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**National  
Jewish  
Community  
Relations  
Advisory  
Council**

# **PLENARY SESSION**

January 23-26, 1977

Miami Beach

## **JOINT PROGRAM PLAN**

### **BACKGROUND**

ISRAEL AND THE MIDDLE EAST

by  
The Foreign Affairs Department  
of the  
American Jewish Committee

**National Jewish Community Relations Advisory Council**

55 West 42nd Street, New York, N.Y. 10036 • (212) 564-3450



## ISRAEL AND THE MIDDLE EAST

by

AMERICAN JEWISH COMMITTEE  
FOREIGN AFFAIRS DEPARTMENT  
165 East 56th Street  
New York, N. Y. 10022

In formulating our program projections for 1977, we should note that both the United States and the Middle East are entering an important transitional period. The emerging era contains many unknowns and thus presents both risks and new opportunities for the United States and Israel.

### United States: The New Carter Administration

The new Carter Administration enters office on the basis of frequently reiterated pre-election promises to maintain Israel's secure survival, to favor direct Arab-Israel negotiations, to oppose any imposed solution, to refrain from using aid to Israel in a "carrot and stick" manner, to resist Arab blackmail and to support legislation to end the Arab boycott. The Carter Administration has also pledged to give a high priority to achieving a just and lasting peace in the Middle East.

Since both Arabs and Israelis regard American support as crucial in achieving their objectives, all eyes are anxiously turned to Washington to see how the new President and his team of foreign policy advisors proceed to transform promises into policies and pledges into specific programs.

### Economic and Military Aid

A key indicator of the new Administration's support for Israel is in the maintenance of adequate levels of American economic and military aid. Outgoing President Ford's decision to reduce the foreign aid package to Israel will be raised with President-elect Carter soon after he comes to Washington with the hope that in his amended budget the aid figure for Israel will be increased to previous levels. But in view of the high priority given by the Carter Administration to reducing unemployment and addressing the other unmet domestic needs of the United States, and in view of the new budgeting process recently adopted by Congress, foreign aid requests face an uphill battle even under the best of circumstances. We are likely to hear arguments made that Israel is already strong enough and that additional American aid will only cause the Israelis to be less ready to enter into negotiations that will involve some concessions for peace.

We can convincingly argue, however, that an assured long-term commitment of military and economic aid to Israel is necessary to convince the Arab states that Israel's secure survival is a basic American policy that is not negotiable. President-elect Carter has taken the position that aid to Israel "should not be used in a carrot and stick fashion. Israel must feel secure in the support that it expects from America in order to take the necessary risks for peace."



## Principles of American Support

We can expect the new Carter Administration to review American policy objectives and negotiating strategies in the Middle East. There are certain principles that the United States should steadfastly adhere to if prospects for a peaceful negotiation of the Arab-Israel dispute are to be successful in the coming year.

1. The U.S. must remain firm in support of the principle underlying UN Security Council resolutions 242 and 338 that further withdrawal of Israeli forces from occupied territory is inextricably linked to the ending of Arab belligerency and the establishment of secure and mutually recognized borders. We are pleased to note that President Carter has endorsed this principle and pointed out, on June 6, 1976, that "Peace in the Middle East depends more than anything else on a basic change of attitude. To be specific, an Arab recognition of the right of Israel to exist as a Jewish state."

2. Indicative of such Arab change of heart would be Arab compliance with the decision of the Security Council in Resolution 338 that the parties to the conflict should negotiate directly with each other and conclude binding agreements spelling out mutual rights and obligations.

3. While the United States may initially facilitate the negotiating process, it cannot serve as a surrogate for the fundamental commitments which the parties must make to one another. No assurances or "guarantees" by the United States or other outside powers can substitute for formal peace agreements between the parties.

4. Only after the basis of agreement is reached by the parties should consideration be given to what supplemental role may be played by outside powers or international agencies, e.g., in providing material assistance for refugee compensation and rehabilitation, peacekeeping mechanisms to supervise demilitarized zones and deter violations, and in general to foster a climate of trust between the parties.

As President-elect Carter has written in a letter to the American Jewish Committee: "there will be no change in my basic commitment that the issue of the very security and survival of the State of Israel is not negotiable. The sooner and the better this is understood, the sooner progress can be made toward a lasting and genuine peace."

5. Instead of rushing to go to Geneva as the Arabs urge, the wise policy for the United States would be to concentrate on what is likely to come out of Geneva. The United States should resist the temptation to present its own solution, for this would only aid the longstanding Arab tactic of evading the need for negotiating with Israel and formally accepting the Jewish state of Israel as a permanent part of the Middle East. The emphasis should be on determining whether or not the Arabs are ready for a genuine peace of reconciliation with Israel, including normal relations and borders open to trade and personal visits. If the Arabs are not prepared for this in this generation then we should note that it is manifestly unfair for Israel to be asked to make tangible concessions and take security risks now, in exchange for vague Arab promises in the future.



## Israel: A Government in Transition

Prime Minister Rabin and other Israeli leaders have expressed Israel's readiness to enter into peace negotiations. However, as Israel enters into the heat of an election campaign (with elections tentatively set for May 17), the normal divisions of personalities and policies will be heightened and there is a danger that in the cacophony of discordant voices the message of Israel's desire for peace may become blurred in the press. It is important that Israel not appear inflexible or intransigent to the American public. Regardless of the outcome of the elections in Israel, it will be necessary for the Jewish community to develop new modes of interpretation, perhaps stressing Israel's image as a democratic state as it becomes preoccupied with the upcoming elections. Assuming that Israeli leaders will continue to demonstrate their readiness to explore all avenues and undertake initiatives to bring about genuine peace, it will be easier for us in the United States to make a credible case for a continuation of the high level of support for Israel, politically and economically.

## The Arab Peace Offensive

Even before the new administration takes office, the major Arab states have attempted to coordinate their tactics and have launched a "peace offensive" designed in part to influence the policies of the Carter Administration.

The more sophisticated Arab propaganda that we will increasingly face in the coming year argues that the "moderate, pro-Western" governments in Saudi Arabia, Egypt, Jordan and even Syria now want a settlement and are prepared to accept the State of Israel as a fact—although they are not prepared to establish normal relations in this generation. These Arab states also seek improved relations with the United States, they say, but warn that unless the states neighboring Israel get back the territory they lost in the 1967 war and Palestinian national aspirations are satisfied—presumably in a state to be carved out of the West Bank and the Gaza Strip—then radical elements will quickly sweep these "moderate" governments away. Their conclusion is that it is up to the United States to put pressure on Israel for a quick fix agreement to maintain pro-Western Arab regimes in power, to keep the Russians out and to keep the oil flowing. Informational materials to counter these arguments will have to be developed.

## The Arab Oil Weapon

Having been forewarned by President-elect Carter that he would regard a new oil embargo as a declaration of economic warfare to which the U.S. would respond with a total embargo of American supplies to the offending Arab country, the Saudi Arabians have begun to use their oil weapon in a more subtle way. The Saudis have indicated that in exchange for their taking the lead in holding oil price increases to a "moderate" 5 percent, they expect the United States to show its "appreciation" by moving rapidly toward a comprehensive settlement of the Arab-Israel conflict. While this goal is consistent with American policy, what the Saudis have in mind is American pressure upon Israel to make one-sided



concessions. Mr. Carter correctly responded that America's Middle East peace efforts would not be influenced by oil prices. We will need to explain to the American public that OPEC oil prices have been determined by economic factors and are not intrinsically linked to the Arab-Israel conflict. (For example, Iran never participated in the oil embargo and continues to ship oil to Israel, yet Iran is among the leading proponents of substantially higher oil prices. Moreover, as one international economist noted, "the Saudis deserve no flowers for raising their price only 5 percent when the world is already reeling from previous increases" that had quintupled the price of oil since 1973).

Moreover, these arguments are echoed by influential elements in Europe and Japan, whose heavy dependence upon Arab oil makes them especially responsive to Arab views. This may prove to be another source of pressure on Washington to weaken American support of Israel as the Carter Administration works to carry out its pledge to improve United States relations with its West European and Japanese allies, as has long been advocated by incoming National Security Advisor Zbigniew Brzezinski, when he was director of the Trilateral Commission.

## AMERICAN JEWISH ARCHIVES

### The Soviet Role

The Russians are also likely to test the new Administration's resolve and to probe for weak points in the Middle East. Embarrassed by the spectacle of the open conflict between two of their proteges—Syria and the Palestine Liberation Organization—the Russians may attempt to regain their prestige and influence through a major role as co-sponsor of a reconvened Geneva conference. We will have to point out the danger that if the Russians are given anything more than a purely ceremonial role they will only complicate the prospects for agreement. The Soviet Union can be counted on to outbid the United States in supporting Arab claims, as Moscow attempts to restore its waning influence in Egypt and Syria. The absence of diplomatic relations between Moscow and Jerusalem, and Soviet ties with the "rejectionist" Arab states of Iraq, Libya, South Yemen and Somalia, are further evidence that the Soviet Union is likely to be a pernicious influence upon Arab-Israel negotiations. The Soviet Union is also likely to continually probe the firmness of the American commitment to Israel. If the Russians were confident that a new outbreak of Arab-Israel hostilities would not escalate into a confrontation with the United States, they might well be tempted to sabotage any negotiations in the hope that once talks fail, the Arabs will have no alternative but to come back to Moscow in search of more arms. Only if they realize that war is not an option for achieving their aims, will the Arabs be prepared to undertake negotiations for a lasting settlement. Peace in the Middle East is in the interests of the United States as well as of the parties in the area, for in a region at peace, the Soviet Union's capacity for mischief will be greatly reduced, if not eliminated.

### The Palestinian Issue

Israel would naturally prefer to resolve the Palestinian issue within the context of bilateral talks with Jordan. This has been blocked by the Arab summit decision at Rabat to proclaim the Palestine Liberation Organization as



the representative of the Palestinians. This position may be eroding as a result of the new constellation of Arab forces noted earlier which reportedly are urging upon the PLO a scaling down of its objectives. However, we must be on guard not to be taken in by a tactical propaganda campaign without substance. Part of this propaganda campaign has been the attempt by the PLO to bolster its image as moderate and conciliatory by meeting with Church groups such as the American Friends Service Committee and with Jewish leaders in the United States. It is appropriate for the United States to refuse to deal with the PLO unless and until its leadership formally renounces its Covenant commitment to the dissolution of Israel and formally accepts co-existence with Israel as a sovereign Jewish state. The Palestinian leadership will also have to demonstrate to Israel's satisfaction that it is moderate and realistic and has the power to control extremist terrorist elements who would seek to subvert any lasting peace with Israel. If the Palestinian leadership is prepared for such a fundamental change in its past policy (although thus far there is little evidence of it), then the emerging coalition of Egypt, Syria, Jordan and Lebanon—assuming it lasts longer than past abortive Arab efforts at unity—aided with Saudi and Kuwaiti funds may be able to tame the Palestinian extremists and bring the Palestinians within an economic common market with the neighboring Arab states and with Israel, and linked politically within a political federation or confederation with Jordan.

#### The Dangers of an Irredentist West Bank State

In the meanwhile, we should stress the potential dangers Israel faces from an irredentist West Bank state, subject to radical influences of Iraq, Libya and the Soviet Union. Although the Palestinians were weakened by the fighting in Lebanon and rivalries among conflicting Palestinian factions have erupted into open warfare, nevertheless the Lebanese conflict also has resulted in a cadre of tens of thousands of militant Palestinians who are now well-trained and battle hardened. Their presence in southern Lebanon or their infiltration into the West Bank and Gaza are potential security threats which neither Israel nor the United States can afford to ignore. We are likely to witness intensified Arab efforts to organize anti-Israeli demonstrations in the territories and if possible also among Israeli Arabs in the Galilee in order to put pressure on Israel and hurt Israel's image in world public opinion. This will be an issue difficult for us in the United States to deal with since the essential decisions will have to be made in Israel, although we will have to deal with repercussions.

#### The United Nations\*

The UN has served in recent years as a major battleground in the Arabs' anti-Israel diplomatic campaign. The Arabs have pressed the campaign on many fronts throughout the UN system, adapting for the purpose all convenient items on the agenda of the UN bodies and specialized agencies, including several of the committees of the General Assembly; the Commission on Human Rights; and

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\*This section was prepared by Sidney Liskofsky, director of the International Organizations Division of the American Jewish Committee.



UNESCO, ILO and WHO. At the 1975 Assembly, they obtained the infamous resolution equating Zionism with racism. They have exploited several specialized conferences held under UN auspices, including the 1975 International Women's Year Conference in Mexico City and the 1976 Habitat Conference in Vancouver, Canada. They have obtained overwhelming votes—for example—in support of resolutions deploring Israeli violations of human rights in the occupied territories, expressing concern at Israeli collaboration with the racist regime in South Africa, condemning archaeological digs in Jerusalem, hindering Arab education and cultural activity in the occupied territories.

At the 1976 General Assembly, they obtained overwhelming approval of Egypt's resolution calling for the reconvening of the Geneva Conference—with the participation, by implication, of the PLO. They also obtained approval of the Committee of 20 report (which had been vetoed the previous January by the Security Council), calling for the establishment of a PLO dominated Palestine state in the West Bank and Gaza and for the return of the Palestine refugees to their "homes and property"—presumably in Israel.

