish, given the fact that over the previous two decades of surveys, a quarter to a third of the American people had repeatedly said they thought Jews were more loyal to Israel than to America. But the Pollard case did not seem to affect that belief. In reply to the New York Times/CBS News survey in April, 28 percent of Americans expressed the belief that “most American Jews place the interests of Israel ahead of the interests of the United States.” About the same proportion, 24 percent, agreed with the more typically worded proposition, in the February Roper poll, that most American Jews are more loyal to Israel than to the United States. That was, if anything, a lower proportion than had agreed with that proposition in recent years.

When asked by the New York Times/CBS poll whether Pollard had spied for Israel or for the Soviet Union, two-thirds of the non-Jews and one-third of the Jews said they did not know. The Jews who said they knew the answer to the question all answered correctly, but the non-Jews who said they knew named the Soviet Union almost as often as they mentioned Israel as the sponsor of Pollard’s espionage. However, even after they were apprised of Israel’s connection to the Pollard case, only a third of non-Jewish Americans thought the United States should take some action against Israel, and only about one out of ten recommended drastic action, such as sanctions or withdrawal of aid. About two-thirds of non-Jewish Americans thought the whole matter would “blow over fairly soon.” Secretary of State George Shultz expressed the same opinion.

Although the Pollard case failed to evoke the feared anti-Semitic reaction, there was concern that other issues might. There was, for example, Israel’s alleged role in the American sale of arms to Iran, including the diversion of some of those funds to the Nicaraguan contras. In the dramatic Senate investigation of these matters during the summer, Israel was frequently mentioned by witnesses, and Lt. Col.
Oliver North, the former National Security Council staff member who master-minded the affair, testified that the Israelis had cooperated in the fund diversion. The chairman of New York governor Mario Cuomo's Task Force on Bias-Related Violence warned that “moves within the Reagan administration to make Israel the scapegoat in the Iran arms scandal could result in a wave of anti-Semitism in the United States.” However, when the Roper poll asked Americans to name those most responsible for the Iran affair, accepting multiple responses, only 5 percent of Americans mentioned Israel. Even Nicaragua was named more often. The Reagan administration received most of the blame.

Even though the Iran arms sale was apparently no more the issue that would ignite a wave of anti-Semitism in America than was the Pollard case, these jarring events brought American Jews closer to understanding the possible negative consequences of such events, not only for Israel but for themselves. (See “Jewish Communal Affairs,” elsewhere in this volume.) A headline in the July 5th edition of the New York Times read: “American Jews Are Voicing Their Disquiet.” And on November 22, a New York Times headline proclaimed: “U.S. Jews Are Anxious Over Mideast Violence.” In this case the reference was to the Palestinian-Arab uprising that had erupted in the West Bank and Gaza. Daily front-page newspaper photos and nightly television coverage featured Israeli soldiers using guns and tear gas against Arab teenagers and children, armed mainly with rocks. As the year ended, American Jews were becoming increasingly disturbed, not only about the impact of that spectacle on their non-Jewish neighbors but also about the deeper implications of these events for Israel's future and for their own relationship with the State of Israel.

Earl Raab
The United States, Israel, and the Middle East

Relations between Israel and the United States remained at a high level in 1987, despite heightened tensions over Israel's part in the Iran-contra and Pollard affairs, as well as questions about Israel's role in the peace process. The evolution of U.S.-Israeli relations, involving greater strategic cooperation and the treatment of Israel as a true ally in the economic and military spheres, proceeded apace. The year was characterized by increasing concern—among the Arab states as well as the broader world community—over the expanding war in the Persian Gulf. It was only in the final days of the year, with the outbreak of large-scale rioting in Israel's occupied territories, that the Arab-Israeli conflict returned to the full glare of the international spotlight.

United States-Israel Relations

NATOization

A major advance in U.S.-Israeli relations was the official designation in February by Secretary of Defense Caspar Weinberger and Secretary of State George Shultz of Israel as a major non-NATO ally. In May 1986 Israeli defense minister Yitzhak Rabin had broached the idea on a visit to Washington, and Rabin, Shultz, and Weinberger had discussed it in September 1986 on the occasion of another Rabin visit. In granting the new status, Secretary Weinberger advised Congress that Israel, like other major non-NATO allies, "represents a unique and strategic interest [that] currently utilizes a wide range of U.S. systems and technology which it is in our long-term interests to improve and modernize." He went on to say that Israel "has the ability currently to contribute to U.S. conventional defense modernization through an established, sophisticated and innovative research and development base." This further acknowledgment of Israel's strategic value to the United States and the sophistication of its defense industry had practical as well as political benefits to Israel, including participation in cooperative research and development and joint military production. The new status did not guarantee Israel special benefits, but did provide opportunities for Israeli firms to compete fairly with formal U.S. allies in bidding on a wide range of Pentagon contracts. In December Secretary of Defense Frank Carlucci and Rabin signed a Memorandum of Understanding, to run through 1998, implementing the agreement.
Another cooperation project that reached fruition in 1987 was the plan for Israeli construction and maintenance of a radio transmitter in the Negev. The transmitter would be used to broadcast the Voice of America, Radio Free Europe, and Radio Liberty to the Communist bloc, Asia, and Africa. As a follow-up to the agreement signed in Israel in August 1986, providing that a station would be built, at a cost of $250 million, a more detailed 25-year agreement was signed on June 18, 1987. At the signing ceremony in Washington, President Ronald Reagan said, "Our special relationship will be given a new dimension. We could not be happier with this partnership with Israel because it will result in the broader dissemination of those values we have in common." It was noted by some analysts that the United States had sought a location for the transmitter since the early 1970s, but that other countries in the region had refused to provide sites. The agreement provided that the United States would lease the land from Israel for 25 years, from the time of the first transmission, which was expected to occur in five years. An Israeli firm would serve as the prime contractor for the project.

Other areas of cooperation between the two countries, begun in the earlier years of the Reagan administration, continued to develop. Regular meetings took place during the year between delegations of the two countries charged with enhancing strategic cooperation. The Free Trade Area agreement, signed in 1985, was being implemented, and in December Congress passed a bill in which aid to Israel remained at $3 billion, $1.2 billion in economic assistance and $1.8 billion in military assistance. Of the latter, Congress earmarked $150 million to be spent in the States and $300 million in Israel for advanced weapons systems.

Earlier in the year, in March, in testimony before the House Foreign Affairs subcommittee on Europe and the Middle East, Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs Roscoe Suddarth broadly described the extensive cooperation between Israel and the United States in political, military, and economic matters. He reported that Israeli researchers had been awarded five Strategic Defense Initiative (SDI) contracts worth over $10 million; pledged the continuing U.S. commitment to help Israel maintain its "qualitative military advantages over any combination of opponents"; and said that Washington "takes pride" in the progress Israel and the United States had made in meeting "the external threat" to the region. Although strategic cooperation, the free-trade agreement, and financial aid all remained on track, two outstanding matters continued to trouble the relationship. One was the Iran-contra affair, which raised doubts about Israel's reliability and complicated relations with the Arabs and U.S. allies. The other, the Pollard case, called into question the very trust and credibility that formed the foundation of the special relationship.
Iran-Contra Affair

The Iran-contra affair, which had begun late in 1986, dominated the headlines in 1987. (See AJYB 1988, pp. 165–70.) Investigations were held by both houses of Congress, by the Senate Intelligence Committee, by the special commission under former senator John Tower, and by the special prosecutor, Lawrence Walsh. At issue were charges that the administration had secretly traded arms to the Khomeini regime in Iran in exchange for American hostages; that monies from the sale of arms had been sent to the Nicaraguan contras; that President Reagan knew of this diversion; and that the United States had been led and/or misled by Israel from the affair’s inception.

While the aspect of the affair that most sharply touched on political divisions in America was the diversion of funds to the contras, Middle East policy matters were involved as well. With regard to U.S.-Israeli relations, the critical issue was whether Israel would be blamed for the affair, with consequent harm to its standing in America and its future relations with U.S. officials. With regard to the Arab states and U.S. allies, the question was how the revelations would affect U.S. credibility in light of the overwhelming Arab concern about Khomeini, and in light of the gap between public U.S. opposition to terrorist Iran and the private policy of selling arms.

