Israel

Israel—Review of the Year

In the first nine months of 1998, the deadlock in the peace process continued despite repeated attempts by the United States to forge an agreement on Israeli redeployment in the West Bank. In October, however, after much U.S. coaxing, Prime Minister Benjamin Netanyahu agreed to meet with Palestinian Authority (PA) chairman Yasir Arafat at a summit at Wye Plantation in Maryland.

After nine days of negotiation, much of it under the watchful eye of President Bill Clinton, the two sides signed an agreement whereby Israel would hand over a further 13.1 percent of West Bank land to the Palestinians in exchange for a firm Palestinian commitment to fight terror and a detailed plan for doing so. But the Wye agreement proved to be only a brief respite from the deep mistrust and enmity between the two sides; by the end of the year Netanyahu had essentially frozen implementation of the agreement, citing Palestinian noncompliance.

U.S.-Israeli diplomatic ties were rocky in the period under review as American leaders became increasingly frustrated by Netanyahu’s refusal to move forward with redeployment. The strained links between the two countries were at times reflected in the cool relationship between Netanyahu and President Bill Clinton.

On the domestic political scene, the governing coalition remained shaky. Both the foreign minister and the finance minister resigned in the course of the year, and Netanyahu had to constantly contend with threats from right-wing members of his coalition who said they would topple him if he moved ahead with the peace process. At the same time, centrists members of his coalition warned that they would bolt if he did not. Netanyahu continued to defy predictions of his imminent political demise, but on December 21, his luck ran out: the first reading of a bill calling for the disbanding of the legislature passed in the Knesset, essentially signaling that early elections were almost inevitable.

Labor leader Ehud Barak had his own troubles. For much of the year—until the December 21 vote—he appeared unable to cash in on Netanyahu’s coalition woes and faced strong criticism of his leadership within Labor.

There was also growing talk in 1998 of what commentators referred to as “The Big Bang”—a realignment of the traditional Israeli left-right political divide. This was given impetus by the announcement of Tel Aviv mayor Roni Milo that he
planned to run for prime minister at the head of a centrist party. Milo, a former member of the Likud, said he aimed to pull leading political figures from the left and the right.

The economic recession deepened in 1998. Growth continued to decline, and unemployment was up markedly. Inflation, which was running at an annual rate of 4 percent in August, shot up to 8.6 percent by the end of the year due to a sharp devaluation of the shekel. Many continued to criticize Jacob Frenkel, the governor of the Bank of Israel, for his tight monetary policy which, they argued, was depressing growth.

While the conversion issue remained at the forefront of the battle over religious pluralism in Israel between the Orthodox, on the one hand, and the Reform and Conservative, on the other, the issue of subjecting the ultra-Orthodox to the military draft also dominated the headlines.

POLITICAL AND DIPLOMATIC DEVELOPMENTS

The Peace Stalemate Continues

The peace process remained in deep freeze for the first nine months of 1998. It had been stalled since March 1997, when the Netanyahu government had announced that a Jewish housing project would be built at Har Homah, a southern Jerusalem hilltop located in the part of the city that the Palestinians hoped would serve as the capital of their future state. In early 1998 Netanyahu was still refusing to carry out a second West Bank troop redeployment as laid out in the Oslo accords and reaffirmed by him in the Hebron agreement signed in January 1997. (Under the Oslo II agreement signed in 1995, Israel had withdrawn from the seven major West Bank cities and had handed them over to the Palestinian Authority. Netanyahu completed this withdrawal after coming to power, when he pulled the army out of most of Hebron in January 1997. But Oslo II also stipulated three further redeployments in the West Bank. The Netanyahu government had determined in March 1997 that the size of the first of these redeployments would be around 2 percent of West Bank land. The withdrawal never took place, however, because Arafat rejected it on the ground that the amount of territory he was to receive was too little. Under discussion now was the second redeployment.)

A visit to Israel and the Palestinian autonomous areas on January 6-9 by Dennis Ross, the U.S. peace envoy to the Middle East, failed to produce a breakthrough, as Netanyahu refused to commit to handing over more West Bank land. Progress looked further away than ever when the government announced on January 7 that it had approved a plan for the construction of 574 new housing units in the West Bank settlement of Efrat. The decision flew in the face of a 1997 American call for a “time-out” in West Bank settlement building—a major point
of contention between Israel and the Palestinians. It was followed on January 9 by a report in the daily *Ha'aretz* that the cabinet had approved a plan for the construction of 30,000 homes in the West Bank and Gaza Strip over the next 20 years.

Shortly after Ross departed, the government made clear that it would not agree to any further redeployment until the Palestinians met their commitments as set down in the Hebron agreement of January 1997. The government decision, Netanyahu told reporters, was "a very simple idea—it's called a contract." The cabinet then passed another decision outlining what it considered to be Israel's vital security interests in future negotiations over the West Bank. These included an eastern security buffer zone in the Jordan Valley, a western buffer zone, the retention of the area surrounding Jerusalem, and the maintenance of the settlements under Israeli sovereignty.

Both Netanyahu and Arafat flew to Washington in mid-January for separate talks with U.S. president Bill Clinton. In his meeting with Netanyahu, Clinton tried to persuade the Israeli leader to accept a formula whereby the Palestinians would step up their operations against Islamic militants in exchange for a phased Israeli redeployment. While Clinton reportedly wanted Netanyahu to agree to a double-digit withdrawal, there were reports that the Israeli leader was refusing to pull back from more than 9.5 percent of the West Bank. For his part, Arafat was said to be insisting on an Israeli redeployment of 30 percent.

One of the major stumbling blocks, according to the prime minister, was the Palestinian refusal to revoke those clauses in the PLO Charter that called for Israel's destruction. In his talks with Clinton, Netanyahu emphasized the Israeli demand that the Palestinian National Council (PNC, the PLO's parliament) reconvene to adopt an amended charter as a precondition to any further troop pullbacks in the West Bank.

During his meeting with Clinton, Arafat provided the president with a letter saying that 33 clauses in the PLO Charter had already been "nullified" and another 16 amended. As a result, wrote Arafat, "all of the provisions of the Covenant which are inconsistent" with the PLO's commitment to make peace, were "no longer in effect." Arafat added, in the letter, that "this comprehensive" amendment of the Covenant had been carried out in April 1996 by the PNC.

While State Department spokesman James Rubin described the letter as "an important step toward completing the process of revising the charter," a Netanyahu aide pointed out that the Palestinians had pledged in the Hebron agreement to set up a committee to draft an amended covenant, which would then be brought before the PNC for ratification. The Palestinians, he pointed out, had failed to do this. In response to Israel's firm stance on the charter issue, Arafat's special adviser, Dr. Ahmad Tibi, remarked sarcastically, "Even if the Palestinian National Council members sing the Betar anthem in unison, Benjamin Netanyahu won't fulfill his commitments."

The Netanyahu-Clinton meeting failed to produce a breakthrough. While the Israeli prime minister said he would try to "muster the necessary support across
the government . . . for something that would move the peace process forward, and maintain secure and defensible boundaries for Israel,” he accused Arafat and the PA of fulfilling “none, none, none” of their obligations in the Hebron agreement. A late January visit to the region by Secretary of State Madeleine Albright also failed to get the process back on track. And matters were not helped by an early February announcement that Israel’s Interior Ministry had approved plans for the building of 132 Jewish homes in the Ras al-Amud (Arab) neighborhood of East Jerusalem. While there were reports that Netanyahu opposed the plan, it had the full support of Jerusalem mayor Ehud Olmert, considered by many to be a political rival of the prime minister.

The stalemate in the peace process appeared interminable at the beginning of 1998, and there was reason to doubt that the United States could save it. With Clinton distracted by the Monica Lewinsky sex scandal, most observers believed he would have little inclination for Middle East peacemaking. What is more, they pointed out, the president was desperate not to erode his domestic political support further and so was not keen to take on Netanyahu over the issue of the second withdrawal. After the January visits of Arafat and Netanyahu, though, the White House did begin working on a formula to extract Oslo from its deep paralysis. The central plank of such a deal would require Netanyahu to agree to a second troop redeployment that would be carried out in three or four stages, with the first starting parallel with Arafat launching a full-scale assault on terror.

One of the cardinal points of disagreement was how much territory Israel would hand over to the Palestinians. Netanyahu reportedly had agreed to cede 9.5 percent of West Bank land, while the Americans were insisting on 12 percent. There were reports that Arafat was prepared to settle for something close to the U.S. proposal. Another point of contention was the third and final redeployment which, as stipulated in Oslo II, was to take place before final-status negotiations on issues like the definition of the Palestinian entity and the future of Jerusalem got under way. Netanyahu informed Clinton that he did not have the support in his coalition to carry out the third pullback. For his part, Arafat made it clear he would not forego the final withdrawal. There were meetings between Israeli and Palestinian officials in February, but they failed to break the impasse. In a TV interview on February 23, Netanyahu called on Arafat to meet him at a summit where, he said, they could “shut ourselves off someplace” so as to gauge “where the compromise would come, between the Palestinians’ demands and Israel’s vital needs.” But Arafat said he would only meet Netanyahu once Israel had agreed to carry out the second redeployment.

**Threats and Recriminations**

With the peace process on the rocks, Israeli and Palestinian leaders engaged in sustained mutual recrimination. “If we need to, we will cross [the peace process] out and begin all over,” Arafat declared in February, threatening that there would
be another intifada (uprising) if the peace process collapsed. Netanyahu was quick to respond, warning, "If he carries out his threats, the Oslo Accord will be canceled, not just broken."

And there was always the threat of terror. In late January, for instance, security forces had been placed on high alert following intelligence warnings that the Islamic fundamentalist Hamas movement might try to carry out an attack in a big city. Tension was also high in the West Bank and Gaza Strip, and it boiled over on March 10 when three Palestinian construction workers were killed and four injured at a roadblock outside Hebron where Israeli soldiers opened fire on the van they were driving. The soldiers said the van had veered toward them and hit one of them. Palestinian eyewitnesses insisted the shooting had been unprovoked. The incident sparked Palestinian street protests, and clashes between demonstrators and Israeli troops quickly spread across the West Bank.

Despite the violence and the peace deadlock, Israeli officials doubted that Arafat would allow the confrontations to escalate into a full-scale intifada. His main motivation for keeping a lid on the level of violence, they said, was to ensure that he did not lose international support for the state he hoped to declare on May 4, 1999, when the Oslo accords were set to expire. Israeli officials also pointed out that Arafat understood that protracted, heavy clashes might scare off much-needed foreign investment in the autonomous areas.

Israeli commentators were often critical of Netanyahu, saying he had become a hostage of the right-wing elements in his coalition and the Jewish settlers in the West Bank and Gaza Strip. "Benjamin Netanyahu is no longer in control of his government," wrote leading Middle East commentator Ehud Ya’ari. "He still sits behind the wheel, but it’s being turned by other people. His intention was to drive toward the center; instead of that, he’s made a sharp turn to the right. . . . The prime minister has become a hostage of the settler lobby; amid their cheers, he struts about proclaiming that he’s standing up to the Americans, while in private his people brag that they are choking Oslo into a coma. The process is nominally alive, but it’s stopped showing any movement. . . ."

Another visit by the seemingly tireless Dennis Ross in late March also failed to end the impasse. After the Mideast envoy departed empty-handed, U.S. State Department spokesman James Rubin issued a statement saying that the peace process was in “dire straits” and that during his visit Ross had “been unable to bridge the gaps on hard questions.”

Tension rose again on March 29 when Muhi a-Din a-Sharif, a leading member of the Hamas military wing who was wanted by Israel for having planned several suicide bombings, was found dead in the West Bank city of Ramallah. The site where the body was found was immediately sealed off, and Palestinian and Israeli security officials, along with the agents from the U.S. Central Intelligence Agency (CIA), moved in to examine the scene. News of Sharif’s death sparked street protests in the West Bank and Gaza.

Initially it appeared that Sharif had been killed in a “work accident” while
preparing a car bomb to be detonated inside Israel, but it later emerged that he had been shot and killed and his body had then been moved to the site of the Ramallah explosion. While the PA asserted that Sharif’s death was the result of an internal Hamas dispute, the Islamic fundamentalist movement blamed Israel for the killing and vowed revenge. “The Palestinian Authority’s false claims and lies are meant to present the Zionists as innocent and save them, but it won’t affect our overall plan for revenge in the slightest,” read a statement released by Hamas’s military wing. Netanyahu strongly denied any Israeli involvement. “I can tell you with certainty that Israel had no part in this event,” he told journalists. Nevertheless, Israel was placed on high alert for possible Hamas revenge attacks.

Yasir Arafat’s March 31 visit to the Anne Frank House in Amsterdam also did nothing to reduce the growing animosity between the two sides. Cabinet secretary Danny Naveh dismissed it as nothing more than a publicity stunt. Netanyahu also continued to stick to his hard-line public stance. “In this process, the chances of success are measured by one thing—the level of our stubbornness,” he declared during an April visit to the settlement of Ma’aleh Adumim near Jerusalem. Ross was back in the region in late April, but once again failed to broker a compromise on a West Bank redeployment. This was due in no small measure to right-wing pressure on Netanyahu not to bow to a U.S. demand to withdraw from 13.1 percent of the West Bank. “Thirteen percent? It’s suicide,” warned Michael Kleiner, head of the Land of Israel Front, a hard-line Knesset grouping. “We won’t agree to even much less than that, and I suggest that the prime minister take that into account.”

But there were also other, more moderate, voices in the coalition. Meir Sheetrit, a Likud Knesset member, repeatedly encouraged Netanyahu to call the right wing’s bluff, arguing that he should cut a deal with the Palestinians, and that if coalition hawks brought him down as a result, the prime minister would cruise to victory in an early election. “If we go to an election on the platform that we’re making peace but they won’t let us, Bibi will clean up,” said Sheetrit. His preferred solution was a Likud-Labor national unity government that would be able to move forward on the Palestinian as well as the Syrian track. “This could be our last chance because today Likud and Labor together have a majority in the Knesset, which they could lose in a new election,” he cautioned.

Nothing came of the talks that Netanyahu and Arafat held—separately—with Secretary of State Albright and other U.S. officials in London on May 4, where the issue of a 13.1 percent Israeli withdrawal from the West Bank—already accepted publicly by Arafat but not Netanyahu—was the key sticking point. Asked what would happen if the Americans continued to insist that Israel agree to redeploy from 13.1 percent of the West Bank, Netanyahu said there would simply be “no agreement.” Netanyahu’s views, though, were not shared by Defense Minister Yitzhak Mordechai, one of the most moderate members of the cabinet, who repeatedly expressed the need for forward movement on the peace front. “At the end of the day,” Mordechai told a group of French parliamentarians in May, “Is-
rael will have no choice but to reach an agreement with the Palestinians based on a two-digit withdrawal.” For their part, the Palestinians feared that Israel would make one more small troop redeployment and then freeze the process, leaving them with territorially disjointed patches of land making up less than a third of the West Bank.

At the end of her early May meetings with Netanyahu and Arafat in London, Albright announced that she had invited the Israelis and Palestinians to talks in Washington, D.C., on May 11 — on condition they had made progress on the issue of redeployment. If not, she said, the administration “will have to reexamine our approach to the peace process.” Since the Palestinians had already publicly accepted the U.S. proposal of 13.1 percent, her comments were seen as a thinly veiled threat against Netanyahu. But the prime minister remained unbowed, declaring on Army Radio that he would not go to Washington if the Americans “tell me that I have to go and accept certain conditions that are unacceptable to us.”

In the end, both Arafat and Netanyahu flew to Washington for separate meetings with Albright. After the talks there were reports that the Israeli leader had intimated to U.S. Mideast peace envoy Dennis Ross that he was ready to accept an interim peace package that would include an Israeli troop withdrawal from a further 13.1 percent of West Bank land, but only on condition that the third and final scheduled troop redeployment would be minimal. But it soon became clear that the formula was unacceptable to Arafat, and Netanyahu was quick to declare that he had never agreed to a 13 percent pullback.

Violence again erupted in the territories on May 14 when tens of thousands of protesters took to the streets in East Jerusalem, Gaza, and the West Bank to commemorate *Al Nakba* (“The Catastrophe”) — the term used by Palestinians to describe the creation of the State of Israel and the exodus of hundreds of thousands of Arabs in 1948. Five Palestinians were killed and dozens wounded in clashes with Israeli troops. About a dozen Israelis were injured. Palestinian despair at the deadlocked peace process erupted again when top Palestinian figures joined young demonstrators to protest a move by Jewish far-right settlers who had set up nine temporary structures in the Muslim Quarter of the Old City on May 26. The structures were built by Ateret Cohanim, a group that received funding from U.S. Jewish millionaire Irving Moskowitz and worked to boost the Jewish presence in the Muslim Quarter. The move, they said, was a response to the May 6 fatal stabbing of a yeshivah student, Haim Kerman, in the Old City. The situation was defused after a court injunction was issued against the construction and the settlers agreed to leave. But Palestinian leaders continued to warn that with the impasse in the peace process, violence was inevitable. “The Palestinian people’s patience is running out,” warned Abu Ala, the Speaker of the Palestinian Legislative Council and one of the chief peace negotiators. “We won’t accept a peace that comes at the expense of our land and our rights. Such an agreement can go to hell.”

The paralyzed peace process and the rising tension in the territories led to grow-
ing fears in Israel's security establishment over the possibility of widespread Palestinian violence. In a closed meeting, General Security Services chief Ami Ayalon reportedly warned Netanyahu that Hamas was planning new terror attacks, and that some of the groups within Arafat's Fatah organization were beginning to show signs of independence from the Palestinian Authority. It was possible that they were preparing themselves for a confrontation with the Israel Defense Forces (IDF) if the peace process collapsed altogether. Ayalon also told the prime minister that these groups were stockpiling small arms and antitank weapons. Labor leader Ehud Barak called a press conference in Tel Aviv at the end of May and warned that the situation was reminiscent of the days before the Yom Kippur War in 1973 (when warnings about an imminent Arab attack went unheeded by Israel's leaders). "Innocent citizens, women and children, soldiers and members of the security forces will die here needlessly," he said.

Netanyahu, however, sharply criticized Palestinian leaders who warned of violence in the absence of any progress on the peace front. He appeared to view these threats as an attempt by the Palestinians to force him into making concessions. Some political observers said Netanyahu's unwillingness to heed intelligence reports about growing Palestinian despair and a possible violent eruption in the territories was the result of his belief that these assessments were being made by intelligence officials with a political bias. Hence, he tended to dismiss the views of officers who warned of a possible showdown with the Palestinians if the peace process remained frozen. Meetings, for instance, between Netanyahu and Chief of Staff Amnon Shahak became rare, and a minor scandal broke out after a sharp interchange between Netanyahu and Shahak at a June 14 intelligence briefing to the cabinet on Palestinian sentiment regarding the stalled peace process. The prime minister objected that the issues the general was discussing were of diplomatic, not security, import. "No problem," Shahak was reported to have said. "If the government doesn't want to hear what I have to say, the government won't hear. I'll report only on what you want to hear."

Opinion was divided on Netanyahu's motivations. Some political analysts argued that the prime minister was convinced he could drag his feet as much as he wanted and the Palestinians would be powerless to do anything about it. Others suggested that Netanyahu believed Arafat would keep the level of violence under control at least until May 1999 when he hoped to declare the establishment of a state, so as not to lose international backing for such a move. A third, more apocalyptic, reading of the prime minister was that he saw a showdown with the Palestinians as inevitable and considered it preferable for the confrontation to take place while most of the West Bank was still in Israeli hands. According to this view, a major clash with the Palestinians would also provide Netanyahu with a pretext to annex part of the West Bank and seal the fate of the Oslo accords once and for all. "The Israeli people," said one former intelligence operative, "look on in awe, not sure whether they're watching a masterly performance or a charlatan heading for disaster."
U.S. Impatience

The U.S. remained reluctant to blame Netanyahu for the deadlock, fearing that public pressure on Israel might create the mistaken impression that America was reducing its commitment to Israeli security—a result that could well destabilize the Middle East. American Jewish leaders' strong public support for Netanyahu and the administration's desire not to alienate the Jewish vote further increased Washington's reluctance to force Netanyahu to make a decision on the troop redeployment. Nevertheless, there were increasing signs of U.S. impatience with the prime minister, especially as it became clear that Yasir Arafat had fully accepted the U.S. peace proposal. First, Madeleine Albright made an impassioned plea to the leaders of the region: You have "reached a crossroads," she declared in May. "Act before it is too late. Decide before the peace process collapses." Then, in a comment made via satellite to a group of Israeli and Palestinian children gathered in Switzerland, Hillary Clinton expressed support for a future Palestinian state. "It will be in the long-term interests of the Middle East for Palestine to be a state," she said in answer to a question. (Netanyahu had consistently expressed his strong opposition to the creation of a Palestinian state.) Finally, in June, Albright told Defense Minister Mordechai that the administration was "getting close to the point where we will decide to leave both sides to themselves."

A U.S. plan aimed at breaking the peace deadlock had been leaked to Ha'aretz and appeared in that paper on June 4. According to the proposal, Israel was to hand over 13 percent of the land in the West Bank to the Palestinians over a 12-week period. The plan also included a freeze on Israeli settlement building and the establishment of a U.S.-Israeli-Palestinian committee to monitor security matters. The initial response by Israeli officials was that the American proposal failed to deal with the issue of the third redeployment. But in mid-June Netanyahu announced the possibility of a national referendum on the issue of the second redeployment. He even instructed his communications minister, Limor Livnat, to investigate the matter. Within days, though, it was clear that the prime minister had dropped the idea. Observers suggested it had either been a trial balloon that Netanyahu had floated and abandoned or simply an attempt to win time. When Spanish prime minister Jose Maria Aznar visited in late June, Netanyahu floated another idea: a new Mideast peace conference along the lines of the 1991 Madrid conference. But his proposal was immediately rejected by Arab leaders.

The deadlock looked even more intractable when the cabinet, on June 21, approved a plan to broaden the boundaries of Jerusalem. While Netanyahu insisted that the main motive for the plan was to boost municipal services and make tax collection more efficient, Palestinian and Arab leaders attacked it as an effort to strengthen Israel's hold on the capital and the West Bank ahead of final-status talks. In an expression of U.S. dissatisfaction with the decision, State Department spokesman Rubin issued a statement saying that it was "extremely hard to un-
derstand why Israel would even consider taking such a provocative step at this sensitive time in the negotiations."

On the domestic front, Netanyahu's hard-line approach to the peace process was repeatedly criticized by President Ezer Weizman. (Adding to the strained relations between the two men, Netanyahu supported Likud candidate Shaul Maor for the post of president in the March 4 Knesset vote, which the 73-year-old Weizman won by 63 to 49.)

In June the president reportedly told a delegation of the left-wing Peace Now movement that Defense Minister Yitzhak Mordechai was "the only ray of light in the government." Then, on June 29, he openly urged the prime minister to call early elections and criticized his leadership, saying that under Netanyahu the peace process was breaking down and Israel's international standing was eroding. "If he doesn't hold a referendum, in my opinion the solution should be elections," said Weizman, recommending that Netanyahu gauge public opinion on a West Bank troop withdrawal. While some opposition politicians tabled a Knesset motion for early elections, coalition members accused the president of overstepping the authority of his office. An unfazed Netanyahu declared that elections would be held as scheduled in the year 2000, and he repeated a list of conditions Arafat had to comply with if there was to be any progress on the peace front. Before any deal could be struck, he insisted, Arafat had to dismantle the Islamic fundamentalist terror infrastructure in the areas under his control, the Palestinian Authority's police force had to be reduced in size to the level mandated in the Oslo accords, terror suspects had to be extradited to Israel, and the Palestinians had to vote unequivocally to remove those clauses in the PLO Charter calling for Israel's destruction. Until these conditions had been fulfilled, he said, Israel would not budge from another inch of West Bank territory. "We don't point a pistol at our own forehead," Netanyahu said.

Incendiary remarks by some Palestinian leaders added to the tension between the two sides. "There is no peace process between us and Israel," declared Palestinian Authority justice minister Freih Abu Medein. "Israel is our enemy and the enemy of the Palestinian people."

Behind the scenes, frustrated U.S. administration officials commented that Netanyahu seemed more ready to risk a showdown with the Palestinians than with his far-right supporters. In mid-July, State Department spokesman Rubin publicly clarified the U.S. position: "Let me make this very clear," he said. "The Palestinians have said yes in principle to [our] ideas . . . in short, the ball is not in the Palestinian court as I've seen it suggested. The ball is in the court of the Israelis. . . ."

An unbowed Netanyahu, buoyed by right-wing elements of his coalition, refused to accede to Albright's insistence that he accept the 13.1 percent second redeployment. One of the spiritual leaders of the National Religious Party (NRP), former Ashkenazi chief rabbi Avraham Shapira, told the prime minister that he would advise members of the NRP to withdraw from the cabinet if Netanyahu
acceded to the U.S. demand. Shapira said his directive was based on Jewish law and insisted that a withdrawal of 13 percent would constitute an existential threat to Israel.

Israeli and Palestinians officials held the first round of high-level talks in months when a delegation headed by Defense Minister Mordechai met with a Palestinian team headed by Mahmoud Abbas (Abu Mazen) in Tel Aviv on July 19-22. At the heart of the discussions was the U.S. peace proposal that included the 13.1 percent West Bank pullback. The meetings ended, however, without any apparent breakthrough. While Israel called on the United States to send Mideast envoy Ross back to the region to mediate, the Palestinians announced there had been no progress.

Palestinian State

With the peace process stalled, Yasir Arafat announced on several occasions that on May 4, 1999—the day the Oslo accords were set to expire—he would unilaterally declare an independent Palestinian state in those parts of Gaza and the West Bank that were under his control. There was speculation over how Netanyahu might respond to such a move. Some suggested that the prime minister would react by annexing those parts of the West Bank still under Israeli control. That was, indeed, what some right-wing MKs said Netanyahu had told them he would do, after they emerged from a meeting with him in early June. But the prime minister himself made no clear public statement on the matter. He did, however, portray Arafat's regular threats of a unilateral declaration of statehood as evidence that the Palestinian leader could not be trusted.

Coalition right-wingers pushed Netanyahu to take an unbending line on the issue of statehood. "If Arafat tells us now that he intends to violate Oslo in a year," said the Likud's Uzi Landau, chairman of the Knesset's powerful Foreign Affairs and Defense Committee, "I don't see what's left to talk about. I'd extend Israeli law to all the remaining territory and leave him holding what he has." Opposition Knesset members adopted a different tack. Yossi Beilin, an architect of the Oslo accords, cautioned against reaching a situation where the Palestinians made good on their threat and unilaterally declared a state. Such a development, he said, was not in the interest of either side. Israel would suffer great international embarrassment, he said, while the Palestinians would be left with far less than they hoped to get. Meretz leader Yossi Sarid played down the significance of such a development: "The Palestinian state is already here, and everybody knows it," he said.

If Arafat did unilaterally declare a state, wrote leading Middle East analyst Ehud Ya'ari, he could be confident he would win broad international support. "Arafat is emulating David Ben-Gurion's 1948 strategy: Gradually building international support for the idea of independence, and then declaring it without securing the agreement of the other side," he wrote in the Jerusalem Report (April
Unlike Ben-Gurion, Arafat knows that there will be no military invasion of his territory. He is not certain that American recognition will come immediately, but he will have taken note of the State Department’s new wording—that the Palestinians have ‘the right to be free in their land’—almost the same language as [the Israeli national anthem] Hatikvah.”

One sign of Israel's growing international isolation as a result of the deadlocked peace process was a July 7 vote by the UN General Assembly to upgrade the PLO's observer status. Thus the PLO’s representatives were afforded the right to debate in the General Assembly and participate in various UN conferences and meetings. Israel, the United States, and Micronesia voted against the proposal; 124 nations supported it.

**Terrorism**

While suicide bombings had subsided, terror had not vanished altogether. A major disaster was averted in downtown Jerusalem on July 19 after a van driven by a Palestinian from a village near Ramallah caught fire, but did not explode, on the busy Jaffa Road. Police announced that the vehicle was filled with 160 gallons of flammable liquid, three cooking gas balloons, and several kilos of nails. Two weeks later, on August 4, two residents of the West Bank settlement of Yitzhar—Harel Bin-Nun and Shlomo Liebman—were shot dead in an ambush while patrolling the settlement’s perimeter. Police later found tracks leading to a nearby Arab village.

On August 20, a Hebron resident, Rabbi Shlomo Ra’anana, was stabbed to death in his home by a Palestinian who then escaped back into the section of the city under PA control. A small bomb hidden in a trash can exploded on a busy Tel Aviv street on August 27, wounding 25 people. While there was no claim of responsibility, security sources said Palestinian fundamentalists were behind the bombing. Two weeks later, on September 10, Israeli security forces were placed on high alert after IDF troops killed the head of the Hamas military wing, Adel Awadallah, and his brother. Hamas immediately threatened reprisals. Tension rose again after a settler opened fire on a group of Palestinian high-school students in the West Bank town of Beitunia on September 17, killing one and seriously wounding another. The settler later turned himself over to the police, saying that he had opened fire in self-defense after he was attacked with stones.

Against the backdrop of the murders at Hebron and Yitzhar, there was growing despair on the right-wing fringe, which suspected that the government might cut a deal with Arafat for the handover of more West Bank land, and which charged that the army was becoming soft on the Palestinians. This right-wing sentiment, in turn, sparked fears in the security establishment that extremist Jewish violence might reemerge. There were some disturbing signs: When President Weizman visited Hebron to offer his condolences to Ra’anana’s widow, he was confronted by Baruch Marzel, a neighbor of Ra’anana’s and a former leader of the
banned Kach movement, who berated the president, calling him “a spy. You’re a danger to the public,” shouted Marzel, “and you should be hospitalized in prison or in a hospital.” Jewish extremists also demonstrated outside the home of Yitzhak Mordechai, chanting that the defense minister was a murderer.

The daily Yediot Aharonot reported that the Shin Bet secret service, which had failed to protect Yitzhak Rabin when he was gunned down by Yigal Amir in 1995, had beefed up security around Netanyahu, Mordechai, and Weizman. When the prime minister visited Hebron after Ra’anan’s murder, photographs revealed a puffed-up torso—a clear indication that he was wearing a bulletproof vest. Some experts played down the possibility of another attack on an Israeli leader, arguing that the atmosphere at the time Rabin was assassinated had been very different. Back then, said Ehud Sprinzak, a Hebrew University expert on the far right, the left was in power and large parts of the right had branded Rabin a traitor; they attended wild demonstrations where placards of Rabin in a keffiyeh were burned. “We’re not in a situation similar to the one preceding Rabin’s assassination,” said Sprinzak. “The majority of settlers, especially the settlement council, felt enormous distress under Rabin. Today, they get all the money they need, there is no restriction on building, the prime minister is weak and there is a strong National Religious Party representation in the government.”

While security experts spoke of the possibility of revenge attacks by Jewish extremists against Palestinians, their real fear was an attack on a Muslim holy place. The “ultimate” target, some pointed out, could be the Temple Mount—a focal point for some Jews who believed the final redemption was close, as well as for Muslims who viewed the site as a symbol of Islamic religious and national ties to Jerusalem. A strike at the Temple Mount, warned Likud Knesset member and former deputy head of the Shin Bet Gidon Ezra, “wouldn’t just result in a Palestinian response, but a worldwide Muslim reaction. There would be mass demonstrations, attempts to carry out terror attacks.” Former Shin Bet chief Carmi Gillon painted an even blacker picture: “An attack on the Temple Mount would be a casus belli for all-out war between Israel and the Arab states,” he said.

The car of left-wing Meretz Knesset member Ran Cohen was torched in early October by unknown assailants outside his home in the Jerusalem suburb of Mevasseret Tzion. Cohen had led the fight to have the Kiryat Arba grave of Baruch Goldstein, the murderer of 29 Palestinians in Hebron in 1994—which had become a site of pilgrimage for extremists—demolished and moved elsewhere. He was now given Shin Bet protection.

The Wye Plantation Agreement

U.S. envoy Dennis Ross, who had been trying to persuade Netanyahu to accept the American proposal of a 13 percent pullback, was back in the region for a mid-September visit. In exchange for the withdrawal, Ross told Netanyahu, the Palestinians would take concrete measures to fight terror, and the two sides would
begin final-status talks over highly sensitive and complex issues such as the future of Jerusalem and the settlements, the Palestinian refugees, and the final borders of the Palestinian entity. Netanyahu reportedly signaled his willingness to cede the territory, but needed some way to win over his hard-line coalition partners. One suggestion was that 3 percent of the land would be taken from the Judean Desert and declared a nature reserve where Palestinian construction would be forbidden. That way the prime minister could tell his right wing that he had only given up 10 percent.

Meanwhile, Yasir Arafat, fearing that the stalled peace process was undermining his standing among the Arabs in the territories, made increasingly incendiary statements. "Dennis Ross is an Israeli collaborator and we have no faith in him at all," European sources quoted him as telling Miguel Moratinos, the European Union's special Mideast envoy, at a meeting in Ramallah. And, in a speech to the Arab League in Cairo, Arafat accused Israel of preparing "ways to take over our territories" and said that "the [Israeli] army is training for that now."

Reports emerged that Clinton was pushing for a late September summit between Netanyahu and Arafat in New York. While there was little optimism that the scandal-racked U.S. president could get the two sides together, Clinton was to prove the skeptics wrong. After meeting Netanyahu and Arafat separately in the United States, he announced on September 28 that the Israeli and Palestinian leaders would be back in mid-October for a summit at Wye Plantation in Maryland—the same place where talks had been held between the Israelis and Syrians when Yitzhak Rabin was in power.