The Arabs will certainly not relinquish their potent UN weapon and will use it with increasing skill and subtlety in the year ahead. How they will apply it will depend on the shape of events outside the world organization, including the state of inter-Arab relationships.

At the last Assembly, they utilized with considerable effectiveness the appearance of "moderation," which tactic enabled them to erode some of Israel's support within West European group. Thus, whereas the more militant Syrian resolution explicitly calling for PLO participation in Geneva, was approved by a vote of only 91-11-29, the subtler Egyptian resolution was approved by the larger vote of 122-2-8. The Arabs also avoided the earlier acrimony that accompanied the Zionism-racism resolution, the Israel suspension request, and the highlighting of the PLO (which was barely mentioned except toward the end of the session in connection with the Committee of 20 resolution).

The rationale for the "moderation" tactic was, on the one hand, awareness of falling away of some Black African support, and on the other, recognition of the opportunity to cut into the Western European support of Israel.

In the coming year, we will need to be alert to the details and nuances of this "moderation" tactic—not only in the General Assembly but throughout the UN system. We will need to anticipate issues and developments; to communicate our views to the U.S. and other friendly governments and to Congressmen and Congressional committees at an early stage of the maturation of issues; to interpret the issues through the mass media so that they are understood by the wider public; and to remind the public about the stacked situation in the UN in regard to Israel-Arab issues.

#### Israel-South African Relations

Israel's diplomatic and commercial ties with South Africa have increased dramatically in the past year, including reports of the sale of Israeli-manufactured military equipment to the South African government. The Arabs and their supporters in the UN and elsewhere have focused on this relationship in an attempt at further



isolating Israel in the world community. While it is up to Israel to justify her policy in regard to South Africa, the American Jewish community should stress the double standard applied to Israel's dealing with South Africa, since many other countries including the United States, Western Europe, Black Africa, and the Arabs have substantial commercial and diplomatic relations with South African regime. Yet, it should be made clear that the ideology of apartheid is repugnant to Jewish tradition—an attitude that the government of Israel has consistently maintained.

### The Arab Boycott

During the 1976 presidential campaign, Jimmy Carter declared that the Arab boycott against Israel is "a form of racism" and he stated that he favored effective federal legislation to prohibit discrimination against American companies because American Jewish citizens are involved in ownership or management, or because the firms deal with Israel. As the new Administration comes to office, a renewed effort will be made to reintroduce legislation previously blocked by the Ford Administration to further strengthen anti-boycott legislation passed by Congress last year. President Carter has stated that he is committed to their enactment. He has expressed approval of legislation to provide for public exposure of Arab boycott demands on American firms and of their compliance or non-compliance; to forbid U.S. firms to refuse to do business with Israel or with other U.S. firms pursuant to foreign boycott demands; to forbid U.S. firms to furnish information about the race, religion or national origin of their employers, shareholders, directors, or officers, or those of other firms for boycott purposes; and to make ineligible for tax benefits the income derived by American firms for certain investments or business in countries sponsoring boycotts. Carter has said: "If I become President, all laws concerning these boycotts will be vigorously enforced." Experience has shown that firm resistance to the boycott pays off. We should stress to the American public, and the American banking and business community that opposition to discriminatory Arab boycott regulations will not preclude doing business with the Arab world. Although President-elect Carter has demonstrated his staunch support for anti-boycott legislation, we can expect that he will be faced with pressures from the business community and from within his own Administration to forego some of his previous commitments. Therefore, the Jewish community must maintain its vigilance and firm resolve in backing presidential and Congressional efforts to enact effective anti-boycott legislation and provide the information and rationale to overcome countervailing pressures.

### American-Israel Common Heritage

While this paper has stressed the potential areas of disagreement between the United States and Israel, we should keep in mind the unique ties of common heritage, democracy and mutual interest that bind the United States and Israel. The American Jewish community has a constructive role to play in strengthening and deepening these ties.



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# **PLENARY SESSION**

**January 23-26, 1977**

**Carillon Hotel**

**Miami Beach**

## **JOINT PROGRAM PLAN**

### **BACKGROUND**

**THE EQUAL OPPORTUNITY AGENDA -- 1977**

**Seymour Samet, National Director  
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## THE EQUAL OPPORTUNITY AGENDA -- 1977

by  
Seymour Samet, National Director  
Domestic Affairs Department  
American Jewish Committee

### Introduction

Over the years we have increasingly emphasized our commitment to the building of a society committed to the principles of economic justice. In universalist terms we proclaimed that what is good for America is good for the Jews. As particularists, we added the caveat what what is bad for America is worse for the Jews.

For a number of years we took the stance that in an expanding economy it was reasonable to ask the "haves" to increase their wealth at a slightly slower rate in order to allow the "have nots" to move upward at a slightly more rapid pace. This was viewed by some of our constituents as an over-emphasis on the interests of non-Jewish groups at the expense of our own. As we turned inward and began a greater concentration on the Israel and Soviet Jewry "Jewish Agenda," non-Jews, including some of our previous allies, accused us of having become so particularist as to be hostile, inadequate or irrelevant to the new intergroup relations agenda.

Today the priority item on that agenda is economics. While it is true that economics has been part of the civil rights program for many years what is different is that there is now a renewed sense of both urgency and hope. With us or without us, the ideological and political battleground for minorities in the year ahead will deal with new social and economic policies and programs affecting such issues as unemployment, inflation, energy, welfare reform, revenue sharing, public school tax equalization and the economic needs of the young as well as the aged. Indeed, we may be witnessing the beginnings of what is still a vague, as yet ill-defined but potentially important political philosophy urging the declaration of a Bill of Economic Rights: the "right" to a job; the "right" to health care; the "right" to decent housing. If this be so then the task before us is of major importance. The questions to be asked and their answers dare not be trivial. Democracy as we know it may be on trial.

### The High Cost of Unemployment

A current debate relates to the validity of the allegation that this nation's economy has created an unemployment rate of approximately 8%. It is honestly argued that this figure is a distortion, in that many of the unemployed refuse to take available jobs, among other reasons, because of a multiplicity of disincentives to work. Other equally reliable experts argue that the 8% figure is a gross under-statement of reality; that the actual percentage of people who want and are able to work is easily twice that great, the number ranging between 16 and 20 million individuals.



Neither unemployment figure is tolerable in a dynamic, democratic society. We literally cannot afford the costs this entails. A recent report of the Congressional Joint Economic Committee cited a fifteen-year study of the relationship between unemployment and specific health indicators that concluded that "actions which influence national economic activity, especially the unemployment rate, have subsequent bearing on physical health, mental health and criminal aggression." The Congressional committee estimated that an increase from the 1970 unemployment rate of 3.5% to 4.9% in 1975, an increase of only 1.4 percentage points, cost the American society \$21 billion in lost income, mortality and institutionalization. The study looked at the effects of unemployment on such stress indicators as heart attacks, homicides and mental hospital admissions. It noted that both in this country and abroad there was "a consistent relationship to the unemployment rate that affects all ages, both sexes, for whites and non-whites."

This is social dynamite! Its explosive potential is increased in a society such as ours, which stresses materialism but institutionalizes poverty for millions; flaunts the acquisitions of its most successful members, while hiding much of the despair of its least successful; and insists that hard work is the key to the good life, but by denying them employment deliberately reduces the opportunities for several million people to even try to achieve the rewards for such efforts.

#### Jewish Strategies

Some of this may sound like a familiar liberal polemic, arguing the virtues of an egalitarian society. That has been done by more eloquent spokesmen than I and is not my purpose, which is rather to attempt to partially bridge the gap between traditional liberal ideology and Jewish needs. Already committed to the former, we need to more closely examine the latter. Like other groups we must more clearly understand what we want and need for ourselves before we espouse and support programs for economic and social change. One example: because 95% of Jewish young adults are college trained we should be concerned with what our economy offers highly educated young people. Obviously, while working to decrease unemployment generally it is in our interest to work especially for programs which will increase the number of white collar professional and technical jobs and also to renew efforts that will open up to Jews the still-closed doors of some of the executive suites of major U.S. corporations.

It is important for us to be sophisticated not only about urban strategies generally, but within certain metropolitan areas specifically. An obvious example is the New York metropolitan region where more than half of America's Jews live. This is a region which has lost nearly a third of a million jobs in the last five years. Along with Boston and northeastern New Jersey, both



metropolitan areas with large Jewish populations, New York continues to be one of the most expensive places in the United States in which to live. And in these regions, 25% of the Jewish population live in households with incomes under \$8,000 per year -- the lower level of subsistence for a family of four according to the Bureau of Labor Statistics.

Five years ago, at national meetings, New York City's fiscal crisis was regarded as sui generis, not an issue of concern for organizations elsewhere in the nation. The arguments that if New York's traumas were unique they were so only in size and that, like clothing styles and culture fads, they started there earlier but sooner or later reached the rest of urban America, proved largely unpersuasive.

But events have vindicated those arguments. New York's problems are no longer unique. Over the past five years, Cleveland lost 5% of its total private sector jobs, and Philadelphia 25% of its manufacturing jobs. Unemployment in New England in the Spring of 1976 was 8.8%, 17% higher than the national rate of 7.5%. Several cities have been and some still are on the verge of bankruptcy.

We Jews are concentrated, for the most part, in metropolitan areas which are losing important aspects of their economic viability. I refer primarily to the 14-state region that is identified as the industrialized section of the nation. It is bounded on the west by Illinois and Indiana, goes east to Pennsylvania and Delaware and north through New Jersey, New York and New England. This is a region for which a national urban policy must be developed. (Let me hasten to add that I do not see this as being in conflict with the needs of the suburbs or of the states themselves. The relationship of all three is a symbiotic one. The health or illness of any eventuality affects the rest.)

The current areas of growth and, therefore, of political importance, are in the Sun Belt where relatively few Jews live. Thus, we can make the broad generalization that most Jews live in, or close to, and are affected by regions which are in economic stress, with declining populations and waning political power. This is a threat to the health of the Jewish community, which will predictably maintain its largest populations in areas now threatened by social, political and economic decay.

#### Government Action

Much, if not all, of the measures necessary to improve the economic opportunity for the disadvantaged among us will result from government action -- federal, state and local.

According to Eli Ginzberg in his December '76 Scientific American article, "The Pluralistic Economy of the U.S.," "about a fourth of the gross national product and no less than a third (and possibly as much as two-fifths) of the country's employment was



generated by non-profit institutions and government, which is to say, by the not-for-profit sector." He further notes that "the fastest-growing sector of government, particularly in terms of employment, has not been the Federal government at all, but state and local government." Focusing on a few areas of specific concern to us, he reports that the American public insistence on a strong defense establishment, more access to higher education and improved medical care has resulted in one of the most important economic transformations now under way: the growth of the service economy. "Almost the entire growth in post-World War II employment has been in the service sector." This then is one area for our program focus.

If we are to be more directly concerned about these issues we must go beyond ideology, an area in which we are indeed somewhat expert, and be considerably more responsive to the realities of the political decisions which determine the manner in which economic policies are implemented. This certainly is an area in which many of us are less experienced.

As one example: the Federal government, using its income tax revenues, in 1976 provided grants to state and local governments of approximately \$62.9 billion. Six hundred different federal programs paid for almost 25% of all state and local expenditures. Among the largest of these programs \$14.4 billion were for education, employment and social services; \$10 billion for health; \$8.2 billion for revenue sharing.

The formulas by which these monies were and are allocated have for many years favored the Sun Belt -- which, in fact, merited such treatment. Now that the need is in the northeast the formulas are not yet being changed in a manner beneficial to these new circumstances. As a matter of fact considerable support was obtained recently by a southern congressman for his proposal to alter the formula for distribution of revenue sharing funds. It would have caused New Jersey to lose 25% of its current level of revenue sharing funds; Maine, 24%; Connecticut, 22%; Illinois, 17% and Ohio and Michigan, 12% each. At the same time, nine states in the south and west would gain 15% or more.

Out of these conditions what program directions present themselves for our consideration? Let me first make several assumptions.

1. Reputable economists differ significantly on the solutions to our economic woes. It is therefore reasonable to conclude that the major decisions on which paths to take will be made from a political perspective. We can decide to try to affect the social policy considerations that will determine those decisions. With or without us, others -- often with less skill and some with less integrity -- will not hesitate to press their views.

- 2 We must learn to distinguish between the macro issues, e.g., monetary and fiscal policy; and the micro ones, e.g., housing for the Jewish elderly.
3. We have a special competence in dealing with intergroup relations. It should be applied in depolarizing the tensions inherent in misguided proposals such as those for preferential group rights in government efforts to alleviate economic ills.
4. In the year ahead our objectives should be modest. Economics is a complex arena within which to work; change often takes place slowly and we are not yet sufficiently sure-footed about the relatively new terrain.
5. No matter what we do or say there will be those who suspect us of being too radical and a threat to their vested interests. Others will accuse us of being too moderate and too slow. These are risks we all take when we venture into new territories. They are worth taking.

#### Some Program Possibilities

##### I. Employment

A. Prepare a community relations analysis of those government proposals which maximize employment opportunities for all that are able and willing to work.