It was clear that Israel was heavily involved in various phases of the affair. Less clear, however, was whether Israel, because of its intelligence concerning Iran, was merely a useful conduit for American actions or whether Israel was more of an initiator. At the very least, Israel’s involvement stemmed from a desire to demonstrate its usefulness to its American ally and benefactor. Assistance in freeing American hostages and in bringing Iran toward a more moderate posture vis à vis the West were goals clearly in the minds of Israeli policymakers.

Early in 1987, as the various investigations were going on, a multitude of stories surfaced in the media. One was a report that Lt. Col. Oliver North, a member of the National Security Council (NSC), which had carried out the arms deal, attributed the diversion of funds to the contras to a suggestion by David Kimche, former director-general of Israel’s Foreign Ministry. Prime Minister Yitzhak Shamir responded immediately on Israeli radio that “it would be very easy to prove that such allegations are baseless.” Shamir indicated that explanations would be made to U.S. congressmen investigating Israel’s role in the arms deal. Kimche himself firmly denied a role in the contra funding, declaring that had he known profits from the sale of U.S. weapons to Iran were being directed to the contras, he never would have permitted Israel to participate in the operation.

While the Senate Intelligence Committee decided on January 5 not to make public its findings, leaks were abundant. The New York Times reported on January 10 that the study had raised new questions about Israel’s role in persuading Reagan to violate his own policies of never paying ransom to terrorists for the release of hostages and of not supplying arms to Iran. The report allegedly referred to contin-
ual promises by Israel to the White House that in return for modest amounts of U.S. arms, all American hostages in Lebanon would be freed. And when these assurances were not fulfilled, and Washington came close to ending the sales, Israel succeeded in keeping the arms flowing. According to the Times, some State Department officials expressed irritation with Israeli denials that it had instigated the affair. Other officials in the State Department and the White House blamed North and NSC head Vice Adm. John M. Poindexter far more than Israel, portraying them as overeager to take risks to free the hostages, thereby avoiding the necessary critical scrutiny of promises made by Iranians and Israelis. One day earlier, January 9, the White House released the text of Reagan's January 17, 1986, intelligence finding formally authorizing arms sales to Iran. Also released was Colonel North's cover memo, recommending that the president sign the finding, in which he portrayed Israel as the initiator of the plan to supply the Iranian military. According to North's memo, Israeli counterterrorism adviser Amiram Nir had assured U.S. officials that with the shipment of 4,000 TOW anti-aircraft missiles to Iran, all U.S. hostages held in Lebanon would be released.

On January 11, senior Israeli officials reiterated their denial that Israel had led Washington into the arms deal. They indicated that Israel had acted at American request to help win the release of American hostages and had not known that profits from sales were being diverted to the contras. One Israeli official reflected concern about talking too much: "Obviously some American officials are trying to cover for themselves. We were prepared for this, and we do not believe that it is over. But we are the last ones who want to get into a mud-slinging contest with an administration that is basically friendly to us."

On January 12 it was reported that the administration had told Shamir the day before that it did not hold Israel responsible for the affair and was not seeking "to blame" Israel. The message, conveyed by U.S. ambassador to Israel Thomas Pickering, included the assurance that the various U.S. investigations were designed to get the facts and were "not an effort to make Israel a scapegoat for decisions made by Washington." The message followed days of press disclosures alleging special Israeli responsibility. Israeli sources welcomed the message as an indication that the special relationship between the two countries remained intact. Senior Israeli officials told the Washington Post that from the outset of the affair, Israel was determined to avoid comment when possible, or overt criticism of the administration, despite the growing feeling that Israel was being set up to take the blame—all to avoid a rupture in U.S.-Israeli relations.

On January 13, in testimony before a closed Knesset committee session, Peres said Nir told him that he had warned U.S. officials in January 1986 that chances for success of the arms-for-hostages scheme were "at best 25 percent."

The Senate Intelligence Committee report, released on January 29, concluded that the affair was a result of a "confluence of several factors," among them a reappraisal in the NSC of overall policy toward Iran; a desire to gain release of the hostages; and pressure from Israel to participate in its contacts with Iran. The report
contended not only that Israel had played a key role as middleman in the sale, but that Israelis had a possible role in helping direct profits from those sales to the *contras*. On February 1, Israel again denied involvement in the diversion of funds or in transferring weapons to the *contras*; this charge was viewed by Israel as the most serious made, since it impinged on Israel's relations with Congress. Following release of the report, the intelligence subcommittee of the Knesset's Foreign Affairs and Defense Committee held two days of hearings with Nir and Kimche. The committee found that the testimony supported previous government statements that there was "no foundation whatsoever" to allegations that Israel delivered arms to the *contras*.

In February the issue shifted to the question of Israeli cooperation with various U.S. investigations. On February 5, Shamir indicated that Israeli officials involved in the sale would not be sent to Washington to testify directly, but would likely cooperate by providing written answers to questions. Four days later, Nir, Kimche, and arms dealers Al Schwimmer and Yaacov Nimrodi agreed to give written answers to questions from U.S. investigators. During the course of his visit to the States in mid-February, Shamir reached an agreement with Congress on the procedures for the congressional investigation of the Israeli role in the Iran-contra affair. Under the arrangement, the special investigative committees would jointly prepare a set of questions that would be submitted by the State Department to the Israeli government; no Israeli official would be subpoenaed or be asked to testify in public or private sessions. The Israelis would answer the questions in writing and would also submit to the committees a chronology of Israel's financial transactions and contacts relevant to the investigations.

Meanwhile, Shamir met Reagan at the White House on February 18 for discussions of what they described as cooperative approaches to a range of strategic and diplomatic issues. The White House meeting was seen as a clear effort to demonstrate that the Iran affair had not damaged relations between Israel and the United States.

On February 26, the Tower Commission, established in November 1986 and consisting of John Tower, former national security deputy Brent Scowcroft, and former secretary of state Edmund Muskie, issued its report. The report was unclear as to whether the operation was an Israeli or a U.S. initiative. It said, however, that "Israel had its own interests, some in direct conflict with those of the U.S.,” and that lack of access to key Israeli players in the operation had prevented it from reaching conclusions about the full extent of Israel's role. As its bottom line, the commission said that "even if the government of Israel actively worked to begin the initiative and to keep it going, the U.S. government is responsible for its own decisions. . . . U.S. decision-makers made their own decision and must bear responsibility for the consequences."

Israeli officials reacted with some relief to the commission's findings. A spokesman for Shamir told the *New York Times* that "at first glance, it doesn't seem to stress especially the role of Israel. We are not being blamed."
On March 4, President Reagan gave a 13-minute nationally televised talk responding to the Tower Commission report, in which he acknowledged for the first time that the administration had swapped arms for hostages: "I undertook the original Iran initiative in order to develop relations with those who might assume leadership in a post-Khomeini government. It's clear from the board's report, however, that I let my personal concern for the hostages spill over into the geopolitical strategy of reaching out to Iran."

Despite Israel's offer to provide written answers to U.S. investigators, the issue of testimony by those involved did not go away. Independent counsel Lawrence E. Walsh continued to seek direct questioning, saying that he was "not a party to that agreement" made in February by Shamir with leaders of the House and Senate select committees. Walsh said that the written responses were a poor substitute in a criminal probe for face-to-face questioning.

Late in April, disagreement broke out over financial data Israel had collected on the sale of arms. Israel sought to have a veto on the public release of any of the materials it proposed turning over to the congressional committees and also asked for an assurance that the committees would not provide the material to Walsh. A prime concern of the Israelis was that their citizens not face prosecution by Walsh.

The conflict between Walsh and Israel continued. On May 21 he subpoenaed Kimche, who was in the States on a private visit, to testify before a grand jury; Israel protested, and on May 22 a federal judge, Aubrey E. Robinson, Jr., decided to allow Kimche to leave for Israel with the agreed promise to return should the courts uphold the subpoena. The government of Israel had described the subpoena as illegal, a "clear violation" of U.S.-Israeli agreements, and had ordered Kimche not to testify before the grand jury, fearing that he might be forced to divulge information affecting Israel's national security. Negotiations between Israel and Walsh continued into the summer without an agreement over whether his investigators would be allowed to question Israeli citizens directly. The issue was shifted to a federal judge.