In early October, before traveling to Wye Plantation, Netanyahu finally announced a replacement for David Levy, who had resigned as foreign minister 10 months earlier: Minister of Infrastructure and ex-general Ariel Sharon, known for his usually hard-line views. Opinion was divided over what Netanyahu hoped to gain by the appointment of the controversial Sharon. Some said the move was a sign that Netanyahu had no intention of making any real concessions on the peace front, pointing to Sharon's oft-stated view that ceding more than 9 percent in the second redeployment would endanger the existence of Israel. Others, however, suggested that the prime minister actually planned to move ahead with the peace process, and that bringing Sharon aboard was an astute move to nullify opposition on his right flank, a way of reassuring settlers that their interests would be protected if Sharon were involved in brokering a deal. According to an agreement reached between the two, Sharon was to be in charge of final-status negotiations with the Palestinians.

There was much speculation as to why Netanyahu agreed to go to Wye after having resisted an agreement for so long. One explanation was his fear of May 4, 1999—the date on which Arafat was threatening to declare a Palestinian state. Israeli security officials feared that such a declaration could lead to widespread violence—a concern that was shared not only by their American colleagues, but also by some PA officials. Among Netanyahu's major aims, therefore, were de-
fusing the threat of a unilateral Palestinian declaration of statehood and extracting a firm commitment from the Palestinians to fight terror.

Although Netanyahu had pledged to continue with the implementation of Oslo during his 1996 election campaign, he always portrayed his role as that of a hard bargainer who would salvage what he could from a bad deal cut by his Labor predecessors. At Wye, his aides said, the prime minister would continue his job of damage control by demanding that the third and final interim withdrawal stipulated by Oslo be no more than 1 percent, and that it would only be implemented once final-status negotiations were under way. The prime minister also said he would demand that Palestinians who murdered Israelis be extradited to Israel by the PA, and that the PNC convene to erase the anti-Israel clauses in the PLO Charter.

On October 13, the eve of Netanyahu's departure, a Palestinian gunman attacked and killed one Israeli man and wounded another while they were swimming in a spring southwest of Jerusalem. But that did not prevent the prime minister from departing for Maryland. Netanyahu, however, did not arrive with his full negotiating team. It was only a few days later that he was joined by two key members of the delegation—Yitzhak Mordechai, the dovish defense minister, and the new foreign minister, Ariel Sharon. The result was that little progress was made in the first few days of the summit, while the two sides spent much of their time trying, often successfully, to circumvent U.S. efforts to impose a media blackout on the proceedings.

Already before the summit there was friction between Netanyahu and his American hosts. The prime minister refused to accept a U.S. request that the leaders come without their wives, and so Sara Netanyahu accompanied her husband to Wye. At the talks, the tension between Netanyahu and the Americans did not dissipate. After U.S. officials turned down his request to allow a group of settler leaders to spend the Sabbath with him at Wye, Israeli officials anonymously attacked the Americans in the press. On more than one occasion the summit seemed on the verge of collapse. At one point Netanyahu ordered his team to pack their bags and ready themselves for the journey back home. The Israelis even placed their suitcases on the grass outside their rooms. But the Americans did not appear overly concerned, viewing the move more as a bargaining tactic than a real threat. A few hours later Netanyahu announced that he and his team were staying. When confronted by Madeleine Albright, the prime minister tried to lay the blame for the departure threat at the feet of his spokesman.

Sharon, who had said he would never shake hands with Arafat, stuck to his pledge. According to reports leaked from the first meeting where the two were present, Sharon nodded to the Palestinian leader as he entered the room, and Arafat responded with something resembling a half-salute.

Terror threw a cloud over the talks on October 19, when a Palestinian hurled two grenades at the Beersheba central bus station, injuring more than 60 people. Right-wing leaders in Israel called on Netanyahu to return home, insisting that
there was no way Israel could be expected to make peace when there was terror in its streets. In a symbolic act of protest, Netanyahu halted the talks on certain issues for a day, but he did not bail out.

As the talks dragged on, Clinton increased the pressure on the two leaders by inviting Jordan's King Hussein, who was undergoing cancer treatment in Minnesota, to visit Wye and impress upon the participants the critical need to compromise and reach a deal. Ultimately, though, the success of the summit was due to Clinton's tireless efforts. The president shuttled between Washington and Wye, spending a total of 72 hours cajoling the two sides into reaching agreement. Much of the negotiation, it later emerged, had not taken place with the Israelis and Palestinians sitting face to face, but had been conducted by the Americans, who shuttled between the two parties seeking to narrow the differences and come up with an acceptable plan. "I've been working on this deal for 17 months and I'm not prepared to defer it any longer," Clinton reportedly told Netanyahu and Arafat during the talks.

Finally, after nine days of negotiation, the two sides reached an agreement. But the Wye summit was not to be without some last-minute drama, provided by Netanyahu. With the Americans already organizing the signing ceremony, it emerged that Netanyahu was conditioning his signature on an issue entirely unrelated to the peace talks—the release of Jonathan Pollard, the U.S. naval intelligence officer in jail for spying for Israel. Clinton refused to accede to Netanyahu's demand—although he did say he would review Pollard's case—and Netanyahu backed down. Having failed on the Pollard front, the prime minister then tried to bargain down the number of Palestinian prisoners to be released under Wye, but ultimately gave up on that as well.

At the October 23 White House signing, also attended by King Hussein, Netanyahu declared that the agreement had made Israel and the region "more secure," and Arafat vowed that the Palestinians would "never go back to violence and confrontation." While Clinton said the agreement was aimed at rebuilding "trust and hope," he cautioned that "the enemies of peace could seek to extract a price from both sides." The ceremony was also punctuated by several pointed remarks, further evidence of the personal tension between Clinton and Netanyahu. In his address, for instance, Netanyahu thanked a U.S. official who had been present at Wye Plantation for supplying cigars during the talks. This was interpreted by many as a reference to the cigar episode in the Monica Lewinsky saga.

Clinton, and even more so Netanyahu, came in for criticism for failing to mention Yitzhak Rabin's name. Only the two Arab leaders present, Yasir Arafat and King Hussein, recalled the assassinated prime minister and the fact that it was Rabin who had been instrumental in initiating the peace process.

The main clauses in the Wye agreement included the following:

• 13.1 percent of the West Bank to revert from full Israeli control to joint Israeli-Palestinian control. A further 14 percent under joint control to revert to
full Palestinian control. (After the implementation of Wye, the Palestinians would have full control of 18 percent of the West Bank and partial control of another 22 percent.)

- The third IDF redeployment, as stipulated under Oslo II, to be negotiated in tandem with final-status talks. (Netanyahu insisted this would be no more than 1 percent; the Palestinians demanded a much bigger chunk of land.)
- PA to beef up antiterror measures—a process that would be monitored by the U.S. Central Intelligence Agency (CIA).
- Palestinians to arrest 30 individuals suspected of terrorism.
- PA to reduce its police force by 25 percent.
- Israel to release 750 Palestinian prisoners in its jails in the course of the implementation of the agreement.
- The Palestinian National Council—the Palestinian “parliament-in-exile”—to revoke those clauses in the PLO Charter calling for Israel’s destruction. President Clinton to attend the meeting of the PNC that did this.
- Gaza International Airport to open, with Israeli security presence.
- Opening of “safe-passage” corridor for Palestinians between the Gaza Strip and the West Bank.

**Post-Wye Fallout**

Netanyahu vigorously marketed the agreement to his constituency on his return, arguing that he had achieved the best deal possible under the circumstances. Furthermore, he said, unlike his Labor predecessors, he had been tough on Arafat, had insisted on full reciprocity in the implementation of Wye, and had stood firm on Israeli security demands. In a televised press conference at Ben-Gurion Airport on his return, he said that it had been painful to give up on “one centimeter” of land, but that his negotiating team had “fought like lions to reduce as much as possible the amount of land to be handed over.” He also tried to placate the settlers—a crucial element of his political base. “You are us, we are you, we love you, we will fight for you and there isn’t any government that will fight like us,” he declared. In a later interview, he added: “I think the basis of peace in our area is founded on security and Israel’s ability to defend itself. But also on the idea of mutuality, namely, that it’s not only Israel that gives, but also that Israel receives.”

But the settlers, who had worked so hard to get Netanyahu into power in 1996, felt betrayed. The Council of Jewish Settlements in Judea, Samaria, and the Gaza District strongly denounced the agreement. Moreover, they said, Netanyahu had given up on some of his basic demands at Wye, such as the extradition of Palestinians who murdered Jews. And the clauses regarding the rescinding of the PLO Covenant, they pointed out, were unclear. What’s more, they added, a visit by the American president to Gaza would boost the Palestinian demand for statehood. “You were and still are the most talented at explaining what the Land of Israel is for us,” said Benny Elon, a member of the right-wing Moledet Party. “But when
you use that talent to explain why we must now trade territory of the Land of Is-
rael, that is a crime that will not be forgiven." Members of Chabad (the Lubav-
itch Hassidic sect), who had campaigned energetically for Netanyahu during the 
run-up to the 1996 elections, announced that they were withdrawing their sup-
port for the prime minister. By signing Wye, they said, he had broken a promise 
to them not to cede any more territory. And they produced a document includ-
ing such a pledge, which had been signed by Netanyahu.

In an attempt to assuage the settlers, Netanyahu announced on October 26 that 
he would speed up building at the disputed Har Homah hilltop in East Jerusalem.
On the same day, his government survived a no-confidence vote brought by the 
far-right Moledet Party. This was thanks to the Labor-led opposition, which pro-
vided the prime minister with a "safety net," opposing the motion in order to save 
Wye.

Many questions remained unanswered by Wye. The agreement included, for ex-
ample, a general statement that both sides undertook to desist from taking uni-
lateral steps. This apparently referred to the Palestinian demand that Israel cease 
building settlements, and the Israeli demand that Arafat cease threatening to de-
clare a Palestinian state. But these two highly sensitive issues did not receive any 
direct mention in the text. Some of the solutions offered by Wye, such as the in-
volvement of the Americans as referees in the process and particularly the con-
siderable role of the CIA, threatened to generate new problems and tensions. The 
job of the CIA, in many ways, was more than that of a referee. The organization's 
operatives were to be brought in to help shape the Palestinian plan to combat mil-
itant groups like Hamas. The CIA was also to monitor the Palestinian antiterror 
program and report back to Washington on the matter. Some Israeli officials wel-
comed the enhanced American role, saying it would increase Palestinian compli-
ance. Others, however, predicted there would be disagreement between Israel and 
the United States over the degree of Palestinian compliance, and that this would 
lead to increased friction between Washington and Jerusalem. The Palestinians 
seemed generally pleased with the CIA role, pointing out that Israel would no 
longer be able to invoke the security pretext automatically as a reason not to move 
forward with implementation of the agreement. (Some observers noted that ever 
since Netanyahu took office, and especially after Wye, the American adminis-
tration and Yasir Arafat had become much closer. Clinton's visit to Gaza, they 
said, would be another significant boost to the relationship.)

The Wye agreement did not impede the extremists. On October 26, a Palestin-
ian shot and killed Danny Vargas, a resident of the West Bank town of Kiryat 
Arba. The same day, Muhammad Zalout, a 72-year-old Palestinian, was blud-
geoned to death near the settlement of Itamar in the West Bank; a few days later 
an Israeli, Gur Hamel, turned himself over to the police. The Islamic extremists 
also made their intentions clear on October 29 when a Hamas man drove a car 
laden with 80 kilograms of explosives directly at a school bus filled with Israeli 
children, which was traveling along a Gaza road. An alert soldier, Alexey Neykov,
saved the children when he intercepted the booby-trapped car with his army jeep, but he lost his life in the ensuing explosion. None of the children were injured, but had the bomber succeeded, the Wye agreement would most likely have been left in tatters. Arafat, fearing stepped-up efforts by extremists bent on wrecking the deal, moved swiftly. His security forces arrested hundreds of Hamas and Islamic Jihad activists; Hamas spiritual leader Sheikh Ahmad Yassin was placed under house arrest and his telephone was disconnected. Israeli officials welcomed the moves but insisted the Palestinians could still do more—like arresting Muhammad Deif, the leader of Hamas’s military wing and the man at the top of Israel’s “wanted” list.

In signing Wye, Netanyahu seemed to have made a strategic choice—to abandon the far right, which had helped him to power in 1996 and which was strongly opposed to any territorial compromise, and to hitch his political future to the moderate Israeli center, which supported a deal with the Palestinians. Still, a leading Ma’ariv political columnist, Hemi Shalev, commented that it remained to be seen whether the prime minister would fully implement Wye. Netanyahu, he said, had plunged into the Rubicon, but had yet to reach the other side.

The political and historical significance of the prime minister’s move could not be ignored. By signing Wye, Netanyahu had become the first right-wing leader to agree to cede large tracts of land in the West Bank to the Palestinians. In the process he had obliterated the dream of a Greater Israel. The fact that it was a right-wing leader making these concessions in the heart of the Land of Israel meant that a significant portion of the population that had originally opposed Oslo now supported the agreement. Polls taken in the wake of the Wye agreement revealed that close to 75 percent of the nation favored the agreement—a degree of support that Rabin had never enjoyed, even in the optimistic aftermath of the signing of Oslo.

While official maps demarcating the areas where the IDF would redeploy were not publicized, the agreement generated growing uncertainty among Jewish settlers in the West Bank who feared that the pullback would transform their settlements into Israeli enclaves surrounded by Palestinian-controlled territory. According to reports in the daily Yediot Aharonot, about 20 settlements were to be left isolated once Israel completed the Wye-stipulated withdrawals. Residents of these settlements expressed concern for their personal safety. They feared that the army’s presence on the ground would be thin and that they would be subject to terror attacks by Palestinian militants, with the perpetrators able to escape back into the areas controlled by the Palestinian Authority. They wanted to know who would control the roads leading to and from their settlements and whether their children would be safe traveling on the bus to school every day. “My children, that’s the real fear,” said one settler. “When it comes to your children, you put ideology to the side. But if there are good security arrangements, there’s no reason to leave. We came here to stay. Unless, of course, it becomes unbearable.”
Some residents of the secular settlements of Ganim and Kadim in the northern West Bank began talking of government compensation for their relocation. They argued that by turning these sites into enclaves in Palestinian-controlled territory, the government had a responsibility not only to insure their safety but also to provide them with the option of leaving and moving back across the Green Line (Israel's 1967 border) into Israel proper. This demand grew in December, after a Kadim resident was shot and wounded in a terror attack while driving home. But the government refused to talk about compensation, knowing that even mentioning it ahead of the start of final-status talks would signal to the Palestinians that Israel intended eventually to vacate these settlements. That was a negotiating card the government did not want to give up so early. Some settlers in Ganim and Kadim angrily charged the government with turning them into hostages of its policy.

Implementation of Wye

Almost immediately, problems cropped up over the implementation of the agreement. In late October, Netanyahu postponed a cabinet vote on Wye on the grounds that the Palestinians had yet to present a detailed antiterror plan. He then called Arafat in early November to request a delay until the cabinet and the Knesset had voted on the agreement. Arafat agreed and the prime minister reassured the Palestinian leader that the three transfers of land—the first scheduled for November 16—would take place.

But Netanyahu postponed the cabinet vote again in the first week of November, insisting that it would not take place until the Palestinians presented a written timetable for the arrest of 30 Palestinian militants on an Israeli "wanted" list. (At Wye the sides had reached a general agreement on the issue, but the details had not been put into writing.) Netanyahu's actions drew criticism from both the Palestinians and the Americans, but after Arafat announced that 12 of the 30 had been arrested, the prime minister convened his cabinet on November 5. After 13 hours of deliberation, the meeting ended without a vote. Scheduled to continue the next day, the meeting was further delayed after Islamic extremists carried out an unsuccessful car-bomb attack in Jerusalem. The bombers' target was the capital's bustling Mahaneh Yehudah fruit and vegetable market, but the force of the blast was weakened by faulty explosive devices. Seventeen people were injured; the two bombers died in the explosion. The cabinet finally ratified the agreement on November 11 by eight to four, with five abstentions. The majority of the ministers had not voted in favor of the agreement.

The vote did little to reduce the mistrust between the two sides, and they were soon arguing over the Palestine Covenant issue. While Netanyahu insisted that Wye required the PNC to convene and vote to remove those clauses calling for Israel's destruction, the Palestinians argued that the agreement made no reference
to a vote, and that when the PNC held a scheduled meeting in Gaza in December it would simply reaffirm previous decisions to nullify the covenant’s anti-Israel clauses.

Relations deteriorated further on November 12 when the government issued invitations for bids for the building of around 1,000 homes at Har Homah. The Palestinians were furious, and Arafat threatened: “We have a rifle and we are ready to take aim if they prevent us from praying in Jerusalem.” Netanyahu responded by threatening to halt the redeployment. Sharon further increased the tension when he urged Jewish settlers to seize as much West Bank land as possible before the final-status talks. “Everyone should take action... should run, should grab more hills,” he said in a November 16 speech. “We’ll expand the areas... Whatever is seized will be ours. Whatever isn’t seized will end up in their hands.” Abu Ala, the head of the Palestinian legislature, responded by calling on Palestinians to block the bulldozers with their bodies. Sharon later adjusted his remarks slightly, saying that he was encouraging settlers to expand existing settlements, not build new ones. Despite all the wrangling, on November 17, the Knesset ratified the Wye agreement by a massive margin of 75-19.

Three days later Israel began the first of the three Wye-stipulated redeployments, withdrawing from territory in the northern West Bank. Israel also released 250 Palestinian prisoners—many of them common criminals—and signed a protocol for the opening of the Gaza international airport. Amid much fanfare, Arafat officially opened the airport on November 24. “The airport is a step toward a Palestinian state with Jerusalem as its capital,” he declared triumphantly.

A major row, however, soon developed over the issue of prisoner releases. While the Palestinians insisted that Israel had to free security prisoners—not criminals—the Israelis argued that Wye included no such stipulation and that they would not agree to release prisoners whom they said had “blood on their hands.” The disagreement sparked major demonstrations across the West Bank and in East Jerusalem. At least four Palestinians died in the ensuing clashes with Israeli troops.

Clinton Visit to Gaza

By the time President Clinton was set to make his mid-December visit to Israel and Gaza, Netanyahu was threatening to freeze Wye, and the two sides had once again descended into mutual recrimination. Cabinet ministers began to express apprehension over the arrival of the U.S. president. Belatedly awaking to the political significance of a visit by the leader of the world’s only remaining superpower to the Palestinian Authority areas, some ministers suggested that it might be better if Clinton stayed home. Netanyahu did not move to quash these statements, and he reportedly remarked in a December cabinet meeting that if Clinton wanted to come he should come, and if he didn’t want to come, he didn’t have to. This lukewarm Israeli reaction angered U.S. officials, and Netanyahu
quickly dispatched a letter to Clinton in an attempt to limit the damage, telling the president he was a welcome guest.

The president’s visit to the PA areas on December 14 was of enormous symbolic significance. It generated huge excitement on the Palestinian street and confirmed, for all the world to see, that the United States was closer than ever before to supporting the Palestinian demand for statehood. “Palestinians must recognize the right of Israel and its people to live safe and secure lives today, tomorrow and forever,” Clinton told the Palestinians, and then added that “Israel must recognize the right of Palestinians to aspire to live free lives, today, tomorrow and forever.” The administration had come to view the Palestinian demands as equally valid as those made by Israel.

Clinton witnessed the meeting of the Palestine National Council in Gaza’s Rashad a-Shawwa hall on December 14, where the delegates fulfilled one of the major Palestinian obligations of the Wye agreement when they raised their hands to reaffirm the annulment of those clauses in the PLO Charter calling for Israel’s destruction. Addressing the gathering, Clinton declared his support for the Palestinians to “determine their own destiny in their own land.” He also appeared to be drawing a distinction between the Netanyahu government, which the Americans believed was undermining the process, and the Israeli public, when he declared after the vote: “You did a good thing today in raising your hands . . . . It has nothing to do with the government of Israel. You have touched the people of Israel.”

The visit was rife with symbolism, and both the Israelis and Palestinians did their best to turn the trip to their advantage in the battle for international support and sympathy. There was already controversy when Clinton arrived at Israel’s Ben-Gurion Airport. Prime Minister Netanyahu broke with protocol not only by speaking — normally only the presidents of the two countries would have greeted each other — but also by using the opportunity to launch an all-out attack on the Palestinians and what he said was their failure to live up to the Wye agreement. After that chastening welcome, Netanyahu suddenly became Clinton’s protector at a joint press conference when he tried to shield the president from questions about his pending impeachment.

Netanyahu refused to cede anything on the Palestinian front. On one occasion he tried to impress upon the U.S. president that Israeli suffering was deeper than that of the Palestinians, when he asked students he was addressing to raise their hands if they had lost relatives in a terror attack. Arafat also did his best to showcase Palestinian suffering. At one point during Clinton’s trip to Gaza, he brought in four sobbing girls whose fathers were in Israeli jails, to meet the president. For his part, Clinton did his best to tread carefully, but he did not always succeed. Israeli cabinet ministers, for instance, were angered by a comment he made that implied an equation between the suffering of the children of Israeli terror victims and that of the children of Palestinian security prisoners.

While Netanyahu declared that he was satisfied with the PNC vote, the Clin-
ton visit did not get Wye back on track. The president departed following a December 15 summit with Arafat and Netanyahu at which he failed to extract a pledge from the Israeli leader to continue with the next phase of redeployment, scheduled for December 18.

At the end of the year the peace process was again stalled, with Netanyahu effectively stopping implementation of the agreement on the grounds that the Palestinians had not fulfilled their obligations. The Palestinians, he charged, had violated "every clause" of the agreement. But there was another explanation for Netanyahu's stance: the Knesset vote for early elections. It was clear that Netanyahu had no intention of moving ahead with the agreement and in the process alienating crucial right-wing support, ahead of a national election. With Israelis and Palestinians bickering over even the technical issues agreed upon at Wye, it seemed highly doubtful that they would begin searching for solutions to the vexing final-status issues—including Jerusalem, final borders, the refugee issue, and settlements—any time soon.

RELATIONS WITH ARAB COUNTRIES

The continuing deadlock in the peace process increased Arab criticism of the Netanyahu government and further chilled relations between Israel and many of the Arab states. Even the brief respite brought about by the signing of the Wye deal failed to ease matters between Israel and its neighbors.

Relations with Egypt

Egypt remained one of Netanyahu's most vocal critics in the Arab world, and its leaders repeatedly attacked the prime minister for not honoring obligations. Egyptian foreign minister Amre Moussa, one of Netanyahu's most strident critics, warned on April 15 that if Israel did not carry out the West Bank redeployment by mid-June, "the peace process is dead." After almost a year of not having met with Hosni Mubarak, Netanyahu flew to Cairo on April 28 for talks with the Egyptian president. According to an Egyptian government statement released after the meeting, Mubarak had advised Netanyahu "to respond positively to the U.S. [peace] initiative, which represents the minimum of what is necessary to revive the peace process."

The meeting failed to improve Israel-Egypt ties, and in July a frustrated Mubarak told Israeli journalists that "with Begin, 'yes' was yes; with Shamir, 'no' was no. With Netanyahu, there's no knowing."

Mubarak also expressed his support for a French proposal to convene an international conference to promote the Mideast peace process. But he made it clear that the Europeans could not serve as an alternative to the Americans when it came to moving the process forward. After meeting Syrian president Hafez al-Assad in late July to discuss the peace stalemate and other regional issues,
Mubarak told reporters, “Increased European involvement could help the U.S. in its peace process role, but it cannot be a substitute for American involvement.”

In an October 5 interview on Israel’s Channel Two television station, Mubarak harshly criticized Netanyahu, saying that there was no comparison between former Likud prime minister Menachem Begin, who had signed the Camp David peace treaty with Egyptian president Anwar Sadat, and the present Likud prime minister. “Begin,” he said, “was a strong man who honored his word.” Mubarak was incensed by comments made by Netanyahu on the 25th anniversary of the Yom Kippur War, in which the Israeli leader said that “there is no doubt that our enemies, and in particular our enemies from the south, came to the realization during the 1973 war that they would never succeed in beating Israel through military means . . . .” The Egyptian president accused Netanyahu of “deepening the feelings of hatred between the Egyptian and Israeli people . . . .”

Mubarak, however, sounded considerably more militant in an interview in the London-based Arabic paper Al-Hayyat, when he said that “Egypt is not presently considering joining the ‘club of nuclear nations,’ but if the time comes when it needs such weaponry . . . we will not hesitate.”

Relations with Jordan

Relations between Israel and Jordan through much of 1998 were still conducted in the shadow of the Khaled Mashaal affair—the botched Mossad assassination attempt on a Hamas leader in Amman in September 1997. Still, Defense Minister Mordechai did visit Jordan on January 26, where he met with King Hussein to discuss ways to end the deadlock in the peace process as well as measures for boosting security cooperation between the two countries. It was also announced in early February that King Hussein had sent one million dollars to President Weizman as compensation for the families of the seven Israeli schoolgirls who had been gunned down by a Jordanian soldier in March 1997.

With the resignation of Mossad chief Danny Yatom on February 24, the official Jordanian tone toward Jerusalem began to soften. Following a series of meetings between high-level Israeli and Jordanian officials on March 8-10, Crown Prince Hassan met with Netanyahu in Tel Aviv. “Prime Minister Netanyahu and I have had our differences, and Jordan and Israel have had their differences . . . . But we are looking for a new spirit of mutual respect,” Hassan declared at a joint press conference with the Israeli prime minister. According to a joint statement, the two countries had agreed to expand their cooperation in several areas, including electricity and the utilization of water resources. Following a March 9 meeting between Israeli trade and industry minister Natan Sharansky and his Jordanian counterpart, Hani Mulqi, the two countries signed a series of agreements aimed at improving bilateral trade. Israeli infrastructure minister Ariel Sharon, however, caused some concern in Amman when he announced on Israel TV on March 15 that Israel had not abandoned its efforts to eliminate Mashaal.

The official thaw in relations was not reflected on the popular level, since many
Jordanians felt there had been no tangible peace dividend following the 1995 treaty between the two countries. A survey conducted by the University of Jordan's Center for Strategic Studies found that a full 80 percent of Jordanians regarded Israel as the enemy. This was in stark contrast to a similar poll conducted in 1994 that showed 80 percent eager for peace with Israel. "People accepted the idea of trying peace in the beginning," said Jordanian political analyst Hani Hourani. "Since then, there have been two or three shocks that spoiled their optimism, in addition to their anger at Israel's provocation of the Palestinians and refusal to implement signed agreements."

After meeting with Crown Prince Hassan on May 30, Tel Aviv mayor Roni Milo announced that his city and the Jordanian capital, Amman, were to become sister cities.

**Relations with Lebanon**

Lebanon remained Israel's only active war front, and it continued to exact a heavy price. An ever-growing list of casualties spurred public debate in Israel over the IDF's presence in south Lebanon, where the army continued to occupy a security zone it had imposed at the end of the Lebanon War in the mid-1980s.

Defense Minister Yitzhak Mordechai rekindled the Lebanon debate when he announced in a January 1 interview in the Paris-based Lebanese weekly *Al-Watan al-Arabi* that Israel was ready to implement the 1978 UN Security Council Resolution 425, which called on Israel to withdraw from Lebanon. He did, however, attach a condition: If Israel withdrew, the Lebanese government would have to uphold its obligations under 425 and establish effective security control in areas that Israel evacuated. "Let's put 425 on the table and talk about new security arrangements," Mordechai said in the interview. "Not peace or normalization, only security arrangements." Later he added: "I am not frightened by the three words 'U.N. Resolution 425.'"

Lebanese president Elias Hrawi termed Mordechai's remarks the "first positive sign in 20 years," but there was no real movement beyond the exchange of statements, and the almost daily skirmishes in the security zone returned to the headlines. On February 26, three Israeli soldiers were killed in south Lebanon when a mortar shell fired by members of the Iranian-backed Shi'ite Hezbollah movement slammed into their position.

At a cabinet meeting on March 1, Netanyahu announced that Israel was ready to accept Resolution 425 and withdraw from south Lebanon as long as the Lebanese government was prepared to cooperate by taking responsibility for security arrangements. Some commentators said the prime minister's statements reflected a change in the traditional Israeli insistence on a peace treaty with Lebanon and full normalization as conditions for withdrawal. Syrian and Lebanese officials, however, dismissed Netanyahu's remarks and continued to demand that Israel withdraw unconditionally from south Lebanon. In mid-March,
Sharon added his voice to the growing call for a unilateral withdrawal from the security zone. He suggested that Israel should carry out a limited withdrawal first in order to gauge the response of the Lebanese government and Hezbollah. If the response was favorable, then Sharon recommended full withdrawal, with a clear warning that if Hezbollah tried to cross into Israel to carry out attacks, retribution would be swift and painful.

The issue of withdrawal was back on the national agenda on April 1 when the security cabinet reversed Israel's traditional rejection of 425 as a basis for withdrawal from Lebanon and passed a unanimous decision adopting it. But few believed that this meant the troops were on the verge of coming home.

A solution that did not include Lebanon's patron, Syria, appeared highly impractical. Plans to circumvent the Syrian leader, some Assad-watchers said, might even encourage him to tighten his control over Beirut for fear Israel was trying to make a deal with Lebanon behind his back. Assad was certainly not about to relinquish his leverage on Israel—in the form of Hezbollah attacks on the IDF—without getting back the strategic Golan Heights. "Without a simultaneous Israeli promise of retreat from the Golan Heights," wrote leading Middle East analyst Ehud Ya'ari, "there is absolutely no prospect of any agreement on the orderly transfer of the security zone to the regular Lebanese Army. Damascus is not about to discard its trump card in the Golan Heights game—the ability to spill Israeli blood by using its Hezbollah proxy" (Jerusalem Report, April 30, 1998).

Actually, Lebanon was more vital for Assad than the Golan. Around one million Syrians were working there, and the Syrian political-military elite was benefiting from drug trafficking and smuggling in Lebanon. The Syrian leader also understood that were Lebanon allowed to make a deal with Israel that entailed an IDF withdrawal from the south, there would inevitably be international calls for a Syrian withdrawal from Lebanon as well.

Even some of Netanyahu's aides did not seem to take the security cabinet decision too seriously, suggesting that the Lebanon gambit was more an attempt to embarrass Assad, by showing him up as impeding the return of Arab territory, than a real effort to extricate Israel from the security zone. It was not surprising, then, that both the Americans and the French showed little enthusiasm for the Israeli decision and confined themselves to monitoring reactions.

Meanwhile, hostilities continued in south Lebanon on a daily basis. On May 12, Israeli jets bombarded guerrilla bases, killing an estimated 10 people. In one week of intense fighting later in the month, at least five Hezbollah fighters were killed, while four members of Israel's proxy South Lebanon Army lost their lives. On May 27, two Israeli infantry soldiers were killed by a Hezbollah roadside bomb in the security zone, and another two died under similar circumstances in June.

As part of a complex deal that took ten months to negotiate, the body of Israeli naval commando Itamar Ilia, killed during a failed raid in south Lebanon in September 1997, was brought back to Israel on a French military cargo plane
on June 25, in exchange for the corpses of 40 Lebanese gunmen and the release of 60 Lebanese from jails in Israel and south Lebanon. Several weeks later, on July 30, an Israeli soldier was killed and five others injured in the security zone when Hezbollah gunmen fired mortar shells at an Israeli outpost there. When, in mid-August, two more soldiers and an Israeli civilian were killed in Hezbollah roadside bombings in the security zone, the IDF’s Northern Command expressed growing concern that the Shi’ite militants were becoming increasingly adept at predicting Israeli troop movements. Security officials explained that it was very difficult to combat committed guerrilla organizations like the Hezbollah. In response to the mid-August deaths, Minister of Internal Security Avigdor Kahalani called for Israel to strike at Lebanese infrastructure every time an Israeli soldier was killed in the security zone.

After a senior member of the Shi’ite Amal organization was killed during an IDF artillery bombardment on August 25, Hezbollah fired Katyusha rockets into northern Israel in retaliation, wounding several people in the town of Kiryat Shmona. (It was the first cross-border rocket attack in a year.) Two Israeli paratroopers were killed on September 22 when their armored personnel carrier went over the edge of a 300-meter cliff in the security zone, and another two soldiers died and six others were injured on October 5 when they were hit by a Hezbollah roadside bomb near the Hatzbaya outpost in the security zone. In a ten-day period in November, seven soldiers lost their lives in Lebanon, bringing to 22 the number killed since the beginning of the year.

The rising death toll again spurred public demands that the government find a solution to the Lebanon quagmire. The “Four Mothers” protest group, set up to pressure the government into pulling out of Lebanon, stepped up its activity, and opinion polls showed increasing support for a unilateral withdrawal from the security zone, even if it was still only a minority who supported such a move.

Tension flared again in the north after an Israeli fighter jet accidentally bombed a home near the town of Baalbeck on December 22, killing a woman and six of her children. According to an initial air force investigation, the actual target was a Hezbollah radio installation, and pilot error was the reason for the mistake. In retaliation, Hezbollah fired Katyusha rockets into northern Israel the following day, injuring 16 people and damaging over 100 homes. A woman in the northern border town of Kiryat Shmona lost her unborn twins.

Relations with Syria

There was no tangible progress on the Syrian track throughout 1998. While Netanyahu continued to insist that he was ready to return to the negotiating table if Assad arrived without any preconditions, the Syrians continued to demand that the talks resume from where they had left off with the previous Labor government. (There had been reports that Rabin had given the Americans a guarantee
that, in exchange for full peace and adequate security arrangements, Israel would be willing to withdraw from the Golan.) Israeli coalition arithmetic also made any progress on the Syrian track unlikely. Real movement on the Golan Heights, the prime minister knew, would result in the loss of the Third Way Party's four votes—a move that would spell the end of the government.