B. Organize or join in coalitions -- national and local -- that favor support of those proposals which, in our view, best serve the nation and our constituencies. Employment programs offer a potential bridge issue for joint action with church, labor, civic, racial and ethnic groups.

C. Participate in the political process which will determine how these programs will be administered and which populations will benefit from them.

D. Develop public information programs which emphasize the social costs of unemployment as reported by the Congressional Joint Economic Committee.

##### II. Social Welfare

A. A plethora of reforms have been proposed for our welfare system. They include alternative forms of income transfers such as food stamps and income maintenance as well as blue prints for a complete federalization of the welfare system. We quickly need to determine which of the proposals that will come from the new administration deserve our support both as Jewish organizations and in an active association with others for early passage of enabling legislation.



B. Social security reforms, proposals for federal efforts to strengthen family life and programs targeting on the aged, all represent opportunities for coalitions with a broad spectrum of other groups.

### III. Community Development

A. Professionals and laymen should be trained in the techniques of community stabilization and development, particularly in Jewish neighborhoods. Experiences in Cleveland Heights, Los Angeles, Pittsburgh and Coney Island can be drawn upon in efforts to train leaders in techniques to stem the conditions which lead to urban decay and its concomitant intergroup tensions.

### IV. Energy

A. We should develop stepped-up programs to educate our own constituents as to the urgent need for conserving and expanding our energy resources.

B. The economics of our energy dependence on foreign sources of oil are bad for the nation and increasingly dangerous for American Jewish interests. We should actively support a federal policy seeking virtual energy independence resulting from conservation, expansion of domestic supplies and development of alternate sources.

C. State and local officials should similarly be encouraged by us to work toward these ends.

### V. Higher Education

A. Institutions of higher learning are increasingly essential for the training of manpower qualified to participate fully in our technologically oriented cities. The cost of such training has become prohibitive for substantial portions of our population. Consideration should be given to tax credits to parents of college students for a portion of the cost of college training in all institutions of higher learning whose training is not for careers in religion.

### VI. Safer Cities

Our concern for safer cities, an issue essential to economic growth, requires greater allocation of resources than has been evident in the past.

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In this paper I have only touched on some of the vistas demanding our attention. Most of NJCRAC's economics recommendations of the past year remain relevant. In particular I underscore those relating to women's rights.

The potential for working with a new administration in Washington, which will be predictably more receptive to our agenda, merits a greater devotion of our time, energy and resources to those ends. In that regard, as soon as federal regulations are issued which clarify the process, we should quickly determine if our agencies should take advantage of the new law which gives tax exempt organizations such as ours the right to significantly expand the amount of lobbying we may do.



THE AMERICAN JEWISH COMMITTEE  
BOARD OF GOVERNORS MEETING  
SUNDAY-MONDAY - MARCH 20-21, 1977  
MAYFLOWER HOTEL  
WASHINGTON, D.C.

R E S E R V A T I O N    F O R M

I [ ] WE [ ] plan to attend the Board of Governors Meeting beginning with luncheon on Sunday, March 20th and concluding on Monday, March 21st by 4:00 P.M.

Arrival Date: \_\_\_\_\_ Time: \_\_\_\_\_ A.M.  
P.M.

Departure Date: \_\_\_\_\_ Time: \_\_\_\_\_ A.M.  
P.M.

Single ( ) \$34.00                      ( ) \$55.00  
Double ( )                              ( )  
or                      \$46.00                              \$67.00  
Twin ( )                                      ( )  
One Bedroom Suites ( ) \$90.00 - \$120.00

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They consider the rooms in our quota taken and may tell you no space is available for the dates of our meeting.

NAME: \_\_\_\_\_  
(Please Print)

THE AMERICAN JEWISH COMMITTEE

date April 30, 1979  
to Marc Tanenbaum  
from Ira Silverman  
subject Report of Symposium on the Economic Implications of Peace for Israel

I think you will be interested in the attached paper which, as the cover sheet explains, is a preliminary report of the conclusions of a recent symposium on the meaning of peace for Israel. This paper treats the economic implications, with particular respect to both the Israeli internal economy and the opportunities for Israeli-Egyptian joint cooperation.

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Late in January The Samuel Neeman Institute for Advanced Studies in Science and Technology, which is attached to the Technion in Haifa, held a two-day workshop on the general subject of the meaning of peace for Israel. The symposium was asked to address itself to six separate subjects, one of which dealt with the economic implications of peace; I was delegated to moderate this group.

.....  
Enclosed is an abridged form of my introductory remarks and a translation of our conclusions, in the form of a paper which will shortly be incorporated into a report of the deliberations of the whole meeting.

It is hoped that the final report will help our Government in its task of filling the peace treaty with Egypt with meaningful co-existence.

Meanwhile, I hope you will find the paper on the economic implications of peace interesting.

Yours sincerely,

Dan Bawly

## On the Economic Meaning of Peace to Israel

### Introduction - General

Without the vision of a very few statesmen, the State of Israel would never have been established.

Without vision, the Israel Defence Forces would never have become the powerful defence mechanism that it is.

Without the vision of some leaders, the mass immigration in the first decade of Israel's existence would not have been possible.

Without vision, it would have been impossible to disperse these new immigrants among the new villages and development towns, thus bringing industry from Beer Sheva, Dimona and Eilat in the South to Kiryat Shmona, Beit She'an and Carmiel in the North.

There was, in that vision, a readiness to act without a detailed plan but with the knowledge that, in the daily tasks, it is essential to stick to the main, longer-term objectives. . A life guided by vision may not be scientific but, at its best, it can prove to be a grand adventure.

Those who had vision in the founding years of the State, accompanied by a deep faith, were ready to take short cuts, to grasp at lucky chances and to make immediate use of breakthroughs while, at the same time, maintaining the steady, sometimes tedious work of building a Homeland. The secret of their success was that, as they dreamt, they remembered the importance of action and, as they acted, they never forgot their dreams.



The 1960s witnessed the completion of one basic stage: Israel was established as a viable entity. At the same time, the power and influence of those practical visionaries who had led the Jewish community since their own immigration, some fifty years earlier, began disappearing rapidly.

Israel's bureaucracies have become more and more cumbersome: a new generation of more pragmatic leaders has taken over; and the State is now facing urgent pressure, from without and within. The new leaders often display excellent analytical capacity but experience has shown that they invariably lack the patience and astuteness needed for long-range planning, abstract thought or vision. In this, they resemble their contemporaries in other countries and their counterparts in other walks of Israeli life: the academic, the military and the business world. In all these, actual results speak for themselves.

For the past twelve years, Israel's national interests have been promoted from a defensive base. There has been little indication that new ideas or initiatives are being developed.

Ever since the State was first established, the convention was that it was impractical to think about, let alone plan, what should and could be done when peace is attained. Impractical, because it was not really believed that, in our time, an Arab leader would freely consider negotiating a peace treaty. As a result of this lack of intellectual curiosity, the visit of President Sadat to Jerusalem, in November, 1977, came as a total surprise. And Israel's political behavior since indicates that her leaders have not yet overcome their initial shock; they continue to react, without putting forward original ideas of their own; they have not considered how to fill the peace treaty with content or what their order of priorities towards this end should be.

Thus, the government has yet to develop political concepts and economic policies, objectives, targets and priorities for the transition stage of Israel's economy, or to work out how it will later, plan an integrated Middle East regional economy.

To envision what the economy will be like, after peace is established, and to make the best of it, will certainly require behavior and thought patterns more sophisticated than those of the past decade.



E C O N O M I C T E A M

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

There is good reason to hope that peace in the Middle East will bring the opportunity for far-reaching development in the entire region. If, that is, we proceed carefully and intelligently on the path, however slippery at first, towards that peace. We must persuade the people responsible for development projects, in Israel, in the Arab states and among the friends of this part of the world, to exercise imagination, vision and a certain largeness of spirit in filling this peace with the content of true co-existence.

Without underestimating its importance, we must remember that a peace treaty between Israel and Egypt would still fall far short of an overall settlement. Full peace will involve the entire region. Until that is secure and because the rejectionist Arab countries will continue to put pressure on Egypt and to be in a state of war with Israel, the extent of change and improvement which either side can allow will be limited.

In the following comments, we refer to those programs which can be carried out as soon as the peace treaty with Egypt is signed and before an overall settlement is reached.

If the Israeli economy is to help fill the words of the peace treaty with content, a precondition will be the supply of adequate information on the state of the Egyptian economy, on both the macro- and the micro-economic level. At the moment, this is lacking. It is fair to assume that as the degree of knowledge at our disposal grows, so will the aptness of our recommendations.

We have no specific timetable. We should, however, emphasize that our main recommendations are of a short-term nature. It is suggested that a senior civil servant be appointed to examine and monitor the steps towards economic co-existence, as they are made. Preferably, he should report to the Prime Minister



on how far the recommendations and economic programs required to fill the treaty with content are actually carried out.

### Israel

#### The economic instruments Israel will require during the transition period before the achievement of peace with Egypt

\*According to the unofficial thoughts of the Israeli government as appearing in the media, when the peace treaty with Egypt is signed, the IDF will have to withdraw from the Sinai and regroup a major part of its forces in the Negev. This will involve enormous capital outlays on construction, public works and transport, as well as on other sectors of Israel's economy, less directly linked to the redeployment and mainly in that region. The dominant idea of the government is that most of this change will take place within the first three years after the treaty is signed.

At this point already, it is important to emphasize that the government should aim at keeping the defence budget with reason, avoiding straining Israel's economy and social fabric to bursting point.

\*There is a very real danger that the combination of these military undertakings and the present warming up of economic activity, not necessarily related thereto, will increase the shortage of manpower from which Israel has been suffering. This, in turn, may lead to a very steep increase in inflationary pressures which are, already, frighteningly and absurdly high. There will also be the pressure to divert the financial resources required for the restructure of the IDF in the Negev from production for export and from other important sectors of the economy, thus worsening the adverse balance of payments situation.

\*All this could lead to the further economic, social and, even, political weakening of Israel. Further, there is the possibility that such a situation, i.e. the effect of peace on the economy, will cause psychological tensions and fears.

\*As the signing and full implementation of the peace treaty is intended to lead to beneficial developments for both Israel and Egypt, it is all the more important to review all possible hurdles and to take measures to avoid them. With clear foresight, most of these dangers can be defused.

\*Concomitant with the vast infrastructure required for the reorganisation of the IDF, it is important to consider the development of a civilian infrastructure, to include economic, social and general services for the non-military population of the area. These should include an industrial base for the economy, as well as organisation on the civic plane.

The main ways to reduce economic pressures will be a series of steps aimed at lessening demand during the period of Israel's military reorganisation. They may include:

- a. Contracting all government expenditure not directly connected with the operation.

The cost of government services today is, more often than not, excessive. We refer to the cost of services carried out by all ministries, ranging from welfare, health and education to defence and finance. We do not propose to reduce the extent of these services but, rather, to cut the exorbitant cost of carrying them out.

To get government services to be competitive with the free market, or with what they would be, were there a free market, it is essential to reduce their costs. An important step will be minimising invisible unemployment, which is so prevalent in government today.

- b. Postponing all non-military public works and construction until after the IDF has been reorganised. This recommendation may be obvious but should, nevertheless, be reiterated.

We would recommend commissioning a team of independent specialists to examine whether the period of reorganisation of the IDF in the Negev can be extended to, say, five or seven years while, at the same time, maintaining a satisfactory deterrent. It is obvious that the new airports must be completely but it may well be that paving roads, constructing new logistic centers, etc. can be spread over a longer period of time.

c. Improving the tax-collecting process.

The internal revenue system is going through a crisis period, with widespread tax avoidance - far in excess of what the heads of the Ministry of Finance will admit in public. The problem is not only the volume of the actual uncollected tax but, even more acute, the serious moral implication. Wide circles of society have overcome the barrier of fear and now practise tax evasion. The Ministry of Finance appears, at present, to lack the determination to address itself to the serious tax collection problems. It would seem that it has lost confidence in its own ability to do so. Yet, the challenge is not impossible to meet. In fact, it is essential to face up to it, in view of the present challenges and, even more, the ones ahead.

When improving the tax collection instruments, consideration should be given to the possibility of uniting all government collection agencies, such as income tax, VAT and other sources of internal revenue, social security, etc., into one body.

d. To separate the less efficient local products from the more competitive ones, it is recommended that tariff protection be reduced carefully, encouraging the import of competitive foreign goods.



\*All the above steps should be taken in any case, to improve the health of Israel's economy. If the peace treaty is signed, they will become imperative.

\*The reorganisation of the IDF will require a large American aid program; not only to finance the additional imports but also to balance the increased consumption, in the wake of the increased expenditure. Otherwise, a balance of payments crisis could evolve which would impair the orderly management of the financing of the economy, ultimately causing the slowing down of the peace process.

We assume that, inspite of the heavy budgetary burdens of the coming few years, sound planning and adherence to the principles of an open society will make it possible to resume GNP growth at a staisfactory rate and at a faster pace than that of the growth of income per capita.