CONGRESSIONAL HEARINGS

Meanwhile, the joint congressional committee held nationally televised hearings throughout the summer. The story dominated the headlines and television coverage, the witnesses becoming overnight stars. The hearings were notable for their lack of focus on Israel. In explanation, one Capitol Hill source was quoted as saying, "Whatever motivation or input the Israelis had, this was an American decision first, last and always." When the hearings ended early in August, Israeli officials expressed relief. One official was quoted as saying, "We really dodged a bullet—no make that a hail of fire." Thus Colonel North, in his testimony, offered praise for Israel rather than criticism, focusing on Israel's cooperation in the interception of the Achille Lauro hijackers (in 1985) and its general conduct in opposing terrorism. The hearings themselves revealed Poindexter and North as the key responsible
figures, with no indication that the president had any role in the affair.

In November Prime Minister Shamir told the New York Times that he had no regrets about Israeli involvement in American covert arms sales to Iran. Israeli leaders had long maintained that they had been involved in order to help the United States free hostages and bring moderates to the fore in Iran. Shamir added, however, that in the future his government intended to adopt a totally neutral stance toward the participants in the Iran-Iraq war.

Pollard Affair

The case of Jonathan Jay Pollard, an admitted spy for Israel, which had erupted on the scene late in 1985 and was followed by a guilty plea in June 1986, with sentencing postponed, did not go away in 1987. Several points of conflict between U.S. and Israeli officials continued to irritate relations for the first few months of the year. (See AJYB 1988, pp. 164–65; and AJYB 1987, pp. 161–63.)

POLLARD SENTENCED

On January 6, the Justice Department submitted to Federal Judge Aubrey Robinson a memorandum recommending a stiff prison term for Pollard, asserting that he had compromised more than 1,000 classified documents, most of them marked top secret, and suggesting that the documents might have allowed Israel to identify American agents overseas. The memorandum attempted to show that greed rather than Israeli patriotism was his prime motivation. It said that Pollard was “consumed” by the “lure of money” and became “literally addicted to the high life-style funded by his espionage activities.” The Justice Department memo disclosed that FBI agents traveled to Israel and retrieved 163 classified documents in December 1985. It also called on the judge not to consider whether Pollard had spied for a friendly or unfriendly country, only that he broke the law. The following day, the department submitted a second memorandum calling on Judge Robinson to send Anne Henderson-Pollard, wife of Jonathan, to prison for a “period of years” on the grounds that she was a “willing partner in crime” and that she had sought help from one of Pollard’s Israeli “handlers” the first night Pollard was questioned.

Following a request by Pollard for information about other spy cases, the government, opposing this request, prepared another memorandum in which it claimed that “Pollard compromised a breadth and volume of classified information as great as in any reported espionage case and adversely affected U.S. interests vis-à-vis numerous countries, including potentially the Soviet Union.” Pollard’s attorney, Richard Hibey, strongly disagreed with the Justice Department’s assertion of the damage his client had caused.

On February 26, Pollard submitted a presentencing statement to the court in which he said that he gave Israel military intelligence to help it maintain an up-to-date defense against hostile neighbors, chiefly Syria. “In my mind, assisting the
Israelis did not involve or require betraying the United States. I never thought for a second that Israel's gain would necessarily result in American loss," he stated. Asserting that deep Zionist convictions motivated his actions, he said he disagreed with the Navy's policy of giving Israel incomplete intelligence information: "I watched the threats to Israel's existence grow and gradually came to the conclusion that I had to do something." On March 4, Pollard was sentenced to life in prison and his wife to two concurrent five-year terms. Judge Robinson rejected the defense claim that the damage done to the United States was not serious; he cited a classified affidavit from Secretary of Defense Weinberger that outlined the precise nature of the harm done to U.S. intelligence sources and methods.

OTHER DEVELOPMENTS

In February the Justice Department notified three Israelis involved in the affair—Rafael (Rafi) Eitan, former chief of a small intelligence unit within the Israeli Defense Ministry; Yosef Yagur, a former science attaché in the Israeli consulate in New York; and Irit Erb, a former employee in the Israeli embassy in Washington—that it would seek to revoke their diplomatic immunity from prosecution. The department also informed Col. Aviem Sella, the Israeli Air Force officer who was Pollard's first "handler," that he might soon be indicted. This, in effect, would serve to bar him from ever traveling to the United States, where he would risk arrest.

Relations between the United States and Israel were further strained when the administration learned, early in March, that Colonel Sella had been assigned to command Israel's largest air base. On March 4, the State Department issued a statement criticizing Israel for the move: "The United States government believes that the promotion or reassignment to a position of major responsibility of any Israeli involved in violation of U.S. espionage laws is inconsistent with the spirit of cooperation in which we have wanted to proceed with the government of Israel in the Pollard affair." At the same time, the U.S. embassy in Israel lodged a protest with Israeli defense minister Rabin, noting that such a promotion, precisely at the time Pollard was being sentenced, hardly constituted making "accountable" those Israeli officials responsible for the "rogue" Pollard operation.

After initially refusing comment on any of these matters, on March 8 Prime Minister Shamir told a group of visiting American Jews that as far as Israel was concerned, the affair was over. On March 10, however, Abba Eban, in his capacity as head of the Knesset's Foreign Affairs and Defense Committee, announced that his intelligence subcommittee would be looking into the matter.

The following day, Secretary Shultz said that the Reagan administration was "deeply distressed" by Israeli espionage in the United States and had delivered "a strong message" to Israel on the need for further investigation. He said that new posts given to Sella and Eitan (who had been appointed head of Israel Chemicals, the largest state-owned company) were not warranted. Shultz's strong expression of concern contrasted sharply with State Department efforts the year before to play
down the Pollard affair, a position that had angered the Justice Department. Meanwhile, Congressman David Obey (D., Wis.), chairman of the House appropriations subcommittee on foreign operations, said that he had summoned visiting U.S. ambassador to Israel Thomas Pickering to his office to tell him that "droves of members of Congress have expressed their anger" over Israel's decision to promote Sella and, earlier, Eitan.

On March 15, the government of Israel responded to this criticism. Defense Minister Rabin accused the Justice Department of reneging on its agreement with Israel by refusing to grant immunity to Sella. He claimed that the prosecutors reneged because they had already achieved their aim of forcing Pollard to confess—by using information from other Israelis who were questioned—and thus did not need Sella's help. Besides, he added, "there are certain people who would like to create tension" between Israel and the United States.

Criticism of Israel for the Sella promotion was not limited to American officials. Jewish leaders joined in. Morris Abram, chairman of the Conference of Presidents of Major American Jewish Organizations, called the promotion "a very deep wound" to the United States. Nathan Perlmutter, national director of the Anti-Defamation League of B'nai B'rith, said: "What began in stupidity quickly sank into irresponsibility. If this was a 'rogue operation,' it's a fair question to ask why Israel has promoted the rogues." Tensions eased a bit when Sella resigned, on March 29, from his post as commander of Tel Nof air base. Israeli officials, who had reportedly pressured Sella to resign, reacted with relief to his announcement and expressed the hope that it would lead to a lessening of tensions with Washington.

ISRAELI INVESTIGATIONS

Responding to pressures from Washington and within Israel itself, the government of Israel conducted two investigations into the Pollard operation. The inner cabinet of the Israeli government set up a two-member panel to "clarify" the affair. Yehoshua Rotenstreich, a retired attorney, and Zvi Tzur, former chief of staff of the Israel Defense Forces (IDF), comprised the panel, but they had no subpoena powers. In the Knesset, Eban's Foreign Affairs and Defense Committee carried out its own probe.

On May 25, the Rotenstreich panel and the Eban committee simultaneously disclosed their findings. Both cleared all of Israel's political leaders of any knowledge of or involvement in the affair. But the inquiries said that Israel's senior political leaders bore responsibility for failing to uncover and end the espionage operation. The Eban committee was particularly critical of Defense Minister Rabin and his predecessor, Moshe Arens, for their "lack of criticism, supervision and curiosity. They did not ask at any time, 'What is going on in this operation?'" The Rotenstreich commission placed responsibility on the full cabinet, which, on May 27, that body formally accepted. U.S. reaction was restrained. State Department spokeswoman Phyllis Oakley said that the U.S. government hoped the investiga-
tions would “contribute to insuring that espionage activities like Pollard’s never occur again.” A correspondent for the Israeli daily *Ha’aretz* summed up the state of affairs: “Everything now depends on the Americans. . . . [I]f the Americans will swallow these reports then it will be easy for the Israeli public to swallow them as well. If the Americans get angry, there will be demands here for the politicians to go home.” Shamir told reporters that the cabinet’s acceptance of the panel’s report closed the matter: “In our view, this is the end. I hope we won’t have to concern ourselves further with this affair.” (For reaction in the United States to the Pollard affair, see “Intergroup Relations” and “Jewish Communal Affairs,” elsewhere in this volume.)