Syria continued to criticize Israel publicly, and in midyear Damascus called for diplomatic and economic pressure on Jerusalem. There were a few encouraging signs, though, like an informal June meeting between Israeli and Syrian officials who were attending a forum at Rice University in Houston under the auspices of the James Baker Institute, a foreign-policy think tank. Several months after that meeting, reports emerged that Uzi Arad, the prime minister's strategic adviser, who had been in Houston, had intimated that the government would agree to a Golan withdrawal proportionate to the level of security guarantees. On July 22, however, the Knesset voted 65-32 to approve a preliminary bill that would make an Israeli withdrawal from the Golan contingent on a national referendum and an absolute majority in the Knesset. (The bill still required three more readings before becoming law.)

After returning from an early August trip of Labor party leaders to the United States, Knesset member Shlomo Ben-Ami revealed that American officials had told the group that Assad was keen on renewing talks. The reason, according to Ben-Ami, was the Syrian leader's fear of the emerging Israel-Turkey strategic alliance. Confronted with Ben-Ami's assertions, Netanyahu's senior adviser, David Bar-Illan, reiterated his boss's position—that Israel was willing to resume talks, but without any preconditions. "We will take into account—but without any obligation—the negotiations between Syria and the Labor government, which did not result in any written agreement," he said. Addressing Assad's fear of the Israel-Turkey relationship, Bar-Illan commented that the alliance was a defensive one, but that "if it makes Assad want to return to the negotiating table, it has had a salutary consequence."

The resumption of talks seemed to become even less likely when Infrastructure Minister Ariel Sharon approved the expansion of four settlements on the Golan Heights in August, including the construction of 2,300 housing units and 2,500 vacation units. Yitzhak Mordechai did generate some speculation in August when he told the German newspaper Focus that the "depth of withdrawal from the Golan would match the depth of security." He seemed to be slightly rephrasing Yitzhak Rabin's line that the depth of withdrawal (from the Golan) would be determined by the depth of peace.

Syria was highly critical of the agreement reached at Wye Plantation, accusing Arafat of having capitulated to Israeli demands. The Syrian media attacked the deal, saying Arafat had failed to extract Israeli commitments to a third withdrawal and to freeze settlement construction. By the end of the year there was still no movement on the Israel-Syria track.
Crisis in the Gulf

Another Saddam Hussein-induced crisis over United Nations' weapons inspections hit the Middle East in early February, sending tens of thousands of concerned Israelis flocking to gas-mask distribution centers to refresh their protective equipment. As speculation grew in the media about Saddam’s possible nonconventional capability, the country became increasingly edgy. Israelis were also skeptical of assurances by their political leaders that another Scud barrage was highly unlikely. There was a run on pharmacies as anxious customers snapped up anthrax antibiotics, and shops quickly sold out of plastic sheeting and tape used to seal rooms against poison gas. (According to unofficial estimates, the cost of the crisis to the Israeli economy was in the region of 450 million shekels [$130 million].)

While most Israelis did not panic, some of the fear and uncertainty engendered by Saddam’s 1991 blitz of Israel returned. The crisis also sparked questions about the vulnerability of Israel’s civilian rear to a long-range missile attack, as well as questions about the possible erosion of the public’s stamina to withstand crises.

There were also suggestions that Israelis’ self-image had been irreversibly changed by the 1991 crisis, and that the 1998 Gulf showdown was further proof of this. “Previous wars,” wrote Yossi Klein Halevi in the Jerusalem Report (March 19, 1998), “produced images of solidarity and patriotism, symbolized by Israelis flying home from abroad to join their units at the front. Now, this almost-war has reproduced the newer, unsettling images of 1991: an increase, even if exaggerated by the local media, of Israelis flying out of Ben-Gurion Airport for sudden ‘vacations.’ A surge in hotel bookings at remote Eilat, ‘just in case.’ Jostling at army distribution centers for scarce children’s gas masks. A rush to purchase plastic sheeting of questionable efficacy for sealing rooms.”

Some Israeli leaders lamented what they perceived as an erosion in the traditional Israeli norm of stoicism under stress. But the government also had to shoulder some of the burden for the public disquiet. Having decided to halt gas-mask production in 1997, it suddenly had to rush in planeloads of masks from Holland, Sweden, and Germany. Nevertheless, Yediot Aharonot columnist Nahum Barnea suggested that Israelis had responded well to the crisis. “The Israeli public was forced to contend this time not just with the danger of missiles, but with a government that doesn’t take responsibility, and with a media, especially television, that takes responsibility only for ratings,” he wrote. “In the face of those difficult conditions, most Israelis functioned well: They continued to live normally, updated their gas masks, cleaned the air-raid shelters and hoped for the best. There were, of course, also hysterical Israelis. Each of them got his time, if not on Channel 2 then on Channel 1.” (Channel 2 is Israel’s commercial TV channel; Channel 1 is state-run.)

On the diplomatic front, the U.S. strongly urged Israel not to retaliate if attacked again by Saddam. “Yes, the United States would prefer—very strongly
urge—the Israelis not to get involved, even if attacked," said American defense secretary William Cohen. President Ezer Weizman, however, made it clear that if Israel was attacked, "the missile won't be one-way."

While there was some relief when the crisis was finally averted, the settlement brokered by UN secretary-general Kofi Annan was met with little enthusiasm inside Israel, where many believed it was only a matter of time until the next Gulf crisis. "Even if the crisis is resolved," said Netanyahu, "it is clear to us that we live in a new Middle East, a Middle East with radical regimes that are developing ballistic missiles . . . hostile to Israel."

The crisis, at least in the short term, seemed to bolster the prime minister. Political observers suggested that Netanyahu's view of his neighborhood—a threatened Israel constantly fighting for its survival in a nasty region—was reinforced by the crisis. Indeed, while Barak had led Netanyahu in the polls for months, a mid-February Gallup poll showed Netanyahu trailing the Labor leader by a single point. The survey also revealed that, by 47 percent to 41 percent, a plurality of Israelis preferred Netanyahu to Barak at the helm during the emergency. And there were reports that the prime minister had made it clear to his aides that the immediate conclusion to be drawn from recent events was that the government should proceed even more cautiously in its negotiations with the Palestinians. (As in 1991, some West Bank Palestinians demonstrated in support of Saddam Hussein, burning U.S. and Israeli flags and waving models of Iraqi Scuds.)

**OTHER FOREIGN RELATIONS**

Israel-Turkey ties continued to strengthen through 1998. One example was the January 7 joint naval maneuver off Haifa—called Reliant Mermaid—in which ships from the U.S. Sixth Fleet, Israel, and Turkey participated. A Jordanian admiral was in attendance as an observer, leading to strong criticism from Iraq, Iran, Syria, and Egypt, all fearing the emergence of a new Israel-Turkey-Jordan strategic alliance. Turkish prime minister Mesut Yilmaz made an early September visit to Israel and held talks on economic and military ties. Yilmaz, who dismissed Syrian criticism of his visit, also toured the Palestinian Authority areas.

UN secretary-general Kofi Annan visited Israel during a late March tour of the Middle East and announced his support for a solution in South Lebanon. He also urged Israel not to put too much pressure on Yasir Arafat.

British foreign minister Robin Cook made a highly controversial trip to Israel in March. Cook originally planned to visit the disputed Har Homah site on March 17 with Palestinian leader Faisal Husseini, but after Israel protested he agreed to meet Husseini elsewhere, and to travel to Har Homah with cabinet secretary Danny Naveh. While touring the site, Cook briefly met and shook hands with a member of the Palestinian Legislative Council who was also visiting. Incensed Israeli officials accused the foreign minister of breaking an agreement not
to meet with Palestinian officials at the site. Cook denied he had agreed to any such arrangement, but Netanyahu cut short his meeting with Cook in protest, and canceled a dinner engagement with him. "I've had three four-course meals already since I came to the Middle East. It is something of a mercy to be spared a further meal," was Cook's caustic response.

When British prime minister Tony Blair visited Israel and the PA areas during a mid-April trip to the region, he adopted a much more conciliatory tone with his Israeli hosts. During the visit it was announced that both Arafat and Netanyahu would travel to London on May 4 for separate meetings with U.S. secretary of state Madeleine Albright, in an effort to forge agreement on the second West Bank redeployment.

In late April a Ugandan delegation, seeking to attract foreign investment, visited Israel—the first official Ugandan visit since Idi Amin broke off ties with Israel in the 1970s.

Israel and the European Union were at loggerheads in mid-May when the European Commission called upon the EU to look into barring any imports from settlements in the West Bank and Gaza that benefited from trade privileges afforded to Israel. The commission also insisted that Israeli exporters cease the practice of claiming that goods produced by the Palestinians in the territories were "made in Israel." Netanyahu flatly rejected the warnings and countered that if the EU took such a step, it would "put an end to any attempt of the European Union to have any kind of facilitating role in the peace process."

During a four-day visit to China in late May, Netanyahu met with officials who assured him that they were not supplying, and would not supply, Iran with nuclear weapons technology.

Israel-Kenya ties received a boost when Israel dispatched an IDF Home Front Command rescue team to Nairobi after the August 7 bomb attack aimed at the U.S. embassy in the capital. The 150-person team arrived in Nairobi the day after the huge explosion. Working around the clock, sometimes in highly precarious conditions, the Israeli team succeeded in locating four survivors and 29 bodies as they sifted through the rubble. The tragedy turned into something of a media coup for Israel as TV crews covering the attack focused their cameras on the Israeli team's rescue efforts. It was also an opportunity for Israel to repay a favor to Kenya, which had allowed Israeli planes to land in Nairobi on their way back from the Entebbe rescue operation in 1976.

Relations with the United States

Relations between Washington and Jerusalem became increasingly strained in the course of 1998 as a result of the stalled peace process. During much of the year the president's personal troubles seemed to leave him with little time for the Middle East. Dennis Ross continued his shuttle missions to Jerusalem and Ramallah, but seemed to be making little headway. Personal relations between Ne-
Netanyahu and Clinton also appeared to be at an all-time low. The president did not offer Netanyahu a formal White House lunch during his January 20 trip, and the Israeli leader chose to preface his session with Clinton by meeting with some of the president's major political foes, including House of Representatives Speaker Newt Gingrich and right-wing Christian leader Jerry Falwell.

Madeleine Albright vented her frustration with the Israeli leadership when she met a group of U.S. Jewish leaders on March 29. The U.S. administration, she told them, was "not interested in a phony process," and so one option "is simply for us to remove ourselves."

During a late May visit to Israel, Newt Gingrich was, initially, outspoken on the issue of Jerusalem, telling the Knesset that "even Arafat doesn't believe it's going to cease to be the capital of Israel." Gingrich, who supported moving the U.S. embassy from Tel Aviv to Jerusalem, had planned to lay a symbolic cornerstone on the plot set aside in the capital for the embassy, but changed his mind after administration officials persuaded him that such a gesture would incense the Palestinians. He adopted a more low-key approach on all Jerusalem-related questions and announced during an interview at his hotel that he wasn't going "anywhere near" Har Homah, the disputed hilltop on the southern edge of the capital where infrastructure was being laid for a Jewish housing project. When Jerusalem mayor Ehud Olmert insisted that Gingrich visit the site, a compromise was reached whereby the Speaker agreed to view Har Homah from a distance.

With Clinton facing impeachment hearings in Congress, there were suggestions that a foreign policy success would help to divert attention from the Lewinsky scandal. An Israeli-Palestinian deal on the second redeployment in the West Bank was an attractive target, but Ross's September visit to Israel seemed to go completely unnoticed in Washington. "No one in Washington is even talking about Ross," moaned a frustrated Ran Cohen, a member of the left-wing Meretz Party who was in the United States in mid-September. "It's as if his visit just isn't happening . . . . The paralysis of the president, the administration and the Democratic Party means paralysis in the peace process."

On the Israeli right many viewed the president's distraction as a positive development. Some jokingly pointed to the Lewinsky affair as a sign of "divine intervention." "I have no doubt what Bibi would say if you had to ask him whether he prefers a strong president or a president who is neutralized," said Likud member Reuven Rivlin. "Arafat understands that he will not be getting any help from the Americans now." But the glee on the Israeli right over the president's predicament was to be short-lived. Clinton cajoled both Netanyahu and Arafat into attending the mid-October Wye summit and then forged an agreement between the two sides that included the 13.1 percent West Bank withdrawal that the Israeli right had fought so hard to prevent.

If personal ties between Clinton and Netanyahu remained poor in the period under review, that did not affect the president's popularity among Israelis. A poll conducted by the Dahaf Institute on August 19—after Monica Lewinsky testi-
fled before the grand jury in Washington—revealed that 88 percent of Israelis supported the American president.

While 1998 was a year of distinctly chilly Israel-U.S. ties, for the Palestinians it was a year of significant improvement in relations with Washington. The initial sign of a change came in January, when Madeleine Albright pointed to Israel's hard-line approach to the Palestinians as a reason why Washington was finding it difficult to cobble together an anti-Saddam Arab alliance. There were other indications, like arms sales to several Arab states, a lifting of the ban on investments in Lebanon, and the removal of Iran from the list of drug-trading nations. And in late November, the administration engineered a donor conference in the United States, where a total of $3 billion was pledged to the Palestinians.

Officials in the Israeli Foreign Ministry, however, insisted that the American strategy was aimed at limiting attempts by Russia to reassert its influence in the Middle East, and was not the result of worsening ties with Israel. "There is no comparison between Israel's position in the U.S. and that of the Palestinians," argued Zalman Shoval, Israel's ambassador in Washington. "Israel is a strategic ally; the Palestinians are seen as a problem that must be solved because it impacts on wider U.S. Middle East interests."

Shoval's reasoning was supported by the signing of an Israel-U.S. strategic memorandum in October. The focus of Israeli and American attention was Iran's long-range Shihab 3 missile, which was expected to be ready for testing by early 1999. With a range of 1,400 kilometers, the missile, which could be fitted with both conventional and nonconventional warheads, would be able to strike from western Iran at targets anywhere in Israel as well as at U.S. facilities in Turkey.

U.S. civilian and military aid to Israel—which amounted to a total of $3 billion annually—also remained unchanged during the period under review, and a further $1.2 billion was earmarked to assist in the financing of the Wye-negotiated troop pullback. In late January, when Finance Minister Yaakov Ne'eman traveled to Washington, Israeli officials began talking with the U.S. administration and members of Congress about a phased reduction in American economic aid. The plan was to effect a gradual reduction of the $1.2 billion in annual civilian aid that Israel received from Washington, while the $1.8 billion in military aid would not be touched. (Some leading Israeli economists welcomed the move, insisting that with a $100-billion-a-year economy and an annual gross domestic product of $17,000, Israel could absorb the loss without too much discomfort.)

Newt Gingrich's resignation following the Republicans' losses in the November 3 midterm elections was seen as a blow to Netanyahu, who had been able to count on the Republican leader to help deflect administration pressure on Israel.

In late February, the Supreme Court ruled that 18-year-old Samuel Sheinbein, whom the United States wanted extradited for the brutal 1997 murder of a Maryland teenager, could claim protection under a 1978 statute that prevented the extradition of Israeli nationals in criminal cases. In a bid to avoid prosecution, Sheinbein, who had never lived in Israel, had fled there and claimed citizenship
on the ground that his father was an Israeli national. Despite considerable criticism in the United States and anger in Maryland, Israel's Justice Ministry and State Attorney's Office began preparing to prosecute Sheinbein, and in March Sheinbein was charged in the Tel Aviv district court. The following month, Israeli legislators closed the loophole in the extradition law by adjusting the statute to allow for Israeli citizens who are not residents of the country to be extradited for crimes perpetrated abroad. The law, however, was not retroactive.

Israel and American Jews

The subject of religious pluralism continued to plague relations between Israel and American Jewry. The conversion issue, which had exploded in 1997 when the Orthodox religious parties introduced a bill that effectively barred non-Orthodox conversion in Israel, continued to fester in 1998. It briefly flared up again in early February when the Chief Rabbinate officially rejected the recommendations of the Ne'eman Commission, which would have given the non-Orthodox denominations a degree of recognition in Israel on matters of personal status.

Reform and Conservative leaders in the United States continued to vent their frustration at the efforts of the Israeli Orthodox authorities to delegitimize them. In a Jerusalem Report interview (July 6, 1998), Rabbi Eric Yoffie, president of the Reform movement's Union of American Hebrew Congregations (UAHC), lashed out at Israel's chief rabbis, saying that they had poisoned relations between the various denominations of Judaism in the United States. According to Yoffie, American Orthodox bodies were increasingly reluctant to have contact with Reform and Conservative rabbinical groups, and this was the result of vilification coming out of Israel, specifically from the Chief Rabbinate. "Reasonable Israelis, including modern Orthodox, tell us the chief rabbis are irrelevant. I disagree," said Yoffie. "They are senior government employees. And their behavior, the lack of respect they have shown non-Orthodox rabbis—from refusing to shake our hands to calling us 'clowns'—is frightful. Non-Orthodox, North American Jews—who, as it is, don't understand why their rabbis cannot perform a single life-cycle ritual in Israel—aren't willing to tolerate it anymore."

Secretary of State Madeleine Albright tried to enlist the support of U.S. Jewish leaders on a number of occasions in her efforts to pressure Netanyahu into making concessions, but she had little success. According to media reports, Albright told key Jewish leaders in a mid-May meeting that because of the administration's failure to persuade Israel to move on the Palestinian track, U.S. credibility was being harmed, especially in the Middle East. The leaders, though, reportedly rejected Albright's "linkage," arguing that Israel's behavior was not adversely affecting American policy.

The General Assembly of the Council of Jewish Federations, the biggest annual meeting of North American Jewry, was held for the first time ever in Israel, in mid-November. Five thousand people attended the GA sessions in Jerusalem,
during which a group of philanthropists announced that they were backing a new project called "Birthright Israel." This would bring every Jewish youth in the world between 15 and 26 years old on a ten-day expenses-paid tour of the Jewish state.

**POLITICAL DEVELOPMENTS**

*Netanyahu Battles On*

The domestic political scene was stormy and riveting in the period under review. On several occasions the Netanyahu government looked to be on the verge of collapse, but the prime minister, as he had done many times in the past, skillfully navigated back from the brink. That was until December 21, when the coalition became so unruly and divided that it self-destructed, and the Knesset voted to pass the first reading of a bill calling for the disbanding of the legislature—a move that almost certainly spelled early elections. (The regularly scheduled elections would not be until late in the year 2000.)

The first political bombshell came in the very first week of 1998. During intense budget wrangling, Foreign Minister and Deputy Prime Minister David Levy announced that he would vote against the budget, and he threatened to resign from the cabinet. Most seasoned political observers dismissed Levy's threats as a negotiating ploy to extract budgetary concessions. But on January 4, Levy convened a press conference, broadcast live on TV, where he lashed out at Netanyahu. Finally, citing the lack of progress on the peace front and what he said was the government's insensitivity toward the poorer classes, he announced he was resigning. Levy accused the prime minister of not honoring an agreement the two had reached six months earlier, in which Netanyahu had handed Levy a signed promise to fund education, scholarships for poor students, and housing for young couples. With regard to the peace process, Levy accused the government of "flying to nowhere."

Levy's Gesher Party, which had five seats, exited the coalition with his resignation, leaving Netanyahu with the narrowest of Knesset majorities, 61-59, and there was wide speculation that the government was on the verge of collapse. Levy's decision undoubtedly turned up the pressure on Netanyahu, making it much more difficult for the prime minister to maneuver between the conflicting demands of his coalition partners. While right-wing members of his coalition threatened to bring him down if he agreed to a West Bank pullback, the four members of the centrist Third Way Party and Defense Minister Yitzhak Mordechai were saying the exact opposite—that they would withdraw if the government did not move forward on redeployment.

Since he hoped to appeal largely to working-class Sephardim, Levy's departure appeared well-timed, coming amid a deepening economic recession marked by
growing unemployment and a row over funding for social programs in the heat of the 1998 budget debate. Initial polls showed Gesher getting seven seats. "After 18 months in government with the Likud, Gesher was heading for self-destruction," said Maxim Levy, David's younger brother and himself a Gesher Knesset member. "If we'd stayed with the Likud, with its insensitive social policies and foot-dragging on peace, what would we have been able to offer voters? Politically, we'd have been dead meat." But Gesher had to prove itself, and it faced a formidable opponent in the battle for the Sephardi vote—the ultra-Orthodox Shas Party. Shas leader Arye Deri was quick to criticize Levy's decision, saying that the Gesher leader had "committed [political] suicide."

Maxim Levy, however, was confident Netanyahu would not succeed in navigating the political minefield that faced him in the early part of the year, which included having to deal with the overdue West Bank troop pullback, the highly explosive conversion bill, and growing social unrest. But Levy was proven woefully wrong as Netanyahu managed to weather the resignation of his foreign minister and keep his fractious coalition together. Not that life was easy for the prime minister or Likud coalition whip Meir Sheetrit. "Not in all my years in the Knesset can I recall a period of such extortion," Sheetrit complained during yet another bout of coalition wrangling.

Talk of a national unity government had surfaced in January, ahead of Netanyahu's trip to Washington, where he was expected to discuss the overdue West Bank troop redeployment with President Clinton. With hard-liners threatening to topple the government if the prime minister returned from the United States with a peace package, moderate MKs in Shas, the Third Way, and the immigrant party Yisrael ba-Aliya were all urging Netanyahu to initiate talks with Labor. For his part, Labor leader Ehud Barak did not sound entirely opposed to the idea, declaring in a January speech that it was "up to Netanyahu to make the first move." Talks in early May initiated by Netanyahu did not yield a unity government, and opposition Labor members dismissed the meeting as an effort by Netanyahu to scare his divided coalition.

The fact that the government lost several no-confidence votes in 1998 reflected on Netanyahu's coalition woes. But disgruntled coalition members could afford to absent themselves from these votes, because under the new direct election system, an absolute majority of 61 in the 120-seat Knesset was required to bring down the government.

Despite his unruly coalition, Netanyahu continued to defy his critics and those who foretold his imminent downfall. Through July, political observers predicted that if the prime minister did not reach a deal with Arafat by July 29—the start of the Knesset's three-month summer recess—his government would fall apart. But it did not.

Netanyahu did receive a blow, though, in late July when the Knesset passed the preliminary reading of a bill to disband the legislature and move to early elections. Legislators of both the left and the right supported the bill, seeming to in-
dicate that no one felt able to gauge Netanyahu's true intentions with regard to the peace process. Significantly, three of the four Third Way MKs—a centrist party in the ruling coalition—supported the bill, as did former finance minister and Likud MK Dan Meridor, who had resigned from the government in 1997 after a showdown with Netanyahu. (The final vote was 60-6, as many coalition members, realizing they had no chance of defeating the motion, chose to stay away from the plenum. To be passed, the bill would have to go through three more readings, and would ultimately require the support of 61 of the 120 Knesset members in the final reading.)

As in the first 18 months of his term, Netanyahu continued to face charges from inside and outside his coalition that he was duplicitous and untrustworthy. Yet the polls showed that his public support was holding firm. A late July poll in the daily Ma'ariv revealed that Netanyahu still led Barak, 42 percent to 41.

While Netanyahu had survived into the summer, it was clear that sooner or later he would have to make a decision with regard to the peace process. Leading Labor MK Uzi Baram predicted that if the prime minister did actually intend moving forward on the Palestinian track, he would have to convince David Levy and his five-member Gesher faction to rejoin the government, and also persuade members of the far right that it was in their interest to stay put, so as to have a say in the final-status talks with the Palestinians. Then, said Baram, Netanyahu might well survive until elections in 2000. Labor leaders pointed out that Barak would have a hard time resisting a unity offer if Netanyahu made one after concluding a deal with the Palestinians—a move that would help him sweep the centrist vote and so remove early elections as an option for Labor.

If Netanyahu was having a tough time trying to keep his often-errant coalition members in line, he could take solace from the fact that the Labor Party, with Barak at its head, was hardly proving an effective political foe. Barak attacked Netanyahu in a July Knesset debate, saying that the country was "being run by a dishonorable man," that world leaders were no longer prepared to talk to the prime minister, and that the only one remaining on Netanyahu's side was his American political strategist, Arthur Finkelstein. But, in a devastating response, Netanyahu took the podium and launched a withering attack on Labor's competence and integrity, and then pointed out that Barak had his own (alleged) U.S. spin doctor, Stanley Greenberg.

In the absence of a clear opposition voice, President Ezer Weizman emerged as the prime minister's most coherent critic. He publicly blamed the prime minister on more than one occasion for the deadlock in the peace process, and he overstepped the largely ceremonial powers of his office to call for early elections. The move was interpreted by many as an expression by the president that he hoped Netanyahu would be replaced. On one occasion Weizman blamed the prime minister for undermining the credibility of the presidency by sending him to Arab leaders laden with promises which, ultimately, were not fulfilled. While some observers suggested that the attacks by the popular Weizman hurt Netanyahu, the
president was ultimately powerless, and his outspoken criticism actually helped Netanyahu by relegating Barak and the rest of the opposition to the sidelines.

After returning from Wye Plantation in late October, Netanyahu launched an all-out effort to stabilize his coalition. He tried to mollify the right with promises of construction at Har Homah and by turning a blind eye to settlement activity. He also repeatedly warned the right that if they brought him down then they would get Ehud Barak. In early November the government narrowly prevailed in a preliminary vote on the 1999 national budget, thanks to the abstention of Abd al-Wahab Darawshe's Arab Democratic Party. Darawshe's vote evoked the wrath of the Labor-led opposition as well as large sections of the Arab electorate. According to media reports, Darawshe had abstained at the behest of Yasir Arafat, who did not want the government to fall until it had ratified the Wye agreement. But the prime minister, who had slammed Yitzhak Rabin for relying on Arab votes for a parliamentary majority on the peace process, was attacked by Likud MKs for relying on Darawshe to help pass the budget. Sensing the potential political damage, Netanyahu declared that in future he would not depend on "non-Zionist" support.

Still, the vote was yet another sign that the ruling coalition was crumbling. In another effort to stabilize his government, Netanyahu initiated talks with David Levy, aimed at bringing him and his Gesher faction back into the coalition. Initially it appeared that Levy, having spent almost a year in the political wilderness, was on his way back, this time as infrastructure minister. But the emerging arrangement soon ran into trouble. Netanyahu aides were quoted anonymously in the daily Ha'aretz saying that Levy had turned down an offer of the treasury portfolio because he was not cut out for the hard work that the job of finance minister required. Resistance to the deal also began to grow within the Likud because of the proposed inclusion of several hundred Gesher delegates in the Likud Central Committee. Then Levy had a change of heart and announced that he did want to be minister of finance. But Netanyahu, a vociferous advocate of the free market, was not keen to relinquish the post to the welfare-minded Levy. The deal ultimately fell through, and Levy launched a bitter attack on Netanyahu in the Knesset plenum as the prime minister listened from his seat.

In late November there were reports that Ariel Sharon had approached Barak about the possibility of a national unity government, but had come away discouraged. By early December there was growing talk among right-wing politicians about the need to go to early elections, and then to form a broad-based right-wing party with a candidate at its head who would run against Netanyahu. Among those mentioned as potential leaders were Benny (Binyamin) Begin, son of the late Menachem Begin, who had resigned his cabinet post in January 1997 when Netanyahu signed the Hebron agreement. Other suggested names were Education Minister Yitzhak Levy, the head of the National Religious Party (NRP), and Likud hard-liner Uzi Landau. NRP Knesset members, however, were divided. While some warned that an early election was a dangerous adventure that might
bring the left to power, others were enthusiastic about the prospects of a Greater Israel party uniting all right-wingers.

The bill for disbanding the Knesset, which had passed a preliminary reading in late July, reached the plenum again in early December. In a day of high drama, the opposition Laborites accused Netanyahu of practicing political opportunism in a desperate bid to survive. Reports emerged that, in an effort to defeat the bill, Netanyahu had tried to enlist the support of some Arab MKs by promising that he would move ahead with the implementation of Wye, while at the same time seeking to secure right-wing support by asserting that he had no such intention. As the vote drew closer, it became clear to the prime minister that he did not have enough backing to defeat the bill, and it was decided that one of his coalition partners, the ultra-Orthodox United Torah Judaism Party, would turn the Knesset debate into a vote of confidence in the government—a ploy that delayed the voting by two weeks, winning for Netanyahu some precious breathing space.

The prime minister clearly did not favor early elections. As the vote drew closer, he worked hard to try and restore right-wing support by accusing the Palestinians of not fulfilling their obligations and by making increasingly stiff demands on Arafat. But that move had the effect of upsetting the moderates in his coalition. Further efforts to convince David Levy to rejoin the government also proved fruitless. And Netanyahu received another blow on December 16, when Finance Minister Yaakov Ne'eman, a close ally, resigned. Ne'eman cited the failure of Knesset members to place the country’s broad economic concerns above their own special interests as the reason for his resignation.

Netanyahu, commentators observed, might well have avoided early elections had he invited the Labor Party to join him in a national unity government after returning from Wye. There were reports that he and Barak had even reached a coalition agreement during talks held before he traveled to the peace summit. On his return, however, Netanyahu chose instead to launch an all-out attack on Labor. As a result, despite a last-minute unity plea by the prime minister from the Knesset podium, which was met with laughter by many of the Knesset members, the plenum voted to pass the first reading of the bill to disband the legislature and move to early elections. There was little doubt that the outcome of the second and third readings of the bill—likely to be held in early January 1999—would be any different, and it was clear that a new election was only months away. On December 28, Netanyahu and Barak agreed on a date for elections—May 17, 1999.

Labor Pains

Labor leader Ehud Barak seemed unable to capitalize on Netanyahu’s coalition troubles. He faced strong criticism within his own party for not adopting a clear line on key policy issues and for being dictatorial in his running of the party. Many Labor members who had voted for Barak in the internal leadership pri-
maries in mid-1997 had hoped that he would, in some way, fill Yitzhak Rabin's shoes, adopting the mantle of "Mr. Security"—an image that had helped Rabin win over enough centrist and right-wing voters in the 1992 election to unseat the Likud. But party members were soon disappointed. "We expected Barak to be Rabin," said one disillusioned Labor Knesset member in early January, "but he's only Barak."

Many had predicted a bright future for Barak when he entered politics. His credentials, they believed, made him a natural for the post of prime minister: former head of one of the country's elite commando units, Israel's most decorated war hero, an ex-chief of staff and former foreign minister, an advanced degree in systems analysis from Stanford University. Yet, despite the fact that in early 1998 the government's credibility was at an all-time low, Barak seemed unable to make an impact. He was increasingly viewed as noncommittal and vague on cardinal issues, and on television he came across as awkward and uncomfortable.

Party leaders who had supported Barak for the leadership bid and not been rewarded for their loyalty became increasingly bitter. They accused him of not consulting them and of failing to set up a leadership team. "The question for us is whether these are teething troubles, or whether there is some deeper personality problem," said Labor MK Hagai Merom.

Barak loyalists in the party pointed to polls indicating that their candidate had a substantial lead over Netanyahu, but political observers warned that polls had traditionally overestimated Labor's strength. Indeed, Laborites were especially cautious after having watched pollsters consistently predict a Shimon Peres victory right up until the last day of the 1996 election campaign, when Netanyahu snatched victory by the narrowest of margins.

Barak drew fire in March when he said in a television interview: "I imagine that if I were a Palestinian of the right age, I would, at some stage, have joined one of the terror organizations." The right immediately attacked him, and many predicted that his statement would feature prominently in the Likud's campaign when elections came around. Matters got worse for Barak when Iman Kfisha, a member of the Hamas unit on trial for the bombing of the Cafe Apro in Tel Aviv in March 1997, seized on the Labor leader's statement. "Barak said, 'If I were a Palestinian, I'd belong to Hamas.' We, too, are Hamas soldiers and want to liberate Palestinian land," he said.

Barak defended his style and approach with the argument that disaffection with his leadership was due to his strategy of trying to woo the political center—the only way, he insisted, that Labor could triumph in an election. During a visit to the West Bank settlement of Bet-El in May, for instance, Barak declared that Israel would "remain in Bet-El forever." His comments were criticized strongly by elements on the left. "I told Rabin that he couldn't win an election from his Oslo position," Barak explained. "I said, 'Yitzhak, we must capture the center, otherwise Netanyahu will do it—and he'll destroy Oslo.'"

Tension also continued to simmer between Barak and Shimon Peres, especially
over the former prime minister's continued flirting with the idea of a national unity government. After David Levy weakened Netanyahu's position by resigning from the cabinet in early January, Peres tried to persuade Labor politicians that the time had come for a national unity government. There were even media reports that Netanyahu had offered Peres the post vacated by Levy, but that Peres had turned it down on the grounds that the government was undermining the peace process.

While Labor members refrained from publicly attacking Peres, in private they complained that he was not displaying enough support for Barak, and so was hurting Labor's chances of getting back into power. There was also speculation that Peres might break with Labor and set up a party of his own, using a peace movement he had set up in January—with the backing of two dozen mayors—as the basis for the new party. When asked in March whether he was planning such a move, Peres answered ambiguously: "We are not facing elections," he said. "We will need to see the political line-up before making a decision."

The disenchantment with Barak led to speculation over the political plans of Amnon Lipkin-Shahak, whose term as chief of staff was set to end in July. Labor insiders intimated that Shahak would not challenge Barak, his predecessor as chief of staff, for the leadership of the Labor opposition, even though some party activists were eager to see that happen. More likely, they suggested, was that Shahak would join the Labor party in a senior position, possibly as Barak's chief subordinate and potential defense minister were Labor to win the next election. "It is simply not in Shahak's character to get into a slugging match with Barak," said one source close to both men. "The conniving, the self-promotion that would be involved are alien to him."