Potential foreign investors are worried by the high-risk character of the Middle East. They are, therefore, generally reluctant to invest in Israeli industry or to establish joint enterprises with their Israeli counterparts. When the peace treaty with Egypt is signed, this hesitancy will largely dissipate. An intensive campaign is recommended, to attract capital imports from the U.S. and other parts of the world, to be invested in Israeli industry and other sectors.

#### Israel and the Autonomy

Whatever the political solution for the West Bank and the Gaza Strip may ultimately be, maintenance of the open border between these areas and Israel, for the purposes of trade and investment, as well as for the benefit of all the inhabitants, should be guaranteed.

The Open Borders policy between these areas and Israel (and Jordan, too), begun in the summer of 1967, shortly after the Six Day War, was a contributing factor enabling the West Bank and Gaza Strip to more than double their output, within a decade. The inhabitants have come to consume a growing percentage of Israel's products and to form a material factor of its workforce. As such, they appear today to be an integral component of the Israeli economy. Co-existence between Israel and these areas is certainly an economic fact. It is reasonable to expect that, once autonomy is established, future economic co-operation will have to be co-ordinated with the appropriate authorities and their Israeli ministerial counterparts.

Compared to the Israeli economy, where public, as opposed to private, spending, is quite substantial, the bulk of spending on the West Bank and the Gaza Strip is still largely of a private nature. It may be expected that, when autonomy is established, more pressure will be felt there for public spending programs.

Among the subjects that may then be dealt with are the following:

- \*The encouragement of investment from friendly Western sources and later, hopefully, of Arab oil money, for the development of a modern infrastructure in general and industry in particular.
- \*Encouraging the employment of the local labor force closer to its home, through the establishment of new employment positions.
- \*Co-operation between Israel and the autonomous region on development programs of mutual interest, such as the control of the environment, the utilization of water resources, etc.

Introduction

Peace, limited to Israel and Egypt, will offer fewer economic openings than will full relations between Israel and all her Arab neighbors.

As long as peace is not yet fully reached, Egypt may be expected to be hesitant about developing economic ties with Israel. Israel, on the other hand, has a political and economic interest in the establishment of close economic ties with Egypt. Such ties would give substance to the peace treaty and, even in the short run, would consolidate it. When peace with the other Arab countries is reached, the economic links already established with Egypt could be an example and prototype for regional co-operation, which would provide the Israeli and other economies of the region with a challenging growth incentive.

It may be expected that, as long as other countries in the region have not accepted the peace treaty, Egypt will be wary of developing full economic ties with Israel. Almost by definition, at the outset economic relations will include a number of conflicting interests, concerned with costs and advantages. This is a result of the immense differences today in the living standards of the two countries. The process of establishing some co-operation commences in a great gap. Furthermore, the establishment of economic relations will follow more than thirty years of hostility, that led to deep suspicions and opposition to any close ties.

Economic co-operation between Israel and Egypt will be subject to the political and national objectives of both countries. One should not expect uncontrolled movement of trade, capital or labor, as soon as the Egypt-Israel peace treaty is signed. Industrial and agricultural co-operation will be based on the relative advantages of each partner and will apply to areas where both may benefit. The guiding principle of economic co-operation will be a careful maintenance of the two individual national entities.



The following recommendations consider the Israeli interest, based on the above.

The Israeli authors of this paper have no claim to be specialists in the Egyptian long-term economic planning process and should not attempt to indicate what will, or should, be the Egyptian interests after the treaty is signed, in promoting economic co-existence with Israel.

#### Investment, Industry and Trade

Israel has an interest in encouraging and partaking in foreign investments, that will contribute to the regional distribution of labor, with an emphasis on creating new demands for a labor force in both Israel and Egypt. These advantages should be easily apparent and, preferably, long-term.

It is of considerable psychological importance that the early steps of co-operation achieve visible success. As Israel has a proven relative advantage in advanced technology and as it is reasonable to expect that Egypt will be interested in acquiring knowhow in agriculture, irrigation and, possibly, medicine, it is recommended that projects in these sectors of the economy be given priority and that steps be taken forthwith to ensure their success.

\*Peace opens up the possibility of reorganising Israeli industry, attempting to project the long-term distribution of industrial specialization between Israel and Egypt, the optimal exploitation of the human resources available and of the infrastructure of both countries.

\*Israel attaches importance to the development of sophisticated, science-based, capital-intensive industrial enterprises. This angle, inspite of its rapid growth in the past decade, is still limited in size. In



certain areas, e.g. that of automation, in farming, medicine and the educational system, new markets can be found which, while not yet large in volume, will be of importance for the growth of the industry as a whole and can act as a stimulating growth incentive. It is essential to guide the development of these industries and to furnish them with efficient supporting and maintenance services so that their manufacture will be guaranteed to be of a high quality. Israeli products may then have an advantage over their American and European competition, in Egypt.

\*It is assumed that, after the peace treaty is signed, there will be a flow of American capital to Egypt. It is recommended that, where possible and financially remunerative, Israeli industry and know-how will attempt to join in such investments, based on her potential to contribute and the results of economic feasibility studies.

\*It is recommended to try to persuade the administration in Washington that the limitations fixed by the U.S. government on the use of American equipment should also apply to equipment sold to Egypt from Israeli sources.

\*While the tenders of Israeli industrialists for projects in Egypt will not always be cheaper than those from more distant lands, it is reasonable to expect the maintenance costs of the Israelis to be more than competitive with those of Western bidders, even while they adhere to high technical standards.

\*Thought and planning should be devoted to the development of joint ventures for Egypt and Israel, in which both countries would have common or complementary interests. These may be in the fields of energy, irrigation and desert economy.

### Agriculture

Here, the objective will be to increase the profitability of the Egyptian farmer and to encourage the development of complementary, rather than competing, products.

The areas for agricultural co-operation include water and irrigation projects, the use of fertilizers and chemicals, knowhow, marketing and export. It should be clear that developing these areas may ultimately lead to competition between Egyptian farming products and those marketed by Israel in Europe. Also, with suitable planning and co-ordination, Egypt could supply Israel with certain agricultural produce which it today imports from other countries, such as sugar, and, later, rice and meat.

One may expect the stages of development to include co-operation in national programs; scientific aid; the development of national, regional and local water projects; regional farming enterprises; the introduction of Israeli consulting teams, the involvement of Israeli farmers in joint ventures; joint marketing and import-export programs.

### Services

In spite of the natural limitations, it is proposed to study ways for collaborating in the fields of communications, transport, tourism and other services, so as to strengthen the ties of the two countries and to promote development.



### Imports from Egypt to Israel

Israel is very interested in encouraging imports from Egypt, without becoming dependent thereon. Much has been written about the purchase of oil from Egypt. One may assume that gas, too, can be marketed, via a pipeline through the Sinai and to the Israeli industrial enterprises in the Negev, and that this possibility will be studied at an early stage.

It is recommended to try to reach a trade agreement soon, that would, inter alia, include sections prohibiting discrimination against Israeli exports to, and imports from, Egypt. In this, as elsewhere, emphasis should be placed on ensuring reciprocity.

### Instruments for Economic Co-Existence

It is proposed to set up a public organ to evaluate and approve, in accordance with government policy, investment programs. This body will be responsible for the professional and business standards of those programs actually put into action.

Aiding this organisation will be the:-

#### a. Bilateral Chamber of Commerce

The function of this body will be to encourage joint ventures and other forms of co-operation and to help guide them. It will also warn against the more speculative and risky ventures, while encouraging the activities of the bona fide enterprises.

#### b. Market Research Unit

Establishment of a bi-national market research unit to serve both investors and traders is recommended. It will collect, analyse and distribute business and financial information concerning economic possibilities in both Egypt and Israel.

### The Arab Boycott

Full peace must put an end to Arab economic warfare against Israel, as expressed by the various forms of the Arab boycott.

Egypt will be expected to stop its participation in the boycott which, today, operates both directly against Israel and indirectly against many of the foreign corporations active here.

Israel can play an important role in weakening the boycott. If Egypt withdraws from it, the opportunity will arise to work out avenues of co-operation between Israel and certain foreign corporations which, until now, have preferred to avoid doing business with her.

It is recommended that the Government of Israel increase its activities and press upon foreign governments the need to act now against the boycott and against corporations in their countries which cave in to boycott blackmail. These pressures should be carried out on the political level, in the form of contacts, legislature and the encouragement of companies to trade on the Israeli and the Egyptian-Israeli markets.

### Establishing National Priorities

Peace between Israel and Egypt, even if filled with economic meaning and social interchange between the two peoples, will, nevertheless, be of a partial nature and limited in its advantages to the Israeli economy, which will continue, for quite a few years to come, to carry the heavy burden of a defence budget as well as of other financial pressures.

Nevertheless, we recommend viewing the advent of peace as the occasion for a change in our national priorities. It is proposed to establish an interdisciplinary group, drawn from government, the universities and the private

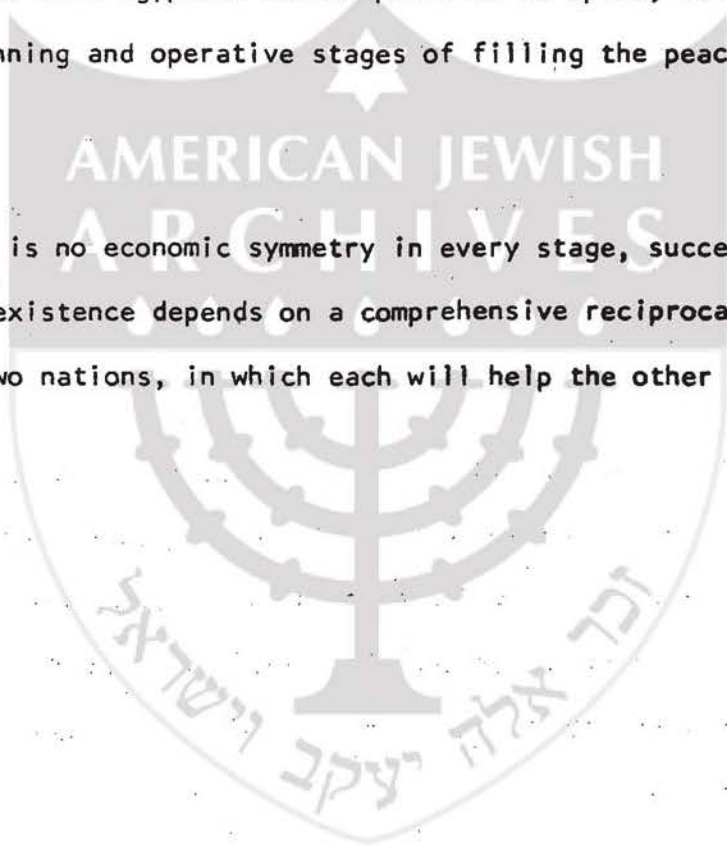


sector, to evaluate and publish periodic progress reports, to recommend an order of priorities and to encourage and instruct all elements of the economy in how to reach these goals.

To Conclude

It is essential that Egyptian counterparts be co-opted, as early as possible, to work on the planning and operative stages of filling the peace treaty with economic content.

Even if there is no economic symmetry in every stage, success in the development of co-existence depends on a comprehensive reciprocal relationship between the two nations, in which each will help the other achieve its peaceful goals.





# THE AMERICAN JEWISH COMMITTEE

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M. TANENBAUM

9 March 1977

TO: Members of Foreign Affairs Commission

FROM: Morris Fine

You will be interested in the enclosed paper "Israel: A Look Ahead to the 1980s" prepared by Dr. Eli Ginzberg.

Dr. Ginzberg is a noted economist and the author of more than a score of books on economic and manpower subjects. He holds the position of A. Barton Hepburn Professor of Economics and Director, Conservation of Human Resources at Columbia University.

This report, as the author states in the first paragraph, is based on his recent 10-day visit to Israel. The primary purpose of that visit was Dr. Ginzberg's participation in the recent Jerusalem conference of the AJC-sponsored Task Force on Israel-Diaspora Relations. At this conference, Dr. Ginzberg delivered a paper on the economic interrelationships between Israel and American Jewry that provided the framework for one of the sessions at the conference.

Copies of the enclosed report are also being mailed to our Board of Governors. Therefore, if some of you receive another copy, please pass it on to a friend.

MF/di

enc.

cc: Area Offices  
Staff Advisory Committee  
SS; MbNm

M.F.

PS: Enclosed also is a reprint of George Gruen's article in the current issue of Present Tense.

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Israel: A Look Ahead to the 1980s

AMERICAN JEWISH  
ARCHIVES

Eli Ginzberg  
Columbia University

February, 1977

זכר אלה יעקב וישראל

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## 1. Introduction

This report, based on a ten-day visit early in January, 1977, is informed by the perspectives gained from thirteen earlier visits commencing in 1953 and by exposures to a representative group of persons in policy-making decisions in Jerusalem and Tel Aviv. I did not have the opportunity to travel throughout the country nor to talk with and observe the daily lives and work of representative Israeli citizens.

## 2. Mood and Morale

I arrived in Israel in the wake of the suicide of the Minister of Housing, Ofer, who had been the target of a police inquiry into his earlier activities as head of a building society in which role he stood accused of financial misdeeds involving the use of public monies for personal and party ends. This inquiry was linked to the detention of Yadlin, the former head of Kupat Holim (the Health Service) whose appointment as the head of the Bank of Israel was aborted by the criminal charges brought against him after his prospective appointment had been announced.