**Lavi Project**

A third area of some conflict between the two governments centered on the Israeli multibillion-dollar war plane, the Lavi. In 1986 the Pentagon had made the case against the Lavi, and the State Department had come around to that way of thinking by the end of the year.

Early in January 1987, Deputy Under Secretary of Defense for Planning and Resources Dov Zakheim visited Israel to convince Israeli leaders that the Lavi was neither a military necessity nor suited to Israel’s financially strapped economy. At a press conference in Tel Aviv, Zakheim said that the Lavi would cost 45 percent more than the $15.2 million per plane that Israel had projected. Calling the Lavi an “unproven aircraft,” he indicated that the United States would have “absolutely no interest” in purchasing the Lavi and might exercise its option to veto sales of the Lavi to other nations (55 percent of the aircraft’s components were being manufactured by U.S. firms). Zakheim proposed to Israeli leaders alternatives involving coproduction of F-16s, which, it was said, would cost Israel less, would give Israel new planes sooner, and would compensate for some of the jobs lost by abandoning the Lavi. “What we’re trying to do is to save some money . . . and offer Israel the possibility of in some way minimizing disruption to its defense budget and also to the military assistance program that we provide, which we think will be caused by the Lavi.” Even while Israeli leaders indicated a willingness to consider the case, Israel Aircraft Industries pressed ahead with its test-flight program.

On February 22, the General Accounting Office (GAO) in Washington released a study which said that production costs for the Lavi would exceed $1 billion a year by 1990 and $1.4 billion by the year 2000. The report went on to say that even the lowest estimate of the funding required to produce 300 Lavi aircraft “will far exceed the spending cap set up by Israel ($550 million a year) and consume an increasingly larger share of Israel’s defense resources.” Debate raged within Israel for months, including within the military, and the cabinet continued to put off a decision. Reports circulated that Rabin and most senior Israeli military officers had reluctantly concluded that development and production of the Lavi could only be maintained by diverting large sums from other critical defense needs, a path they seemed
unwilling to take. On the other hand, the government was under pressure because of the workers whose jobs would be threatened by the project's end and because national pride in the project was considerable.

On August 11, as the Israeli cabinet neared a decision on the fate of the Lavi, Washington, in its bluntest statement yet, urged Israel to scrap the program. State Department spokesman Charles Redman said: "Given the budgetary realities we and Israel face, we believe a decision by Israel to terminate the Lavi would be in the interest of both our countries." Officials indicated that the U.S. statement was intended, in part, to strengthen the hand of Israeli military officials and cabinet members who opposed the program on the basis of cost. In addition, Israeli officials acknowledged that Shultz had sent personal messages to Shamir, Peres, Rabin, Finance Minister Moshe Nissim, and Economics Minister Gad Yaacobi, urging the cancellation.

On August 30, the Israeli cabinet finally bit the bullet, voting 12-11, with one abstention, to end the project. In the final analysis, the IDF's fear that the project would draw away funding from other requirements was seen as the decisive factor. While the vote generally went along party lines, Labor for scrapping the project, Likud to continue it, the crucial vote to kill it came from Likud Finance Minister Moshe Nissim. Peres, who had long supported the Lavi, together with Nissim devised an alternative plan to cushion the blow by providing money for other weapons projects. How it would play out politically in Israel was unclear. Labor officials indicated that U.S. actions would be crucial; they said that if the United States helped Israel to coproduce the F16C (an updated F16) and permitted American aid to be spent on alternative Israeli-made weapons projects, Labor would reap the political benefits. If Washington did not come through, they said, Likud would use the issue successfully. Likud officials argued that the average Israeli, who took pride in the Lavi, would remember who killed it.

On September 10, the Washington Post reported that the administration had confirmed its commitment to ease the financial pain of the cancellation. In a letter to Nissim, Shultz indicated the administration's willingness to earmark $450 million to pay termination charges on contracts with U.S. and Israeli companies working on the plane. Also reported were U.S. commitments to try to increase from $300 million to $400 million a year Israel's unique authority to use part of its U.S. aid to buy Israeli-made products, and a continuation of the policy allowing Israel to require U.S. defense contractors to buy $150 million a year in Israeli products to "offset" the cost. As the year concluded, Israel was discussing with U.S. officials other ways to ease the economic blow of the Lavi cancellation. Included were Israeli proposals to participate in the manufacture of parts for the F-16; participation in the development of a new variant of the F-16 proposed by General Dynamics to lighten the plane and improve its performance; and a contract from the Defense Department to help pay the costs of research into an Israeli rocket, called the Arrow, which was designed to shoot down shorter-range missiles like the surface-to-surface missiles sold by the Soviet Union to Syria.
The Peace Process

The impact of the continuing Iran-Iraq war and a related matter, the secret sale of U.S. arms to Iran, were issues that diverted attention from the Arab-Israeli arena and created additional obstacles to progress toward peace on a road already marked by innumerable obstacles.

The focus of the peace process in 1987 was the proposal for an international conference. The conference idea had a long history, going back to the 1970s; it was revived in February 1985, when Yasir Arafat and King Hussein reached an agreement which talked of an international conference with the participation of the Soviet Union. In speeches at the United Nations in 1985 and again in 1986, Shimon Peres indicated his willingness to attend an international conference if the Soviets restored relations with Israel and allowed Jewish emigration. Throughout 1987, differences between and among the main players effectively stalemated the idea. One obstacle was the widely publicized disagreement between Foreign Minister Peres and Prime Minister Shamir, who strongly opposed the conference idea. Another was the unclear U.S. position on the matter. Yet another was the disagreement between Peres on the one hand, and Arab and Soviet leaders on the other, concerning various aspects of the conference: its structure and powers and the nature of Palestinian representation to it.

As the year began, both President Hosni Mubarak of Egypt and Jordan’s King Hussein were strongly urging U.S. officials to accept an international conference that would be attended by all regional parties and by both superpowers. Although the United States was formally opposed to a conference that would entail Soviet participation, late in 1986, when Shimon Peres, first as prime minister, then as foreign minister, began forcefully articulating his support under certain conditions, State Department officials agreed that the idea should be explored. This U.S. reassessment was seen as resulting only in part from the persistence of Peres. Washington’s other concerns were the damage caused by the Iran arms affair (reinforced following a trip to the Middle East in January by Assistant Secretary of State for Near Eastern Affairs Richard Murphy) and the need to counter Moscow’s skillful reemergence as a diplomatic player in the area.

SHULTZ-SHAMIR

Differences between Prime Minister Shamir and the United States over an international conference began to emerge early in the year. In mid-February, Shamir paid a visit to Washington during which a number of subjects were discussed, including that of the conference. On February 17, after a two-hour meeting with Shamir, Secretary Shultz told reporters that the administration did not “see exactly eye-to-eye” with Shamir, Shultz defending the conference idea, saying, “There may be something that carries that label that would be satisfactory.” He added, however, that America’s ultimate objective “is not an international conference. Our objective
is direct negotiations.” Shamir wholly rejected the conference idea as a “Soviet-inspired notion supported by radical Arab nations.”

The next day President Reagan reiterated the Shultz position after meeting with Shamir, noting that the United States wanted direct talks and “any reasonable means, including an international conference, should be considered.” Overall, however, Reagan played down the Shamir-Shultz clash of the day before, emphasizing Israel’s status as a “major, non-NATO ally.” Shamir said that this characterization of Israel added “a new dimension” to U.S.-Israeli relations, offering the possibilities of further American economic and military aid, as well as the psychological reinforcement of open U.S.-Israeli friendship.

One week later Peres was in Cairo, hoping to find common ground with Egyptian president Mubarak and his top policymakers with regard to the conference. A key issue was to find “an agreed Palestinian delegation” that could attend future negotiations. The talks brought no breakthrough on this matter, as the Egyptians insisted that the PLO should represent the Palestinians. On February 27, Peres and Egyptian foreign minister Esmat Abdel Meguid issued a joint communique calling for an international conference in 1987, leading to direct talks between Israel and the Arabs. Included in the communiqué was language referring to the “legitimate rights of the Palestinian people.” Shamir reacted with anger toward Peres for conducting what he described as an independent foreign policy, and at a March 1 cabinet meeting a sharp clash ensued between the two. Peres did not force the issue to a cabinet vote, leading to speculation that he did not have enough support from his own Labor party to provoke a political crisis that might result in the collapse of the national unity government and the calling of elections.