After Shahak ended his term in early July, Labor Party members expressed confidence that he would ultimately team up with Barak, and they insisted the two would make a formidable team. "Amnon is in many ways the antithesis of Ehud—more ready to delegate, more relaxed," said a close Barak adviser. "He doesn't seem super-ambitious. . . . They complement each other perfectly." But Barak's desire to bring in Shahak did not mean that his ex-army buddy would automatically heed the call. Shahak was also being courted by Tel Aviv mayor Roni Milo, who had set up a centrist party and indicated that he would forego the top spot if Shahak joined him. Netanyahu was also said to be watching Shahak closely. There were reports that the prime minister viewed the recently retired general—who came across as relaxed but assertive in TV interviews—as his most serious rival. Polls taken in July showed Shahak leading Netanyahu by 5 percent, while Barak was only 1 percent ahead of the prime minister. Shahak, though, remained tight-lipped about his future plans, telling those close to him that he needed time to study his options.

There was another bout of squabbling within the Labor Party in late July over a proposal by Peres and other Labor MKs that they provide Netanyahu with a Knesset "safety net" if he agreed to go ahead with the West Bank redeployment
and the right-wing elements in his coalition moved to bring him down. An enraged Barak, who had not been part of the initiative, castigated party members at a Knesset caucus meeting. The Labor Party, he shouted, "is turning itself into a political and public joke. It needs political Viagra to get itself up." Some observers suggested that Peres hoped that, in exchange for the offer of a "safety net," Netanyahu would invite Labor to join a national unity government, and Peres would be given the responsibility of managing final-status negotiations with the Palestinians. Peres's plan, wrote seasoned Middle East commentator Ehud Ya'ari, "is just an inch away from an outright attempt to overthrow his successor, Ehud Barak, undermining Barak's future challenge to Netanyahu."

Barak was dealt yet another blow in late July—on a day that should have been his most glorious since becoming party leader. The Knesset voted on July 29 to pass the preliminary reading of a bill to dissolve the legislature, a major coup for Barak and the Labor Party. But the victory was eclipsed by an interview appearing in that day's Ha'aretz in which Labor MK Ori Orr, a former deputy defense minister, made derogatory remarks about Sephardi Jews. Orr, a close Barak aide, said that Sephardi Jews were hypersensitive and described Moroccan Jews as a "problematic ethnic group." He questioned their intelligence, saying they were "not curious" to know what was going on around them. Netanyahu immediately seized on Orr's comments and ascended the Knesset podium where he proceeded to rip into the Labor Party as arrogant and exclusive. "There's a God and He's a Likudnik," quipped Likud MK Reuven Rivlin, referring to the timing of Orr's comments.

This was a major blow to Barak's attempts to woo traditionally right-wing Sephardi voters, many of whom held the Ashkenazi establishment— with whom Labor was identified— responsible for the cultural and social dislocation their parents and grandparents had experienced in the early years of the state. Barak made things worse for himself when he hesitated in disciplining Orr; a full 36 hours passed before the ex-general was stripped of his party positions. Some in the party suggested that Barak should have gone further, forcing Orr to resign from the Knesset and leave the party altogether. Haim Ramon, a senior Laborite, declared that he would not remain in the party with someone like Ori Orr.

A Labor delegation headed by Barak flew to Britain toward the end of the year to study Tony Blair's victory strategy. After his return, Barak announced that the party would undergo structural and organizational changes. He also launched "One Israel," part of a plan to widen Labor's appeal by bringing in other parties and extra-parliamentary groups who would run for the Knesset under a broad banner along with Labor.

With early elections almost certain, speculation was rife about Shahak's plans. There were increasing signs that the ex-general planned to mount a challenge to Netanyahu at the head of a centrist party, rather than join Labor. At the end of the year, a Gallup poll showed Barak with a 45-38 lead over Netanyahu; the same poll gave Shahak a 48-33 advantage over the prime minister. But in a four-way
first-round race—including Benny Begin, who, many believed, would challenge Netanyahu from the right—it was Barak and Netanayhu, not Shahak, who went through to the second round. (In the direct-election system, if none of the candidates got more than 50 percent in the first round, the top two candidates vied in a run-off.) Still, Shahak had said very little, and it remained to be seen whether there was more to his soaring popularity than the public’s disillusionment with both Netanyahu and Barak.

Following Netanyahu’s 1996 example, Barak hired American campaign advisers. His team included Clinton campaign strategists James Carville, Stanley Greenberg, and Robert Shrum. Some pundits suggested that the race would actually be between the two groups of American spin-doctors employed by Netanyahu and Barak. It became evident very quickly that Barak’s advisers had given him some tips on how to improve his TV manner. He abandoned his often heavy style and long, complicated sentences for a more feisty approach employing constant repetition of short messages. As for substance, Barak sought to focus the campaign on social and economic issues like jobs, education, and health.

The vote to disband the Knesset was a serious blow to Netanyahu. But the prime minister—a consummate campaigner—was by no means out of the running, and it was only the bravest of political pundits who would dismiss his chances of winning a second term. Netanyahu’s strategy, it seemed, would focus on peace and security, stressing that he had delivered on his promise to reduce the threat of terror and would be a much tougher negotiator with the Palestinians in final-status talks than Labor. While he would present the far right as too extreme to make peace, Netanyahu’s aides said he would present the left as too conciliatory.

With the entire political system in flux as 1998 drew to a close, political commentators were loath to predict who would be the next prime minister.

**The “Big Bang”**

Speculation was rife in the course of 1998 over what many referred to as the “Big Bang”—a code word for the fundamental reordering of the country’s traditional left-right political alignment. The first concrete sign of such a realignment was the May 4 announcement by Tel Aviv mayor and former cabinet minister Roni Milo that he was leaving the Likud to set up a centrist party and run for prime minister in the year 2000. Citing as the catalyst for his decision the opposition of Orthodox politicians to the performance of an avant-garde number by a dance troupe at the Independence Day gala celebration, Milo said his new centrist party would draw from both the left and the right to “neutralize the leverage of religious extremists.”

Political analysts speculated over whom Milo would hurt more, Netanyahu or Barak. While some argued that Milo would attract right-wing voters dissatisfied with Netanyahu, others said he would cut more into Barak’s constituency, espe-
cially since he had carved out a dovish and stridently secular image since becoming mayor of Tel Aviv. The fact that Labor was limping along under Barak, and the Likud-led government was looking increasingly vulnerable, added impetus to the formation of a centrist political force.

Several reasons were offered to support the “Big Bang” theory. First, the new system of direct elections had weakened the two major parties. A vast number of voters had split their ballots in 1996, voting for the Labor or Likud candidate for prime minister, but expressing their more specific ideological tendencies by voting for one of the smaller parties for the Knesset. Second, it was asserted, the signing of the peace treaties with the Palestinians and the Jordanians had begun to erode the centrality of the land-for-peace issue that had traditionally divided left and right.

Nevertheless, many questioned whether the platform of a centrist party would be focused enough to give it an identity distinct from that of Labor or Likud. Aides to Barak and Netanyahu poured cold water on Milo’s centrist drive. With both the Labor and the Likud leaders aiming to capture the centrist vote, said one Barak aide, there would be no room left for a third candidate, who would find himself squeezed out of the race.

Milo’s plan was to put together a highly attractive leadership team of top public figures. Two major players in his sights were Shahak and former Likud finance minister Dan Meridor, who had quit the post in 1997 after a showdown with Netanyahu and who had vowed never again to run on a ticket headed by the prime minister. Milo also met with some top-ranking Laborites unhappy with Barak’s leadership performance, including Haim Ramon, Shlomo Ben-Ami, and Jewish Agency head Avraham Burg. And he was eager to recruit the highly popular defense minister, Yitzhak Mordechai, the most moderate member of the cabinet and the man many believed helped tip the balance in favor of Netanyahu in the 1996 elections. Milo also hoped to corral centrist parties like the Third Way, the moderate religious party Meimad, and David Levy’s Gesher. Asked who would ultimately lead such a party, Milo said it would be the person most likely to win an election, to be determined by a public opinion poll. In one poll in early August Milo edged out Netanyahu by 44-43.

Many commentators singled out Shahak as the key figure Milo would have to attract. The articulate and telegenic Shahak regularly outscored Netanyahu and Barak in the polls. A mid-July poll, for instance, showed Shahak with 44 percent of the vote and Netanyahu with only 33 percent. But pollsters pointed out that Shahak’s popularity stemmed both from the public’s disenchantment with Netanyahu and Barak and from the fact that his public positions remained unknown; he was still on official army vacation and so was barred from making any political statements. “Shahak is a stronger candidate than Barak to run against Netanyahu,” said Prof. Avi Degani, managing director of the Geocartography research institute, “but I have no doubt that support for him will drop the moment he takes sides.” While the polls showed that a third candidate from a centrist party
would most likely force a second round in the prime ministerial race, they also revealed that such a candidate was unlikely to make it into the second round. Ultimately, said Degani, it would come down to a runoff between Netanyahu and Barak.

While Milo was trying to woo Shahak, so was Barak. There were reports that the Labor leader had offered Shahak the Ministry of Defense if Labor came to power. In September a noncommittal Shahak held separate meetings with Barak, Meridor, and Milo. Netanyahu responded by labeling Shahak a leftist—a move aimed at undermining Shahak's popularity even before he hitched up with a political party. "Amnon Shahak's place is definitely on the left . . . Shahak took off his army uniform, put on a suit and went to talk to the Palestinian Nabil Sha'ath with his arm around his shoulders," Netanyahu said, following a meeting between Shahak and Barak. "When I met the Palestinians," Shahak responded, "I was sent by the late prime minister Yitzhak Rabin. Prime Minister Netanyahu has also sent generals, in uniform and civilian dress, to negotiate with the Palestinians."

The future of Milo's ambitious plan appeared to hang largely on Netanyahu's course with regard to the Palestinians. A renewed peace process followed by the formation of a national unity government with Labor would clearly bury the centrist initiative.

**Challenge to the New Electoral System**

Efforts were made during the course of the year to change Israel's new electoral system. Opponents of direct election, which came into effect in 1996 and allowed citizens to cast one ballot for prime minister and a second for a party, argued that it had fragmented the political system. After the 1996 election Netanyahu had cobbled together a coalition with eight parties, and his own Likud party constituted less than half of the votes in the coalition. Such political fragmentation, critics warned, would worsen in the next election. In addition, remarked Dr. Aryeh Carmon, the head of the Israel Democracy Institute, the system promoted the interests of particular sectors of the population over the national interest: "Under the old system the major parties took opposite views, but they were fighting over the great issues on the national agenda. That was an integrating factor. Now, anyone can get elected to the Knesset on a special-interest ticket. That strengthens the forces tearing Israeli society apart." Jews in the Diaspora who had given financial backing to the movement to change the system had been "fooled," said Carmon. "The supporters of direct election went abroad raising money by saying that the new system would destroy Orthodox power. The opposite happened. The religious parties have never been stronger, and their demands on the conversion law are threatening to create a schism with Diaspora Jews."

But the architects of the new system continued to defend it. If the old electoral system were still in effect, argued David Libai, a former justice minister under
Yitzhak Rabin, "the religious parties would have been just as strong, and they would have used their power to change the prime minister three times by now." Uriel Reichman, a law professor and another shaper of the direct-election system, said that reform should go further, with the next step being the introduction of constituency elections for many of the Knesset seats—a move that would help the big parties.

Netanyahu continued to express strong support for the new system, but members of his party did not necessarily share his enthusiasm. In late May, the Knesset voted 50-45 to send a bill to committee that would cancel the 1992 law instituting direct election for prime minister and revert to the old system of proportional representation. Of the Likud’s 22 Knesset members, 12 voted in favor of the bill and five absented themselves from the vote rather than kill the proposed legislation. Members of both big parties were extremely worried, however, by secret polls conducted in June that showed the ultra-Orthodox Shas Party getting between 18 and 20 Knesset seats if elections were held then, and Labor and Likud combined only receiving around 50 seats—far from a majority in the 120-seat Knesset.

Still, the bill had a long way to go before becoming law. Netanyahu, Barak, and the smaller parties opposed any change, and the bill required a 61-vote majority because it was a constitutional measure.

RELIGION

Conversion and the Ultra-Orthodox Draft

The battle between the Orthodox and non-Orthodox denominations over conversion resurfaced when the Orthodox Chief Rabbinate officially rejected the recommendations of the Ne’eman Commission on February 9. The seven-member committee, headed by Finance Minister Yaakov Ne’eman, had reached a compromise: all conversion candidates would attend a joint conversion school, where Orthodox, Reform, and Conservative rabbis would teach them. The final conversion ceremonies, however, would be performed exclusively by Orthodox rabbis. (The commission had been established by Netanyahu in 1997 after the ultra-Orthodox parties sponsored a bill that would codify the Orthodox monopoly on conversions and so formally deny state recognition of Reform and Conservative conversions performed in Israel.)

The Reform and Conservative movements, the Chief Rabbinate charged, were trying to "undermine the fundamentals of the Jewish religion and divide the people." The religious parties took the same tack. Avraham Ravitz of the ultra-Orthodox United Torah Judaism party declared that he would reject any proposal that granted any measure of recognition to the Reform and Conservative movements. "We contend that Judaism is not pluralistic," he said.
But the Chief Rabbinate's refusal to support the compromise generated opposition to the conversion bill among centrist parties in the coalition like the Third Way and the Yisrael ba-Aliya immigrant party. They argued that the rabbinate was failing to seize a historic opportunity to insure Jewish unity and avert a major split between Israel and Diaspora Jewry. In contrast to the ultra-Orthodox, Rabbi Yehuda Amital of the moderate religious movement Meimad came out strongly against the conversion bill. He said it "would be a continuation of Hitler's work and would make the Jews disappear." The Reform and Conservative movements filed a petition in the Supreme Court on February 10, demanding that the Ministry of Interior register as Jews their followers who converted in Israel.

The issue of ultra-Orthodox exemption from the military draft—a major flash point between the majority of the population, who served in the IDF, and the ultra-Orthodox, who did not, on the grounds that Torah study took precedence—was once again on the agenda in the period under review. There had only been several hundred yeshivah students when an agreement on deferments was struck between David Ben-Gurion and the ultra-Orthodox in the early years of the state. Since then the number had ballooned to approximately 29,000. In an effort to avoid the draft, many ultra-Orthodox men studied into their thirties, living off small state stipends.

In late January, Shas MK Shlomo Benizri announced a plan for voluntary enlistment of ultra-Orthodox males by providing men-only bases with food that met the stringent ultra-Orthodox kashrut standards. He insisted, however, that the deferment from the draft for those men who chose to study remain intact. Nothing came of Benizri's proposal, but the issue was back in the headlines on May 11 when Ehud Barak submitted a bill that would end the mass exemption of yeshivah students and strictly limit the number of annual deferments. Some members in the ruling coalition attacked Barak for trying to make political capital out of a highly sensitive issue, and asked why he had not called for ultra-Orthodox conscription when he was IDF chief of staff. Ultra-Orthodox politicians also decried the proposed legislation. "Even if this law is enacted, thousands of yeshivah students will prefer to go to jail rather than be drafted," declared Shmuel Halpert, a United Torah Jewry Knesset member. Rabbi Eliezer Schach, the leader of the "Lithuanian" yeshivah world, expressed an even more radical view on the draft proposal: "There is an absolute ban on going to the army, and one must be prepared to die to avoid it," he said.

The irony was that the army was not overly enthusiastic about the idea of absorbing large numbers of ultra-Orthodox men, as it would then have to establish single-sex bases and institute stringent kashrut standards. On the other hand, at the ultra-Orthodox grassroots level, some suggested that growing economic pressures in a society where many of the adult men did not work could generate interest in army service. In practical terms, without first fulfilling their obligation of military service, ultra-Orthodox men could not enter the job market.

But in July the Knesset voted down Barak's bill 53-45. One of the main rea-
sons for its failure was the opposition of Arab MKs, who formed an alliance with the ultra-Orthodox to defeat the bill. The Arab politicians feared that if the ultra-Orthodox were drafted, there would be moves to draft 18-year-old Arab Israelis next. The issue was back in the news on December 9 when the Supreme Court ruled that the exemption for yeshivah students was illegal, and gave the Knesset a year to pass legislation on the matter.

Another Supreme Court ruling earlier in the year—on religious councils—had also angered the ultra-Orthodox. On August 13, the court ruled that the minister of religious affairs had to include Reform and Conservative representatives on the Jerusalem religious council. (For years the Orthodox had been battling to keep the Reform and Conservative off the councils, which oversaw local services such as synagogue maintenance, ritual baths, and kashrut supervision.)

Another confrontation, this time between ultra-Orthodox and Conservative Jews, took place on the Shavuot holiday when a group of close to 300 Conservative worshipers prayed in a mixed service near the Western Wall, under police protection. They were attacked by hundreds of ultra-Orthodox worshipers who hurled paper, water, and bags of chocolate milk at them. There was another case of ultra-Orthodox violence on November 11, when a crowd of ultra-Orthodox men forced their way into an apartment in the Meah She’arim neighborhood of Jerusalem and ransacked it, smashing furniture and pulling off wall-fittings. The apartment was rented to two Swiss women who were out at the time. The crowd then tried to force its way into an adjacent apartment rented by a third woman, and she alerted the police. Participants in the attack, six of whom were arrested, accused the women of being Christian missionaries, a charge all three denied.

In December ultra-Orthodox men stoned customers at a Jerusalem cafe that was open on the Sabbath. Around the same time there was an outcry from the religious parties after a Jerusalem court ruled that the law barring Jews from operating their shops on the Sabbath did not apply to kibbutz stores.

Independence Day Showdown

Despite the fact that Israel was marking its 50th anniversary, the April 30 celebrations—attended by numerous dignitaries including U.S. vice-president Al Gore—were marred by several disturbing incidents that reflected the deep divisions in the country. The most publicized spat was over opposition by Orthodox leaders to a dance sequence at the main Independence Day gala in Jerusalem. During the number, performed by the Batsheva Dance Company to the Passover seder song “Ehad Mi Yodea?” (“Who Knows One?”), the male and female performers removed their outer layer of clothes to reveal undershirts and briefs. The dancers rejected a compromise reached by the Orthodox politicians and the Batsheva management whereby the dancers would wear long underwear, and refused to appear at all.

“We never dreamed it would cause problems; the same dance was performed
at the opening of the Jubilee celebrations in Washington two months ago," said a spokeswoman for the gala’s organizers, the government-appointed Jubilee Committee. One art critic in the daily *Ha'aretz* suggested that "the religious should see this dance as a breakthrough. Batsheva has taken a totally modern art form, and used a religious text as its basis. It appeals to the widest possible audience that modern dance can reach."

But Orthodox leaders did not see it that way. Jerusalem’s three religious coalition parties published a letter stating that they had been "shocked and surprised by the performance that was shameful and lacking in morals, and hurt not just the ultra-Orthodox public but the respectability of the entire nation."

**ECONOMIC DEVELOPMENTS**

The period under review was not a rosy one for the Israeli economy, with many of the indicators pointing to a deepening recession. Gross Domestic Product growth in 1998 was down to 2 percent, compared with 2.7 percent in 1997. Private consumption dropped to 3.3 percent from 4.1 percent the previous year. Export growth was 6 percent versus 7.6 percent in 1997. Imports were also down, from 2.8 percent in 1997 to 2.1 percent in 1998. Unemployment was up from 7.7 percent in 1997 to 8.8 percent at the end of 1998. Another sign of the deepening recession was the drop in residential housing starts, which declined from 26,630 in the first half of 1997, to 19,580 in the first half of 1998. There was, however, a vast improvement in the current account deficit, which was $1.5 billion in 1998 compared with $3.1 billion in 1997. The number of tourists who visited Israel in 1998—2,198,800—was down by 4 percent compared with the previous year.

Economic experts pointed to several external causes for the recession: the slowdown in the peace process and subsequent drop of enthusiasm among foreign investors; the negative impact on tourism and investment of the Gulf crises and threats of domestic terror; the fact that the boom generated by the mass immigration from the former Soviet Union had tapered off; and the Asian and Russian financial crises.

Economic developments in the period under review were also affected by the Bank of Israel’s strict monetary policy and by cuts in government spending. Many of the country’s economic leaders blamed the deepening recession on Jacob Frenkel, the governor of the Bank of Israel. His tight-money approach, they argued, was depressing growth and boosting unemployment. On January 26, for instance, Frenkel announced the first interest-rate cut in five months when he reduced rates by half a percentage point, to 12.90 percent.

At the Caesarea Conference in June—an annual economic summit attended by the prime minister and the country’s leading financial and business figures—Frenkel stubbornly defended his policies in the face of broad criticism. He rejected claims that he had overcooled the economy, continued to argue that inflation was
Israel's major economic problem, and warned that, since Israel was part of the
global economy, it was not immune from international economic developments.
The collapse of Asian financial markets, he said, was proof that his tight monetary policies were correct. “There is a good chance that if the Asian crisis had taken place a year ago,” he said, “the Israeli economy would not have been strong enough to withstand the shocks.”

Some of Frenkel’s critics, like Minister of Trade and Industry Natan Sharansky, insisted that the governor had too much influence over the economy through his power to set interest rates. Netanyahu backed Frenkel, despite warnings from Likud politicians that the governor’s monetary policies would lead to increased unemployment and so cost them votes. “Jacob, are you still standing?” Netanyahu joked during the closing session. “I hear you are bruised and bleeding, but still on your feet.”

Israel was not unaffected by the crisis-hit Pacific Rim as the tumbling stock markets and currencies of Southeast Asia and South Korea also had an impact on the Middle East. In early 1998, economic forecasters estimated that Israeli export losses due to the Asian crisis would be in the region of $300-400 million. Due in part to the situation in Asia, the Ministry of Finance also readjusted its projections for the country’s 1998 economic growth, predicting that the economy might expand by a full half a percentage point lower than its earlier projection of 3.1 percent. Nevertheless, most economic forecasters did not describe the situation in crisis terms and insisted that Israeli companies exporting to the Pacific Rim were sturdy enough to weather some temporary losses.

Netanyahu received considerable praise for his economic policies, particularly speeding up privatization and implementing a disciplined budgetary policy. In late September, the government sold 15 percent of Bank Leumi on the London and Zurich stock exchanges for 560 million shekels (about $190 million) to various local and foreign investors. That pushed government revenues from privatization in 1998 to $1.3 billion, already past the $1.2 billion target for the year. But analysts pointed out that while the government was having success in selling off the “easy” items like banks and some of the smaller public companies, its record was much poorer when it came to the large public companies like the Israel Electric Corporation and El Al. The sale of the national air carrier, for instance, was complicated by the ongoing debate over whether El Al should be allowed to fly on the Sabbath, an issue made even more difficult by the fact that an Orthodox politician, Shaul Yahalom, was minister of transport. Also, the tourism slump had a negative impact on El Al, making it a less attractive option for private bidders.

There was also mounting criticism over the price of the government’s economic policies, especially the rising unemployment rate, which increased by 7.5 percent in the first half of 1998. By the end of the year unemployment was at 8.8 percent, up from 7.7 percent in 1997. In certain poor towns far from the major population centers joblessness was as high as 14 percent. Growing unemployment
was also the result of privatization, as well as the restructuring of the Israeli economy from labor-intensive industries to a more open economy where the main earner of foreign currency was technology. The government also received criticism for cutting the education budget and for plans to implement changes in national health insurance that would hurt the poor.

When the consumer price index dropped by 0.1 percent in July — the first negative July index in 26 years — the annual inflation rate was projected at less than 4 percent. But the inflation bugbear returned in the last quarter of the year due to a sharp devaluation of the currency. In early October the shekel devalued by a dramatic 10 percent against the dollar, raising fears of a dangerous currency collapse. That amounted to an overall plunge of around 20 percent from July, when the shekel had stood at 3.65 to the dollar, to October, when it reached a high of 4.40, before declining to between 4.10 and 4.20. (At the end of the year inflation stood at 8.6 percent, compared to 7 percent in 1997.)

Netanyahu surely exaggerated when he claimed that Israel was an “island of stability” in the midst of the world financial crisis. Jonathan Katz, the chief economist for the Solid financial group in Tel Aviv, assessed the situation in a more balanced way. “Russia lost hundreds of percentage points in its currency, in Southeast Asia the losses were 50-60 percent. We have certainly not escaped unscathed. On the other hand, we have not faced a total loss of faith, and while we are still seen as an emerging market, we are at the top of that group, with countries like Greece and Egypt.”

**Other Economic Developments**

Lehman Brothers won a bid, at $52.1 million, to buy a 2 percent share of Bank Leumi. Leumi had offered the shares to four foreign investment banks — Goldman Sachs, Merrill Lynch, UBS, and Lehman.

Following a two-year investigation, the Jerusalem-based News Datacom Research company owned by Rupert Murdoch had to pay Israeli income tax authorities $4.2-million. The company had been suspected of evading local taxes between 1989 and 1992 by reporting that the revenues belonged to another Murdoch company abroad.

The Big Mac Index, published by the London-based *Economist* magazine, revealed that, along with Finland and Venezuela, Israel was one of the world’s most expensive countries to live in. The Index, which compares the price of a McDonald’s hamburger in different countries, found that a Big Mac in Israel cost $3.52 as compared with the standard U.S. price of $2.63.

One of the longest and most successful business partnerships in Israel came to an end in December when Aharon Dovrat and Itzhak Shrem parted ways. The two had formed Dovrat Shrem, one of the first all-Israeli investment houses, which had been a major force in the investment boom during the first half of the 1990s.
OTHER DOMESTIC AFFAIRS

Demography

As Independence Day approached, the Central Bureau of Statistics announced that Israel's population had increased sevenfold in 50 years, from 806,000 to six million. Forty-three percent of the population growth (some 2.7 million people) was due to immigration.

Immigration

Immigration was down from 67,190 in 1997 to 57,591 in 1998. Much of the drop was due to a decline in the number of immigrants from the former Soviet Union, which dropped from around 55,000 in 1997 to 46,373 in 1998. Another 3,621 immigrants arrived from Africa and 3,100 from Western Europe. The 2,390 immigrants who came from North America in 1998 marked a 23.2 percent drop from 1997.

Several thousand Falas Mora—Ethiopians of Jewish descent whose families had converted to Christianity—were brought to Israel in 1998, at a rate of about 600 a month. The Falas Mora, who had been excluded from Operation Solomon in 1991, had been living near a Jewish Agency-run compound in Addis Ababa in poor conditions. (In June 1997 the government decided to shut the compound and bring the Falas Mora to Israel.)

A row broke out over the fact that the government was sending some of the Falas Mora to West Bank settlements. The immigrants, charged Labor MK Shlomo Ben-Ami, were being sent to “an area outside the [national] consensus . . . into the heart of the storm.” But Aharon Domb, the head of the Council of Jewish Settlements in Judea, Samaria, and the Gaza District, rebuffed the charges, arguing that many towns in Israel proper, “including those headed by Labor, are unwilling to absorb these immigrants. It’s contemptible. Let them put their energy into absorption instead of undermining those willing to do so,” he railed.

The sense of alienation and exclusion felt by many Russian immigrants—almost a fifth of the country’s population—was borne out by the vast numbers who voted for Russian candidates in the November 10 municipal elections. That same sense of rejection was brought into sharp relief only days before the local elections when Jan Shefshovitz, a 21-year-old soldier and immigrant from Moldavia, was stabbed to death by a Moroccan patron in an Ashkelon cafe. The patron had allegedly objected to the fact that Russian was being loudly spoken. It was not the first instance of violence between Moroccans and Russian immigrants, and many expressed fear about the growing tension between the two communities. The general rise in unemployment was even more dramatic among new immigrants. While joblessness was close to 9 percent in the general population, over the first nine months of 1998 it reached 12.1 percent among immigrants.
While more than two years had passed since the assassination of Yitzhak Rabin on November 4, 1995, Israelis continued to struggle to come to terms with the murder and its implications for their society. On June 14, attention turned to the Tel Aviv magistrate’s court where Margalit Har-Shefi was convicted for failing to inform police that her friend Yigal Amir was planning to assassinate the prime minister. Judge Nira Lidsky rejected the 22-year-old law student’s claims that she had not taken Amir’s bragging about his plans to kill Rabin seriously. The judge also noted that Har-Shefi had been aware of several other occasions when Amir tried to murder the prime minister, and that she had consulted a rabbi on whether Rabin’s peace-process policies merited the death penalty under Jewish law. Leah Rabin, the late prime minister’s widow, described the conviction as “a ray of light in the darkness surrounding us.” In October Har-Shefi was sentenced to nine months in prison, plus 15 months suspended.

A huge crowd turned out in Tel Aviv’s Rabin Square on October 31 to mark the third anniversary of the assassination. While organizers put the number at 400,000, police estimated the crowd at 150,000. The list of speakers included not only left-wing politicians, but also Defense Minister Mordechai and Gesher leader David Levy. The next day, when Netanyahu attended the official memorial ceremony at Rabin’s grave on Jerusalem’s Mt. Herzl, five demonstrators loudly accused him of being guilty of incitement against Rabin. They were briefly taken into custody by the police. The only speaker at the graveside ceremony was Amnon Lipkin-Shahak—who had been chosen by the Rabin family—and his comments appeared to be aimed directly at Netanyahu. “Forgive me, Yitzhak,” he said, “... that even today there are some among us who are not able to ask your forgiveness.”

The issue of Avishai Raviv’s role in the assassination was back on the agenda in 1998. Right-wing activists continued their campaign to have Raviv—a former Shin Bet agent who was the head of an extremist group—tried for having denied under oath during the trial of Yigal Amir’s brother, Haggai, that he worked for the agency. While Shin Bet chief Ami Ayalon said he no longer opposed the indictment of Raviv, the State Attorney’s Office remained unconvincing. Those pushing for a trial argued that there were sufficient grounds to justify their demand—including incitement to murder Rabin, not reporting Amir’s plans to his Shin Bet handlers, and carrying out acts of anti-Arab violence. (The Shamgar Commission, set up to investigate the assassination, had described Raviv as an agent who had not been properly controlled by his handlers.)

Raviv’s role in the assassination was at the heart of some conspiracy theories circulating on the right, but it was also part of the bitter argument between left and right over levels of responsibility for the assassination. Some on the right believed that only if Raviv was tried would the truth emerge—that he was really an agent provocateur whose mission had been to incite violence so as to blacken the
reputation of the entire right and promote support for the left. On the left, however, some argued that the right's true aim was to escape any responsibility for the campaign of incitement against Rabin by attributing it largely to Raviv. Finally, on November 4, Attorney General Elyakim Rubinstein announced that Raviv would in fact be indicted for failing to prevent the assassination.

Resignation of Mossad Chief

A government-appointed commission set up to investigate the failed assassination attempt by Mossad agents on Hamas leader Khaled Mashaal in Jordan in September 1997 published its report on February 16. It cleared Netanyahu of responsibility for the operation and stated that Israel had the right to act against those seeking its harm. While the commission criticized Maj.-Gen. Danny Yatom, the Mossad chief, it did not recommend his dismissal.

On February 24, however, Yatom handed in his resignation. There were suggestions that Yatom's decision had been prompted by another Mossad fiasco—the capture of five of its agents while they were allegedly trying to bug an Iranian mission in Bern, Switzerland, on February 19. The Swiss, who submitted a harsh diplomatic protest to Israel, intimated that the whole affair could have been settled discreetly had it not been leaked to the Israeli media. According to some Israeli sources, the leaks came from the Mossad itself, part of an attempt by top officers to oust Yatom.

Former Mossad deputy chief Ephraim Halevy, who had also served as Israel's ambassador to the European Union and had played an important part in the Israeli-Jordanian peace talks, was named Yatom's successor on March 4. The head of the IDF's Northern Command, Maj.-Gen. Amiram Levine, was appointed deputy Mossad chief.

The Mossad was back in the news in November when two of its agents were arrested in Cyprus on suspicion of spying. Despite diplomatic efforts to win their release, the two were indicted in Larnaca on charges of espionage.

New Chief of Staff

The appointment of a new chief of staff to succeed Amnon Lipkin-Shahak, who was to end his term in July, generated much controversy. The front-runner was deputy chief of staff Matan Vilnai, who had even gone off to the United States to prepare an IDF restructuring plan to be implemented once he took over the top post. But with the time for a decision drawing closer, it emerged that Defense Minister Yitzhak Mordechai preferred Shaul Mofaz, the man many expected to be Vilnai's deputy.

There were reports that Mordechai held a grudge against Vilnai as a result of a series of confrontations between the two when both were still in uniform. While Mofaz also appeared to have the backing of Shahak, Netanyahu was said to pre-
fer Vilnai. After much media speculation, Mordechai announced in May that the 50-year-old Mofaz, who was born in Teheran, would become the IDF’s 16th chief of staff.

Jonathan Pollard

The case of Jonathan Pollard, the U.S. naval intelligence officer serving a life term for spying for Israel, was in the headlines on several occasions in the course of 1998. On May 11, Israel officially reversed its long-held position that Pollard had been part of a rogue operation when the government announced that he had in fact been an Israeli agent. Activists working for Pollard’s release welcomed the announcement as an important step in the fight to secure his freedom. Cabinet secretary Danny Naveh visited Pollard in his North Carolina jail on May 15 and presented him with a letter from the prime minister in which Netanyahu promised to “make every effort” to bring him home. After the visit Pollard told reporters: “There is nothing good that came as a result of my actions. I tried to serve two countries at the same time. That does not work.”

The Pollard affair was back in the headlines in late October when Netanyahu delayed the signing of the Wye accords on the grounds that President Clinton had reneged on a promise to release Pollard as part of the Wye package. A furious Clinton refused to release the convicted spy but did say he would review the case. U.S. officials accused Netanyahu of exploiting the Pollard case for his own personal political gain and suggested that the prime minister had actually hurt Pollard’s prospects for release. According to sources in the Clinton administration, Netanyahu had infuriated the entire U.S. political establishment, including his strongest backers in the Republican Party. The House Speaker and the Senate majority leader, Newt Gingrich and Trent Lott, both Republicans, urged Clinton not to grant clemency to Pollard.