The initial reactions to the suicide of Ofer ranged from consternation to satisfaction, the last attitude implying that if suicide was the only outcome for malfeasance, perhaps other persons in high position would be more careful in the future in taking advantage of the public and playing fast and loose with its trust.

Second reactions, reflecting the affirmation of the Minister's integrity by the Prime Minister at the funeral service, led to a more cautious response which helped distinguish between improper dealings

in the public sector and personal wrong-doing for private gain. The public was concerned that dubious practices occurred, but attitudes toward the personal guilt of Ofer were indefinitely suspended since death brings a termination, under Israeli law, to police investigations since the suspect cannot respond. The public has little faith that the Government will pursue the matter of widespread fraud energetically especially in light of the forthcoming elections.

The deterioration in public morality, better stated the knowledge of illicit and frequently illegal activities being widespread among the leadership in political and economic life, is deeply unsettling to the public. The old leadership--Ben Gurion, Eshkol, Meir, Sapir--whatever its faults was above suspicion of personal wrongdoing, no matter how tough a political game they played.

Petty and not such petty crime has increased at a staggering rate. Armed robbery of banks is not infrequent. An American journalist living in Jerusalem has had his home robbed three times in six months. Urban life in Israel increasingly shares with urban life elsewhere the negatives of violence, pollution, group tensions even while the economy is still largely pre-industrial.

The social milieu is further complicated by the "Oriental-European" tensions. The gap between the two groups is closing slowly but on certain fronts hardly at all. The most encouraging signs relate to birth rates and the assimilation of the young to the dominant Israeli culture. But the gap in educational accomplishment which casts a dominant shadow on occupational, income, and social status remains



wide, and is possibly widening. After tax real income, allowing for social service transfers, falls in between.

The Orientals are not a singular minority but represent a great diversity of communities which differ among themselves in many fundamental respects. This has slowed their organizing themselves into an effective political bloc. Israel may have another decade of respite, but sooner or later one or more political leaders are certain to arise from among the Orientals who will insist upon a great number of corrective actions which will place the society under severe strain.

The combination of political scandals, a weak government, raging inflation and wide disagreement about the best ways to respond to the peace initiatives of the Arabs creates a backdrop of widespread unease and malaise. The downbeat mood is further intensified by the slow rate of in-migration, the high rate of out-migration and the sense that there is little prospect of the Israelis soon again taking control of their own destiny and continuing their forward march to a larger, more affluent, and powerful society. The Yom Kippur War of 1973 has left deep scars.

But all is not bleak. The security situation at the moment is good. As Rabin reported, not one Israeli soldier was killed at the borders in 1976. Internal and external attacks have been infrequent. The sweet taste of the rescue at Entebbe is still enjoyed. The refurbishing of the Army and Air Force provides considerable relief.

Still the mood is downbeat. People do not believe that the Arabs are serious about peace; they anticipate no real improvement in the quality of government after the elections; they see no end to the

inflation; and they repress but appreciate subliminally that Israel is increasingly vulnerable to U.S. pressure as a result of its large and continuing indebtedness.

### 3. The Political Scene

The Yom Kippur War represented the first permanent shock to the system by putting an end to Dayan's career. While nothing is certain, it is highly unlikely that he can make a comeback. The present contenders for the top spot--Rabin, Peres, Eban, Yadin--are closely flawed persons in terms of their performance and/or promise. Peres is the most promising of the lot, but he is so closely tied to Mapai which is so clearly in decline that even if he got the nod to head the list and the Party were to come out on top, by no means a certainty, it is doubtful that he could really turn into a strong leader.

The more probable scenario goes as follows: Yadin will get a fair number of seats at the expense of Labor and the small center parties. Some form of weak coalition will emerge. The new P.M. will be able to do very little. There will be no substantial political reforms. Sooner or later, probably sooner, new elections will have to be held and more people of the old group will be chewed up and eventually some new faces will begin to emerge. The probability is strong for a minimum of five years of domestic political turmoil during which some reforms will be introduced and some new leaders will emerge. But if Peres makes it, the status quo could continue for the interim. It may be that real political reform must await the fuller participation of the Orientals, the nature of which is too dim to perceive at present. But the operative



assumption must be that Israel will be in domestic political turmoil for some years to come, since the inherited structure has begun to crack to a point where it cannot any longer be plastered over.

#### 4. The Economic Scene

The inflation is running close to the 40 percent level and at best it will be reduced only modestly in 1977. If the Israelis can slow it to the low 30 percent level, that will be no small accomplishment.

Alongside of inflation there are several other dysfunctional trends. The balance of payments situation is in serious disequilibrium and there is little immediate prospect of more than modest corrections, a reduction of \$500 million decline a year from the \$3.5 billion level. The Israeli economy would be in a total shambles were it not for U.S. government aid.

To complicate matters, the rate of growth of the Israeli economy has been close to zero for two years after an average of 8 to 10 percent growth in real terms for most of the last two decades. The odds are great that 1977 will see a recession with rising unemployment. If the recession is allowed to run its course, there is little likelihood of much growth, but the alternative of substantial governmental response, in the face of the coming election, will only speed the rate of inflation.

The immigration picture looks bad. The outflow from the U.S.S.R. is relatively small and among those who emigrate many are seeking alternative destinations. There is no immediately visible alternative source of supply. The Jews in South Africa, circa 100,000, are in no hurry to leave and if and when they do probably only a few will head for Israel.

While the Jewish Agency and the Government of Israel continue to make eyes at U.S. Jews with the hope of encouraging them to emigrate, the record to date gives them no basis for confidence that they can double the few thousands who come, much less turn it into a substantial stream.

Immigration is closely linked to domestic investment including residential construction. The construction industry remains in the doldrums (since late 1972). Fortunately the rate of internal population growth will, one of these days, sop up the still vacant housing, most of which is in the development towns. The severe constraints on the side of consumer income and the high cost of borrowing together with governmental policies aimed at reducing consumption further point to no early revival on the construction front.

As far as business investment is concerned, Israeli industry habitually operates with high unused capacity because of the lumpiness of capital commitments. Present estimates suggest that the average utilization rate may be in the 70-80 range. In the face of the disturbed money markets, no broad early investment turn-around is likely. At best, some selected sectors will move ahead, but cautiously.

There is much discussion in Israel about science-based industry and its crucial importance for the future. There is considerable justification for this emphasis. The country has a large and growing stock of engineers and scientists; it needs high value added exports; and many of its locational and other disadvantages are less pronounced in the case of advanced products. On the other hand, the growth of R&D related firms while encouraging has not been that rapid, and even under the most



favorable of circumstances this sector of exports cannot possibly in the near and intermediate term do much to close the horrendously wide trade gap. Moreover, significant growth of R&D will require more and more alliances with major foreign firms and these can be forged only slowly.

The entrance of Israel into the European Economic Community (EEC) carries with it the reduction and eventual elimination (by mid 1980s) of all tariffs on the products from member countries. This commitment is beginning to push more and more Israeli manufacturers into the export business and will probably lead the government also to encourage local expansion with an eye to import substitution. But the moves under way must eventually reduce the role of government in the daily life of trade and industry. That will be a boon. But the transition period is likely to be difficult with possibly a quarter or so of Israel employers under the gun.

In sum, the short-term economic outlook is definitely unfavorable, but current policy aimed at stimulating exports and reducing government employment are in the right direction and a couple of years down the road, the economy should again be poised for expansion. What is unclear is the response of government and Israel society to mounting unemployment. The odds are strong at the moment that they will not overreact. The time-response factor must also be considered in the context of continuing substantial U.S. aid.

## 5. Bureaucracy

The government apparatus, reinforced by public sector structures such as the Histadrut, continues to dominate all decision-making. Since government, by the favors that it extends or withholds, is able to determine the well-being of most individuals and enterprises, there is no escaping the web of connections which determines the structure and operation of Israeli society at almost every level. The continued growth of service workers on the public and quasi-public payroll adds an additional element of heaviness which is further compounded by the very low level of productivity and the rule of seniority. Labor discipline is appallingly low: the baggage workers at the Airport walked off their jobs to watch a soccer game on TV and returned only at game's end to remove the international visitors' baggage.

Another recent example: The labor boss of the Ashdod port closed down the port because the security guard insisted that he identify himself!

The size of the national budget is indicative of the bureaucratic morass. Something of the order of 80 percent of GNP flows through the budget. The government gives with one hand and takes back with the other. The excessively high tax rates are a constant encouragement to evasion. It is difficult to estimate the extent of seepage both inside and outside the country in terms of dollar flows but it is clearly very large.

One of the unfortunate concomitants of large governmental money flows is the added incentive that it provides for all kinds of manipulations of governmental loans and other special benefits. It is much easier to make money via such manipulations than to earn it through improved manufacturing and marketing practices.



The party structure, the government, Histadrut have led to the establishment of economic enclaves each under the direction of a particular political group. With the intensified splits in Mapai, even the semblance of a unified governmental structure has disappeared and it was on this issue that Rabin decided to go to the country. There is little or no prospect of much reform of the bureaucracy until the political revolution now in stage two--the eclipse of the old-timers was stage one--is further advanced.

#### 6. Military

The new elite consists among others of the ex-generals, a high proportion of whom have succeeded in getting good jobs in the private and quasi-public enterprises as well as in government. Included in this group are some of clearly outstanding ability, but it is hard to believe that their substantial success does not reflect on the relative poverty of other sources of supply of talent. It is far from clear that any of the former generals has any real flair for politics, now that Dayan is probably in permanent eclipse.

One of the possibilities that must be entertained is that in the event that the present political structure disintegrates at an accelerating pace--a likelihood not to be ignored--and no effective political party emerges on the ruin of the present structure; and if the external pressures for Israel to explore "peace" with the Arabs are intensified some of the generals may attempt a coalition with certain civilian elements to provide the backbone of a new engine of government. While such a quasi-putsch is at the moment far-fetched, it should be included

as one possibility in a political outlook that provides little evidence of early stabilization.

#### 7. Manpower

The last 20 years have witnessed a revolution on the educational front with a multiplication of institutions of higher learning, with the result that there are now about 50,000 university students in Israel. The expansion has begun to level off and there is some "excess capacity." While the government has sought through special assistance to facilitate the progress through the school system of members of Oriental communities, its success to date has been limited. The gap in educational achievement remains very wide.

The Russian immigrants, the last substantial inflow, were heavily skewed in the direction of professionals and technical persons, thereby adding to the trained manpower pool. The small numbers who come from the West are also from the educated classes. The Israelis believe, therefore, and probably correctly so, that because of the inevitability of continuing large inflows of educated persons into the labor force it is essential to develop the economy in the direction of science-based industry, for otherwise the country faces the risk of losing many of its best people through emigration. On the other hand, the rapid development of science-based industry, as noted earlier, is not easy to achieve among other reasons because it requires linkages in many cases to external firms and further requires talented entrepreneurs who are always in short supply. However, governmental policy is definitely trying to force the pace and such action



is sensible even though the expectations may be excessive.

The economic planners believe that it is necessary to move people out of services into industry and it would be hard to challenge that view since governmental services in particular are swollen, but the issue does arise about the absorptive capacity of industry. At the moment, there still appear to be vacancies in industry but given the depressed state of the economy there are not many. Further, with an unemployment rate of about 4 percent forecast to go up to 6 percent during this year (1977), it is doubtful that the governmental sector will be able to release workers.

The Israelis got themselves into all sorts of income transfer troubles in recent years by putting an unemployment compensation system into place but establishing severe barriers re work tests (only 1,000 out of 50,000 unemployed persons receive unemployment compensation) while at the same time making it easy for people to receive welfare assistance. Hence the unemployment figures are misleading re the under-utilization of labor. Labor input during the past two years has dropped by 8 percent. Further, Israel has strikingly low participation rates for older men. The rates for women are also below the West.

The complicated linkage systems of wages to cost-of-living increments provide the momentum for fueling the inflation. There is little prospect of breaking this linkage in the near term--at least until a new government is formed (after May elections) and probably not then.

The industrial relations scene leaves much to be desired. One or another large group is always on strike; in addition, there are many

unauthorized work stoppages. The power of the central labor authority (Histadrut) has been greatly eroded over the years with local work councils increasingly in control of their own destiny, at least when it comes to going out on a strike.

The absentee rate runs high and the lack of serious attention to work is a widespread if not universal phenomenon. There are well-managed firms with good incentive systems which are largely free of such manpower pathology, but they are the exceptions.

#### 8. Religion

One sees many more young people with head coverings, which suggests that the orthodox are gaining relative to the rest of the population but the odds are that this is primarily a Jerusalem phenomenon which attracts a disproportionate number of observant Jewish students. Although one hears of continuing tensions between the religiously oriented and the secularists, one of the more favorable trends in the country has been the absence of any heightening of religious tensions. In fact the situation is probably easing in part because of the moderation of the Oriental community that appears to be inclined to traditionalism but has little taste for ideological extremism. While the religious issue is by no means solved, it does appear as if the state is moving increasingly to divest itself of close ties and obligations of a religious nature. One of these days the question of civil marriage will be faced more directly.