INTERNATIONAL REACTION

Elsewhere, support for an international conference began to build. Soviet general secretary Mikhail Gorbachev wrote to the chairman of the European Community (EC) foreign ministers, Leo Tindemans, calling for an international conference, though he failed to spell out any particular conditions for participation. On February 23, the EC announced its unanimous support for Gorbachev’s call. However, efforts by Washington to further this exploratory process were set back when both King Hussein and President Mubarak turned down invitations to visit Washington and confer with President Reagan. Both leaders indicated that the main reason for staying away was the continued shock and anger over U.S. arms sales to Iran. Between April 7 and April 9, Peres held a round of talks with two Soviet officials on the peace process at a meeting of the Socialist International in Rome. Attending the meeting as head of Israel’s Labor party, Peres described his talks with the two Russians—Karen Brutents and Aleksandr Zotov, Middle East experts from the international department of the Soviet Communist party’s Central Committee—as “serious and direct dialogue.” Peres reiterated his position favoring participation by Moscow in a conference, once the USSR resumed diplomatic relations with Israel.
On April 9, Shamir reacted sharply, calling the conference an “insane and monstrous idea” that could bring “abundant disaster” to Israel. He continued, “[O]nly someone wishing the loss and destruction of his country, his freedom and his security would favor such a conference.”

Meanwhile, in Washington on April 7, Jordanian president Zaid al-Rifai urged Shultz to end U.S. ambivalence and embrace Hussein’s international conference. On leaving, Rifai indicated that the United States had accepted Jordan’s plan in principle but disagreed on the details. Shultz, speaking to reporters after the meeting, seemed less positive than at the time of the Shamir visit. He indicated only that he was aware of the “importance” attached to a conference by Jordan and others, but stressed that any process had to lead to direct talks. Soon, however, there was a flurry of diplomatic activity, with reports circulating of a secret meeting in London on April 11 between Peres and Hussein. President Reagan sent a letter to Shamir urging him to consider the conference proposal. Shamir then sent Minister Without Portfolio Moshe Arens to Washington to tell Shultz that Likud leaders were firm in their opposition. According to reports, after Arens’s visit, Shultz put off plans to travel to the Middle East in the near future to seek agreement on a conference between Israel and Jordan.

HUSSEIN-PERES

Reports of the Peres-Hussein meeting indicated that they had apparently agreed on the terms of a conference. The specific proposals, it was said, were for the UN to invite five permanent members to convene the parties, based on UN Security Council resolutions 242 and 338; for the conference to then quickly break up into three sets of “geographical bilateral committees” to conduct direct negotiations between Israel and Jordan, Israel and a joint Jordanian-Palestinian delegation, and between Israel and Syria. Finally, participation of the PLO would be conditional on that group’s acceptance of 242 and 338 and renunciation of violence and terrorism. While Peres did not confirm that a meeting had taken place, he told an audience in northern Israel on April 28 that “this is a great opportunity. We must not miss out. It goes beyond all usual party strategy and if there is a need we will also go to the people.”

Meanwhile, U.S. special envoy Wat Cluverius shuttled between Jerusalem and Amman, trying to resolve remaining points of disagreement concerning Soviet participation, who would represent the Palestinians, and whether the conference could reconvene to seek to break any deadlock in the bilateral talks.

Early in May, reports circulated that Peres had reached agreement with Hussein through U.S. mediation. There were indications that he believed Israel was closer to peace talks than ever before, because Hussein, recognizing a hardening of the PLO position, was no longer willing to wait for PLO change, and because of a new flexibility by Moscow. The New York Times reported on May 11 that Jordan had agreed to limit the Soviet role by not allowing the conference to have veto power.
over any accord reached by the bilateral committees. The *Times* went on to report that the final details of the understanding were said to have been ironed out with the help of Cluverius.

**SHAMIR-PERES**

Following those reports, the conflict within Israel itself intensified. In February the Israeli cabinet had achieved a functional compromise in the Labor-Likud dispute, enabling Shamir to continue to reject the idea of a conference publicly and Peres to press on legitimately with efforts to persuade various parties to agree to such a meeting. At a cabinet session on February 1, Shamir was reported to have enunciated the saving formula when he declared that while he opposed a conference, it was customary in the Israeli government to allow the foreign minister leeway to maneuver in the effort to achieve peace. The truce did not last long. When Peres went to Europe early in April to boost his plan, Shamir lashed out. The combination of increasing turmoil in the territories and the foreign minister’s perception of the possibility of a breakthrough with Hussein emboldened Peres to bring matters to a head. On April 30 it was reported that Peres believed that he had achieved enough of a commitment from Hussein—a commitment to enter direct negotiations with Israel under the umbrella of an international conference—to justify asking the full Israeli cabinet to endorse the idea formally.

In an interview with the *New York Times* on May 8, Peres elaborated on his thinking. He said that the basic understanding between Israel, Jordan, the United States, and Egypt on an international conference was “an opportunity that we have not had since the creation of the State of Israel.” He indicated that if the inner cabinet were to be deadlocked when he presented the issue, “then we will have to go to the people like in a real democracy. Let them decide whether to use this peace opportunity or lose it.” He also said that he wished to see a more explicit declaration of support for the conference idea from the Reagan administration.

As noted, Washington had played a key role, through the Wat Cluverius shuttle, in the progress made to this point, but to avoid involvement in Israeli internal affairs had not given a vigorous endorsement. Thus, State Department spokeswoman Oakley said in reaction to Peres’s remark about a breakthrough having been achieved: “We are convinced that peace can only be achieved through bilateral, direct negotiations. As we have said on several occasions, we are exploring with the parties in the region whether an international conference might contribute to that end.” This statement was interpreted as reflecting American concern, despite basic agreement with Peres, that he was rushing matters by provoking a government crisis while important points of disagreement—the Soviet role, Palestinian representation—remained unresolved. On May 12, a sharp public exchange took place. Shamir accused Peres of being consumed by a “lust for power,” adding that a conference was a “perverse and criminal idea,” and that “every remnant and vestige of this plan must be wiped off the discussion table.” Peres responded by accusing Shamir and
Likud of "demagoguery," "hatred," and "character assassination." The following day, Israel's inner cabinet, consisting of five Likud and five Labor ministers, failed to endorse a Peres proposal to support the convening of an international conference. Subsequent efforts by Labor to dissolve the Knesset on this issue were frustrated when Shamir succeeding in putting together a bloc of 62 seats (one more than needed). The Prime Minister's Office now called on the foreign minister to inform all Israeli embassies that Peres no longer had a mandate to pursue the international conference, since Peres had refused to put the matter to a vote because it would have been rejected. Peres's supporters in the Foreign Ministry canceled the messages, instructing the embassies that since there had been no vote, there was no change in their instructions allowing them to articulate the foreign minister's interest in a conference. The ambivalence of the people of Israel themselves in the face of such conflict among their leaders was reflected in a poll made public in May: 52 percent favored participation in an international conference, but 59 percent said they would not support the idea if it meant collapse of the coalition government and early elections.

On May 19, the conference idea received another setback when a Soviet spokesman, Boris Pyadeshev, said in Moscow that a conference must be more than an "umbrella" for face-to-face negotiations between Israel and Jordan, and that the PLO should determine who would represent Palestinian interests at such a meeting. The spokesman said Soviet officials were prepared to be flexible on details, but clearly differences remained.