Manbar Affair

International businessman Nahum Manbar was sentenced to 16 years imprisonment in July for illegally selling chemical and biological weapons components and know-how to Iran, to the tune of $16 million. The case generated a scandal when Manbar’s attorney, Amnon Zichroni, accused the presiding judge, Amnon Shtrashnov, of having had an affair with a member of the defense team. He also claimed that Prime Minister Netanyahu had contacted Shtrashnov during the trial to push for a conviction, a charge the Prime Minister’s Office vehemently denied. A police investigation found no wrongdoing.

Local Elections

While Likud and Labor both claimed victory in the November 10 local government elections, the results actually confirmed the trend of the 1996 Knesset
elections—the two big parties were shrinking, and the real victors were the ethnic, religious, and special interest groups. The ultra-Orthodox Sephardi Shas Party, for instance, won a total of nearly 140 seats on about 80 councils. Russian immigrant candidates, many of them backed by Natan Sharansky’s Yisrael ba-Aliya Party, won a total of 104 council seats in 46 cities and towns. Dor Shalem Doresh Shalom, a pro-peace group set up in the wake of Yitzhak Rabin’s assassination, garnered 19 seats on a total of seven councils.

In Tel Aviv, the Labor-affiliated candidate for mayor, Ron Huldai, won easily, taking 50 percent of the vote. In Jerusalem, incumbent Likud mayor Ehud Olmert captured a huge 61 percent of the vote. But when the results of the elections for the Jerusalem city council emerged, it became clear that Olmert was now even more beholden to the ultra-Orthodox than when he first was elected in 1993, thanks to massive ultra-Orthodox support. In 1998 the religious parties picked up a remarkable 15 of the council’s 31 seats. Olmert had included ex-Labor figures on his party list for the council, as well as former national police chief Rafi Peled, in an attempt to present a broad alliance. But this strategy failed dismally, and the mayor’s list won a paltry three seats, leaving Olmert with the task of having to cobble together a coalition largely based on the religious parties.

In Haifa, Labor’s Amram Mitzna won a second term, while in Beersheba, former air force chief Ya’akov Terner took top honors. In Netanyah, the Likud’s Miriam Feirberg became the first woman to win a mayoral race in one of Israel’s large cities. Feirberg won 48 percent of the vote, more than twice that of her closest rival. Herzliyah produced the Cinderella story of the elections when Yael Ger-man, a candidate of the left-wing Meretz Party, beat out six male contenders and went on to win in the second round with a landslide 66 percent of the vote. Ger-man had entered the race a mere three months before the election and, at the time, was given no chance to win.

Overall, the number of women running for mayor in Israel’s 250 municipalities increased significantly—from two in 1993 to 28 in 1998. Still, there was an acute absence of women in Israeli politics. A study commissioned by the Israel Women’s Network revealed that Israel, with nine women in the 120-member Knesset and one out of 17 cabinet ministers, ranked in the bottom one-fifth in the world with regard to women’s political representation.

Student Strikes

Strikes by university students at the start of the academic year have not been rare in Israel. But the country had never witnessed anything like the fiery demonstrations that delayed the start of the 1998-1999 academic year. A total of 175,000 students went on strike to demand a 50-percent cut in the annual $3,000 tuition and a fundamental reform of the country’s higher education system. In a series of protests in Tel Aviv, Haifa, and Jerusalem, students blocked roads and clashed with police. Dozens were injured and hundreds arrested.

Initially the government tried to ignore the students, hoping that the strike
would lose momentum. But after several weeks of protest—including a hunger strike initiated by a group of students outside the prime minister's residence in Jerusalem—it became clear to Netanyahu that the demonstrations were starting to damage him politically. He announced that he would meet with the students.

Ultimately, the protest ended in a whimper. Student leaders, who had promised nothing short of a full-scale social revolution, failed to attain their original goal of a 50-percent cut in tuition and settled for additional scholarships and tuition cuts for students who were prepared to do community service. On December 6, thousands of students who had taken to the streets returned to their campuses dispirited and disillusioned.

**Sports**

After receiving an offer to play with the New York Knickerbockers in mid-1998, it looked as if Maccabi Tel Aviv star guard Oded Katash was about to become the first-ever Israeli to play in the National Basketball Association. The verbal offer to the 23-year-old Katash, however, had to be put on hold because of the dispute between club owners and the players' union that closed down the league. While the NBA forbade the signing of contracts during the lockout, Katash said he was not worried, that the Knicks organization "can be taken at its word."

But as the lockout dragged on and threatened to wipe out the whole 1998-99 NBA season, Katash rejoined Maccabi Tel Aviv, Israel's premier team, which had been struggling in his absence. When the owners and players finally reached an 11th-hour deal, Katash decided to stay put with Maccabi.

The most remarkable sporting achievement of 1998 was the advancement of the Maccabi Haifa soccer team to the quarter-final stage of one of Europe's leading competitions. In the process it pulled off a sensational victory over top French club Paris St. Germain in October and went on to beat Austrian club Ried to reach the quarter finals—the best-ever result by an Israeli team in Europe. (The quarter-final clash with Locomotive Moscow was scheduled for March 1999.)

**Miscellaneous**

Tatyana Susskin was sentenced to two years' imprisonment in January after being convicted of distributing incendiary posters in Hebron that depicted the Prophet Mohammed with a pig's head.

In a 5-4 decision on January 11, the Supreme Court denied an appeal by two Palestinian detainees against the Shin Bet's interrogation techniques; the two said they had been subjected to various forms of torture, including sleep deprivation and having their heads covered with sacks.

In a suit filed in the Haifa district court, Australian Lynn Zines, whose husband, Warren, died in the Maccabiah bridge disaster in July 1997, sought damages to the tune of $1.3 million.

In March it was announced that Mordechai Vanunu was being allowed out of
solitary confinement and would be given permission to exercise with other prisoners at the Shikmah prison in Ashkelon. The 43-year-old Vanunu had served close to two-thirds of his 18-year sentence for revealing Israeli nuclear secrets to the *Sunday Times* of London when he worked as a technician at Israel's nuclear reactor in Dimonah. Vanunu had been kept in isolation since 1986. On May 4, a parole board rejected his request for early release.

On March 4, the Supreme Court permitted publication of the fact that 10 Lebanese citizens were being held in Israeli prisons as bargaining tools to secure the return of missing Israeli soldiers. Eight of them were reported to be Hezbollah militants who had been kidnapped during IDF operations in south Lebanon. The court ruled that Israel could “hold in custody people, citizens of another country, that the state believes may be of use during negotiations over the missing and the captured.” While the court agreed that the practice was a violation of human rights, it ruled that Israel’s “vital interests” took precedence.

In mid-March Gregory Lerner, an immigrant from the former Soviet Union, pleaded guilty to 13 counts of fraud, attempted bribery, and other offenses. The plea bargain stipulated a six-year jail sentence and a fine of five million shekels ($1.4 million).

Dana International won the Eurovision song contest in England on May 9 with her song “Diva.” The victory by International—a transsexual born Yaron Cohen—was cited by Israel’s gay community as a sign of the growing recognition of its life-style.

The next month, the first-ever gay pride parade in the country’s history took place. On June 26, over 1,500 homosexuals, along with some heterosexual supporters, marched through the streets of Tel Aviv.

Nine foreign workers—seven Romanians, one Indian, and one American—fell to their deaths on May 8 when a platform collapsed close to the top of a 250-meter smokestack under construction at the Ashkelon power station.

It was announced on May 12 that Rahman Zuabi, a Nazareth district court judge, would become the first Arab judge appointed to the Supreme Court; his term was scheduled to begin in 1999.

Israel Broadcasting Authority chief Uri Porat ordered the dismissal of two editors of Israel TV’s nightly “Mabat” news show on May 26. Porat said the news show had demonstrated bias in its editing of footage that showed Prime Minister Netanyahu waving to a crowd of Betar Jerusalem soccer fans at a rally celebrating the team’s championship victory, while some fans chanted, “Death to Arabs.” The dismissals were ultimately reversed.

Two boys in their early teens were killed on June 10 when the roof of a Beer-sheba high-school gym collapsed. The roof was undergoing renovations at the time, and four separate inquiries were set up to investigate the disaster.

Amir Peretz, the incumbent Histadrut chairman, beat out Gesher Knesset member Maxim Levy to win the labor federation election on June 9. Peretz garnered a huge 77.7 percent of the vote.

Israel’s indefatigable president, Ezer Weizman, said he would not attend the an-
nual flight-course graduation flyover in early July, which also marked the country’s and the air force’s jubilees. This was after Commander Eitan Ben-Eliyahu ruled that the 74-year-old president and former air force commander was too old to pilot a jet trainer in the flyover.

_Ma’ariv_ publisher Ofer Nimrodi was sentenced to eight months in prison in July for illegally tapping the phone of his competitor, _Yediot Aharonot_.

Shimon Sheves, the former director-general of the Prime Minister’s Office under Yitzhak Rabin, was indicted in August for accepting bribes from contractors; a district court judge ordered that the trial be held in camera.

Markus Klingberg, the ailing 80-year-old former deputy head of the Nes Tzionah Biological Research Institute, was released from jail and put under house arrest in September, after serving more than 15 years of an 18-year sentence for passing biological warfare information to the Soviet Union.

A survey released in October revealed that 34 percent of Israelis rated David Ben-Gurion Israel’s most important prime minister. Second was Yitzhak Rabin with 21 percent, followed by Menachem Begin with 20 percent, and Shimon Peres with 7 percent. Benjamin Netanyahu got 2 percent.

Linor Abargil, an 18-year-old Netanyah resident, won the Miss World beauty pageant in the Seychelle Islands in November.

The Knesset passed a bill in December requiring that at least half the songs played on state radio be Israeli. According to the bill’s sponsor, Labor MK Yona Yahav, its intent was to limit the Americanization of Israeli society.

**Personalia**

Zevulun Hammer, the leader of the National Religious Party and education minister, died on January 20 at the age of 62 after a long battle with cancer. Hammer, who first became a minister in 1975, served in numerous governments.

Among other prominent Israelis who died during the year were Robert Friend, 84, a U.S.-born Hebrew University professor and English-language poet; Haim Bar On, 54, publisher of the successful _Globes_ financial daily; Mordechai Olmert, 87, a Knesset member for the right-wing Herut party (1955–61) and father of Jerusalem mayor Ehud Olmert; Yitzhak Modai, 72, who served as Likud finance minister and in 1984 helped bring Israel’s economy back from triple-digit inflation; Shimon Samet, 94, the doyen of Israeli journalism who worked for the daily _Ha’aretz_ from 1932 until his death; Jacob Katz, 93, historian and winner of the 1980 Israel Prize for Jewish history, and former rector of the Hebrew University; David Ayalon, 84, Hebrew University professor emeritus and pioneer Islamic scholar; Menahem Digly, 61, former commander of the elite Sayeret Matkal commando unit; Brother Daniel Rufeisen, 76, the Haifa Carmelite monk who was born Jewish and who helped save hundreds of Jews from the Mir ghetto during World War II by passing himself off as non-Jewish and working for the German police in Poland; Hava Lazarus-Yafeh, 68, a Hebrew University professor, Islamic
scholar, and winner of the 1993 Israel Prize for history; Nehama Hendel, 62, well-known Israeli singer; Menashe Zamro, 93, chief kes (spiritual leader) of the country's Ethiopian Jews; Aharon Nahmias, 66, former Labor Knesset member and mayor of Safed; Prof. Ra'anan Weitz, 87, regional planning expert, Jewish Agency settlement department head 1963-84, and 1990 winner of the Israel Prize for his contributions to the state; Brig. Gen. Avner (Walter) Bar-On, 90, Israel's first chief military censor.

PETER HIRSCHBERG
The Absorption of Soviet Immigrants in Israel

The wave of immigration from the former Soviet Union (FSU) in the period 1990–1998 brought over 750,000 new immigrants to Israel; the same period saw the arrival of another 130,000 immigrants from other countries. The influx from the FSU was similar in absolute numbers to the mass wave of immigration that entered the new State of Israel during 1948–1951 (690,000 new immigrants), previously the largest in the nation’s history. However, relative to the size of the existing, or receiving, population, the new wave was considerably smaller, since the Israeli population had grown sixfold between the state’s establishment and the beginning of the 1990s. (The Israeli population was estimated at the end of 1989 as 4.6 million—of whom 3.7 million were Jews; by the end of 1998 it reached more than 6 million—4.8 million Jews.)

A comparison with worldwide migration activity in the 1990s shows that, in absolute numbers, the size of this particular flow of immigrants to one country in such a short period was among the largest; and relative to the size of the receiving population it far exceeded the flow to all other countries that absorb migrant populations. From 1990 to 1994, Israel took in an annual average of 23.7 immigrants per 1,000 persons in its population, as compared to 7.6 per 1,000 in Canada, 6.8 per 1,000 in Australia, and 2.6 per 1,000 in the United States during the same period.

This article provides a profile of the FSU immigrants who arrived in the 1990s, based on findings from the vast body of research that has accumulated to this point. The article focuses on various facets of the absorption process: employment, housing, mastery of Hebrew, geographic distribution, culture, and the like. The impact of this immigration on the Israeli population, on the national economy and workforce, and on the cultural life of the country is also considered. A discussion of the prospects for future immigration from the FSU countries is presented below.

The data and descriptions presented here are based on many sources: statistical data from the Israel Central Bureau of Statistics; surveys of the Ministry of

Note: This article is based on the book Profile of an Immigration Wave: The Absorption Process of Immigrants from the Former Soviet Union, 1990–1995, ed. M. Sicron and E. Leshem (Magnes Press, Hebrew University, Jerusalem, 1998, in Hebrew with an English summary). Some new material and updated data (up to 1998, where available) have been added. The authors wish to thank Prof. Sergio DellaPergola for his suggestions and comments.
Soviet Immigrants in Israel

Immigration Absorption and the Jewish Agency; a series of surveys carried out by research institutes (mainly the JDC-Brookdale Institute of Gerontology and Human Development), documentation from the files of agencies dealing with immigration and absorption, and numerous studies conducted by academic researchers. Use was also made of some as yet unpublished studies. Most of the sources of information noted here are part of an extensive literature on the recent Soviet immigration that has been recorded in a two-volume bibliography containing nearly 600 items, much of it published in Hebrew.¹

The footnote references include primarily sources available in English, with selected Hebrew sources as well. A comprehensive listing of sources, in Hebrew, is contained in the work by the authors cited on the first page of this article.

Sociodemographic Profile

Numbers, Origins, Composition²

Between 1959 and 1989 the number of Jews registered in the official Soviet censuses—those identifying themselves officially as Jews, the “core” Jewish population—declined from 2.279 million to 1.480 million. This decline was the result of emigration and also of the negative balance between births and deaths. Estimates of the numbers of non-Jews in Jewish families and of those Jews who were not registered as Jews possibly add an additional million to the “enlarged” Jewish community in the FSU at that time. Thus, on the eve of the mass exodus, the Jewish community numbered some 2.5 million.³

From the last quarter of 1989 to the end of 1998, about 750,000 new immigrants arrived in Israel from the FSU. The influx was especially massive in 1990 and 1991 (185,000 and 148,000 arrivals, respectively). In the period 1992–95, about 65,000 new immigrants arrived each year. The numbers continued to drop:

¹E. Leshem and D. Sor, Immigration and Absorption of Former Soviet Union Jewry, Selected Bibliography and Abstracts 1990–1993 (Henrietta Szold Institute and Hebrew University, Jerusalem, 1994); E. Leshem and D. Sor, Immigration and Absorption of Former-Soviet Union Jewry, Selected Bibliography and Abstracts 1994–1996 (Henrietta Szold Institute and Hebrew University, Jerusalem, 1997).

²The source for most demographic data in this section is the Israel Central Bureau of Statistics. See Statistical Abstract of Israel, 1998, and previous issues; Monthly Bulletin of Statistics; Immigration to Israel (annual publication; last issue—1996); and Immigrant Population from the Former USSR, 1995, Demographic Trends (Publication no. 1076, 1998), and previous issues.

in 1996 the number of arrivals was 59,000; in 1997, 55,000; in 1998, 46,000. (See table 1.)

Immigration to Israel constituted only a part of the emigration of the Jewish community from the FSU. It is estimated that, in the period 1990–98, 1.1 to 1.2 million persons left the FSU: 750,000 immigrated to Israel, some 300,000 left for the United States, 50,000 went to Canada, and around 90,000 settled in Germany.

The new arrivals came from different areas of the FSU, nearly 80 percent originating in the European republics and about 20 percent in the Asiatic republics. Initially the proportion of newcomers from the European republics was even higher, but it later fell off. The largest proportion of immigrants—over 60 percent—arrived from Russia and Ukraine. Among immigrants from Asia, half came from Uzbekistan. (See table 2.)

Non-Jews among immigrants. The immigration that arrived in the 1990s included a larger proportion of non-Jews (mostly Christians) than in any previous body of new arrivals. Under Israel’s Law of Return, which grants automatic citizenship to Jewish immigrants, prospective residents are entitled to this status if they have one Jewish parent, a Jewish spouse, or a Jewish grandparent. It is difficult to know the exact number of non-Jewish arrivals, however. For one thing, the registration of religion in Ministry of Interior records generally occurs some time after the immigrant’s arrival (sometimes only after a few years). For another, some of the immigrants define themselves as having “no religion.” According to data published by the Israel Central Bureau of Statistics on the religion of all immigrants, the proportion of non-Jews among all immigrants in the period 1990–96 was 13.5 percent. (See table 3.) Among FSU immigrants—who constituted 85 percent of the total—the proportion was higher and could have been around 15 percent. The proportion was much lower at the beginning of the mass immigration (around 4 percent among immigrants arriving in 1990–91), but it increased year after year and in 1996 reached 29 percent. The proportion of non-Jews was even higher among immigrants who arrived in 1997–98. The majority of non-Jewish immigrants are spouses of Jews. It is known that in the FSU the proportion of mixed couples among new marriages was higher than 50 percent.

Demographic Characteristics

The immigration from the FSU has a number of distinctive attributes.

Gender. Soviet Jews have a large proportion of women as compared with the Jewish population in Israel. The surplus of women was found in the 30+ age groups and was remarkable in the elderly population (the 65+ group contained 601 men for every 1,000 women, as compared to 832 men per 1,000 women in the

4See note 2.
Israeli Jewish population). This is due to the large number of one-parent families with children headed by women, many of them divorcees, in some cases widows.

Age structure. The FSU population has a lower percentage of children and a slightly higher percentage of elderly people as compared with the Israeli population (though the percentage of the elderly among the new immigrants is considerably lower than that of the Jews remaining in the FSU). This reflects the low level of fertility among the FSU immigrant families and is reflected in their age composition. (See table 4.)

Marital status. The FSU immigration has a high percentage of divorced women and men as compared with the population in Israel (8 to 15 percent of the new-immigrant females aged 15 and above were divorced, compared to 3 percent of Israeli Jewish women, while 16 percent were widows, as compared to 12 percent of the Israelis).

Household composition. An average household of Soviet immigrants contains 3.2 persons, which is slightly lower than the average among the Jewish population (though considerably higher than that of immigrants of European and American origin in Israel). These households include far fewer children than other Israeli households, but in many cases grandparents are part of the family. There is also a high proportion—8 percent—of one-parent families (more than 13 percent of households with children) and a small number of households comprising single people (less than 10 percent, as compared with nearly 20 percent among the veteran Israeli population). The composition of households has far-reaching implications for housing needs (e.g., joint residence of three generations in the same apartment) and for welfare services (e.g., the support system for one-parent families).

Sociocultural Characteristics

Educational levels. The FSU immigrants are on the average highly educated as compared with the existing population. Of all immigrants aged 15 and up, 56 percent had 13 or more years of schooling.5 (The relevant figure for Israelis in 1989, on the eve of the immigration influx, though not fully comparable, was 28 percent.) Immigrants from the Asiatic republics were less highly educated than those from Europe, but even among the former the percentage who had 13 or more years of schooling was higher than that of the population of Israel. (See table 5.)

Occupations of immigrants before immigrating. Both male and female immigrants had high rates of participation in the labor force in the Soviet Union. Two-thirds of the employed worked in scientific and academic or in professional and

5Figures based on surveys carried out some time after arrival; table figures based on data supplied upon entry into the country.
technical occupations. About 75,000 of the new arrivals listed their professions as engineers or architects, along with 15,000 physicians and dentists and some 15,000 musicians, performing artists, and writers (more than half were musicians). These were far higher rates than for Israelis. The proportion of highly skilled immigrants was even higher among the early arrivals, in 1990–91, but that declined somewhat subsequently. (See table 6.)

"Migrant" population. In comparison to the smaller immigration to Israel from the Soviet Union in the 1970s (some 150,000), the influx of the 1990s was more of a "migration" than an "aliyah," an ideologically motivated "ascent" to the Land of Israel. In other words, the 1990s arrivals were motivated more by push factors (a desire to leave the FSU) than by pull factors (an attraction to Israel). Three main factors spurred this migration: (1) high levels of personal and family distress; (2) a perception of crisis in the basic spheres of existence — social order, political regime, economy; and (3) a pessimistic outlook about the future of the FSU at both the personal-family and the general social level in the basic areas just mentioned.

Most of the new arrivals opted to move to Israel by default; they would have preferred the United States or other major Western countries (Canada, Germany, etc.). The scales were tipped in Israel’s favor by both negative and positive factors: entry to those other countries was restricted, Israel had an "open-door" policy, and the recommendations of relatives and friends who had already settled in Israel carried weight.

Weak attachment to the Jewish people. Although the majority of the new arrivals identify themselves more as Jews than as Russians or Israelis, their identity and attachment in this regard are largely formal and external (an "imagined Judaism"), deriving from their almost wholly ethnic definition and identity in their places of origin. It must be borne in mind that meaningful Jewish community life, in terms of both substance and organization, was forbidden in the Soviet Union during the entire period of Communist rule; any external display of Jewish identity, whether in its national or its religious aspect, was denounced and persecuted by the authorities. Similarly, on the informal plane of family tradition, scant Jewish content was handed down. This was in part the result of the

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modernization and sovietization processes that spanned several generations; however, its chief cause was the physical annihilation of the traditional concentrations of Jews in the western Soviet Union during the Holocaust. Despite the severe losses of people and the near eradication of Jewish religion and culture, starting in 1994, there was a significant surge of interest, especially within the younger generation, in Jewish subject matter. This interest was discernible among both the arrivals in Israel and those Jews who remained in the FSU. It was expressed in growing participation in activities related to Jewish life organized by local Jewish groups and by institutions outside the FSU, including Israeli institutions.

**Russian identity and culture.** In their social and cultural attitudes and behavior, the Jews from the FSU are the products of Soviet socialization and social control, intertwined with the Russian culture that had evolved since the late 19th century. Apart from a relatively small group of immigrants from the traditionalist communities in the FSU's southeast region (Georgia, Caucasus, Bukhara), the majority of Soviet Jews, including those who did not originate in the Russian Federation, perceive themselves as being within the Russian cultural orbit. Far from disavowing the society and culture of their homeland when they immigrated to Israel, they continued to maintain Russian culture as a positive, meaningful element of their identity and self-image, even though they felt compelled to leave their place of birth. These immigrants, few of whom received a Jewish education, were an integral part of the Russian middle class and served as agents of Russian culture throughout the Soviet empire. Moreover, between 1989 and 1995, the immigration included a relatively large number of Jews—some 80,000—from Moscow and St. Petersburg, the centers of culture, government, and science in the FSU. This group not only stands out from the rest of the immigration in its professional and educational attainments; it also defines itself as the elite, or "intelligentsia," of the FSU community. Its members are disproportionately represented in the community's political, cultural, and scientific leadership and in the Russian-language mass media, which is the cement that unites the Russian community in Israel around this leadership elite.

**General values of Soviet immigrants.** Studies of the world view of immigrants,

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conducted shortly after their arrival, reveal that they retain the values, concepts, and behavioral patterns in which they were educated and which were the key to their survival in their homeland. These attitudes and perceptions were forged in a Soviet regime and society that sought to mold “modern” individuals able to cope in an advanced industrial society. However, such individuals possess few of the skills necessary to function in a free, democratic, participatory “civic culture.” While the immigrants’ political outlook and civil orientation were shaped by the Communist tradition, their socioeconomic views were formed during the period of perestroika. Thus, Soviet immigrants tend to show a preference for social-democratic solutions to social problems, intertwined with liberal economic attitudes.

The effects of Soviet socialization are also evident in the newcomers’ approach to interpersonal relations, which assumes an inherent tension between the family system and external surroundings, between private life and public life. Loyalty, commitment, and openness are directed toward the inner, intimate, informal circle—the immediate family and a small number of friends and relatives; individuals outside that circle are perceived as power-hungry, exploitative, and manipulative.

In the realm of work, the immigrants’ values are based on individualism and materialism—the antitheses of the values of the Communist period. The immigrants view work more as a means to obtain material gratification than as a channel through which to achieve self-fulfillment. These values, reflecting an instrumental, pragmatic, rational orientation, guided the immigrants’ decisions in their initial period of assimilation in Israel in the realms of housing, job hunting, language acquisition, and recourse to services.

Another element in the immigrants’ world view is their attitude toward religion. Seventy years of Communist rule forged a distinctly secularist orientation, although in the final years of Communism, some immigrants became more open to religious influences. Secularization is greater among the younger age groups, those with higher levels of education, and mixed-married families. A comparison of the immigrants with the general Israeli Jewish population shows large disparities in self-definition along the religious-secular divide—in the observance of religious precepts (keeping kosher, traveling on the Sabbath, attending synagogue services) and in attitudes toward religion-state issues (introduction of civil marriage and divorce, secular burial, opening businesses on the Sabbath, per-

mitting the sale of pork, etc.). On these and other issues the new immigrants show a greater propensity toward secularism in defining themselves, in their way of life, and in urging a reduction in the influence of religion in Israeli public life. While most Israelis also regard themselves as secular, they are familiar with religious practice, many incorporate traditional customs in their lifestyle, and they are somewhat more accepting of the role of religion in the state.

**ISRAEL ON THE EVE OF THE IMMIGRATION INFLUX**

*Economic Situation*\(^\text{10}\)

The period prior to the onset of the wave of immigration at the end of 1989 was characterized by: (1) Relatively slow economic growth. The gross national product grew by 1 percent in 1989, below the population increase for that year. Investments had declined relative to previous years. (2) Rising unemployment, which reached nearly 9 percent in 1989. The number of employed increased by only 0.5 percent that year. (3) A steep increase of 20 percent in prices in 1989—lower than in the years until 1985, but still quite high.

*Social and Cultural Patterns*\(^\text{11}\)

At the end of the 1980s, Israeli society and culture were undergoing significant change, similar to the situation in the FSU, which was in the incipient stages of the transition to a post-Soviet society, whose contours were still indistinct. Israeli society in this period was characterized by processes of cosmopolitanism, ethnicity, and pluralism; it bore the hallmarks of transition from a compact, homogeneous society to a large, heterogeneous one, from a centralized to a decentralized system of government, and from extensive government involvement in the economy to a modified market economy. Israel was developing its ties with the acknowledged international centers of culture, the cultural barriers with the outside world were breaking down, and collectivist values and the national consensus were rapidly eroding, as various subgroups gained political strength and legitimization even though their values often conflicted with those of the dominant value system. The period before late 1989 was also characterized by slow population growth (about 1.5 percent per annum). In the years before 1989 there were fewer immigrants than emigrants, creating a negative migration balance.


\(^{11}\)See Ben-Refael, Olshtain, and Gaist, *Aspects of Identity and Language Acquisition.*
The Immigration and Absorption Authorities

The huge wave of immigration found the Israeli government and the Jewish Agency unprepared. No detailed program for housing or employing immigrants existed, nor was the situation different in other domains. There was no coordination or division of responsibilities among the public bodies in charge of absorption. Uncertainty prevailed, and contradictory assessments were adduced about the scale and duration of the immigration influx. No one knew where the vast resources needed to absorb the new immigrants would come from. Most serious was the problem of accommodating the immigrants immediately upon their arrival and during their first year in the country: there was no room in the existing absorption centers, which in the 1970s and 1980s had been the principal venue for the immigrants' initial reception.

The system of direct absorption was adopted in mid-1990. The declared government policy limited its involvement in absorption to the direct and indirect financing of the immigrants' basic needs (without the need for bureaucratic approval for each expenditure). The system formally gave the immigrants responsibility for their initial settlement in the country, with the central government assuring them a modest "basic income" during their first year in Israel (the "absorption basket," which consisted of specified financial allocations in accordance with the family's size and composition). At the same time, the central government and the Jewish Agency put into effect a system of incentives through which some of the services for the new immigrants (such as finding housing and jobs) were provided by local governments and volunteer organizations. These bodies and the informal social networks—including relatives and friends of the immigrants who had settled in Israel earlier—were also encouraged to develop services for new immigrants within the community.

At the beginning of the immigration wave, the veteran Jewish population showed itself ready and willing to facilitate the immigrants' absorption by various means—helping individuals to deal with the bureaucracy, accompanying them to health clinics and banks, and collecting clothes, furniture, and other necessities for the newcomers. In attitude surveys, the veteran population even declared itself willing to pay higher taxes for absorption purposes. At the same time, restrictions that had prevented the private business sector from assisting in absorption were lifted, enabling immigrants to turn to nongovernmental sources for various purposes. By channeling the immigrants into the private market in the

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initial absorption stage, the central government was able to deploy for direct intervention in the next stage of absorption beyond the first year.

The critical area necessitating immediate government intervention was that of housing. Following a ten-year period of disengagement from the housing market, the central government now reinvolved itself directly in that sphere in order to bring about a significant expansion and acceleration of housing construction. However, in the spheres of education, health, and social welfare the government acted to reduce reliance on special facilities and programs and to provide the immigrants with the same services and rights as those of the local population.

THE ABSORPTION PROCESS IN VARIOUS SPHERES

Housing

From the beginning of the influx at the end of 1989, in accordance with the policy of "direct absorption," the immigrants were directed to rent apartments on the free market. Because of the limited housing supply in the center of the country and spiraling rents, several households of immigrants occasionally took up residence together within a single apartment, a situation that made for higher housing density than among the Israeli population. (See table 7.) However, housing density generally decreased as a function of length of stay in the country. Rental payments initially and, later, mortgage payments for dwellings that were purchased placed a heavy financial burden on the budgets of new immigrant families. A significant portion of their available income, which was lower than that of the Israeli population, went to meet housing costs. Immigrants generally began to purchase homes after about two years in the country. An upsurge in housing purchases was discernible beginning in 1993, thanks to the extensive supply of flats available as a result of large-scale public construction completed about that time (the government had guaranteed builders that it would purchase unsold flats) and special terms for eligible prospective buyers.

By the middle of 1996, 55 percent of the immigrants who had arrived between

1990 and 1995 had permanent housing, through either ownership or public rental, with the percentage increasing with length of time in the country. Nevertheless, in 1996, 34 percent of the 1990 arrivals and 46 percent of the 1991 arrivals were still renting on the open, private market. Purchasers of homes were mainly families with two working-age parents, whereas most of the elderly, the one-parent families, and the single people continued to rent on the private market and resorted to public housing subsidies. It is noteworthy that flats purchased by immigrants were as a rule cheaper than the average price in the housing market; in many cases the purchase was made by pooling the resources of the extended family and organizing a joint, multigenerational residence.

Geographical Patterns of Settlement

An examination of the new immigrants' distribution throughout the country, based on their chosen places of residence, shows a greater tendency to gravitate toward the peripheral regions as compared with the general Jewish population in 1989. The Southern district contained, in 1995, the largest over-representation of new immigrants as compared with the overall distribution of the Jewish population, while the Tel Aviv and especially the Jerusalem districts showed a pronounced under-representation. The arrivals from the Asiatic republics tended to be concentrated more in the center of the country (Tel Aviv and Central districts), while most of the 1990–95 arrivals from the European republics resided away from the center.

The major geographic pattern that emerges from a perusal of population data for Jews and new immigrants at the level of subdistricts is a relatively high concentration of new immigrants on the fringes of metropolitan Haifa (Acre, Jezre'el, and Hadera subdistricts); in part of the southern fringes of the urban area in the heart of the country (especially in the Ashkelon subdistrict); and in the fringes of metropolitan Tel Aviv (Ramla subdistrict). In other words, in the metropolitan areas, the new immigrants tend to be concentrated in the remote suburban subdistricts, while in the peripheral regions, a significant concentration of new immigrants could be found primarily in the Be'er Sheva subdistrict. Concomitantly, they tended to settle mainly in the development towns that were founded in the 1950s and 1960s on the fringes of the metropolitan centers of Tel Aviv and Haifa, where housing was cheap and the socioeconomic status of the population lower than in the larger cities. Immigrants settled in moderate numbers in the southern development towns—undeterred by the geographic remoteness and low

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The pattern of regional distribution that emerged at the national level was replicated at the intra-urban regional level. Thus, we find concentrations of new immigrants in the old neighborhoods of the cities and towns that were built in the 1950s and 1960s and, in the big cities, in the old core neighborhoods that have deteriorated into slums but offer low rental and purchase prices and access to places of employment, commercial outlets, and service institutions.

In the outer ring of metropolitan Tel Aviv, on the fringes of metropolitan Haifa, and in cities distant from the center, immigrants reside in the new government housing projects of the 1990s. The concentration of FSU immigrants in these new construction areas is especially pronounced in the southern towns, where they account for half or more of the population of the new neighborhoods. In the northern periphery, this pattern is found in Upper Nazareth; in Carmiel, by contrast, the pattern of housing acquisition did not create dense concentrations, and the many immigrants there are scattered throughout the town.