What is less clear is the next stage in the evolution of "Israeli culture" in which the religious component is missing for a high proportion of the population. It is difficult to believe that the strong non-religious,



if not anti-religious approaches, of some of the early settlers will be reinforced. On the other hand, it is not clear where the leadership will come from to infuse the emerging local culture with new religious values and traditions.

It may well be that the "Jewish" component of Israeli life and culture will have as wide a spectrum as in the U.S.--from ultra-orthodoxy to lox and bagels with free choice for the citizenry, and a minimum of social accommodation such as kosher meat in the Army and no buses in Jerusalem on the Sabbath.

Some of the Israeli schools are releasing students for religious instruction during the school week!

#### 9. Diaspora

For the most part Israelis, both the leadership and the public, remain highly ethnocentric in the sense of downgrading the importance of the Diaspora, the more so since the U.S. is the only really large Diaspora community with which Israel has continuing effective relations. The long-term weakness of the U.S. leadership in defining the basis of a mutual relationship contributed to this cavalier attitude of the Israelis. However, the situation is beginning to change among other reasons because the U.S. leaders have begun to recognize that they must, for their own reasons, be more independent with respect to many policy issues; and selected groups (i.e. American rabbis) resent the second-rate status to which Israelis want to confine them.

Some Israelis are also coming to appreciate the importance of a strong and vital Diaspora and see no point in downgrading its importance. One of

the more challenging issues high on the agenda of American Jews and Israelis will be the working out of mutually compatible policies toward the Diaspora from Aliyah from the U.S. to joint policy with respect to Jews in the U.S.S.R. or in South Africa. There will be nothing easy in such joint efforts but each country will be pressured to enlarge its horizon beyond its immediate concerns.

#### 10. Peace

The situation is highly confused with the ultra-nationalists insisting that they will not retreat one inch from the historic borders of the Holy Land to the "peaceniks" that are willing to consider almost any type of territorial arrangement that carries with it a real promise of permanent peace. The mass of Israelis have little reason to believe, as yet, that anything has changed as far as the Arabs are concerned and go on the assumption that until the evidence is much clearer, they must assume that the Arabs are still aiming to annihilate them, for why else would they be accumulating munitions.

But underneath this apparently rigid posture one senses considerable potential flexibility, constrained by the Israeli's awareness that the Arab governments--Egypt, Jordan, Syria, Saudi Arabia are all vulnerable to being overthrown. Hence, how much reliance can be placed on any agreement with them, even if they act in good faith?

The real stumbling block at the moment is not the distrust of Arab governments but rather the Palestinian issue and the arrangements that must be worked out primarily for the West Bank. This is not something that they can influence, at least in the short run. Hence the differences



among the Israelis are substantial but not beyond compromise.

In over-simplified terms the Israelis have a hard time, as of now, in crystalizing a position that can command broad public approval, but if negotiations should actually commence and the Arabs are reasonably flexible some considerable interim progress should be possible. The anxiety level of the Israelis clearly requires a step-by-step approach to a lasting peace. A single document will not do the trick.

#### 11. The Restructuring of Israeli Society

Israel has always been a highly dynamic society with repeated wars, large-scale immigration, the rapid transformation of the economy. But it is clearly at a turning point. The pre-state inherited structures and patterns of relationships are increasingly obsolescent. These structures cannot be put together again. New ones must be built.

At a minimum, the political system is in an early state of restructuring in which the old party monopolies are being undermined and more particularly the connections between the several parties and their economic extensions.

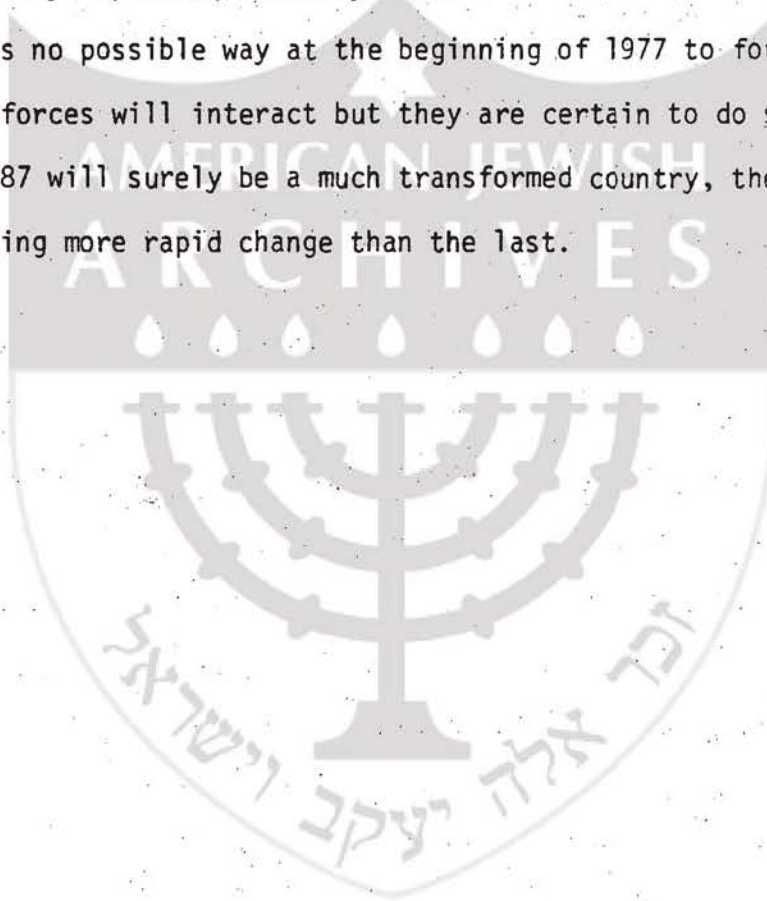
The entrance of Israel into EEC will loosen the hold of the government on the economy, speeded by the pressures for more exports which cannot be spearheaded by government bureaucrats but must rely primarily on private sector initiatives.

The Oriental population is steadily forcing its way into the mainstream of Israeli life and as this trend accelerates, various societal accommodations will occur.

Israeli-Diaspora relations are in an early stage of shake-up and shake-down as selective leadership groups in the U.S. are beginning to insist upon being taken more seriously.

And Israel-Arab relations are entering a new period in which negotiations may supersede military action.

There is no possible way at the beginning of 1977 to foresee how these major forces will interact but they are certain to do so and Israel of 1987 will surely be a much transformed country, the coming decade bringing more rapid change than the last.





# Breaking the Logjam on the Boycott

*Up Ahead Are New Options*

Each of the twenty sovereign Arab states makes its own set of rules and maintains its own blacklist. Their enforcement has varied greatly from time to time and from one Arab country to another.

The Arab boycott against Israel is "a form of racism," President Jimmy Carter declared before last November's election. He favored federal legislation, he said, to prohibit discrimination against American companies because American Jewish citizens are involved in ownership or management, or because the firms deal with Israel. In one speech he promised to "get rid of the Arab boycott." If as a result "we lost a few billion dollars in business," he asserted, "I say good riddance."

Will President Carter take as firm a stand as he begins to grapple with what he has termed the country's number one domestic problem—finding jobs for the unemployed? The Arab countries represent the fastest-growing market in the world economy. U.S. exports to those countries, which have more than tripled in the past three years and now amount to nearly \$6 billion annually, can help provide many jobs. Said Under Secretary of Commerce James A. Baker recently: "When we consider that each \$1 billion of U.S. exports represents 40,000 to 70,000 jobs for American workers, the importance of this market to the nation's well-being is apparent."

Beyond this, veiled Arab threats have been circulating in the press warning that tough U.S. anti-boycott legislation might provoke Arab coun-

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*George E. Gruen*

teraction, including a new embargo on oil shipments to the United States. Saudi officials denied that they were contemplating such an extreme measure, possibly influenced by Carter's public warning that he would impose a total embargo against the offending Arab country and not ship it anything—"no weapons, no spare parts for weapons, no oil-drilling rigs, no oil pipe, no nothing." While many observers believe that a new oil embargo is most unlikely short of a full-scale resumption of Arab-Israeli fighting, some, such as former Commerce Secretary Elliot Richardson, believe that anti-boycott legislation would "challenge Arab machismo" and thus weaken America's capacity to act as a moderating and peace-making influence in the area.

What are the dimensions of the boycott and how does it operate?

It began in 1921 when various Arab communities in Palestine called for a boycott of Jewish businesses, as well as an end to the sale of land to Jews. In 1936 the Arabs conducted a brief general strike and boycott of the Jewish community throughout Palestine. These actions, though not very effective, spurred the Jewish sector to greater self-reliance. One of the stated objectives of the League of Arab States

at its founding in 1944 was to support "the cause of the Arabs of Palestine" against "Zionism." In 1945 the League established a Permanent Boycott Committee and called on every Arab state to prohibit the purchase of "products of Palestinian Jews" to prevent "the realization of Zionist political aims."

When the State of Israel was established in 1948, the Arabs refused to recognize it and a "primary" boycott banning all economic and personal contacts between the Arab states and Israel was put into effect. It is important to note that while many Americans have deplored the absence of normal relations between the Arab states and Israel, no one—not even the most outspoken Congressional proponents of vigorous legislation against the Arab boycott—has ever suggested that the United States attempt to compel the Arab states to trade with Israel. This is generally recognized to be a matter exclusively within the sovereign jurisdiction of the Arab states.

In 1951 the Arabs decided to utilize the boycott as an instrument in their international "struggle against Israel and the fight against Zionism." A Central Office for the Boycott of Israel was established in Damascus, Syria to coordinate the activities of the regional boycott offices in the various Arab states. A long list of rules and regulations for foreign firms wishing to do business with the Arab states was promulgated, ostensibly to prevent those firms from contributing to "the Israeli economy or its war potential."

At the periodic meetings of the Arab League Council and the semi-annual conferences of boycott liaison officers, the rules have been elaborated, qualified and amended to such an extent that by June 1972, the so-called "General Principles for Boycott of Israel" had evolved into an intricate document filling thirty-five pages of small, single-spaced type. Foreign firms that run afoul of those regulations are "blacklisted." So are individuals as, for example, the actress Elizabeth Taylor,



whose films are barred because she has allegedly displayed Zionist sympathies. This extension of Arab economic sanctions against non-Israelis is known as the "secondary" boycott.

But an American wishing to do business in the Arab world must understand that simply to read through and digest the latest edition of the General Principles will not suffice to give him guidance on how to proceed. The Central Boycott Office would like to create an impression of monolithic unity and undeviating principle in the Arab world, but actually it can only make recommendations. Each of the twenty sovereign Arab states makes its own set of rules and maintains its own blacklist, except for Morocco and Tunisia, which don't really enforce the secondary boycott. The stringency of the rules, which are often confusing, and their enforcement have varied greatly from time to time and from one Arab country to another—sometimes for reasons that appear to be based on expediency and at other times for purely arbitrary and even capricious reasons.

Westerners confronted with the boycott must adjust their thinking considerably. As a product of the Middle East, it is conducted very much in the manner of an oriental bazaar where extravagant opening demands are followed by an extensive bargaining ritual and the final price is influenced by mutual assessments of shrewdness, economic clout and eagerness to complete the deal. Although American businessmen may be novices at bazaar bargaining, many are expert at playing poker and the rules for successful bidding have much in common.

Adding to the guesswork aspect is the policy of the Boycott Office not to make its current blacklist public. As a result, strange things sometimes happen. For example, Ford, Bacon & Davis, an engineering firm, was awarded a \$4 million contract by Saudi Arabia though the firm is blacklisted by Algeria. Conversely, Air Products & Chemicals, a company on the Saudi blacklist, is supplying the technology for a large Algerian plant.

Former Secretary of Commerce Rogers Morton testified in September 1975 before the Subcommittee on Oversight and Administration of the House Interstate and Foreign Commerce Committee that many American firms were able to trade simultaneously with Israel and the Arab states "since the Arab boycott list does not extend to U.S. firms engaging in

## Actress Elizabeth Taylor's films are barred because she has allegedly displayed Zionist sympathies.

routine trade with Israel"—which is generally the case.

However the Subcommittee reported that its year-long inquiry into the boycott, including an examination of more than 30,000 boycott reports, revealed "a wide range of commodities . . . affected by the boycott, including products that would have little to do with any country's ability to wage war, such as tobacco products, liquor, Christmas cards and children's bikini sets." Among them was an innocuous product, Topps Chewing Gum, which licenses the production in Israel of Bazooka Bubble Gum. Could the Arabs have believed that bubble gum contributes to Israel's war capacity? Or could one of the Boycott Office bureaucrats, whose zeal exceeded his command of English, have concluded that anything involving bazookas must have a military application? An even more bizarre case was that of the Meyer Parking System, Inc., which operates only in the United States and has no trade, routine or otherwise, with Israel—and yet was boycotted.

On the other hand, many American companies involved in the defense industry, including McDonnell-Douglas, United Aircraft, General Electric (which supplies the engines for Israel's new Kfir fighter), Hughes Aircraft and Textron have sold or are selling war equipment to Israel with impunity. In a July 1975 article, *Fortune* magazine noted: "Of course, each of them should be on the list in boldface type for rendering such 'material' help to the enemy. But they are all omitted for the overriding reason that the Arabs want the choice of the best weaponry without inhibitions about boycotts. The Arabs use as a convenient rationale the fact that the contract to purchase is made with the Department of Defense."