On May 21, Assistant Secretary of State for Near Eastern Affairs Richard Murphy told reporters that "significant progress" and "an encouraging convergence of views" had enhanced the prospects for a conference. He cited agreement that the conference would invite the parties to form "direct bilateral negotiations"; that it would not "impose solutions or veto agreements reached bilaterally"; that Palestinian representatives would participate in face-to-face negotiations "within a Jordanian-Palestinian delegation"; and that participants would be expected "to accept United Nations resolutions 242 and 338 and to renounce terrorism and violence." Murphy did not indicate which nations had agreed. With the Israeli government stalemated, with Washington promising to take no action without agreement of the full Israeli government, and with no evidence of major breakthroughs on the fundamental questions of representation at the conference and the role of the conveners, the perceived momentum of the conference idea slowed to a near halt. For months there was little activity on this front, until in August, Secretary of State Shultz sent his executive assistant, Charles Hill, to Israel to persuade Shamir to ease his opposition to a conference. He met with no success. On August 20, on a visit to Romania, Shamir met with Romanian president Nicolae Ceausescu in Bucharest for nine hours. No progress was made toward narrowing differences on the best way to proceed in Middle East peace negotiations.

On the occasion of the opening of the UN General Assembly session late in September, Peres met with Shultz and pressed his case. He reportedly described to
Shultz his perception of a more flexible Soviet attitude, reflected in talks with Foreign Minister Eduard Shevardnadze (also attending the UN session) on whether the PLO had to represent the Palestinians in any peace talks. He indicated that the language of the Soviets seemed much closer to that of the United States and Israel, suggesting possible acceptance of a Jordanian delegation with Palestinians "acceptable to the PLO." Shultz was reported to have told Peres that with the U.S.-Soviet arms-reduction agreement on track, the administration intended giving higher priority to the peace process; at the same time, he was reported to have said that while he supported the idea of an international conference, he would not pressure Shamir or other opponents to accept it.

**SHULTZ VISIT TO MIDDLE EAST**

Between October 16 and 18, Secretary Shultz, who had resisted pressures to visit the Middle East for two-and-a-half years, on the ground that he would not go until the parties showed signs of movement in their positions, made a trip to the region. The visit was attributed to two factors: concern that stagnation itself was dangerous and the challenge of a revived Soviet diplomacy—including meetings with Israelis and Arab representatives—in the region. It came at a time when attention was focused on the Persian Gulf, where a large U.S. fleet, supported by ships of other Western countries, was protecting Kuwaiti tankers from Iranian attack. Shultz met with Peres and Shamir in Israel, King Fahd in Saudi Arabia, Mubarak in Egypt, and then King Hussein in London.

Shultz's meetings, which saw no breakthrough, evoked a variety of reactions from the secretary of state. On the last day of his trip, Shultz called for "energy, unity and resolve" in restarting the Arab-Israeli peace process, warned that "no one helps the chances for peace by doing nothing," and said that "those who are reluctant to explore new ideas, or even revisit old ones, have an obligation to offer something different as an alternative to the status quo." Several hours later, in a news conference, when his remarks were interpreted by the Israeli press as criticism of Shamir, the secretary went out of his way to praise Shamir's desire for peace and announced that Shamir would pay an official visit to Washington in 1988.

On October 20, Shultz told reporters, "Realistically, I can't point to any particular thing that moves matters forward" in the Middle East peace process. On his flight from London to Helsinki (where he was stopping off before going to the Soviet Union), he left the impression in talking with reporters that he saw an international conference as an unworkable idea at the moment and felt that too much time had been spent discussing it. While Shultz had been supportive of the conference idea, he was not enthusiastic about the Soviet Union's vision of it. The conference envisioned by the Soviets, he said, was "exactly the kind of conference that the Israelis are shy of and I agree with the Israelis on this—a kind of conference that has a continuous role and a substantive role to play." Several days earlier, following the refusal by nine Palestinian leaders from the West Bank and Gaza, on instructions
from the PLO, to meet with Shultz, he complained that it was "contradictory" for Palestinians to say they wanted to be represented but then refuse to participate in a dialogue. At the same time, Shultz appeared to criticize Shamir's opposition to a conference when he reiterated, "No one improves the chances for peace by doing nothing at all, by just sitting around."

On October 22, the *New York Times* cited an unnamed senior Israeli official to the effect that Shultz, at Peres's suggestion, had broached to Shamir a proposal under which Israel and Jordan would negotiate directly under joint U.S.-Soviet sponsorship. According to this official, Shultz insisted that there might be a way around an international conference, but not around Soviet involvement. The proposal called for Palestinian representatives to be part of a Jordanian delegation; Syria would be invited separately to hold direct talks with Israel. The new plan differed in its emphasis on direct talks and in the limitation of the number of Security Council permanent members present. This proposal, while moving away from the larger conference, seemed to represent something of a departure from the administration's stand on limiting Soviet involvement in the Middle East. The official indicated that while Shamir, wishing to make a "gesture" to the secretary, did not reject the plan outright, he had attached tough conditions for Soviet involvement—full diplomatic relations and unrestricted emigration for Soviet Jews. It was reported that Shultz would convey Shamir's terms to the Soviets on his visit to Moscow following his Middle East trip. On November 7, however, the *New York Times* quoted a very senior Jordanian official as saying that Jordan rejected this mini-conference idea: "King Hussein wants a full international conference." Little thereafter was heard about this proposal.

**The PLO, Palestinians, and the Uprising**

For the remainder of the year it was not the peace process but matters relating to the Palestinians and the PLO which dominated the news on the Arab-Israeli front.

Until December, the year had been characterized by both conflict and unity for the Palestinian movement. Early in January 1987, Arafat had publicly denounced the plan of King Hussein to channel $1.4 billion for development to the West Bank. The money, which was to go primarily for housing, was viewed as having a dual purpose: to prevent an exodus of Palestinians from the West Bank to Jordan and to enable Jordan to reassert its legal responsibility for the West Bank by providing an alternative source of aid to that of Israel. The plan had been opposed at the outset by radical Palestinians, who saw it as a step by Jordan to create its own Palestinian leadership and as a prelude to sharing power with Israel. Arafat joined in calling the plan a means "to improve the image of the Israeli occupation."

In April a meeting of the Palestine National Council (PNC) had taken place in Algiers, its main purpose to reconcile differences between PLO factions that had sharpened since the war in Lebanon. The PNC had last convened in 1984, in Jordan,
but on that occasion anti-Arafat groups had boycotted the meeting. Reconciliation was the watchword of this session. Arafat, who was given a standing ovation by the 1,200 delegates and guests in the conference hall, was joined on the podium by George Habash, head of the Popular Front for the Liberation of Palestine (PFLP), and Naif Hawatmeh, head of the Democratic Front for the Liberation of Palestine (DFLP). Their appearance together appeared to be a blow to the Palestinian National Salvation Front, a radical coalition created by Syria in 1983 as a challenge to Arafat’s leadership. In fact, three Syrian-based groups boycotted the meeting—Fatah Uprising, led by Col. Saeed Musa; Al-Saiqa; and PFLP General Command, led by Ahmed Jibril. The price for the display of unity was the adoption of a more hard-line stance on Arab-Israeli issues. To win the support of Habash and Hawatmeh, Arafat formally scrapped the PLO-Jordanian accord signed in 1985.

Whatever optimism resulted from this show of unity was counteracted by developments months later, at the Arab Summit Conference held in Amman in November. Reflecting the overwhelming fear of most Arab states of the spread of Iranian influence, the summit unanimously condemned Iran and supported Iraq, and cleared the way for Arab states to resume diplomatic relations with Egypt (broken off after Egypt signed a treaty with Israel). King Hussein put the return of Egypt to the Arab League on the agenda as the summit opened on November 8, in response to the desire of the Persian Gulf states to bring Egypt’s military force back into the Arab fold as a counter to Iranian aggression.

For the first time since the founding of the Arab League, the Arab-Israeli conflict was not the main focus. The expected resolution was passed denouncing Israel and calling for an international conference under UN auspices, with the PLO playing a role on an equal footing with other parties. However, the English translation of the resolution omitted the standard reference to the PLO as the “sole legitimate representative of the Palestinian people.” Arafat expressed outrage at this “scandal,” and there was a general feeling that the status of the Palestinians had reached a low point.

Two weeks later an event took place that refocused attention on the Palestinian question. On November 25, a Palestinian guerrilla flew a hang glider from Lebanon into northern Israel and entered the Gibor army base, where he killed six Israeli soldiers and wounded seven others before being shot dead. The next day, much of the Arab world lauded the raider; a Palestinian writer praised the action’s “very good effect on Palestinian morale.”