It should be noted that the concentrations of immigrants in the medium-size and small towns on the fringes of the metropolitan areas mentioned and in the Southern district are in large degree the outcome of internal migration, a process that encompassed more than half the new immigrants between 1991 and 1994. In the first stage, immigrants were inclined to opt for the center of the country, but afterward, when they were no longer eligible for the enlarged government rent subsidies that they got during their first year in the country and began to consider buying apartments, they often gravitated toward the fringes, especially the southern fringes of metropolitan Tel Aviv and the Southern district. In the initial absorption stage, the considerations that guided the immigrants were primarily social and psychological: a desire to be close to friends and relatives who could induce a sense of security and support. However, when faced with the need to change location, social-psychological factors diminished in importance, and the decision-making process was guided by economic considerations: a desire to stay close to the major centers of employment while reducing housing costs. Thus, immigrants who left the core city for the metropolitan fringes remain close to the employment centers in the core, but enjoy significantly cheaper housing than could be had in the urban center.

Employment

Of the FSU immigrants aged 15+ who arrived in Israel from 1990 to 1997, 380,000, or more than half, were employed before emigrating. As noted above,
more than half had 13 or more years of education, as compared with 28 percent of the Israeli population in 1989. The newcomers found themselves in a labor market that was not prepared to absorb this type or volume of human capital and was itself suffering from relatively high unemployment (above 8 percent), a situation that was constantly aggravated irrespective of the immigration factor. The policy of the central government left employment absorption to the labor market: no effort was made to steer immigrants to particular jobs or to initiate makeshift work for them. At the same time, employers were offered substantial incentives to absorb immigrants and prepare them for employment by teaching them Hebrew and providing job retraining programs, as well as by assisting small entrepreneurs among the newcomers. Nevertheless, 34 percent of the immigrants who had been employed prior to immigration failed to enter the Israeli labor force after three years in the country.

The process of entering the labor force typically lasted two to three years, longer for women than for men. Average rates of participation in the labor force among immigrants of all ages in Israel were higher than those among the veteran population; the immigrants' participation reached a peak at ages 35–44 and declined sharply after age 55. In the 55+ age group, employment absorption was especially problematic in the postretirement group but also in the years just before retirement. Women had a harder time finding work than men at these ages. The participation of males in the labor force was greater among those with higher education than among the less well educated; this phenomenon was even more pronounced among women. The length of time immigrants spent looking for work

was a function of the demand for workers and of the immigrants' personal traits: gender, age, education, profession, fluency in Hebrew, knowledge of English, area of residence, and more.

Still, the high percentage (a third) of those from the labor force who were unemployed in the first year in Israel decreased relatively quickly, and within three to four years reached approximately the same level as for the working population overall. The transition from unemployment was more rapid for men than for women and slower for those above the age of 45 than for younger immigrants. However, among both women and the 45+ population, the move from unemployment into employment was relatively rapid. (See table 9.)

The findings of various surveys on employment show clearly that most new immigrants were unable to find work in their professions even after four years in the country. In 1997, 11 percent of all immigrants who had arrived since 1990 (most of them from the FSU) were employed in scientific and academic occupations and another 12 percent in professional and technical occupations (as compared with 34 percent who had been employed in each category in their home countries). On the other hand, the proportion of new immigrants employed in Israel as skilled or unskilled workers in industry, construction, and agriculture was far higher than was the case abroad. In 1997, 52 percent of the new immigrants were employed in the above-mentioned occupations, as compared with 34 percent of the overall population. In most cases the immigrants found employment in new occupations of lower socioeconomic status. (See figure 2 and table 10.) It was also found that immigrants generally remained in the occupations where they first found employment; the majority did not return to their pre-immigration professions.

About 11,000 of the immigrants who arrived from 1990 to 1995 were classified as "scientists" by the government. Considered a major human resource, this group received substantial assistance in its professional absorption: its employment was subsidized, and its access to Israel's scientific community was facilitated. In their home countries, half of the scientists had been engaged in physics and mathematics, a quarter in the life sciences, and a smaller percentage in the social sciences. Fully 76 percent of these professionals found employment in their fields, in the public and private sectors, the majority with the help of government aid. After three years in Israel, most continued to be employed in their areas of specialization, though more than half were no longer the beneficiaries of government support. In the universities, however, only a small fraction of those absorbed were given tenured positions; the majority were employed on a temporary basis. The scientists' integration in industry was more rapid, although here their scientific skills were utilized to a lesser degree.

The situation of the engineers among the 1990s immigrants was radically different from that of the scientists. Some 65,000 new immigrants of the 1990-95 period declared that they had worked as engineers or architects in their home countries. Since in 1989 only 27,000 Israelis were employed in those professions,
the result was a sudden large surplus of engineers in the labor market (even with some increase in the number of job openings). Although the professional certificates of 75 percent of the new-immigrant engineers were recognized by the Registrar of Engineers in the Ministry of Labor, in 1995 only 25 percent of new-immigrant engineers aged 20–54 were working as engineers, and another 9 percent were in ancillary professions. The great majority had found work in occupations not commensurate with their education (44 percent as skilled laborers and about 25 percent as unskilled laborers). Of those employed as engineers, the highest percentage is found in the automation, computer, and electrical occupations (40 percent).

About 14,000 of the FSU immigrants who arrived in Israel between 1990 and 1995 stated that they had worked as physicians or dentists (90 percent as physicians). In Israel, on the eve of the influx, there was an identical number of physicians and dentists, and 1,500 immigrants who arrived in Israel during this period from countries other than the FSU also listed their profession as "physician or dentist." An additional 2,000 Israelis—graduates of local or foreign medical and dentistry schools—would join their ranks between 1990 and 1995.

New immigrants wishing to practice medicine in Israel must submit their professional papers for review and undergo a licensing examination or, for the veteran practitioners among them, professional observation. The examination is preceded in most cases by a preparatory course given in the immigrants’ language by the Ministry of Health. Of every 100 physicians who arrived in Israel from 1990 to 1995, 72 requested licenses from the Ministry of Health, and 37 were employed as physicians (though only 9 percent of them have tenure). For the most part, those who found work were given temporary positions that were of lower status than their previous employment and that paid poorly (often by the hour).  

The rate of absorption of new-immigrant teachers in their profession was even lower than that of the physicians. Of the FSU teachers who entered Israel from 1990 to 1995, 1,654 had taught in institutions of higher learning or at the high-school and post-high-school level, and another 28,870 were junior high school, elementary school, and kindergarten teachers. Yet in 1993 only 2,583 of these teachers were working in the Israeli elementary and post-elementary school system, and that figure included new immigrants from other occupations (engineers, musicians) who had undergone professional retraining. By 1994, the number had

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risen to about 4,700 teachers. Younger teachers were more likely to find work in the educational system than older ones.

A high percentage of the FSU immigrants had formerly worked in the arts: 13,500 of the 1990–95 arrivals listed their occupations as musicians, writers, actors, and performing artists, with 55 percent of them having worked as musicians or as music teachers. This was twice or three times the number of working musicians in Israel at the time. As a result, even after the central government, local governments, and various public bodies created new places of employment for the immigrant musicians (new orchestras, more courses involving music studies, and so forth), more than half of the musicians had to take unskilled jobs. Even most of those who found work in the music profession received part-time, temporary employment that had a lower professional status than what they were accustomed to in the FSU and that was based on budgets provided by the authorities for only brief periods. The majority of the musicians augmented their salaries by teaching music.17

**Acquiring Hebrew**18

The overwhelming majority of the new immigrants knew no Hebrew when they arrived in Israel. New-immigrant children and adolescents picked up the language within the framework of the educational system, through special intensive courses and a system of extra classes during their first year in Israel. For adults there was a network of special, free, intensive Hebrew-language courses (*ulpan*), offered at different stages and levels of intensity, arranged by the central government in conjunction with the Jewish Agency and local governments. Initially, receipt of the "subsistence funds" given to immigrants during their first six months in the country was contingent on participation for five months in the first stage of such courses. However, starting in July 1990, attendance at Hebrew courses was no longer a condition for receiving the guaranteed income allowance. One result of this change was that many immigrants did not take advantage of the option to attend intensive Hebrew courses during their first months in the country, though some took formal classes later, in connection with work.

Immigrants are instrumentally motivated to learn Hebrew, believing this will help them find work or improve their work performance. The *ulpan* is also per-

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ceived as a means to become acquainted with Israeli society and culture and as a place of social encounter. However, despite the contribution of the ulpan, immigrants feel that their knowledge of Hebrew remains passive and that they lack fluency. In April–May 1996, 58 percent of a representative sample of FSU immigrants who arrived from 1990 to 1995 said they spoke a little Hebrew or could barely speak it, while 23 percent said they spoke it fairly well and 19 percent well. The ability to conduct a conversation in Hebrew stands in inverse relation to age. Most of the immigrants up to age 44 speak Hebrew at least “fairly well,” whereas older age groups say they speak the language slightly if at all. The ability to speak Hebrew is also higher among those with an academic education. These trends are apparent in all the surveys conducted on this subject. Although there is a definite connection between length of time in Israel and ability to converse in Hebrew, even after five years in the country, 25–39 percent of the 1990 arrivals were able to converse in Hebrew only with enormous difficulty. The major variable related to the ability to converse in Hebrew is frequency of encounters with veteran Israelis.

After five years, 18 percent of the immigrants were using Hebrew as their main or exclusive day-to-day language, while 38 percent spoke Hebrew and a foreign language in equal measure. Hebrew is used mainly at work (by 63 percent after five years in the country). The immigrants show a poorer ability to read and write Hebrew than to speak the language; adults show virtually no improvement in reading and writing Hebrew after 3.5 years in Israel. After five years in the country, 51 percent of immigrants aged 20 and above could read a simple letter in Hebrew. In practice, Hebrew speaking and reading tend to be exercised only in formal contacts with institutions and with bodies providing services, or on the job. In informal circumstances—within the family, in meetings with friends, or in mass media consumption—Russian is the main language of use, even among immigrants proficient in Hebrew. (See tables 11, 12.)

Social-Cultural Absorption

In their attitudes and behavior, FSU immigrants can be seen to range from a segregationist extreme, one seeking to preserve the culture of origin, to various levels of involvement in the integrative and pluralistic culture of 1990s Israeli society. Immigrants maintain significant continuity of cultural patterns and of social values and norms in various spheres: political, professional, educational, health, and family. At the same time, certain processes of change can be discerned in these realms. Based on the studies surveyed for this article, it appears that most immigrants tend to integrate within Israeli society but do not forgo proximity to their group of origin or abandon its cultural indicators; that is, they adopt an Is-

See note 9.
raeli identity based on a sense of Jewish belonging, but it goes along with a commitment to the continuity of Russian culture and the formation of a Russian community in Israel. The growth of the Russian cultural enclave has been accelerated by the immigrants' sociocultural traits described above, the widespread use of Russian language in the mass media—including the high-circulation Israel-based Russian press—the residential concentration of the immigrants, and their economic difficulties, which confine their social networks mainly to others from their home countries and largely to the immigrants who arrived together with them.20

Immigrant association activities and the attitudes of the veteran Israeli population toward the new arrivals contributed to the formation of the sociocultural profile of the Russian community. Despite the broad consensus within Israel on the importance of immigration, the majority of the public placed government aid to new immigrants at the bottom of the government's scale of priorities and displayed diminishing readiness to do volunteer work on behalf of new immigrants or to become their neighbors. Israel's Arab population manifested an especially hostile attitude toward the new immigrants. Young Israeli Jews, although in favor of immigration, developed negative stereotypes of the arrivals from the FSU and expected them to adapt themselves to Israeli society and culture. The downturn in the public's attitude toward the immigrants was also apparent in kibbutz society. In Israeli society overall, the older those surveyed and the higher their incomes, the more favorable their attitudes toward the new immigrants.21

Sharp complaints were voiced in particular by the former Caucasus community (so-called mountain Jews), who felt that Israelis in general had a highly negative attitude toward them, and that they were exploited, deprived, discriminated against, and treated as social outcasts.

At least three stages can be discerned in the evolution of social and cultural contacts between the immigrants and the veteran population. The first stage was relatively brief, lasting until 1992. In this period the immigrants were still in a state of "absorption shock," interested almost exclusively in providing for their basic material needs. Social networks during this stage were largely informal, comprising a small circle of friends and relatives from their home country. Formal organizing on a local or national basis was minimal, and there was intense rivalry among different groups in the Russian community to obtain the immigrants'
The second stage in the formation of the Russian community in Israel began at the end of 1992, when—beyond the extension and consolidation of the informal ties—a formal, hierarchical system of self-help organizations emerged among the FSU immigrants. These groups enjoyed broad community support, were promoted by the Russian-language mass press, and organized public protests against various governmental agencies.

At this stage, the question of the immigrants' cultural identity became a visible and public issue. The central and local governments, which had followed a clearly assimilative approach, were taken aback by manifestations of a collective desire to preserve a cultural distinctiveness within Israeli society, one that went beyond Jewish and Israeli identity. Based on formal community consolidation and the powerful desire of immigrants to preserve and strengthen their distinctive cultural identity, relations with Israeli society entered their third stage in 1996. The dominant expression of this stage was the immigrants' growing political strength and the establishment of a sectorial party that gained their broad support and won substantial representation in the Knesset elections of May 1996 and subsequently in the government coalition. Thus, from their marginal social status at the beginning of the decade, the new immigrants penetrated the society's political core within a relatively brief period, becoming a swing group between the two large political blocs.

The municipal elections held in November 1998 showed that the success of the three-year-old Russian Immigration Party (Yisrael B'Aliyah) in the Knesset elections was not a one-time phenomenon. Running for the first time in the municipal and local council elections, the party won 88 seats (including 16 deputy mayors, by coalition agreements), mainly in medium-size and small towns that had concentrations of immigrants. In addition, other independent lists of Russian immigrants won significant numbers of seats in some large towns, such as Ashdod and Jerusalem.

Integration of Children and Youth

From 1990 to 1997, about 180,000 children and adolescents below the age of 18 arrived from the FSU. Of these, 136,000 were in the 5–17 age group (33,000 aged 15–17), and most of them were integrated into the educational system. How-

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ever, many of them, especially high-schoolers, developed symptoms of psychological distress, manifested in longing for home, feelings of social isolation, and absence from school, with many finally dropping out. Studies of the dropouts showed them to be strongly deficient in knowledge of Hebrew.

In general, the younger the immigrants, the more rapid the language acquisition and adaptation to school. New-immigrant pupils from higher socioeconomic backgrounds scored better in mathematics and language, had a more positive self-image, displayed a higher inner locus of control, and formed more coherent goals for their future than pupils from lower socioeconomic backgrounds. The pupils from higher socioeconomic backgrounds also adapted better to their social milieu. Those who had had positive experiences in school in the FSU functioned better in Israeli schools. The scholastic achievements of new-immigrant students in special classes, or in classes where there was a high proportion of immigrants, were better than in classes where they constituted the minority. The longer they had been in Israel, the better their achievements in Hebrew and the more positive their subjective feeling about the level of their studies and their social adaptation. The more fluent their Hebrew, the higher their grades. The scholastic gap between new-immigrant students from the FSU and Israeli-born students tended to close after three years, especially at the elementary level. However, at the high-school level, immigrant students still experienced pronounced difficulties in language-dependent subjects even after three years. Immigrant youth from the Caucasus experienced special difficulties, including their families' limited incomes, which hindered their ability to meet school expenses. These youths were very dissatisfied with the Israeli school system and had a high dropout rate.²⁴

There was relatively intensive social contact between immigrant and Israeli-born pupils in the elementary schools, but at the high-school level the newcomers tended to be ignored. Immigrants and Israelis participated in separate social networks, and the higher the percentage of new immigrants in the upper grades the greater the mutual insularity. The major confrontation was with students from the Oriental communities, mostly in the development towns and in the

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distressed neighborhoods of cities. While immigrant students overall believed their Israeli peers had a highly negative perception of them, the more successful their absorption in school, the more inclined they were to view their situation positively.

Dropping out and adopting patterns of socially deviant behavior may be external manifestations of the distress experienced by new-immigrant pupils in the transition from one culture and one educational system to another. No exact statistics exist on the national scale of the dropout phenomenon among immigrants, but experts estimate that it is twice as high as among other Jewish high-school students. In schools under Ministry of Education supervision that were surveyed in several cities, the average dropout rate among new-immigrant children age 14–17 from the FSU was 13 percent (compared to 6 percent for veteran youth). In some cities the dropout rate of youth from the FSU reached 29 percent. Many of the dropouts participated in alternative programs run by the Ministry of Labor and Social Affairs. However, even among adolescents who stayed in the system, there are indications of "hidden" dropping out, manifested in absence from school of more than four days a month.25

Crime committed by new-immigrant youth, who constitute 8–10 percent of the total 12–17 age group, is on the upswing. Crime among Israeli youth in general increased by 3 percent in 1995 as compared with 1994, but among new immigrants the rate of increase was 24 percent in the same period. This trend continued throughout 1996 and 1997. In 1997, the number of immigrant youth involved in criminal activity was double that in 1993. Charges were pressed in 13 percent of the cases involving new-immigrant youth, as contrasted with 10 percent for all youth cases in Israel. An exceptionally steep increase was found in drug-related crimes and in thefts and break-ins.

Populations at Risk

Since Israeli government policy on immigration from the FSU is fundamentally nonselective, offering an open door through which immigrants may enter irrespective of age, family situation, health, or social condition, it is not surprising that among the new arrivals were weak and disadvantaged groups of various sorts. These included elderly persons, one-parent families, the disabled and others in need of special medical care, the psychologically distressed, and those below the poverty line.

The elderly. From 1990 to 1995, 80,000 FSU immigrants aged 65+ arrived in Israel. As compared with the elderly population in Israel, the percentage of women among the immigrants was higher, the percentage of single persons was far higher, and the percentage of those with more than high-school education was fully three times as high. Many came to Israel with relatives or joined relatives who had arrived earlier. Among new immigrants, there is a heavy concentration of elderly in the big cities, as there is among the veteran population.

The major problems faced by elderly immigrants were housing and making ends meet. Most addressed the problem by setting up joint households with their children (also with sons- and daughters-in-law, and grandchildren). This pattern of habitation duplicates similar conditions in the FSU; 43 percent of the elderly immigrants who live with their children in Israel had also done so in the FSU. Although to begin with, older people got larger housing grants covering a longer period, in surveys, most of the elderly immigrants, including those who bought homes, said that their living conditions in Israel were inferior to those in their home country. Their main complaints were high maintenance costs, the small size of the apartments, and the need to share accommodations with co-tenants.

New-immigrant elderly are more limited in activity by health problems than are their Israeli counterparts. Their feeling of psychological well-being is also significantly lower than that of their peers among the veteran population. Hebrew fluency among elderly immigrants is extremely poor, and does not improve with length of residence in Israel. The vast majority of elderly immigrants described their economic situation as poor or very bad, despite housing and pension grants and other assistance. The ability of the elderly to meet their special needs depends significantly on the social networks they belong to. The vast majority (90 percent) have children in Israel, and many live with them or meet with them at least once a week. Half have friends or neighbors to whom they can turn for help. The proportion of those who complain of loneliness is lower than in the parallel age group among the veteran population (15 percent vs. 22 percent, according to one study). Satisfaction with absorption rises significantly among elderly immigrants with length of residence in the country; 80 percent said they would make the same decision to immigrate to Israel again.

One-parent families. The proportion of one-parent families with children below the age of 18 is significantly higher among new-immigrant families than


in the veteran population. The most serious difficulty this group of immigrants encountered was housing, followed by employment. In both areas, the situation improved as a function of length of stay in the country. Yet by 1995 only 31 percent of one-parent immigrant families owned their own homes, as compared to 82 percent of immigrant two-parent families. Income disparities between one-parent families and others were also very great; in 1995, only 16 percent of the heads of one-parent families said their income was adequate for their needs, as against 31 percent of two-parent families. In 1992, twice as many married women as single-parent mothers were employed—though this difference had all but disappeared by 1995. The disparity in knowledge of Hebrew between married women and single-parent women, which was found to be high in 1992, had also decreased considerably three years later.

**New immigrants with special medical needs.** A significant difference was found between new immigrants and the veteran population in their health condition. In 1995, 20 percent of working-age immigrants (20–64) vs. 15 percent of the comparable veteran population had a health problem that hampered their day-to-day activity, whether illness, restrictions on activity, or chronic incapacity. Only 3 percent of the veteran population assessed their health situation as generally “not good or bad,” compared with 12 percent of the new immigrants in the age group specified. The immigrants were found to have a much higher incidence of serious ailments, such as heart disease and high blood pressure, than the veteran population. Overall, the immigrants did not make greater use of health services, including hospitalization, though they were less satisfied with these services than the general population.

**Psychological distress.** FSU immigrants showed a relatively higher level of psychological distress than the veteran Israeli population. This was especially pronounced among those studying in intensive Hebrew-language courses (ulpan), those taking preparatory courses for a medical license, and high-school and uni-

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versity students. New-immigrant women were found to display greater distress than men, and a high level of distress was also apparent in single immigrants, adolescents, the elderly, the unemployed, and those from the Chernobyl region and the former Asiatic republics. There was a higher rate of psychiatric hospitalization among FSU immigrants than among veteran Israelis in 1990–91 (3.5 per 1,000 vs. 2.6 per 1,000). Although the impact of length of time in Israel on the level of psychological distress is complex and not entirely clear, there is some indication that it did not decline quickly, at least not within a time span of five years.

Immigrant families below the poverty line. Poverty was rampant among immigrants in the early 1990s. In 1991, its incidence stood at 34.6 percent of all families after transfer payments and taxes, declining to 20.3 percent in 1993. In 1994, there was another upsurge in poverty, to 24 percent, which decreased to 19 percent in 1995–96. However, these data refer to all new immigrants in Israel, including those who arrived from Ethiopia after 1990. The incidence of poverty in 1996 within the 1990s immigrant families (mostly from the FSU) was somewhat lower, standing at 22 percent, but this was still higher than the rate for the veteran population, which was 16 percent in 1996.

Immigrants from the Caucasus. Between 1989 and 1996 some 50,000 immigrants arrived in Israel from the Caucasus region of the FSU (a large portion of them “mountain Jews,” with their own identity and dialect, Judeo-Tat). A study found that these immigrants faced particular difficulties—only half were employed, their employment rate was lower than it had been before immigration (46 percent of those employed in the Caucasus were not currently employed), and half of the employed had unskilled jobs. The high rate of unemployment resulted in widespread poverty, in a lack of basic household equipment, in the inability of nearly half to meet most of their daily needs, and in a pessimistic feeling regarding the chances of improving their economic situation. Hebrew proficiency was poor, and they perceived their lack of Hebrew skills as an impediment to getting good jobs and to participating in vocational training courses.

Satisfaction of New Immigrants

The new immigrants’ level of satisfaction with various spheres of life in Israel and their view of life overall, as expressed in surveys, are generally positive. After five years in the country, 75 to 80 percent of immigrants said they were satisfied with their housing situation, 60 to 66 percent with their work, and 60 to 70 percent with their social life, but only 35 to 50 percent were satisfied with their cultural life. However, 80 percent said they felt “at home” in Israel, and 90–95 per-

cent were sure they would remain in Israel. The immigrants' satisfaction with each aspect of life was found to increase with length of stay in the country, though the level of overall satisfaction was lower than that for each separate area.

IMPACT OF IMMIGRATION ON ISRAEL

Population and Demography\textsuperscript{30}

As a result of the FSU immigration, Israel's population rose by 15 percent from 1989 to 1996, with an annual rate of increase in those years that was double what it had been before (about 2 percent vs. 1 percent). At the end of 1996, Israel's population stood at the level it would have reached five years later, had the wave of immigration not occurred. Immigration on this scale had a major impact, both short- and long-term, on the population's demographic makeup.

For one thing, the population group originating in the Soviet Union (those born there and their offspring) has become the largest ethnic element in Israel. At the end of 1996, more than 900,000 residents of Israel were of Russian/Soviet origin (more than 20 percent of the Jewish population), of whom 75–80 percent had arrived since 1989. The existence of this large community means that Russian occupies a central place among the languages spoken in Israel (besides Hebrew), which is reflected in the media, in cultural life, in politics, and so on.

A distinctive feature of this wave of immigration is the presence of tens of thousands of Christians (spouses of Jewish immigrants and other family members) as well as some who do not profess allegiance to any religion. Cumulatively, non-Jews account for some 15 percent of the immigration. One result is that the Christian community in Israel has received a significant boost.

Some of the demographic effects are as follows: the higher ratio of females to males among the new immigrants has brought about an increase in the proportion of females overall, especially among adults and the elderly. Similarly, the small percentage of children among the newcomers and relatively high proportion of elderly (as compared to the Israeli population) has brought about a slight decline in the percentage of children overall and a rise in the percentage of elderly. The immigrants' age distribution will continue to have an impact along these lines in the decades to come.

The low fertility level of FSU immigrants is having at least a short-term effect on the fertility level of the Israeli population overall (more strikingly on the groups originating in Europe and the Americas). The fertility level of the FSU immigrants rises gradually in relation to length of residence in Israel, but at a slow rate.

\textsuperscript{30}See note 2.
The relatively high number of divorcees among immigrants, some of them with children, increased the number, both absolute and relative, of divorcees within the Israeli population (between 1989 and 1994, the number of divorcees in Israel rose by 80 percent, with a large part of this increase accounted for by the new immigrants). Similarly, the number of one-parent families increased by 60 percent. The higher frequency of multigenerational households among immigrants reduces the proportion of nuclear families in the overall Jewish population. These demographic modifications have significant implications for the provision of educational, health, and welfare services, especially for the scope of welfare allowances for the elderly, one-parent families, and so forth.

**Population Distribution**\(^{31}\)

The immigrants' decisions about where to settle have had important consequences for national population distribution and for various localities and neighborhoods throughout the country. Proportionately, the population in the Southern district (especially the Ashkelon subdistrict), and to a lesser extent that of the Haifa district, rose significantly, while those of the Tel Aviv district and of the Jerusalem district declined. The populations of a large group of communities (mainly those designated as development towns) increased by dozens of percent, and saw their population structures radically altered by large influxes of FSU immigrants (examples are Ma'alot-Tarshiha, Carmiel, Ashdod, Sderot, Upper Nazareth, Arad, and Or Akiva). Certain city neighborhoods (for the most part neighborhoods with a medium or low economic level, where housing prices are lower) changed radically as large numbers of new immigrants moved in. In some cases the impact is judged to be short-term, in others of longer duration.

**Labor Force**\(^{32}\)

The massive influx of immigrants produced a large supply of available labor. An examination of employment data for 1990–1995 shows an increase of nearly 500,000 in the number of people working, of whom more than half were Israelis and about 230,000 were immigrants who arrived in this period. The annual ad-

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dition of 40,000 people to the ranks of the employed in this period surpassed the figures for 1985–1990. (It should also be noted that about 100,000 foreign workers entered the labor force in Israel during the early 1990s.)

Immigrants were able to compete with veteran Israelis for jobs, in some cases pushing them out of the labor force and thus increasing unemployment among them, concomitantly bringing about lower wages, especially in occupations filled by the newcomers. Veteran Israelis, especially those who were about to join the labor force, felt they would have a hard time finding employment. However, the rate of participation of veteran Israelis in the labor force, far from decreasing, actually rose somewhat: from 75.7 percent in 1990 to 77.3 percent in 1995. That increase included Israelis with higher education (16 or more years of study).

It is difficult to isolate the specific impact of the influx of immigrants on the general labor force from external influences that occurred in the same period (e.g., the Oslo agreements, the peace treaty with Jordan). However, as might be expected, the very existence of such a large immigration increased the demand for workers and, at least in the initial period, produced demand in excess of the immigrants’ numbers in the labor force, given the expanded housing construction, the increase in labor-intensive investments, and so on.

The influx of immigrants contributed to shifts in the structure of the economy as well, with the new arrivals entering specific professions and branches in large numbers and veteran Israelis entering others. Although many immigrant scientists, academics, technicians, and other professionals did not find work in their professions, those who did had a significant impact (some 25,000 in academic and scientific occupations, including 9,000 engineers, 5,000 physicians, and another 25,000 in the professional and technical occupations).

The period of heavy immigration, 1989–95, witnessed a rise in the proportions of workers employed in construction and in financial and business services and a decline in the proportions of workers in public and community services (e.g., education, health, welfare, public administration, community organization). However, the proportions of veteran Israelis in the various branches of the economy were modified by the different scale of entry of immigrants into each branch. Increased employment among veteran Israelis was more pronounced in public and business services than in industry and personal services, with the result that their share rose in the former and declined in the latter. In 1994 the new immigrants constituted 25 percent of those employed in personal services, 20 percent of those working in industry, and 15 percent of the personnel in the public services.

In terms of occupations, the proportion of new immigrants employed in the scientific, academic, professional, and technical occupations continued to increase, as in services and sales, while the share of clerical workers fell. However, the occupational structure of veteran Israelis was altered, showing a decline in service workers and in both skilled and unskilled workers in industry and construction, and an increase in managers, clerical workers, and salespeople. Over-
all, the new immigrants entered lower-status occupations, and the veteran Israelis increased their proportion among white-collar workers and in prestigious occupations.

In 1990 the unemployment rate among veteran Israelis stood at 9.4 percent of the labor force, rising to 11 percent in 1992 but falling below 6 percent by 1995. From 1996, with Israel experiencing recession, unemployment increased, reaching 8.5 percent of the labor force for the whole population of Israel and close to 12 percent for the 1990s FSU immigrants.

**Wage and Income Distribution**

The large numbers of new immigrants entering the labor force could be expected to bring about a general decrease of wages throughout the economy. In 1990–92, real wages in Israel did not increase; wages changed less than the growth in per capita production during this period. The result was a fall in the cost of labor per unit of production, while at the same time employee compensation in domestic product fell. Real wages rose again from 1993 to 1995, but slowly. Nor were the changes uniform in all occupations. It was to be expected that the wages paid to veteran Israelis in the scientific, academic, professional, and technical occupations would decrease due to the large supply of incoming labor in these occupations. In fact, from 1990 to 1994 the wages of veteran Israelis in these professions increased substantially: by 16 percent in the scientific and academic occupations, by 8 percent in the professional and technical occupations, and by 23 percent in managerial positions. At the same time, the wages of unskilled workers declined by nearly 20 percent and of those in the services by less than 1 percent. We find, then, that the wage gaps among veteran Israelis in different professions increased. Because new immigrants received lower wages than Israelis, the wage gaps also grew throughout the economy.

The net income of families of veteran Israelis rose by an average of 3.5 percent a year from 1990 to 1994, leading also to a higher rate of savings by households. However, the growing wage gaps meant that distribution of income from work among the veteran families became less egalitarian. Similarly, the proportion of veteran families below the “relative poverty line” (according to net income) increased from 13 to 17 percent. Taxation of veteran Israelis did not rise in this period; indeed, there was a slight decline in tax rates relative to income. The level of public services for veteran Israelis remained stable. In this period the housing conditions of the veteran population also improved.

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Impact on the Israeli Economy

Economic growth was accelerated in the period of the immigration influx, reaching 6 percent per annum during 1989–95 (2.5 percent per capita). This was due primarily to the increase in labor input, as the added capital did not match the added workforce, resulting in a decline in the amount of capital per hour of work and a very slow rise in product per hour of work. Product per worker increased very slightly, indicating a low utilization of the new immigrants' human capital. The rapid growth in investments in this period was reflected almost entirely by an increase in import surplus. This was underwritten mainly by loans from abroad (utilizing the loan guarantees granted by the United States). The economic recession during 1996–97 brought a sharp decrease in economic growth (1–2 percent in 1998).

Impact on Israeli Society and Culture

While it is extremely difficult in the short term to identify the impact on Israeli society and culture of the FSU immigration, it is already clear that this mass influx has heightened "sectoriality" in Israeli society, contributing to observable fragmentation in the social, cultural, and political spheres.

The Prospects of Future Emigration from the FSU

The emigration of more than one million Jews and family members has caused a major depletion of the Jewish community in the FSU, a community whose numbers had been declining for some decades.

At the beginning of 1998, the "core" Jewish community remaining in the FSU

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was estimated at 540,000. This reflected both the mass emigration of the preceding years and the ongoing loss of population due to negative natural increase (number of deaths exceeding number of births). Taking into account the non-Jews in Jewish families—who are entitled to immigrate to Israel under the Law of Return—the estimate of the "enlarged" Jewish community was 1.0 to 1.1 million persons. Sixty percent of this population live in the Russian Federation and 40 percent in the other republics. The community has a small proportion of children and a very high proportion of older persons; the median age of Russian core Jews in 1998 was 56. The very low and declining fertility (total fertility rate estimated at 0.8 children per woman in the core population), the high death rate, the age structure of emigrants (higher proportions of children and persons in the 20–40 age group and a much lower percentage of older persons, compared to the proportions of these age groups in the Russian Jewish community)—all have contributed to the age structure of the remaining Jewish community. Moreover, the percentage of mixed marriages is on the increase (currently some 50 percent of couples).

What are the prospects of continuing Jewish emigration in the coming years? the prospects of the remaining Jews immigrating to Israel? A number of factors will influence the extent of this future flow, some serving as "push" factors, others effectively discouraging emigration.

Factors Discouraging Emigration

Demography. (1) The existing trend toward negative natural increase will continue, with population loss estimated at 1 percent per year. Thus the potential pool for immigration will be smaller. (2) It will also be smaller because the proportion of older persons is increasing and that of the 20–49 age group is decreasing, and the propensity of the older age group to migrate is lower than that of the younger age group. (3) The increase in the proportion of mixed marriages causes a further diminution of the Jewish community. Moreover, the propensity to migrate is less for mixed-married than for homogeneous couples. (4) The proportion of FSU Jews residing in the Russian Federation is larger than in the past. Historically, Jews in the Russian Federation were less likely to emigrate than Jews in other republics.