Another loophole is the exemption of Arab governmental agencies when they believe an exception is in the national interest. Thus, although Ford Motor Company is officially blacklisted because it licenses an assembly plant in Israel, Ford has been able to

sell trucks to the Jordanian army.

Faced with firm and principled opposition, the Arabs have often backed down completely or scaled down their demands. For example, when West Germany was on the verge of concluding its 1952 collective indemnity treaty with Israel to provide reparations for victims of Nazism, the Arab states threatened to break off diplomatic and economic relations with Bonn. The \$822 million agreement was signed and implemented, but none of the Arab threats was carried out and German-Arab trade subsequently increased.

Then there was the case of the Hilton hotels. In 1961, several years after it had opened the Nile Hilton in Cairo, Hilton Hotels International decided to construct a hotel in Tel Aviv. Alfred Lilienthal, secretary and counsel of the American-Arab Association for Commerce and Industry, wrote Conrad Hilton relaying a warning from officials of the Arab Boycott Committee that "should Hilton Hotels persist in going ahead with its contract in Israel, it will mean the loss of your hotels in Cairo and the end of any plans you may have" for hotels in all Arab countries. Hilton was also put on notice that Arab officials and businessmen visiting the United States would boycott his hotels here. Mr. Hilton replied by calling the Arab demand "shocking" and "absolutely counter to the principles we live by and which we hold most dear." He said he would continue to build hotels in Israel and wherever else there was a demand for them.

Not only did Hilton complete the Tel Aviv hotel but recently a new one was constructed in Jerusalem. Meanwhile, Hilton was asked to build additional hotels in Alexandria, Aswan and Luxor in Egypt and in other Arab countries, including one in Rabat, Morocco. Hilton hotels have served as sites for Arab League summit conferences. When Arab officials come to New York, many continue to stay at Hilton International's Waldorf-As-



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## Hilton called the Arab demand "shocking." He said he would continue to build hotels in Israel and wherever else there was a demand for them.

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toria; the Palestine Liberation Organization's United Nations delegation did so in 1974. A boycott regulation relating to "foreign companies . . . operating in support of the economy of Israel" was quietly amended to provide an exception for "worldwide hotel companies" that have hotels bearing their name in Israel—if, inter alia, "these companies are conducting in the Arab states effective activity that is at least on a par with their activity in Israel." Thus, not only Hilton, Sheraton, Intercontinental and other international chains, but also such service companies as Hertz, Avis, American Express, Barclay's Bank and Lloyd's of London have been able to operate on both sides of the Arab-Israel frontiers.

Similarly, the Arab states initially warned airline and shipping companies that any contact with Israel would cause the company to be banned in the Arab world. When the airlines resisted, the Arabs modified the rule and said they had only meant to bar direct flights between Israel and an Arab destination. Today major international airlines including TWA, BOAC, Air France, KLM and SAS maintain regular service to both Israel and Arab states. As for shipping lines, only an individual ship serving Israel is placed on the blacklist, not its entire fleet. And exceptions are made for major cruise ships which visit Arab and Israeli ports on the same voyage.

Nor do the Arabs seem to be able to resist the lure of the exotic Club Méditerranée, the world's biggest tourism company. The Club is officially on the Arab boycott list because it has tourist villages in Israel. Its founder, Gilbert Trigano, and some of its major owners are Jewish, these including Edmond de Rothschild, long noted for his philanthropic support for Israel. Still, the Club operates villages in Egypt, Algeria and Morocco, and is constructing a new one in Jordan. Not long ago an emir from the Persian Gulf offered Mr. Trigano free land and begged him to open a tourist village in his sheikh-

dom. Trigano had to decline, he said, because, although the country had abundant oil and sand, it had nothing to attract tourists.

But, while the boycott is uneven in its operation and many American firms have managed to circumvent it, it has caused numerous bureaucratic problems, moral dilemmas and actual or potentially serious economic losses for some companies. A prime example is the Radio Corporation of America. An RCA executive testified before the Commerce Subcommittee that, before being blacklisted a decade ago, RCA did approximately \$10 million worth of business annually with Arab countries and sales were on an uptrend. Since then sales have dropped to less than \$9 million per year. Nevertheless, RCA declares that "We are not going to end relations with Israel to get an Arab contract. This is a moral issue."

Some blacklisted companies which lack RCA's scruples have sought in various ways to get off the list, with mixed success. Two very different cases illustrate what can happen in such situations. The General Tire and Rubber Company paid Saudi entrepreneur Adnan Khashoggi's Triad Financial Establishment \$150,000 to help get the company off the list. (This payment "for professional services" was recognized by the U.S. Internal Revenue Service as a legitimate business deduction.) The Bulova Watch Company was less fortunate.

In the mid-1960s Bulova paid a retainer to a Syrian lawyer who claimed his excellent connections in Damascus would enable him to get the firm off. The company thought negotiations were going well until it learned it had lost both its fee and its agent, who was executed for alleged espionage when he ended up on the wrong side in one of Syria's periodic military coups. In 1975 the company's associate counsel wrote Mohammed Mahmoud Mahgoub, Commissioner General of the Central Office for the Boycott of Israel, inquiring how it could get off the blacklist.

Mahgoub responded that Bulova had been banned from the Arab world since 1960 because "the Bulova Foundation, which is financed by your company, gave a complete machine factory to Israel as a present and refused to give a similar factory to the Arab country [sic]" despite a demand to do so from the Boycott Office in January 1956. To lift the ban, the Bulova Foundation would have to undertake to provide donations "for the benefit of the Arab countries at least similar in volume and nature to what it presented to Israel."

This was only one of eight detailed conditions. The others included the standard demands for complete information as to whether the company, the Foundation or any of its subsidiaries "have now or ever had" general offices, factories or assembly plants in Israel; granted trademarks, patents, licenses, etc. to Israeli firms; owned shares in Israeli firms; represented any Israeli firm in Israel or abroad, or provided any technological assistance to any Israeli company. Detailed information also was required on Bulova's corporate structure, including "the names and nationalities" of all companies with which Bulova was associated.

The clincher was an item which illustrates how the boycott frequently goes beyond a company's direct business relations with Israel into the personal lives and affiliations of Americans. It demanded "A document to the effect that your company, the Bulova Foundation, any of their subsidiary companies, their owners or the members of the Board of Directors of all the said companies are not joining any organizations, committees or societies working for the interests of Israel or Zionism whether they are situated inside or outside Israel; as well as the understanding that of [sic] the above entities and persons will never in the future join any such organizations, committees or societies or give or collect donations to any of them."

All documents had to be authenticated by an Arab consulate or diplomatic mission, and the legalized originals accompanied by "an Arabic translation of each of them in 25 copies." (Apparently the Boycott Office wanted to avoid copying the documents, presumably because it lacked a Xerox copier. Xerox had been blacklisted by Mahgoub's office for the previous ten years, since, as part of a series of public service telecasts on United



Nations members, it had sponsored a program on Israel, entitled "Let My People Go.")

Bulova maintains that the Foundation is a separate legal entity from the watch company and that the Arab demands are "onerous and unreasonable." The company decided not to respond to the boycott commissioner's letter. Bulova has heard nothing further from the Boycott Office since then.

The successful quadrupling of oil prices by the Organization of Petroleum Exporting Countries (OPEC) cartel since the Arab oil embargo of 1973-1974 has made the oil-producing Arab states a major economic force. Many businessmen in the Western world began to have visions of multi-billion-dollar deals in construction, engineering and a host of related technical services for the area's ambitious development plans. The Arab states also loomed large as markets for consumer goods, and their surplus petrodollars were eagerly sought as sources of investment capital and loans.

Some unsophisticated businessmen, unaware of the subtleties and ambiguities in the Arab boycott regulations, concluded that since the Arabs were still at war with Israel, and since Saudi Arabia generally refused visas to Jews, the safest course if they wanted to attract Arab customers was to stop doing business not just with Israel but also with Jewish firms. Further, some decided to remove Jews from the ranks of their corporations, or at least to keep them out of visible positions. In Israel and the American Jewish community and in other countries, fears began to develop that this self-imposed "shadow boycott" would soon transform the Arab ban from a manageable nuisance to an intolerable burden with far-reaching economic and anti-Semitic implications.

Clear evidence that Arab oil states were using their economic clout to discriminate against some Jewish-owned firms became public knowledge in February 1975 when Lazard Frères, a leading French investment banking firm, protested to the French government its exclusion by two French national banks from participation in underwriting \$25 million loans to the state-owned Air France and Compagnie Nationale du Rhône, because of objections by Arab investors. Kuwait government officials had told French

and British banking circles that Arabs would not participate in the deal unless Lazard and two other Jewish-owned banks identified with "Zionist" causes, S. G. Warburg of London and the Rothschild banking houses in London and Paris, were excluded. The resulting public outcry spurred the French government to use blacklisted firms in other financing.

About the same time, the Kuwait International Investment Company attempted to pressure Merrill Lynch, Pierce, Fenner and Smith, America's largest brokerage firm, into excluding Jewish banks from participation in underwriting two large bond issues in the United States for Volvo, the Swedish auto manufacturer, and the Mexican government. Merrill Lynch refused to yield, the Kuwaiti firm withdrew as co-manager and the bond issues went ahead without them.

After quiet consultations among the three major Kuwaiti investment companies and between the Arabs and the international banking fraternity, an ingenious face-saving device was worked out. In cases where both Arab and Jewish firms were interested in an issue, a "neutral" firm would buy up the whole issue and the various Arab and Jewish banks who subscribed as underwriters would technically not have to deal with each other but only with the neutral manager. As one Kuwaiti banker remarked: "This would be like traveling on the same bus innocently, without shaking hands or kissing." In effect, however, the Arabs had dropped their initial demand to keep the Jews off the bus altogether.

Arab pressures to broaden the boycott's effect have also been exerted in other directions. Saudi Arabia and some other Arab countries recently sought to require not only that American firms themselves refrain from "prohibited" dealings with Israel, but that—as a condition of their contract—such firms exclude any blacklisted American company or individ-

ual from serving as a subcontractor or supplier—the "tertiary" form of boycott. Last January the Department of Justice filed a civil anti-trust suit against the Bechtel Corporation, one of the country's largest heavy construction companies, charging that by refusing to deal with blacklisted American firms in their multi-million-dollar projects in Arab countries, Bechtel and its subsidiaries had participated in a "combination and conspiracy which resulted in an unreasonable restraint of . . . interstate and foreign trade," in violation of the Sherman Act. If convicted, Bechtel faces heavy fines, as well as triple-damage lawsuits by the excluded companies.

Bechtel is contesting the charges, claiming that a politically rather than an economically motivated boycott required by a foreign country as a condition of doing business there is not covered by the Sherman Act. The Justice Department believes it is. But since it will take several years of litigation before the matter is finally decided by the Supreme Court, there is strong sentiment in Congress for explicit new legislation to prohibit American firms from participating in such tertiary boycotts.

The Stevenson-Williams Bill to accomplish this was approved by the Senate last August, and the companion Bingham-Rosenthal Bill, which contained even tougher anti-boycott provisions also prohibiting compliance with the secondary boycott, was passed by the House of Representatives in September, both by substantial margins. The Ford Administration, which opposed the new legislation, was aided by Senator John Tower of Texas, who successfully blocked appointment of a conference committee to work out the differences between the Senate and House versions before Congress adjourned. The sponsors of the measures have pledged to reintroduce them when the new Congress convenes.

President Carter is committed to

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Could the Arabs have believed that bubble gum contributes to Israel's war capacity? Or could one of the Boycott Office bureaucrats have concluded that anything involving bazookas must have a military application?

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## Carter promised: "If I become President, all laws concerning these boycotts will be vigorously enforced."

their enactment. Last October he said there was a need for "strong and comprehensive legislation on the federal level" against both the secondary and tertiary boycotts, "to protect American companies from Arab pressure to stop trading with Israel" or "with other companies dealing with Israel." He expressed approval of legislation to provide for public exposure of Arab boycott demands on American firms and of their compliance or non-compliance; to forbid U.S. firms to refuse to do business with Israel or with other U.S. firms pursuant to foreign boycott demands; to forbid U.S. firms to furnish information about the race, religion or national origin of their employees, shareholders, directors or officers, or those of other firms for boycott purposes, and to make ineligible for tax benefits the income derived by American firms from certain investments or business in countries sponsoring boycotts. He promised: "If I become President, all laws concerning these boycotts will be vigorously enforced."

Enforcement of provisions already in the law has been feeble, despite efforts by Congressional Committees to prod the Executive Branch into action. A major breakthrough occurred early last October when, goaded by Jimmy Carter's charge that his administration has been derelict in enforcing anti-boycott measures, President Ford announced that reports of boycott compliance would be made public. (Although the Export Administration Act formally expired last September, the reporting requirements have continued in effect under Presidential executive order.)