It was in this atmosphere—where perceptions were about that the Arab world had placed the Palestinian problem on the back burner, generating increasing frustration among the residents of the territories, and where the example of the daring terrorist on the hang glider was fresh in Palestinian minds—that an incident took place in Gaza that caused a major Palestinian eruption. On December 6, an Israeli salesman was stabbed to death in Gaza. Two days later, December 8, an Israeli army truck collided with several vans in Gaza. Four Arabs were killed, 17 others were injured. A rumor spread that the collision was a premeditated Israeli action in reprisal for
the stabbing death. The next day, December 9, large-scale riots broke out. (See article on 'Israel' elsewhere in this volume.)

On December 10, the violence continued in Gaza and spread to the West Bank. In Gaza, Palestinians gathered in throngs, burning tires, throwing stones at vehicles, and blocking roads. In Nablus, on the West Bank, Israeli soldiers fatally shot a 19-year-old man when a group of Palestinian youths surrounded a military patrol, pelting it with rocks and iron bars. The following day saw riots at the Balata refugee camp on the outskirts of Nablus. In Gaza, many men stayed away from their jobs in Israeli cities and towns and many students did not attend school. In a statement on December 11, the U.S. State Department said that it was "deeply saddened by the recent killings in the occupied territory."

By the end of the first week of rioting, the disturbances had spread to the entire Gaza strip. Israel increased its forces; rumors among the Palestinian population fueled the violence. On December 19, the rioting spread to Jerusalem, with crowds of rock-throwing youths attacking Israeli-owned banks and taking over the streets of the Arab district for hours. Police said it was the worst violence in Jerusalem in more than a decade. As the days passed, the riots, which had broken out spontaneously, appeared to be increasingly organized.

On December 20, the government of Israel, rebutting international criticism of its handling of the riots, declared that it was dealing with the situation "in a way that is more restrained than any other government in the world in similar circumstances." Israeli officials indicated that the army had not been prepared for the size and widespread nature of the protests and, as a result, soldiers found themselves in situations where "almost the only way to deal with it is to open fire." They indicated that more troops would be deployed and tactics would be altered, with an eye to reducing casualties. On December 21, Israeli Arabs in Nazareth rioted in sympathy with the Palestinians in the territories, and some 3,000 Israeli Arabs from the village of Umm al-Faham in the Galilee blocked the Wadi Ara road, a main artery connecting several Jewish villages. The same day, the U.S. State Department issued an advisory urging caution to travelers visiting the territories.

On December 22, the Security Council adopted a resolution strongly deploiring Israel's handling of the disturbances in the territories. The United States abstained. Explaining this vote, Herbert Okun, the American representative, agreed that Israel's reaction to the riots was "unacceptably harsh," and indicated that the administration believed the riots were "spontaneous expressions of frustration and not externally sponsored." But, he said, the United States would not vote for the resolution because it contained "generalized criticism of Israeli policies and practices" and ignored the provocations faced by Israeli security forces. Meanwhile, the White House issued a statement saying both sides shared responsibility: "Demonstrations and riots on one side and harsh security measures and excessive use of live ammunition on the other hand cannot substitute for a genuine dialogue."

U.S. Jewish reaction to events in the territories became part of the story as well. One response was that of Morris Abram, speaking on behalf of the Conference of
Presidents of Major American Jewish Organizations, who said the violence had been “planned, instigated and incited by Palestinian terrorists led by the PLO and Moslem fundamentalist groups” and that “in the short range, order must be restored lest anarchy triumph.” A different view was offered by Rabbi Alexander Schindler, president of the Union of American Hebrew Congregations. He said the violence “should shock Israel’s government into realizing that a tense political situation cannot continue indefinitely without some kind of movement,” adding that “Israel simply cannot sit in the territories and wait for peace to come.”

On December 23, Israeli officials rejected the Reagan administration’s assertion that Israeli troops had used excessive force in quelling Palestinian riots. In an unusual occurrence, the prime minister’s and the foreign minister’s offices offered similar responses. The prime minister’s representative said that “to assign the same blame to those who caused the unrest and those who tried to prevent it can be interpreted wrongly.” The Foreign Ministry said that U.S. criticism “came as a surprise” and would only encourage the PLO “to engage in further violence and undermine those truly committed to a real peace process.” Later that day, the State Department again urged Israeli leaders to adopt nonlethal techniques to control the rioting. On December 24, more than 20 leaders of Jewish organizations met with State Department officials to complain about the administration’s criticism of Israel.

The PLO’s executive committee, meeting in emergency session in Tunis, considered establishing a government in exile and discussed the eventual composition of such a body. No action was taken, however.

Israeli leaders were perturbed by the news coverage of the disturbances, particularly that in the United States. Moshe Arens, former ambassador to Washington, spoke of an “information crisis” similar to the one he had faced in Washington during the 1982 war in Lebanon. A government spokesman castigated the foreign television coverage in particular for having the “chutzpah” to portray Israel as “a kind of South Africa.”

Israeli leaders repeatedly and vehemently rejected U.S. criticism of their conduct. When Washington decried Israel’s use of live ammunition in dealing with the protesters, Defense Minister Rabin said the Israel army had sought to use minimum force against the rioters, but he defended the use of live ammunition in situations in which the lives of soldiers were in jeopardy. When the United States complained about Israeli plans to deport a number of Palestinians, on the grounds that this would violate the Geneva Convention, Rabin said: “We are operating in accordance with our laws. We will continue the arrests, punishments, and deportations.”

As the year ended, the long-term implications of the disturbances—for the peace process, for internal Israeli and Palestinian developments, for U.S.-Israeli relations, and for relations between Diaspora Jewry and Israel—were unclear. What did already seem evident was that a significant, possibly historic development was taking place, one that, unfortunately, through media coverage, was generating a negative image of Israel around the world.
Terrorism

The gains made in 1986 in the fight against international terrorism, dramatically illustrated by the April 1986 U.S. raid on Libya, were severely undercut by revelations of the administration's secret arms deals with Iran. However, the administration demonstrated its continuing commitment to a strong policy in the case of Mohammed Ali Hamadei, a Lebanese accused of the 1985 hijacking of a TWA jet to Beirut and the murder of Robert Dean Stethem, a U.S. Navy diver, a passenger on that flight. In 1985, a U.S. grand jury had indicted Hamadei, who was presumably in Lebanon at the time, along with two others. On January 13, 1987, German officials arrested Hamadei on his arrival at the Frankfurt airport. The Reagan administration immediately requested that he be extradited to the United States, but the West German government said it would extradite Hamadei only if the U.S. government agreed not to seek the death penalty in the event of a conviction. On January 18, the Justice Department reluctantly agreed to the German condition, and U.S. officials expressed the hope that the extradition would happen soon.

However, Hamadei's Lebanese associates acted swiftly to prevent such a move. Within a few days of Hamadei's arrest, two West German businessmen, Rudolf Cordes of the Hoechst Chemical Company and Alfred Schmidt of the Siemens electrical concern, were kidnapped in Lebanon. On January 21, West German officials made clear that so long as these West Germans were being held hostage, there would be no quick extradition to the United States. It was noted by some analysts that in light of U.S. conduct in the Iran-contra affair, American officials were hardly in a position to demand the extradition.

For months the issue generated tension between U.S. and West German officials. Finally, on June 24, the Bonn government confirmed reports that it had decided not to extradite Hamadei but to try him itself for air piracy and murder. The government ruled out swapping Hamadei for Cordes and Schmidt, knowing that such a move would seriously harm U.S.-West German relations. Chancellery Minister Wolfgang Schmidt stressed that Hamadei would face the maximum sentence of life if convicted, and Washington expressed satisfaction at Bonn's strong stand.

On September 7, Alfred Schmidt was freed by his captors and driven to Damascus. His captors said they had received unspecified guarantees and assurances from West Germany, but German officials denied any deal and expressed gratitude to Syria for its positive role in the affair. No date had been set for Hamadei's trial by year's end; Cordes was still a captive in Lebanon.

Another kidnapping in Lebanon, occurring at the same time as that of the two Germans but apparently unrelated, provided another test of U.S. policy on terrorism. On January 24, gunmen posing as police abduced three American teachers and an Indian professor with an American passport from Beirut University College in West Beirut. President Reagan, reflecting a good deal of public sentiment, issued a statement saying, "There is a limit to what our government can do" to win the freedom of hostages. He indicated further that the latest victims had ignored official
warnings and had remained in Beirut "at their own risk and their own responsibility."