Jewish communal and institutional revival. The breakup of the Soviet Union in 1991 opened the door to a revival of Jewish communal life—social, cultural, educational, and religious—especially in the urban concentrations in Russia and the Ukraine. In 1998 some 1,000 Jewish organizations functioned in the FSU.

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37 The estimates provided here are from the Institute of Contemporary Jewry, Hebrew University of Jerusalem.
There were 12 Jewish newspapers; a number of radio and television programs; 45 Jewish day schools; 35 kindergartens; 200 Sunday schools; and six institutions of higher learning. Several national roof organizations serve as focal points for the local bodies, some presided over and influenced by wealthy, politically influential persons. Diaspora and Israeli Jewish organizations provide financial support for various institutions and help to train local leaders and Jewish communal teachers and workers. The Jewish community of the Russian Federation was granted cultural autonomy and the right to receive government aid. All these developments enhance Jewish life in the FSU and lessen the impetus to leave the country.

Other factors. The involvement of Jews in the Russian economy, media, and government—disproportionate to their numbers—encourages close ties with Russian society and decreases the inclination to emigrate. This may be somewhat tempered by the fact that the visible success of many Jews sometimes arouses anti-Semitic reactions.

Economic recession in Israel beginning in 1997, increased unemployment, the difficulty immigrants have finding jobs in their previous occupations, and the resulting downgrading in occupational status are factors that discourage potential immigrants from deciding to immigrate. The continuing security tension in Israel, the daily terrorist acts, and the need to serve in the army are also factors that discourage immigration.

Alternatives to immigration to Israel. The potential emigrant from the FSU has alternative possible destinations. The United States has an entry quota of some 40,000 each year for migrants from the FSU that was not fully exploited in the last two years. As a result of a recent reconsideration of immigration policy, regulations were eased regarding the entry of all immigrants in certain critical technological occupations. Germany and Canada have both been willing to accept Jewish emigrants from the FSU republics.

In the United States a large community of Soviet immigrants, who began arriving in 1970, their number now estimated at some 400,000, constitutes a critical mass for attracting family members. Moreover, through its various organs, the Jewish community provides aid and support to immigrant newcomers, in addition to the informal support provided by families and individuals.39

Factors Favoring Emigration

The expectations of 1996–97 for a politically and economically stable Russian Republic did not materialize. On the contrary, in 1998 there were strong signs of a possible collapse of the economy and even the political structure. The situation hurt mostly the urban population, which in the past enjoyed economic prosper-

ity and a relatively higher standard of living. The effects are felt not only in the Russian Federation but also in Ukraine, Moldova, and Kazakhstan. The Jewish community has also been affected, and there have been signs of increased interest in immigration to Israel, such as increased study of Hebrew. An important factor is the concern of parents for the future of their children in the FSU.

The existence of a large Russian community in Israel, one that enjoys the possibility of preserving the cultural and social life-style of its country of origin, is a powerful magnet for attracting close family members, other relatives, and friends from the FSU to migrate to Israel. The fact that absorption authorities assure every *oleh* (immigrant) financial support for the first year in Israel as well as housing subsidies, social security benefits, occupational training, and the like serves as an incentive. The standard of living in Israel is close to that of some Western countries. In addition, Israel has strong cultural and economic ties with the United States and the West European countries.

It is difficult to foresee which factors will weigh most heavily in the decision-making process—whether to stay in the FSU republics or to emigrate from the FSU, and if the latter, whether to immigrate to Israel or to another country. Impending economic collapse, political instability, and anti-Semitic manifestations offer a strong impetus to emigrate, but the effects of the other factors mentioned above should not be overlooked.

Immigration figures for 1998 show a continuing decline in the number of immigrants to Israel. The beginning of 1999 saw some preliminary signs of an increase, largely attributed to the deteriorating economic conditions in the Russian Republic and some other republics of the FSU. It is not yet clear as of this writing if this is a short-term, temporary change, or part of a more lasting trend.

**CONCLUSION**

A large body of research on the 1990s wave of Soviet Jewish immigration to Israel has been carried out, and a number of findings from that literature are reported in the present paper. It should be emphasized, however, that the absorption process is a long one, one that in many of its aspects can extend for years and even more than a generation. Follow-up research will continue, it is hoped, and will explore areas that have not been researched at all or have not been covered in the same detail and depth as others. Examples of areas that have been insufficiently documented and researched are: the extent of emigration from Israel of Soviet immigrants and their characteristics; comparisons of FSU immigrants to Israel with those migrating to the United States, Canada, and Germany; the long-term effects of this immigration on Israeli culture; the differences in the integration of immigrants arriving from various republics; the problems encountered by the large number of non-Jews.

Based on the available data, we have examined the absorption of these immi-
grants in housing, employment, education, and other domains, showing its accomplishments within a short period and highlighting the problems encountered in the absorption process. Among these were the downgrading in occupation and status experienced by a large proportion of immigrants, and the difficulty of acquiring the Hebrew language, which created a barrier to entry into some occupations and into Israeli society. Older immigrants (55 and over), one-parent families, and Caucasus Jews had the most difficulty in finding employment and appropriate housing; many youths were frustrated in acquiring some mastery of Hebrew and became school dropouts. Most newcomers struggle to achieve social and cultural integration, even as they seek actively to preserve Russian language, culture, and identity.

From the perspective of Israeli society, this wave of immigration has been absorbed in most domains without producing serious economic or social crises. Moreover, though only a few years have elapsed since the beginning of this wave (immigrants were still arriving in 1998, though at a slower rate), and the process of absorption is not completed, a distinctive and dynamic immigrant Russian community has emerged, one that has already had considerable impact on Israel—on its demographic profile, on its geography, on the makeup of its society, on its cultural institutions, and even on the political sphere. The full scope of its influence can, at this point, not even be guessed at.

Elazar Leshem
Moshe Sicron
### TABLE 1. NUMBER OF ALL IMMIGRANTS AND IMMIGRANTS FROM THE FSU, BY YEAR OF ARRIVAL, 1990–1998

<table>
<thead>
<tr>
<th>Year</th>
<th>From the FSU</th>
<th>All Immigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>185,227</td>
<td>190,507</td>
</tr>
<tr>
<td>1991</td>
<td>147,839</td>
<td>176,100</td>
</tr>
<tr>
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<td>65,093</td>
<td>77,058</td>
</tr>
<tr>
<td>1993</td>
<td>66,145</td>
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<tr>
<td>1998</td>
<td>46,021</td>
<td>56,693</td>
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</tbody>
</table>


### TABLE 2. REPUBLIC OF ORIGIN OF IMMIGRANTS FROM THE FSU, 1990–1998

<table>
<thead>
<tr>
<th>Republic of Origin</th>
<th>Number (thousands)</th>
<th>% of FSU Immigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total FSU</td>
<td>753</td>
<td>100.0</td>
</tr>
<tr>
<td>European Republics—Total</td>
<td>585</td>
<td>79.7</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>225</td>
<td>30.6</td>
</tr>
<tr>
<td>Ukraine</td>
<td>237</td>
<td>32.2</td>
</tr>
<tr>
<td>Belarus</td>
<td>62</td>
<td>8.4</td>
</tr>
<tr>
<td>Moldova</td>
<td>43</td>
<td>5.9</td>
</tr>
<tr>
<td>Baltic republics</td>
<td>19</td>
<td>2.6</td>
</tr>
<tr>
<td>Asian Republics—Total</td>
<td>149</td>
<td>20.2</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>30</td>
<td>4.1</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>70</td>
<td>9.5</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>10</td>
<td>1.4</td>
</tr>
<tr>
<td>Georgia</td>
<td>18</td>
<td>2.4</td>
</tr>
<tr>
<td>Other Asian republics</td>
<td>21</td>
<td>2.9</td>
</tr>
<tr>
<td>Not known</td>
<td>18</td>
<td></td>
</tr>
</tbody>
</table>

TABLE 3. JEWISH AND NON-JEWISH IMMIGRANTS BY YEAR OF IMMIGRATION, 1990–1996

<table>
<thead>
<tr>
<th>Year of Immigration</th>
<th>Total (thousands)</th>
<th>Jews (thousands)</th>
<th>Non-Jews (thousands)</th>
<th>Unknown (thousands)</th>
<th>% of Non-Jews</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>199.5</td>
<td>183.8</td>
<td>7.3</td>
<td>8.3</td>
<td>3.8</td>
</tr>
<tr>
<td>1991</td>
<td>176.1</td>
<td>151.1</td>
<td>13.6</td>
<td>11.4</td>
<td>8.2</td>
</tr>
<tr>
<td>1992</td>
<td>77.1</td>
<td>60.2</td>
<td>9.9</td>
<td>6.9</td>
<td>13.2</td>
</tr>
<tr>
<td>1993</td>
<td>76.8</td>
<td>58.5</td>
<td>11.1</td>
<td>7.2</td>
<td>15.9</td>
</tr>
<tr>
<td>1994</td>
<td>79.8</td>
<td>57.6</td>
<td>16.3</td>
<td>5.9</td>
<td>22.1</td>
</tr>
<tr>
<td>1995</td>
<td>76.4</td>
<td>49.4</td>
<td>18.3</td>
<td>8.6</td>
<td>27.1</td>
</tr>
<tr>
<td>1996</td>
<td>70.9</td>
<td>43.7</td>
<td>18.0</td>
<td>9.2</td>
<td>29.2</td>
</tr>
</tbody>
</table>

Source: CBS, Immigration to Israel (annual publication; last issue—1996).

TABLE 4. AGE STRUCTURE OF IMMIGRANTS FROM THE FSU AND ISRAELI JEWISH POPULATION

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Immigrants 1990–1996 Number (thousands)</th>
<th>%</th>
<th>Jewish Pop. 1989 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>656</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>0–14</td>
<td>137</td>
<td>21</td>
<td>29</td>
</tr>
<tr>
<td>15–29</td>
<td>146</td>
<td>22</td>
<td>24</td>
</tr>
<tr>
<td>30–44</td>
<td>152</td>
<td>23</td>
<td>21</td>
</tr>
<tr>
<td>45–64</td>
<td>133</td>
<td>20</td>
<td>16</td>
</tr>
<tr>
<td>65+</td>
<td>88</td>
<td>13</td>
<td>10</td>
</tr>
</tbody>
</table>

Median Age: 34.3

Source: CBS, Statistical Abstract of Israel (annual publication; last issue—1998); Immigration to Israel (annual publication; last issue—1996).
TABLE 5. EDUCATIONAL LEVEL OF IMMIGRANTS (IN FSU) (AGED 15+) AND ISRAELI JEWISH POPULATION (PERCENTAGES)

<table>
<thead>
<tr>
<th>Years of Study</th>
<th>Immigrants 1990–1996</th>
<th>Jewish Pop. 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>0-4</td>
<td>2.8</td>
<td>6.8</td>
</tr>
<tr>
<td>5-8</td>
<td>9.1</td>
<td>14.7</td>
</tr>
<tr>
<td>9-12</td>
<td>38.1</td>
<td>50.6</td>
</tr>
<tr>
<td>13-15</td>
<td>39.4</td>
<td>15.8</td>
</tr>
<tr>
<td>16+</td>
<td>10.5</td>
<td>12.1</td>
</tr>
</tbody>
</table>

Source: CBS, Statistical Abstract of Israel (annual publication, last issue—1998); Immigration to Israel (annual publication; last issue—1996).

TABLE 6. OCCUPATIONS OF IMMIGRANTS (IN FSU) AND ISRAELI JEWISH POPULATION (PERCENTAGES)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Scientific &amp; acad. workers</td>
<td>33.0</td>
<td>8.6</td>
</tr>
<tr>
<td>Thereof: Engineers &amp; architects</td>
<td>20.8</td>
<td>1.9</td>
</tr>
<tr>
<td>Physicians &amp; dentists</td>
<td>4.3</td>
<td>1.0</td>
</tr>
<tr>
<td>Professional &amp; technical workers</td>
<td>33.2</td>
<td>16.0</td>
</tr>
<tr>
<td>Skilled &amp; unskilled workers</td>
<td>20.0</td>
<td>26.2</td>
</tr>
<tr>
<td>Others</td>
<td>13.0</td>
<td>49.2</td>
</tr>
</tbody>
</table>

Source: CBS, Statistical Abstract of Israel (annual publication, last issue—1998); Immigration to Israel (annual publication; last issue—1996).
### TABLE 7. HOUSING DENSITY OF IMMIGRANTS AND ISRAELI JEWISH POPULATION (PERCENTAGES)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Less than 1</td>
<td>34.2</td>
<td>47.3</td>
</tr>
<tr>
<td>1</td>
<td>30.0</td>
<td>22.1</td>
</tr>
<tr>
<td>1.1–1.9</td>
<td>28.9</td>
<td>24.9</td>
</tr>
<tr>
<td>2</td>
<td>5.4</td>
<td>3.4</td>
</tr>
<tr>
<td>2.1+</td>
<td>1.5</td>
<td>2.3</td>
</tr>
</tbody>
</table>

*Source:* CBS, *Statistical Abstract of Israel* (annual publication; last issue—1998); *Immigration to Israel* (annual publication; last issue—1996).

### TABLE 8. RESIDENTIAL DISTRIBUTION OF IMMIGRANTS AND ISRAELI JEWISH POPULATION (PERCENTAGES)

<table>
<thead>
<tr>
<th>District</th>
<th>Immigrants 1990–1995&lt;sup&gt;a&lt;/sup&gt;</th>
<th>Immigrants in 1995&lt;sup&gt;b&lt;/sup&gt;</th>
<th>Jewish Pop. 1989</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Jerusalem district</td>
<td>5.9</td>
<td>5.2</td>
<td>11.0</td>
</tr>
<tr>
<td>Northern district</td>
<td>11.7</td>
<td>13.7</td>
<td>9.8</td>
</tr>
<tr>
<td>Haifa district</td>
<td>19.4</td>
<td>17.3</td>
<td>12.9</td>
</tr>
<tr>
<td>Central district</td>
<td>21.2</td>
<td>20.0</td>
<td>23.9</td>
</tr>
<tr>
<td>Tel Aviv district</td>
<td>24.7</td>
<td>17.6</td>
<td>27.7</td>
</tr>
<tr>
<td>Southern district</td>
<td>16.2</td>
<td>24.4</td>
<td>12.7</td>
</tr>
<tr>
<td>Judea &amp; Samaria, Gaza</td>
<td>0.9</td>
<td>1.8</td>
<td>2.0</td>
</tr>
</tbody>
</table>

<sup>a</sup>Immigrants’ first district of residence  
<sup>b</sup>Immigrants’ district of residence in 1995  

### TABLE 9. PERCENTAGE OF UNEMPLOYED MEN AND WOMEN IN THE LABOR FORCE, TOTAL POPULATION AND IMMIGRANTS BY PERIOD OF IMMIGRATION (1997)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
<td>7.7</td>
<td>6.8</td>
<td>8.8</td>
</tr>
<tr>
<td>Immigrants: 1990-91</td>
<td>8.0</td>
<td>6.0</td>
<td>9.9</td>
</tr>
<tr>
<td>1992-93</td>
<td>8.6</td>
<td>7.5</td>
<td>9.8</td>
</tr>
<tr>
<td>1994-97</td>
<td>14.2</td>
<td>12.0</td>
<td>17.1</td>
</tr>
</tbody>
</table>


### TABLE 10. OCCUPATIONS OF EMPLOYED IMMIGRANTS WHO ARRIVED 1990–1994, BEFORE IMMIGRATION AND IN ISRAEL (PERCENTAGES)

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Before Immigration</th>
<th>In Israel, 1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Scientific &amp; academic</td>
<td>34</td>
<td>10</td>
</tr>
<tr>
<td>Professional &amp; technical</td>
<td>34</td>
<td>13</td>
</tr>
<tr>
<td>Managerial &amp; clerical</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Sales workers</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Service workers</td>
<td>4</td>
<td>22</td>
</tr>
<tr>
<td>Agricultural workers</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Skilled workers</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>Unskilled workers</td>
<td>5</td>
<td>11</td>
</tr>
</tbody>
</table>

*aClassification of occupations changed in 1995, so data for 1995 on may not be fully comparable.

*bManagers are included in the professional and technical occupations.

### TABLE 11. IMMIGRANTS’ HEBREW KNOWLEDGE AFTER 5 YEARS IN ISRAEL (PERCENTAGES)

<table>
<thead>
<tr>
<th>Percent who can . . .</th>
<th>Immigrated July 1990</th>
<th>Immigrated Sept. 1991</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understand a simple Hebrew conversation</td>
<td>67</td>
<td>54</td>
</tr>
<tr>
<td>Read a simple letter in Hebrew</td>
<td>51</td>
<td>40</td>
</tr>
<tr>
<td>Write a simple letter in Hebrew</td>
<td>46</td>
<td>34</td>
</tr>
<tr>
<td>Understand discussion on radio, TV, in Hebrew</td>
<td>51</td>
<td>38</td>
</tr>
</tbody>
</table>


### TABLE 12. IMMIGRANTS’ DAILY USE OF HEBREW BY LENGTH OF RESIDENCE IN ISRAEL (PERCENTAGES)

<table>
<thead>
<tr>
<th>Use of Hebrew</th>
<th>After 1.5 Years</th>
<th>After 5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Hebrew only or mainly</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Hebrew &amp; other language</td>
<td>39</td>
<td>30</td>
</tr>
<tr>
<td>Other language mainly</td>
<td>32</td>
<td>29</td>
</tr>
<tr>
<td>Other language only</td>
<td>20</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: Ibid.
Culture in Israel

The year 1998 was rich in cultural activities, many of which were supported by the government-appointed special Jubilee Committee, which coordinated the celebrations marking Israel's 50th birthday. The milestone anniversary opened with the sounding of shofars by different ethnic groups, in the spirit of the jubilee year. It was followed by a plethora of events throughout the year and throughout the country. A caravan of entertainers, dance troupes, and musical groups toured the development towns and outlying villages. The music of Israel's varied Sephardic communities was celebrated with a special festival. A gathering of Israeli pop singers took place at the Suzanne Dellal Center in Tel Aviv and a dance festival was presented at Carmiel. The Arad Rock Music Festival was held under the sponsorship of the Jubilee Committee, as was the Beer-sheba Festival of Humor and Satire. The jubilee also included special performances by the Israel Philharmonic and the Jerusalem Symphony Orchestras.

The anniversary became a means of siphoning money to the arts, affording increased opportunities for artists and performers to appear both in Israel and the Diaspora. But most of all, the anniversary became an occasion for cultural stock-taking. Coming at a time of what has been described as "post-Zionist alienation," the anniversary aroused conflicting emotions in the country. There was a desire to say, "How goodly is this creation," to celebrate Israel's impressive accomplishments; at the same time, there was an awareness of Israel's historical mistakes, particularly in relation to the Arabs. In addition, at this historical juncture, Israelis were still struggling with the issue of their cultural identity. Are they Israeli or Jewish, Middle Eastern or global? The art, music, and literature presented by the jubilee were, to some extent, a measure of where Israeli culture stood at that moment.

Indicative of the national ambivalence was the TV series Tekumah (Rebirth), which traced Israel's development and accomplishments over the five decades of statehood. The positive achievements shown on the screen were interspersed with more critical images—the expulsion of Palestinians during the 1948 War of Independence, the imposition of the Ashkenazi establishment's values on Jews from Arab countries. Nothing, it seemed, could be presented in unqualified terms.

Inadvertently, the jubilee also exposed the deep cultural schisms in the country. The religious-secular conflict has been particularly acrimonious in recent years. It exploded at the "Jubilee Bells," a spectacular musical production staged on the eve of Independence Day, which starred many of Israel's prominent actors, singers, dancers, and pop groups. As part of the extravaganza, the Batsheva Dance Company was to have performed a section from a work by choreographer
Ohad Naharin, "Anaphase," in which dancers dressed in black suits strip down to skimpy loincloths, to the accompaniment of the Passover song *Ehad Mi Yodeya* (Who Knows One?), as the closing refrain declares "One is our God in heaven and earth." After seeing a rehearsal, Orthodox politicians insisted that Ohad Naharin, who also serves as artistic director of the Batsheva company, modify the work. He refused and the dancers walked out in protest over the encroachment upon their artistic freedom. This exposure of the deep religious-secular rift in Israeli culture cast a shadow over the festivities.

The Batsheva incident reflects only a small part of the deep cultural changes Israel is experiencing. Another indicator of cultural change was the uproar that ensued when Rabbi Yitzhak Levy of the National Religious Party became minister of education and culture. Levy, who is of Moroccan background, declared that he would allocate money to encourage Sephardi culture and would try to compensate for past discrimination. Micha Yinon, director of the Culture Authority of the Ministry of Education, talked frankly of changing priorities. From the beginnings of Zionist settlement, a secular, left-wing, Ashkenazi elite dominated Israeli culture. But as religious and Sephardi groups gained power, writers, filmmakers, and other culture agents of these new elites began demanding their share of the cultural pie. With limited funds available for culture, it was feared that less money would be allotted to venerable cultural institutions like the Habimah Theater and the Israel Philharmonic. In sum, new sources of support have to be found in order to maintain older institutions at the same time that new cultural forces are allowed to emerge and develop.

Much recent Israeli culture is perceived along the religious-secular divide, and political views have tended to fuse with cultural concerns, a potentially dangerous state of affairs for the arts. Secular Israelis fear censorship and worry that the religious authorities will seek to impose their values on the secular population. This is mirrored in the best-selling volume *The Donkey of the Messiah*, by Seffi Rachlevsky, which presents a picture of traditional Judaism as congruent with the beliefs of extreme right-wing religious groups, those who idealize Baruch Goldstein and regard the Palestinians as the wicked Amalek of the Bible. Rachlevsky claims that the beliefs of Rabbi Avraham Yitzhak Kook, the Zohar, and Maimonides are ethnocentric, and that their views ultimately advocate genocide of non-Jews. Although liberal writers like Rabbi Micha Odenheimer have shown the outright falsehoods, half-truths, and exaggerations in Rachlevsky’s book, this avenue of thought feeds into the pre-existing Kulturkampf and thus has a ready audience.

A number of recent novels also portray religious life in a negative way, playing upon sensationalistic sexual aspects of the ultra-Orthodox world. At the same time, there is much ambivalence in relation to Judaism. Israelis are still waging the Zionist rebellion of their forebears against religion and the religious establishment — yet Jewish sources are their cultural lifeblood. Many writers and dramatists have taken to studying Jewish texts. Alma, a secular college of Hebrew
culture, is thriving. David Grossman has explained that his personal study of Jewish texts helps him excavate the layers of the Hebrew language in all its subtlety and nuance. Dramatists like Rina Yerushalmi have taken up the challenge of translating the Bible into the terms of contemporary culture in "Va-yomer, Va-yelekh" (And He Said, and He Went) and "Vayishtahu, Va-yera" (And They Bowed, and He Appeared), dance dramas.

In contrast to the religious-secular conflict, the Sephardic–Ashkenazic divide is more permeable, and there are more points of contact and cultural crossover. In fact, a new East-West synthesis can be perceived in Israeli music and cultural awareness. An important strand running through the 50th anniversary festivities was the affirmation of Israel as a Middle Eastern country. An example of this was the Israel Museum exhibit "To the East: Orientalism in the Arts in Israel" (see below).

One sign of the increased appreciation for Middle Eastern culture has been the flourishing of Eastern pop music. There had always been Eastern singers in Israel, particularly Yemenites, but their music was not characterized by an authentic Eastern trill or instrumentation. The first generation of Jews from Eastern countries kept their music confined to their own circles, coming together in their homes to sing Arab melodies and to chant prayers. Gradually, young people began integrating their parents' music into their own rock compositions, fusing it with popular songs about the Land of Israel, but playing it with unique combinations of mandolins and electric guitars. Many groups now combine Western and Eastern modes and instrumentation. Classical Sephardic music, as performed by the Andalusian Orchestra, has also gained prominence. Popular bands like Tippex performed with the Andalusian ensemble, combining Western and Eastern instrumentation. And in the spirit of postmodern esthetics, the line separating the spheres of high and low culture has become thinner. This was particularly evident during the summer of 1998 when the Israel Museum reached out to a larger public, presenting concerts of Eastern pop music in conjunction with its exhibit on Orientalism in Israeli art.

Paradoxically, the new emphasis on Middle Eastern culture brought two opposing ideological streams into closer contact. The Ashkenazic left-wing stream, which advocates greater involvement with the Arabs politically and culturally, was enjoying a measure of fusion with the generally right-wing Middle Eastern Jewish stream, particularly in the area of pop music. The latter makes use of traditional Jewish liturgy, rendering Israeli pop music more Jewishly oriented, albeit in a Sephardic mode.

During the last two years, books about Israeli culture have begun to challenge the postmodernist, post-Zionist assumptions of much of Israeli culture. In Ha-mered Ha-shafuf (A Dispirited Rebellion), Gadi Taub, a young Tel Aviv short-story writer, analyzes his generation's reaction to the Zionist establishment and the attempt of the secular, Ashkenazi elite to find a voice for itself. Weary of the self-seriousness of the media and the literature spouting Zionist clichés, his gen-
eration developed the sarcastic, smart-alecky tone that now characterizes much of the media, the purpose being to expose the bombast of the old order. But Taub is disappointed that he and his cohorts have been unable to replace the old with a new, more authentic ethos, so that in fact an “ideology of despair” has ensued, whereby young people find it difficult to integrate the personal and the public. He puts much of the blame on his peers, who prefer to cloak themselves in a self-righteous “political correctness,” rather than fighting to change the political situation.

Other works questioning contemporary norms include novelist A.B. Yehoshua’s nonfiction book Kochah Hanora shel Ashmah Ketanah (The Terrible Power of a Minor Guilt), an analysis of literature that opposes the postmodernist trend to nihilism, calling instead for the return of morality to Hebrew letters. In Ha-yisra’elim Ha-aharonim (The Last Israelis,) David Ohana, a secular, left-wing historian, refutes the fashionable post-Zionist stance and takes issue with those who would adopt a geographical, rather than historical, approach to being Israeli by identifying with the Palestinians over fellow Jews. Ohana, a Sephardic Jew, affirms the Jewishness of Israel and advocates an Israel rooted in Jewish history and the Jewish heritage, believing that Zionism can still offer a unifying ideal that excludes extremism on both sides.

**Literature**

**Veteran Writers**

A particularly fascinating expression of the Sephardi-Ashkenazi colloquy is A.B. Yehoshua’s latest novel, Nesiyah Lesof Ha-mileniyum (Voyage to the End of the Millennium). Yehoshua, one of Israel’s most important writers, was born in Jerusalem into a Sephardic family that traces its origins in the country back many generations, but only in the last 15 years did the 62-year-old author begin writing about his Sephardic roots. With an uncanny sense of the large issues as they impinge upon literature, in this historical novel Yehoshua brings his readers back to the beginnings of the schism between Sephardim and Ashkenazim and the crucial points of difference between these two Jewish populations, as influenced by the respective cultures in which they reside. Ben-Atar, a wealthy merchant from Tangiers, makes his way to Paris, with his two wives and a boat full of merchandise from North Africa, to urge his beloved nephew Abulafia to resume acting as his business representative in Europe. Abulafia’s Ashkenazi wife, appalled and threatened by the fact that her husband’s uncle has two wives, had urged Abulafia to break off commercial and personal relationships with the uncle. Ben-Atar in turn hopes to demonstrate the propriety of bigamy to Abulafia’s stern Ashkenazi spouse, so that she will allow her husband contact with his Tangiers family. Yehoshua contrasts the sensuous sensibility of the Sephardic Jews, who hail from a more materially developed Arab civilization, with the
harsh, ascetic Ashkenazic Jews in 10th-century Christian Europe. Ben-Atar's pilgrimage is ultimately intended to secure the partnership between the Jews of the north and the south, to fulfill "the latent desire of the whole tribe" for oneness. At the symbolic level is the suggestion that, as the contemporary State of Israel moves into its second millennium, it must overcome the schisms that developed in the Diaspora a thousand years ago.

The 82-year-old S. Yizhar, author of the magisterial 1950s novel *Days of Ziglag*, jolted literary Israel when, after a 30-year silence, he resumed writing fiction in the early 1990s. He recently published *Lovely Malcolmia*, his fifth autobiographical lyric novel since his phoenix-like rebirth. Yizhar resurrects the early love of a shy, dreamy youth as it fuses with the erotic sense of the new, untamed Land of Israel.

Amos Oz's latest novel, published to critical acclaim, is *Oto Ha-Yam* (That Sea), a moving depiction of a Bulgarian widower, Alber Danon, a tax adviser from the seaside town of Bat Yam, his son, Riko Dor, who is traveling in Tibet, and Riko's girlfriend, Dita, to whom Alber is attracted. Also present is the ghost of Alber's wife, Nadia, who hovers over the protagonists. The story has none of the national symbolism that is a hallmark of Oz's previous fiction. It has no other reason for being, according to the narrator, reminiscent of Oz himself, than the fact that there is a reality out there calling for expression: the sympathetic Alber, who loves olives and salty cheese, and his family, with all its hopes and disappointments. In actuality, the novel comments on much of what is happening in Israel today. In contrast to the hippy idealism of the disaffected youth in Oz's earlier *Black Box*, who recreates a commune on his grandfather's land, Riko, the youth in this novel, sinks into apathy in Sri Lanka.

David Grossman, a generation younger than Oz and Yehoshua and at 43 already an established writer, is at his truest writer-self portraying the anxiety-laden inner world of adolescence. He sees the overwrought interpretation of reality, which often characterizes adolescence, as the vocation of writers. In his latest novel, *She'tihyi Li Sakin* (Words into Flesh), the protagonist, Ya'ir Einhorn, is an adult, married with a child, but he carries around within himself an adolescent anxiety about his sexuality as well as a yearning for a more honest, intense spiritual experience. This leads him to propose a correspondence with a woman named Miriam, whom he never actually meets but sees across the room at a high-school reunion. He feels somehow that she is a soul mate to whom he can bare his heart. This echoes Franz Kafka's correspondence with Milena Jesenka. Milena's passion and honesty are present in Grossman's depiction of Miriam, an adventurous woman with a deep curiosity about life, who takes him up on his suggestion that they correspond. Like Kafka's K., Yair feels himself to be repulsive and unlovable. At one point in his letter, Ya'ir, referring to Kafka's story "Metamorphosis," implores Miriam to help him evolve from a cockroach into a man. But as he sinks more and more into what he calls his "masturbation of words," there is emotional regression, and it seems less and less likely that Miriam can help him.
FOREIGN-WORKERS THEME

A recent social development in Israel is the prominence of foreign workers. Just as Israeli literature had raised an awareness of the plight of the country's Arab population, it was now beginning to focus on the issue of foreign workers. Reflecting this fact, Israeli writers Shulamit Lapid and Yehoshua Kenaz wrote novels in which the presence of foreign workers is not peripheral to the plot but actually structures the work. In *Chez Babou*, Lapid leaves behind the idiosyncratic protagonist of her detective novels, Lizi Badichi, a Beersheba journalist seeking social justice, and creates instead the silent, isolated Babou, an Israeli war veteran severely burned and accidentally shot by his own comrades during the intifada. After years of rehabilitation, he goes to live in a shack on the beach, where he runs a bar for foreign workers, determined to remain uninvolved in life. He believes that in a romantic relationship, one either hurts or is hurt. But when a Brazilian Indian woman is found near his home slashed by her pimp husband, he is drawn into the life of the foreigners' society from which he had remained aloof. There is a primal quality to Lapid’s descriptions of the workers who, in this strange land, are seen simply as beasts of burden, lacking the cultural accoutrements of the countries from which they came. Babou becomes particularly attached to the Indian woman’s baby, and this enhances his reentry into society.

Yehoshua Kenaz’s latest novel, *Mahzir Ahavot Kodmot* (Restoring Former Loves), revolves around various residents in a Tel Aviv neighborhood, with parallel plots intertwining and climaxing in a tragic end. A beautiful woman regularly meets her married lover in an apartment he has rented for these assignations. Outside the sexual connection, there is no other communication or relationship between them. An emotionally stunted bachelor resides next door and has sexual fantasies about the woman. A forgotten old man lives nearby with a young Filipino woman caretaker, who is the center of his existence and the source of his continuing curiosity about life. With a psychological precision that points up all the grotesqueness, the mediocrity, and mean-spiritedness of which human beings are capable, but also their yearning for beauty and life, Kenaz builds to the murder of the innocent Filipino by the bachelor, driven mad by his fantasies and frustrations. The conclusion would indicate that the stranger and the underdog are often the inadvertent victims of our pathologies.

YOUNG WOMEN WRITERS

Literary energy continued to emanate from Tel Aviv-area writers in their 30s and 40s, particularly women. Their number includes Yael Hadaya, whimsically portraying the desire for relationship; Shoham Smith, echoing Orly Castel-Bloom’s absurd language-play to depict the sisterhood of women; Eleanora Lev, delving into the imaginative perceptions of a woman as she walks across Tel Aviv to the hospital to deliver her child as a single mother; and Alona Kimche, whose
protagonists' pathological involvement with parents leads them into mental illness but also deep human insight.

**SECOND-GENERATION WRITERS**

In spite of the “me” emphasis of this literary generation, collective memories infiltrate its fiction. Many of these works are fed by dark Holocaust strains. They tell of “second generation” children of survivors, whose parents live in constant fear of catastrophe. An outstanding example of this are the stories of Esty G. Hayim in the collection *Rakdanit Shehorah Be-lahakat Yahid* (Black Dancer in a Solo Troupe). In the title story, the hypochondriac protagonist, hounded by her parents’ constant fear of catastrophe, goes off to Amsterdam, where, for the first time in her life, she lets herself go, teams up with a handsome Swede, and forgets about her mother, who calls all over Amsterdam to find her. In the novella “She Loves You, Yeah, Yeah, Yeah,” the effects of displacement are evident. Because of the Holocaust, couples have been thrown together who would never have married each other. Mrs. Stein is infantilized, unable to overcome the loss of nurturing parents, while Devorah, the little girl across the court, watches as her catatonic mother lives a “life-in-death” existence brought alive by random affairs with Arab workers.

Savyon Liebrecht, a second-generation child of survivors, has written about survivor parents and grandparents. Following four collections of short stories, she published her first novel, *Ish Ve-isha Ve-ish* (A Man and a Woman and a Man), which integrates the “second generation” theme into the larger narrative. A married woman has a brief affair with a man whom she meets in the hospital, where she is tending her mother who suffers from Alzheimer’s disease. The mother is a survivor who has never been able to express love for the daughter, and the daughter struggles between the memories of a loveless childhood and the pressures of family and career. The love affair offers respite from the realities of her life.

**FICTION ABOUT THE RELIGIOUS COMMUNITY**

Israelis have long enjoyed reading voyeuristic fiction that offers a peek into the life of the ultra-Orthodox community, especially their sexual practices. The late novelist Yehoshua Bar Yosef, who grew up in the Meah Shearim section of Jerusalem in the 1930s, depicted a community wracked by a seething sexuality. Recently, former religiously observant writers Dov Elbaum and Yohi Brandes published novels describing their traumatic encounters with the ultra-Orthodox life-style. Elbaum’s vision of the yeshivah, in his novel *Zeman Elul* (The Month of Elul), is filtered through the eyes of an overwrought adolescent obsessed with his emergent sexuality. During the month of Elul, which immediately precedes the High Holy Day season and is the traditional period of penitence and spiritual preparation, the boy goes to extreme measures to purify himself so he can
become a pure channel to God. But Elbaum is not only depicting a neurotic adolescent. He has set himself firmly in the naturalistic tradition of the early Haskalah (Enlightenment) prose writers, placing his specimens under a strong magnifying glass to create a picture of a grotesque, repressive ultra-Orthodoxy.

Yohi Brandes's novel Gemar Tov (A Good End) exposes the community's weaknesses through the prism of shiduhim, the practice of arranged marriages. Sara insists on marrying her cousin Binyamin over the objections of her family, but Binyamin is unable to consummate the marriage. The couple divorce, and Sara moves on to a more conventional marriage. Brandes has heavily weighted the book against the ultra-Orthodox rather than allowing the characters the fictional prerogative to develop freely. She continues her involvement with the Orthodox community in the best-selling novel Hagar, where a yeshivah student falls in love with a woman from a kibbutz.

Mira Magen's first novel, Al Takeh Ba'kir (Don't Knock Against the Wall), depicts an observant young woman, Iska, from a religious Zionist moshav, who is also rebellious, trying to walk in the footsteps of the ostensibly free-spirited Alma, who married Elisha, Iska's neighbor, and died in childbirth. The religious life-style provides the background of the story. But there is little of the judgmental aspect regarding religious life that characterizes the other novels discussed here. Rather, the moshav is suffused with a certain wisdom and stability, embodied in particular in the character of Elisha.

Chana Bat Shahar is a novelist writing under a pseudonym and known to come from a rabbinic family. Her recent collection of stories, Sham Sirot Ha'dayig (Look, the Fishing Boats), depicts intense, high-strung women yearning to break out of the closed-minded, middle-class religious homes in which they live. But there is nothing sensationalist about Bat Shahar. Her dense literary style echoes the claustrophobic world in which her narrators feel imprisoned. In the title story, Sara longs to go on the fishing boats into the open sea, far from the hotel where the family is spending the weekend. She gets carried away by her younger daughter's romantic fantasies. Many of Bat Shahar's heroines are dreamy to the point of being hallucinatory. Their sense of sexual deadness and their fantasies about the freedom to be found outside their own lives often verge on madness.

POSTMODERNIST FICTION

Postmodernism, signaling the breakdown of the divide between high and low culture and the end of ideologies, continued to be best represented in Israeli literature by Orly Castel-Bloom. Her deceptively playful voice, zany plots, and absurdist prose are often used in the service of profound social satire. Castel-Bloom's most recent novel, Taking the Trend, depicts the fashionable trends that the narrator and her friends follow blindly—the ultimate absurdity being their concern for petroleum-eating pigmy giraffes. The novel suggests that to-
morrow will bring yet another trend and that all are ultimately meaningless and frivolous.

Etgar Keret is another important postmodernist voice. His works veer between high and low culture. Nothing better reflects this than his comic books, of which his most recent is *Simta'ot Haza'am* (Streets of Rage), illustrated by Assaf Hanuka. Keret’s latest collection of stories, *Hakaitana shel Kneller* (Kneller’s Day Camp), depicts a gang of rudderless boys who take turns smoking pot, going crazy, and even committing suicide. It is written in a Tel Aviv-ish slang that is both funny and deeply poetic. In the long title story, Keret takes the reader to the other side, the hell of suicides, which turns out to be not that much different from life itself. Here the story’s protagonist seeks another chance with his girlfriend, but the Messiah spoils it.

**S.Y. Agnon and Hayyim Hazaz**

During this period, Israel commemorated the 100th birthdays of two great Hebrew writers, S.Y. Agnon and Hayyim Hazaz, whose influence still echo in contemporary Israeli literature.

S.Y. Agnon, Israel’s only Nobel Prize winner in literature, wrote ironic, existentialist tales about the disintegration of the shtetl, on one hand, and the new pioneering Jew, on the other. Combining the style of classical midrash, a charming storytelling manner, and a modernist’s skeptical eye, he succeeded in bridging the old and new worlds, Europe and Israel. The first biography of Agnon was published this year by Prof. Don Leor of Tel Aviv University—a monumental work, weaving together the man and his fiction with subtlety and tact.

Hayyim Hazaz, born in the Ukraine, captured in his fiction the revolutionary spirit that inspired Jews in the 20th century—associated with both the Russian and Zionist revolutions. He is particularly relevant to the present, having already, half a century ago, raised many of the same questions being debated in this post-ideological period. A writer of great range, he was fascinated by the Yemenite and Sephardic life-force. To Hazaz these Eastern Jews embodied a different version of Zionism, the traditional yearning for Eretz Yisrael, and his works portray their adjustment to the Europeanized, Westernized Israeli reality.

**Poetry**

Poetry no longer holds the central position it once did in Israeli culture. There were some attempts to bring it to larger audiences by combining it with music and art, such as the work of poet Roni Somekh, who collaborates with musicians to combine music with poetry. Many beautiful albums of poetry, coffee-table books, were recently published. *Meirov Ahavah* (From Too Much Love), for example, comprising 75 love poems of Dalia Rabikovitch, is illustrated by a num-
ber of Israel's finest artists. In commemoration of the 50th anniversary, Israel witnessed the publication of albums of poetry by poets particularly identified with the period of Israel's nation building. Natan Alterman (1910-1970), best known for his political-satirical poems expressing the feelings of the Zionist collective, was also an imagist poet striving to return to some primal Eden and an idealized Eve. An album of his love poems recently appeared, illustrated by Avner Katz.

VETERAN POETS

In recent years there has been a reevaluation of Haim Guri, the 1948-generation writer who was originally regarded as the heir to Natan Alterman, who served as a kind of poet laureate, reacting sharply and satirically to contemporary social and political events. "Today we realize," wrote critic Haya Hoffman, "that Guri has a complex voice that deals with the personal as well as the public." The appearance of The Collected Poems of Haim Guri, on the occasion of Israel Independence Day, allows a reconsideration of his total body of work. It reveals a personal voice in tension with the public one, depicting the struggle over the Land of Israel and the attempt to find a balance between the public and subjective worlds.

Yehuda Amichai, Israel's most renowned poet, published a new collection, *Patah, Segor, Patah* (Open, Close, Open). Here, as in all his work, he perceives the mythic (particularly Jewish and Israeli myths) with ironic humor; at the same time, the irony serves to highlight the power of the mythic and sacred. In his latest poems, characterized by profound whimsy and word-play, Amichai announces his affinity for the world of women relegated to the other side of the mehitzah, the partition separating men and women in the synagogue. In reality, the poet declares, it is he who is imprisoned by his "maleness" on the men's side of the divide, unable to partake of the women's love and generosity. In another poem Amichaiセンsuously describes women as they ritually prepare his body for burial. As critic Michael Glausman noted, "Amichai is a poet with a marvelous inventive ability, linguistic play, large voice. But most surprising is how young the [new] book is."

Another volume by a veteran poet published this year was Arye Sivan's *Dayar Lo Mugan* (An Unprotected Tenant), which points up human vulnerability and loneliness. Yet Sivan is not altogether given to despair and remains amazed at the ability of the word to create worlds. Amir Oren is a poet of the younger generation who works hard to promote Israeli poetry. In his recent volume *Shir* (Poem), he writes about the art of poetry, attempting to show the construction of the poem and how magical a process it is. Ilan Shenfeld, known for his sensitive homosexual poetry, published *Karet* (Cut Off), whose title refers to the prohibition against homosexuality in the Bible, with its warning that the offender will be cut off from God and the community. Shenfeld's poignant poems, exposing his vulnerability but also calling out for love and intimacy in a harsh world, echo John Donne's 18th-century religious poetry.
WOMEN POETS AND RELIGIOUS POETS

Two newly published books of women's poetry grapple with the memories of childhood. Maya Bejarano's latest collection, *Anaseh La'gaat B'tabor Bitni* (I'll Try to Touch My Belly-Button), contrasts with some of her earlier work, in which she attempted to expand poetic discourse to scientific and technological subjects, and to flora and fauna, with the poet fusing with the objects. In the new volume, the subjects are her family, parents and grandparents, and children, and the language becomes more accessible, less specialized. Agi Mishael's recent work also returns to her childhood. In her case, it is as a child of struggling Holocaust survivors in the town of Gedera, where she yearned to be a sabra-type Israeli. Mishael, influenced by the late Yona Wallach, is a powerful poet who uses original, often sexually bold language, taking on both male and female personae.

Although poetry, as such, had become relatively quiescent of late, there was much poetic activity in the religious community. An anthology of poetry by religious writers, *Shirah Hadashah* (A New Song), edited by Admiel Kosman and Meron Isakson, was published; a group of Religious Zionist yeshivah students created a poetry magazine called *Mashiv Haruach* (Who Makes the Wind Blow); and some of the yeshivas developed poetry workshops. Among the most prominent of the religious poets is Admiel Kosman, whose volume *Higanu L'Elokim* (We Have Reached God) appeared recently. Kosman is a religious poet who expresses himself with power and energy and does not shy away from sexual matters and bodily functions. Critic Haya Hoffman feels that Kosman celebrates the holiness of sexual relationship and approaches women with a sense of religious awe, while critic Jeffrey Green sees him in a continuum with the freedom found in rabbinic literature. Other critics, however, regard some poems in his new book as inauthentic and playing to his audience.

Meron Izakson's new collection of poetry, *Raashim U'klai Bayit* (Noises and Housewares), reveals the mystery in the everyday, subtly interweaving Jewish sources with a sharp eye for human detail. Hava Pinchas-Cohen, the editor of the magazine *Dimui* (Image), also came out with a new book of poems, *Nahar Ve-Shikhekhah* (River and Forgetfulness). The eroticism and sensuousness of her poems emerge from a sense of attachment to nature in the Land of Israel. Her voice is direct—the voice of the Israeli sabra—at the same time, it is rich in metaphor and symbol.

Theater

According to a survey by Dr. Shosh Weitz, published in *Yedioth Aharonot*, the proportion of theatergoers attending at least one play annually grew in the last decade from 33 percent in 1990 to 48 percent in 1999. Israel was in fact one of the leading countries in theater attendance. During 1998, Israeli theater manifested greater sophistication, less of the simplistic "journalistic" drama that char-
acterized it in former years. At the same time, there was little evidence of new blood. No young group of directors had arisen in rebellion against the establishment, creating new modes of theater, since the founding of the Russian immigrant theater Gesher at the beginning of the decade. The old modes continued, albeit in a more interesting, professional manner. Various reasons have been suggested for the failure of new dramatists to emerge. It is assumed, for example, that increased theater attendance comes from audiences seeking lighter, more popular fare, who are less interested in experimentation. Theater producers, therefore, are afraid to take risks and choose to recycle old-time favorites like Yitzhak Navon’s *Bustan Sefardi* (A Sephardic Garden), which has had record attendance. Once a young director fails, he or she is given few chances to continue experimentation. Tom Levi, head of Tel Aviv University’s theater department, also claimed that a small clique rules Israeli theater and that if a young, innovative dramatist lacks the right connections, it is difficult to breach the barrier.

**Recent Works**

*Gevulot* (Borders), written and directed by Shmulik Levi, is a work that attempts to bring home to the Israeli public the troubling situation in Lebanon. It depicts four young soldiers caught in a bunker, focusing on their hopes and despair (already they are preparing their funeral speeches). *The Actor*, written and directed by Hillel Mittelpunkt, is about a Yiddish theater group headed by an actor, Natan Mershlak, which has been banned by the rabbinate in a small prewar town in Poland and must travel from place to place to perform. Confronted by overwhelming difficulties, only Mershlak remains to carry the banner of secular theater. Mittelpunkt’s analogy to the restrictive Israeli rabbinate of the present day is clear.

Women have achieved an important position in recent drama. The play *Alma*, written and directed by Yehoshua Sobol, depicts Alma Mahler, one of the most charismatic women of the late 19th and early 20th centuries. A female Don Juan, she cast her spell on the great artists of her time—composer Gustav Mahler, architect Walter Gropius, painter Oskar Kokoschka, and finally Jewish writer Franz Werfel, whom she saved from Hitler and with whom she lived out her life as a refugee in the United States.

Women have also taken center stage as the most interesting dramatists in Israel. Edna Mazya, already known for her *Vienna al Ha-Yam* (Vienna on the Sea), *Sippur Mishpahti* (Family Story), and *Mishakim Be-Hatzer Ha-ahori* (Games in the Backyard), a play about teen rape in Kibbutz Shomrat, recently wrote *Hamordim* (The Rebels). The plot revolves around a daughter’s rebellion against her right-wing parents, particularly the daughter’s misunderstanding of her mother, a member of the terrorist Stern Gang in prestate Israel, who married the girl’s South African-born father to escape arrest by the British. Although it lacks deep characterization, the dialogue is sharp and funny and the action utilizes mul-
timedia effects to create a visual context that is often absent in Israeli theater. Director Omri Nitzan has obviously been influenced by world trends, but it would seem that, closer to home, the staging can be traced to the influence of Gesher Theater's Yevgeny Arye's full-blown, spectacular theater vision.

A new play that is not only written and directed by women but also celebrates the complex relationships developed by women with each other is *Ha-haverot Ha-hi Tovot* (Best Friends), written by Anat Gov and directed by Edna Mazya. It traces 30 years of close friendship between three women, their need for each other, their love and jealousy and unfulfilled expectations. It all comes to an end as the three grow apart and go their separate ways.

Another play about relationships is *Ha-Kontzert* (The Concert), written by Goren Agmon, which presents the complex conflicts revealed in a family when the mother, who is a musician, is given the opportunity to conduct the Philharmonic Orchestra.

**Religious Themes**

Women were also active in writing and directing plays with religious themes. Yosefa Even-Shoshan created *Virgin from Ludmir*, directed by Ophira Hanig, a drama based on a semihistorical figure, a Hassidic woman whose father taught her Talmud and who became a recognized scholar. As women stream to her for advice, she decides to give up the man she loves and to devote herself to rabbinic scholarship. Later, when she realizes what a detrimental influence she is having on other women—who are abandoning their families to follow her—she attempts to marry and live a conventional life. She fails in her efforts, yet she cannot continue to fight her society.

One of the most extraordinary projects on the contemporary Israeli stage is the Bible-based dance-drama "Va-Yomer, Va-Yelekh" (And He Said, and He Went), adapted and directed by Rina Yerushalmi. This work is an interpretation of biblical texts through declamation and body movement. In the first part, "Vayomer," based primarily on the Book of Genesis, the emergence of humans in relation to God and the world is depicted. The second part portrays the national experience, men and women developing into a tribe, with God pledging to bring the Jewish people to the Promised Land. Some of the interpretations of the Bible are highly iconoclastic in traditional terms. God is often portrayed as a harsh, primal force, a tyrannical persona. But the play is also deeply spiritual, ranging over the experience of the Creation, the Psalms, the sense of people filling the earth, all of which brings the Bible to life.

"Va-Yishtahu, Va-Yera" (And They Bowed, and He Appeared), the second work in Yerushalmi's Bible project, relates to the issue of kingship and prophecy. The Books of Samuel and Kings are central to the dance-drama, which captures the feel of metallic armed battles as Hebrews fight the Philistines. There is the comic relief of David as a buffoonish youth fighting the giant woman warrior Go-
liath, and the poignancy of Saul's madness and whimpering downfall, as he re-
alizes that God is no longer with him.

The entire project points to a search for spirituality in what might be perceived as the secular theater community.

GESHER

During the last year and a half, the Gesher Theater, under the directorship of Yevgeny Arye, created and directed an eloquent version of Chekhov's Three Sis-
ters; a rather grotesque play titled Eating, by the late Ya'akov Shabtai, which par-
odies contemporary vulgarity and materialism; and Ir (City), a jewel in Gesher's crown. Ir can be perceived as a companion piece to a previous production, Kfar (Village). While Kfar is an Our Town depiction of the pioneering roots of Israeli society, Ir, an adaptation of the Odessa stories of Isaac Babel, a Russian Jewish writer murdered by Stalin in the 1930s, reveals the artistic roots of the Russian-Jewish Gesher Theater. Through Babel, Arye conjures up an ironic, urban Jewish vision. In his Odessa, there are Jewish Mafia types, but the head of the gang of thieves is also a loving father who seeks a Jewish match for his daughter. There is the intellectual child studying the violin and his whimsical grandfather, but there are also pogroms to which the grandfather falls victim.

HANOCHE Levin

Hanoch Levin is one of Israel's most prolific and original playwrights. He began his career writing cabaret-type satires in the 1960s and early 1970s. There were many satire groups at the time, but they were generally good-humored in nature. Levin's art emerged from a dark, deep rage, and he attempted to shock middle-class Israel out of its complacency after the Six Day War. Vestiges of his cabaret satire, with its obsessive vulgarity and shock appeal, can still be found throughout the almost 30 works he has written, many of which he has directed. The theme of suppressor and suppressed dominates. In a recent work, Retzach (Murder), an Arab child is killed, and then a couple is murdered after their wed-
ding, possibly by the Arab child's father. One murder leads to another, bringing in its wake the murder of an Arab worker by prostitutes—all this in an era that was supposed to be a harbinger of peace.

But Levin's pessimism about the possibilities of peace is only a small part of his misanthropic world. He has created an Israeli Theater of the Absurd where, according to Hebrew University literary historian Gershon Shaked, the attempt to get close to another human being is useless. Human relationships are at their core veritable hells on earth and accentuate how alone human beings really are. People talk in monologues; there is no communication. But the alternative—bare, stark aloneness—is equally terrible. In a style characterized by expletives, by obsession with anal and oral activities, Levin shows that human activities—sex, eat-
ing, bowel movements, as well as suffering and hope, victimizing and victimhood—are simply strategies for coping with a meaningless life. In a book that was just published about Hanoch Levin, critic Haim Nagid suggests that Levin seeks the absolute, and unwilling to accept human frailty, finds little consolation in life.

However, there are also works by Levin that expose the cruelty of the human condition with tenderness and depth. This was evident in a recent revival of *M’lekhet Ha’hayim* (The Labor of Living), originally done ten years ago. In the play, Yona Pupik, an abstractly delineated Everyman, wakes up one night in a panic, wondering how his life has slipped through his fingers. Not long ago he was a small boy experiencing the sweetness of his father’s company. According to poet-critic Yitzhak La’or, the sweet moments of childhood remembered in Levin’s plays and poems constitute the true inner life that has been lost and that the hero, in vain, attempts to regain. Yona Pupik blames his wife, whom he has come to revile, for the loss of his inner self and resolves to leave her. The audience is witness to her pleading, her own disappointments, her tenderness, and, at the same time, her rage. The lonely, unmarried friend who intrudes upon them points up the abyss of loneliness that is Pupik’s alternative. Pupik’s death leaves nothing in the end but the writer who will write about these people.

**Visual Arts**

**50TH ANNIVERSARY EXHIBITS**

The Israel Museum celebrated Israel’s 50th anniversary with an extensive exhibit, “To the East: Orientalism in the Arts in Israel.” It presented the works of Israeli artists, worthy in their own right, who have sought to assimilate a Middle East ambience—the culture, climate, topography of the land they so embraced—into their art. To some viewers, however, the exhibit seemed to have a political subtext that negated the very achievements being celebrated. Did the very term “Orientalism” imply, it was asked, that Zionism was colonialist, and that the artists had a patronizing view of Arab culture? In actuality, painters of the 1920s like Nahum Guttmann, Pinhas Litvinowsky, and Reuven Rubin viewed the Middle East as being closer to nature than the Europe they left behind, as a more sensuous and languorous environment, and they idealized the native Arabs who inhabited these landscapes drenched in strong sun and light. After the Arab riots of 1929, the Arabs were often seen through the prism of the Arab-Israeli conflict, but they were never demonized. Israeli artists, instead, turned to painting Sephardic Jews, or expressing their relation to the landscape by evoking a vision of the ancient Near East, a culture rooted in the larger Mediterranean tradition. Itzhak Danziger’s primitive Canaanite statue, a feature of the exhibition, represents this trend.

The last decades have produced political artworks that show clear sympathy
with the Arab side of the conflict. One example in the exhibit was Larry Abramson’s “Tsooba,” which echoes an abstract landscape of the same name by Joseph Zaritsky, the father of Israeli modernist painting. In the 1920s, Zaritsky turned his back on Zionist ideology in art, introducing apolitical abstract art influenced by what was then happening in Paris. Forty years later, Abramson took Joseph Zaritsky’s abstract landscape to task. Viewing the scene from the same spot where Zaritsky stood to execute his abstract painting, Abramson shows the remains of the Arab village of Tsooba. He implies that Zaritsky and, concomitantly, all who followed him, were guilty of ignoring the Arab plight, consenting by their silence to the banishment of the Arabs from their villages. The Israel Museum’s 50th anniversary exhibit, in sum, could be considered as having made a strong political statement.

Also commemorating Israel’s 50th anniversary was the Tel Aviv Museum’s exhibition “A Selection from the Joseph Hackmey Collection,” the largest private collection in Israel, on permanent display at the Israel Phoenix Company. The collection ranges from the products of the Bezalel School of Arts and Crafts, founded in 1906, to contemporary works. It includes Reuven Rubin’s 1920s works, works by the abstract New Horizons group, and Yigal Tumarkin’s sculpture, represented by his primitive “Canaanite” work, “Portrait of the Artist as a Young Warrior 1966.” Among the more contemporary artists included in the collection are Menashe Kadishman, Moshe Kupferman, Michael Gross, Raffi Lavie Pinchas, and Cohen Gan. Altogether, the exhibit offered a comprehensive overview of contemporary Israeli art.

Politically Oriented Art

The Tel Aviv Museum and Tel Aviv University Gallery also featured a joint exhibit, “Perspectives on Israeli Art in the 1970s.” The decade of the 1970s was a creative period for Israeli art, influenced by the conceptual art then sweeping the world. Conceptual art broke away from traditional painting and sculpture, using different types of materials, often everyday objects, to express political views. In the United States the political agendas were primarily feminism and ecology. The Israeli art of the 1970s also produced feminist art, such as Yocheved Weinfeld’s “Menstruation” (1976), and ecological works like Avital Geva’s “Activity” (1973). For the present exhibit, the museum reconstructed Geva’s large pool with fish, an echo of the original work, with smelly dead fish floating on the surface. But during the 1970s, as in the 1990s, the primary political focus of Israel’s art was on the occupied territories.

The section “Visual Art in a Country Without Boundaries” indicated that while in the 1970s artists throughout the world were breaking down barriers between ethnic groups, as well as between male and female, Israel’s elimination of boundaries in the Six Day War actually involved the physical expansion of its borders—a highly problematic situation that led to the abuse of the Palestinians. A
series of paintings by Michael Sgan-Cohen traces the borders of the country, giving a sense of the land breaking out beyond its limits. Another installation was Gabi Klezmer and Sharon Keren's "Foreign Labor," based on their "Arab Labor," a 1975 piece that showed a wall built by Arabs, work that more recently was being done by foreign workers. In the same spirit was "Hebrew Labor," an installation consisting of a dirty mat, opened cans of food, and other objects that evoke an Arab worker's living conditions, while he builds homes for Jews. The ironic title underscores the disappearance of the Zionist ideal of creating a new breed of Jews who happily engage in productive physical labor.

The 1970s were being celebrated because a new wave of political art had surfaced. Sigalit Landau uses shipping containers to show how the homeless and the foreign workers live. She participated in the 1997 Venice Biennale, where she exhibited "Foreign Resident II," a container which the observer must enter and climb through, only to discover the paltry belongings of a foreign worker or an Arab brought from the territories to build Israeli houses. Installation art continued to express political attitudes, but much of the new figurative art was also directed to political subjects, such as David Reeb's works, which include coarse portrayals of Israeli soldiers abusing Arabs.

Dani Karavan

There were several exhibits in 1998 celebrating veteran sculptor Dani Karavan, one of Israel's most internationally acclaimed artists. The Tel Aviv Museum and the Museum of Israeli Art in Ramat Gan mounted exhibits devoted to Karavan's political and environmental works. The Tel Aviv Museum ambitiously transformed museum space into a landscape displaying Karavan's environmental sculpture "Passages—Homage to Walter Benjamin." The installation attempted to duplicate the effect of the original, which was created in 1994 at Port-Bou on the French-Spanish border, where the great critic Walter Benjamin, in flight from the Nazis, committed suicide in 1940. It features pathways leading to dead ends, fences, and borders, with nowhere to escape. The Ramat Gan Museum of Israeli Art exhibited Karavan's political works, including "Har Homah," consisting of an uprooted olive tree turned upside down, which suggests Israel's uprooting of the native Palestinians by overturning nature to create new settlements in the West Bank.

Figurative Art

During the last few years there have been signs of a return to figurative art in Israel, as in much of the rest of the world. Some of this art has also been channeled to political subjects. At the forefront of the figurative movement is Yisrael Hershberg, who seeks to refocus on the artistic object itself. Hershberg, who came to Israel from the United States in 1984, established an art school special-
izing in figurative art. His students learn to paint by studying the Old Masters. The Israel Museum exhibit of Hershberg's works revealed highly physical, tactile images, presented as "things in themselves," almost without context: sunflowers, pine cones, a cow's tongue, all executed with great attention to the contrast between shadow and light. And yet the very physicality of Hirshberg's works points to their disintegration. Sprats on a tray suggest a pile of corpses, a male nude with blemished skin and bulging veins suggests the rotting of the flesh.

Dance

Dance continued to flourish in Israel. Dance critic Ruth Eshel expressed the view that just as Israeli high tech had achieved international renown, so too was Israeli dance gaining a worldwide reputation. She claimed that a distinctive Israeli dance language could be discerned, and attributed this not only to the highly successful Batsheva and Kibbutz Contemporary Dance Companies, but to the many small groups of young dancers that have emerged. The constant flow of visiting dance groups to Israel, the sustained activity at the Suzanne Dellal Center, the young audiences that attend performances—all these have created an exciting dance milieu.

Some of the interesting young dancers include Ido Tadmor and Noa Adar; Barak Marshall, who represents an Eastern mode; Inbal Pinto, who creates Disney-like fantasies for adults; and Ben Gan whose "Dance of Nothing," about a tribe of nomads, is primal in mood.

The most recent work of Ohad Naharin, Batsheva's artistic director, is "Sabotage, Baby," which is, in many ways, a more contemplative piece than some of his previous efforts. The monklike cloaks and the solemn patterns formed by the dancers create an atmosphere of meditative spirituality. By way of counterpoint, the Orkater Ensemble from Holland is on stage with the dancers, playing what is called a "sound machine" made up of machine parts and electronic elements. The presence of this antiquated-looking apparatus, in conjunction with the dance movements, contributes to the sense of total theater, which is Naharin's aim.

The Kibbutz Contemporary Dance Company, under artistic director Rami Be'er, received much acclaim this year as it performed his work "Aide Memoire" throughout the United States and Europe in commemoration of Israel's 50th anniversary. "Aide Memoire," first performed in 1994, grapples with the images of the Holocaust deeply embedded in second- and third-generation children of survivors. Rami Be'er is such a child, while Yehudit Arnon, who established the Kibbutz Company and was its artistic director until 1996, is an Auschwitz survivor. On a pitch-black stage, white spotlights illuminate figures that emerge from between metal slabs that symbolize walls, doors, and trains. The dancers climb, cross over, hit against, and disappear behind these slabs. Threads of the Holocaust reality that echo in the Jewish psyche are suggested by the dancers marching across the stage and shouting. Anna Kisselgoff, the New York Times dance critic, found
that “Be’er favors a general modern-dance idiom that makes use of the entire body.” Another critic found the dancing “forthright and sturdy” and of “powerful simplicity.”

Be’er’s works make brilliant use of props and stage settings. In his revised choreography of “Naked City,” a work about urban alienation first performed in 1993, the set consists of two levels; on the upper level are figures locked in isolated cells, observing dancers on the lower-level street. The work ends spectacularly with red confetti pouring down on the black-clad dancers. The principal dancer, holding an umbrella, slowly lets his rich-colored cloak fall to reveal his naked body. In his newest work, “The Unanswered Question,” based on the music of Charles Ives, Be’er uses wood stumps of different heights on which the soloist dances and which become part of the choreography.

The Inbal Dance Company, which brought Yemenite ethnic dance to the fore in the 1950s, is no longer doing new work, but is now rather an ethnic archive, performing old dance versions of such favorites as a Yemenite wedding or the Song of Songs. However, a new Ethiopian ethnic dance company emerged, called the Eskesta Dance Troupe, which means “shaking of the shoulders,” a flirtatious gesture that characterizes Ethiopian dance. Ruth Eshel, an Israeli-born dancer-choreographer and critic, founded the group at Haifa University, where the dancers study. Through dance these young Ethiopian students are being reconnected to their community and its leaders, who teach them Sabbath and holiday prayers, which they translate into dance terms, opening and closing their palms, trembling with feeling. The dance “Maharu” is particularly significant, reenacting the long, difficult trek out of Ethiopia, a trauma etched in the collective memory of the Ethiopians.

Music

The 50th anniversary was the occasion for many musical events. There was the concert “50 Years of Eastern Music,” which included important Eastern pop singers and appearances by the classical Eastern Andalusian Orchestra. In line with the recent revitalization of ethnic music, the singer-actor Yehoram Ga’on had opened a school for Eastern music.

There were also many concerts of classical Western music. The Israel Philharmonic Orchestra commissioned B’reshit (Genesis) from composer Noam Sheriff for the festive concerts celebrating the anniversary. Based on the Book of Genesis, the work, which includes a children’s choir, consists of six parts that evoke the emotions aroused by the six days of Creation: awakening; darkness, expressed through a mystical fanfare; chaos, interpreted as a kind of scherzo; light; “and God saw that it was good;” and “The great sadness at the end of the Creation.” In recent years, Sheriff also created Akedah (The Binding of Isaac), based on Abraham’s sacrifice of Isaac. The composition is dedicated to the memory of the late prime minister Yitzhak Rabin, namesake of the biblical Isaac, who can also
be seen as a sacrifice of the peace process. Noam Sheriff’s *Gomel Le-Ish Hasid* (A Hasid’s Reward) for bass-clarinet and string orchestra is another of his recent works, one that artfully integrates *klezmer* themes.

The 1998 Israel Festival featured the world premiere of *Song of Songs*, composed by 24-year-old Gil Shohat. The work is sensual, and, in the postmodernist spirit, draws on composers such as Puccini, Bizet, Verdi, Ravel, and Stravinsky. Shohat could also boast recent premieres of a violin concertino, a children’s opera, and a symphonic poem, *The Dry Bones*.

Composer Michael Wolpe, a member of Kibbutz Sde Boker, who frequently fuses Eastern and Western elements in his works, recently composed a Concerto for Flute, Strings and Oriental Instruments. His *Memorial Songs* is based on his experience of the Lebanon War, and uses an oud (an Arab violin), a string quartet, and percussion instruments. “It is on the borderline between East and West,” he explains, “expressing the terrible pain the war caused to both Jew and Arab.” Another of his recent works, *Sounds of Light and Darkness*, is an oratorio based on the Dead Sea Scrolls.

Yinam Leef, known for his integration of ancient Middle Eastern elements with Western patterns of composition, was commissioned by the Jerusalem Symphony to compose a work in honor of the 50th anniversary. He created a Concerto for Viola for the violist Tabea Zimmermann. This work develops from a very slow movement, the viola against an almost static orchestra, to a symphonic scream, with great agitation that embraces Eastern and even jazz modes. Leef’s *Yizkor*, a haunting work for solo flute, created in memory of Yitzhak Rabin, was recently issued on CD.

A folklore trend has emerged among some of the composers coming from the former Soviet Union, like Josef Bardanashvili, who calls upon his Georgian tradition in his compositions. His recent works include *Elegy for String Orchestra*, based on Psalm 22, and *Farewell Song* for alto flute, harp, string quartet, and percussion. Increasingly, Israeli musical compositions have been based on the Psalms and other classic Jewish texts.

Rochelle Furstenberg