Two days later the State Department barred U.S. citizens from traveling to Lebanon, citing the "chaotic" situation that posed "imminent peril" to all Americans there. It also gave the 1,500 Americans still in Lebanon 30 days to leave the country. On January 27 and 28, the Pentagon and the White House announced that the U.S. Navy was bolstering its presence in the Middle East, to aid the evacuation of Americans and to be ready to undertake military retaliation in the event that any American hostages were killed.

The kidnappers, identifying themselves as members of the Islamic Jihad for the Liberation of Palestine, demanded that Israel free 400 Palestinian prisoners by February 9 or they would kill the hostages. On February 1, Defense Minister Rabin rejected the demand, saying that Israel was not an "international reserve bank" for terrorist exchanges; Prime Minister Shamir said the next day that such a swap was "out of the question."

As a large U.S. fleet, including hundreds of aircraft and thousands of marines, gathered in the eastern Mediterranean, other groups holding hostages—Islamic Jihad and the Revolutionary Justice Organization—warned the administration not to mount a rescue operation or a reprisal raid. In response, the Pentagon attempted to ease the crisis atmosphere by downplaying any U.S. military plans and stressing that the navy buildup off Lebanon was "entirely precautionary." And on February 5, the administration admitted that it had given up plans to convene a conference of the seven leading industrial nations to deal with the Lebanese hostage crisis. It was reported that France, Great Britain, and West Germany had all argued that any appearance of collusion with Washington, particularly in the context of the U.S. military buildup in the region, would endanger the lives of the hostages.

On February 7, Lebanese Shi'ite leader Nabih Berri injected a new ingredient by offering to exchange an Israeli airman shot down in southern Lebanon in October 1986 for the 400 Palestinians, as well as to seek the release of the four teachers as part of the same deal. Pressure mounted. On February 8, the terrorists released a videotape of hostage Alan Steen pleading with the U.S. government to order Israel to free the 400 Arabs to prevent the hostages' execution. Shimon Peres responded immediately: "Israel cannot and will not operate according to ultimatums." But, he added, in what was seen as a softening of Israel's posture, "if anyone has any offers, he should please turn to Israel in an orderly fashion and he will be given an orderly answer."

On February 9, attention focused on the kidnappers and their midnight deadline. The Reagan administration once again ruled out concessions. Denouncing hostage takers as "animals," Secretary Shultz said that dealing with the hostage problem was particularly difficult because "we are sympathetic people and we all feel, as the President does, when an American overseas is kicked around, we're kicked around." He vowed that the United States would raise the cost to those who abducted Americans. Meanwhile, White House spokesman Marlin Fitzwater said that Wash-
Washington "had not talked to the Israelis" about their demand, and that the U.S. position remained the same: "We will not ransom for hostages and we will not encourage others to do so. . . ."

Midnight passed and nothing happened. Shortly thereafter, the kidnappers said they would extend the deadline "until further notice." In a communiqué, the captors said the delay was prompted by the "repeated calls of the hostages themselves for a deferment of the deadline [and] mounting pleas by their families and national Lebanese bodies as well as the Indian government." The communiqué also referred to Peres's comments, which, it said, "contained certain positive points over the release" of the Palestinian prisoners. Later in February, General Antoine Lahad, commander of the South Lebanon Army Militia and an ally of Israel, said he was willing to trade 250 Shi'ite Amal prisoners for the four teachers if Amal would also release five members of the South Lebanese Army that it held. But again there were no developments.

Despite the ongoing Lebanese hostage situations and the fallout of the Iran-contra affair, there was in 1987 a general sense that progress had been made on the counterterrorism front. On the anniversary of the U.S. bombing raid on Libya, April 14, American officials cited figures showing a distinct drop in terrorist activity during the preceding year, which they attributed to the raid and also to increased security in Europe. On May 28, officials of the seven major democracies, as well as those of Belgium and Denmark, met in Paris to forge tighter links in the battle against international terrorism. U.S. attorney general Edwin Meese hailed the session as the first in a series of steps toward increased cooperation. Because of France's former reluctance to join international forums to fight terrorism, the fact that the meeting was organized by the French was seen as a significant victory for the Reagan administration.

One more indication of growing international seriousness on the subject was a UN vote on December 1 defeating a Syrian proposal for a UN conference to define the difference between terrorism and "legitimate" acts by national liberation movements. In an unusual consensus, the USSR and Third World countries joined the United States, Great Britain, and other Western countries in opposing the Syrian plan. This vote was seen as reflecting a new eagerness to deal with terrorism and an unwillingness to rationalize terrorist acts according to ideology.

**PLO Office Closings**

The U.S. government took one more significant step in 1987 which reflected the complexity of its Middle East decision-making process: it closed the Washington office of the PLO. Factors leading up to this decision included the secretary of state's continuing determination to take a firm stand against terrorism; the initiative and stamina of a number of members of Congress; and the political input of American Jewish community leaders opposed to any PLO presence in the United States.

Movement to try to close both the PLO's Palestine Information Office in Wash-
Washington and its UN Observer Mission in New York began in the fall of 1986. On October 17, 1986, ten senators sent a letter to President Reagan requesting the closing of the Washington office. In November 1986 a State Department spokesman indicated that there would be no action taken, claiming that the office did not contradict U.S. policy prohibiting contact with the PLO, nor did it conflict with U.S. opposition to terrorism.

In the spring of 1987, bills were introduced in both houses of Congress to close the Washington and New York offices. The bills, sponsored by Jack Kemp (R., N.Y.) in the House and Robert Dole (R., Kan.), Charles Grassley (R., Iowa), Frank Lautenberg (D., N.J.), Howard Metzenbaum (D., Ohio), and Rudy Boschwitz (Ind.-R., Minn.) in the Senate, said that the PLO was a "terrorist organization" and a threat to the interests of the United States and its allies. The senators indicated that they had proposed the bill because the administration had not acted on their past requests to close the offices. Opposition to the bills outside the government focused on First Amendment issues—whether Congress had the right to bar American citizens or legal residents, those individuals running the PLO offices, from conducting advocacy activities at the direction of the PLO. Within the administration, concerns were voiced that the legislation would pose international legal problems, would make "martyrs" of the PLO representatives, and probably would be overturned by the World Court. Analysts also suggested that some in the administration opposed the bills because of a belief that the PLO eventually should be included in the peace process.

The prospect of the two pieces of legislation moving forward, together with the push for action from the organized Jewish community, generated a reassessment at the State Department. On July 31, Secretary Shultz wrote Grassley and Kemp rejecting their bills but leaving the door open for possible State Department action with regard to the less problematic issue, the Washington office. Finally, on September 15, State announced that it had informed the Palestine Information Office that it must close within 30 days. The State Department indicated that the action was being taken "to demonstrate U.S. concern over terrorism committed and supported by organizations and individuals affiliated with the PLO." As evidence in support of the move, officials cited the membership on the PLO Executive Committee of Abu Abbas, linked with the Achille Lauro hijacking; membership of groups "with a history of involvement with terrorism," such as the PFLP and the DFLP in the PLO; and contacts between "the mainline PLO" and the Abu Nidal group. At the same time, citing "special treaty obligations under the United Nations headquarters agreement," State Department officials disclosed that they would not seek to shut the PLO observer mission to the UN in New York City.

Lawyers for the information office challenged the State Department decision, but on December 2, a U.S. district court upheld the decision to close the Washington office. Judge Charles Richey ruled that the office constituted a "foreign mission" of the PLO, and that as a foreign political entity it had "no due process right under our Constitution." He added, however, that Palestine Information Office director
Hassan Rahman, a naturalized American citizen, remained “free as a citizen to espouse his political views.” The court indicated that the State Department decision was a legitimate expression of “U.S. concern over terrorism committed and supported by individuals and organizations associated with the PLO.”

Meanwhile, despite the hopes of the administration that the decision to close the Washington office would put the matter to rest, congressional legislation moved apace, and in mid-December, as part of the State Department authorization bill, Congress passed a measure requiring the closing of both offices within 90 days. Because it was part of the larger State Department bill, the measure received President Reagan’s signature. However, the president expressed his displeasure, and Secretary Shultz warned that the effort to close the UN mission would be a “propaganda gain” for the PLO. As the year was coming to a close, the administration was struggling to find a way to avoid having to take the called-for action. It was reported that efforts would be made during the 90 days before the law went into effect to try to persuade lawmakers to abrogate the order.

Kenneth Jacobson