The question of reporting—in effect, of letting the world know when a company or business is cooperating with the Arab boycott—has been a thorny one since 1965. Then Congress passed an amendment to the Export Control Act, which declared it to be United States policy "to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States." American firms were "en-

couraged and requested" to refuse to take any action, including furnishing information or signing agreements supporting such boycotts. Identical legal provisions were part of the Export Administration Act, which succeeded the Control Act in 1969. The Commerce Department was charged with enforcement.

The law did not actually prohibit compliance with boycott requests. The House Commerce Subcommittee found that, in its eagerness to encourage American foreign trade, the Commerce Department had "winked" at exporters to let them know they could circumvent the law by noting on the reporting form that they were not prohibited from complying with Arab boycott regulations. For a decade the Department had not even required exporters to indicate how they had responded to boycott requests.

Following persistent Congressional inquiries and a statement by President Ford in February 1975 condemning Arab discriminatory acts against American firms on religious and ethnic grounds, the Commerce Department finally amended the regulations and issued new forms late in 1975. American exporters and related service companies were prohibited from responding to any boycott requests that in any way sought to discriminate on the basis of race, color, religion, sex or national origin. They were required thereafter to report what action they took on other boycott inquiries—i.e., those that asked about a company's economic relations with Israel. Responding to such inquiries was not—and still is not—forbidden under law. The Commerce Department kept the responses confidential. Former Commerce Secretary Rogers Morton refused to make them available even to the House Subcommittee for scrutiny as part of its inquiry into the boycott until it was on the verge of citing him in contempt of Congress. He finally turned them over when the committee agreed not to make public the names of the firms involved.

Several other potentially important actions took place at the end of 1975. In November, after the Senate Foreign

Relations Committee's Subcommittee on Multinational Corporations disclosed that the U.S. Army Corps of Engineers was complying with Saudi Arabian boycott requirements in its choice of employees and subcontractors, President Ford issued executive orders directing all federal agencies to refuse to comply with boycott demands in hiring or assignment of personnel. Federal contractors and subcontractors were similarly required not to discriminate and were ordered to inform the State Department of any visa rejections. (Assistant Secretary of State Alfred Leroy Atherton said that the State Department has been generally successful in persuading the Saudis, through "quiet diplomacy," to admit American Jews hired to work on specific projects.)

In December 1975, again as a result of Congressional prodding, the Commerce Department announced that thereafter it would not circulate information on foreign trade opportunities which contained boycott requirements. The State Department instructed its posts in the Arab world not to forward such documents.

The Tax Reform Act, reluctantly signed into law by President Ford in October 1976, for the first time denies foreign tax credit, tax deferral of foreign source income and some other tax benefits to companies to the extent that they comply with the boycott. This is the result of an amendment introduced by Senator Abraham Ribicoff of Connecticut. The law requires that companies report boycott-related business under penalties of fine or imprisonment or both. In sponsoring it, Senator Ribicoff said, "There can be no justification for offering companies tax benefits that cost American taxpayers as much as \$1 billion a year" and serve as incentives to comply with the Arab boycott. The amendment was approved by Congress despite a strenuous campaign to kill it led by Mobil and other oil companies involved in Arab countries, who exaggerated the effects of the amendment.

The Ribicoff amendment clearly indicates that it does not cover the primary boycott and that American oil companies will not be regarded as in violation of the law if they simply comply, for example, with a Saudi demand not to sell Saudi oil to Israel or not to send Israeli products to Saudi Arabia. How the law, and the amend-



## In fact the Commerce Department had "winked" at exporters to let them know they could circumvent the law.

ment, will work in practice will depend on how broadly the regulations are written by the Treasury Department and how vigorously they are enforced in the new administration.

Basic to effective legislation are clearer legal guidelines and more precise regulations than have been promulgated in the past as to what constitutes an objectionable Arab boycott practice and what does not. Provisions which blatantly discriminate against American Jews are unconstitutional and should continue to be proscribed. But the Commerce Subcommittee found these only in a small number of cases—fifteen among some 4,000. The requirement that a firm not deal with a blacklisted company was found in less than 15 percent of all the cases it studied. This requirement should also be outlawed under new legislation as contrary to American principles and to antitrust provisions. So should questions regarding membership in or contributions to Jewish or Zionist organizations—which turned up in only a handful of report forms.

Shipping regulations are, in a sense, a special category. In the majority of cases there have been two main requirements—that no Israeli carrier be used and that the carrier not stop at an Israeli port before arriving at its Arab destination—both of which the Commerce Department does not consider restrictive trade practices but rather precautionary measures "to avoid any risk of confiscation of the commodities." Such measures are an unfortunate consequence of the continuation of the Arab-Israel conflict and Israel itself makes similar shipping requirements. New legislation should make it clear that such limited precautionary measures are not illegal and need not be reported.

What should be forbidden is compliance with Arab demands not to use any ship of a blacklisted American firm.

The overwhelming majority of boycott-related reports have concerned questions on the origin of the goods,

which appeared on nearly three-fourths of the documents and/or requirements relating to shipping, asked in more than half the cases studied, according to the Subcommittee report. Much of the controversy over the boycott could be defused if, instead of a negative certificate of origin ("These goods are not of Israeli origin"), American firms were asked to provide positive certificates ("These goods are made in the U.S.A."). Most exporters and banks which responded in such positive language to Arab questionnaires were accepted by the Arabs.

Meanwhile experience has shown that staunch resistance often pays off. Two interesting examples appear in a September 1976 House Government Operations Committee report. When the Morgan Guaranty Bank objected to twenty-four letters of credit containing demands that the American exporter not do business with firms with Jewish owners or officers, the clauses were dropped in twenty-three cases. Of fifty-five such requests received by the Irving Trust Company, thirty-nine were amended and sixteen were cancelled when the bank objected. Representative Benjamin Rosenthal of New York, head of the Committee study, concluded that this proved that American banks could oppose discrimination and still obtain Arab business.

How much Arab business, if any, will American firms lose if they decide to refuse to go along with the Arab boycott? No one can say for sure. The 40th conference of the regional officers of the Arab boycott concluded in Baghdad, on October 28, 1976, with a tough public statement that any U.S. or other foreign companies which did not "respect the regulations in force in the Arab countries, under the pretext of laws enacted in their own countries, will be prevented from carrying out activities of any kind in the Arab countries, including the obtaining of any Arab raw materials." The statement did not disclose the "resolutions and recommendations" the conference had adopted, saying only that they

would be submitted to the Arab League for approval. But as the world has learned, there is often wide divergence between what the boycott officers propose and the individual Arab states dispose.

Beyond this are other, hopeful prospects. One involves action by Egypt and Saudi Arabia to get Arab League approval to modify boycott rules so they conform to what appears to be the practice of those two key nations. Dr. Ghazi A. al-Gosaibi, Saudi Minister of Industry and Electricity, told *Christian Science Monitor* reporter last April: "If a company is willing to do in the Arab world exactly what it does in Israel, it can be removed from the Arab boycott list." Explaining his preference for American over Japanese or European companies, he said "there is no substitute for the real McCoy." He gave three reasons for preferring to do business with the United States: "American technology is superior, Saudi Arabia has had long experience with Americans through Aramco and we like Americans."

The Ford Motor Company is currently negotiating a \$150 million joint project with the Egyptian government to build diesel engines and assemble trucks and tractors in Egypt, despite the company's insistence that it will continue to do business with Israel. Egyptian Ambassador to the U.S. Ashraf Ghorbal explains: "If the activities of some of these companies in the Arab world outweigh their operations in Israel, then they might be considered as helping the development of the Arab economy." When Gilbert Kaplan, editor of *Institutional Investor*, asked Egyptian President Anwar Sadat about reports that the Arabs were adopting the philosophy that "If a company is prepared to do at least as much business in the Arab world as it does in Israel, then it won't be boycotted," Sadat answered unequivocally: "We have this rule now in the boycott law."

According to the State Department, even Syria, host to Mahgoub's Central Boycott Office, recently adopted a "regulation 412," which in effect welcomes American business investors who are also active in Israel.

The powerful Chase Manhattan Bank had a significant experience with the Boycott Office a few years ago. In July 1964 Mahgoub warned Chase that it would be blacklisted in six months unless it stopped acting as if-



## There is strong sentiment in Congress for explicit new legislation to prohibit American firms from participating in tertiary boycotts.

cal agent for Israel Bond issues in the United States and also refused to underwrite a loan for Israel to purchase Boeing airliners. Unwilling to bow to his demands, Chase lined up support among political and business friends in Egypt, Kuwait and Saudi Arabia at the subsequent Boycott Office meeting. Whereupon Mahgoub announced that the ultimatum had been suspended because as he put it, Chase had produced certified documents stating that its relations with Israel were of "a purely banking nature." Chase serves to this day as the agent for Israel Bonds and provides other financial services to Israel.

Another result of Chase's stand was that one of the Boycott Principles was amended to exempt from blacklisting those international banks which "provide the Arab states with loans, guaranties, etc. to an extent greater than they do in the case of Israel."

When Chase Manhattan chairman David Rockefeller was recently asked whether he thought this more liberal principle regarding American business relations with Israel would become generally accepted in all the Arab countries, he said that it was hard to know, since the Arabs say different things at different times and are divided among themselves. Further, he pointed out, their implementation of the boycott is filled with ambiguities and inconsistencies.

As Arab officials privately concede, even the primary boycott is by no

means effectively enforced. Ever since the "open bridges" policy between Israel and Jordan started in 1967, countless trucks full of Israeli products have gone into the Arab world disguised as West-bank Arab goods, and products from the Arab world have become available to Israeli shoppers and tourists in Jerusalem. The recently opened "good fence" on the Lebanese border has witnessed similar Arab-Israel economic interaction, albeit on a smaller scale. If the Arab states say they are genuinely prepared for peace in the Middle East, then lowering boycott barriers and supporting more open bridges are what the United States should be encouraging.

There are some prominent American businessmen who have challenged the State Department contention that the Arab economic boycott will not end until peace is achieved and that adoption of U.S. anti-boycott legislation will jeopardize American efforts to create a proper "political climate" for peace. In July 1974, after the signing of the Egyptian-Israeli and Syrian-Israeli disengagement agreements, a joint letter was sent to Secretary of State Henry Kissinger by Arthur Taylor, president of CBS; J. Paul Austin, chairman of Coca-Cola; Henry Ford; Charles Sumner, chairman of the board of Monsanto; Robert Sarnoff, chairman of the board of RCA; William DeLancey, president of Republic Steel, and John Platts, chairman of the board of Whirlpool, in which they

stated:

"As efforts go forward to develop normal relations in the Middle East . . . there is no longer a place for the Arab boycott against U.S. companies which, as part of their normal international activity, have been engaged in business with customers in Israel."

Noting that their companies were among those on the Arab blacklist, they asked the Secretary of State to use his "best efforts to persuade the Arab nations" that the "new climate of diplomatic accommodation in the region would be well served by an end to these discriminatory commercial barriers." They also stressed that such a development would free all American companies to participate equally in technological and commercial exchange between the United States and the Middle East and would "mark a significant step in nurturing the spirit of coexistence that has begun to appear. . . ."

As the new President and Secretary of State assume office, it is to be hoped that they will respond to this affirmative approach. Through properly drafted, principled U.S. legislation, the Carter administration may also help the Arabs realize that their long-term interests will best be served by positive cooperation with American business.

Confrontational tactics and the negative approach of the boycott will not work, because—as Representative John E. Moss, chairman of the House Subcommittee on Oversight and Investigation said, summing up the majority view in Congress—"America's sovereignty and sense of justice is not for sale." □

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## Present Tense

Winter 1977

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THE AMERICAN JEWISH COMMITTEE  
Institute of Human Relations, 165 East 56 Street, New York, N.Y. 10022

THE AMERICAN JEWISH COMMITTEE

SPECIAL COMMITTEE ON ARAB INFLUENCE IN THE UNITED STATES

(in formation)

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3/9/77  
77-975-6




The American Jewish Committee

SPECIAL COMMITTEE ON ARAB INFLUENCE IN THE UNITED STATES

Meeting, March 9, 1977

12:30 P.M.

AGENDA

- 
- I. Introduction: The Mandate of the Special Committee  
Melvin Merians, Chairman
- II. Report on Strategy  
Sectors: business, universities, churches  
Ira Silverman, Director, AJC Special Programs  
Discussion
- III. Update on Federal Anti-boycott legislation  
Ira Silverman  
Discussion



# THE AMERICAN JEWISH COMMITTEE

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**CONFIDENTIAL**

March 9, 1977

TO: Committee on Arab Influence in the United States  
FROM: Ira Silverman  
SUBJECT: Strategy Outline

As you know, I am now in the process of drafting a strategy paper to suggest the shape of our efforts to assess and deal with various aspects of Arab influence in the United States which may be inimical to our interests. Among the thoughts which have occurred to me and others at the AJC are the following suggestions, both for our general public relations plans and for our efforts to counter Arab influence in the specific key sectors of American life.

I. General public relations on subject

- A. Proliferation of print media pieces: backgrounders, op-eds, editorials, letters, columns, etc., for daily and trade press
- B. Stimulation of writers' interest (see March 2 memo from Mort Yarmon, attached)
- C. Stimulation of scholarly interest -- academic meetings
- D. Electronic media - TV, radio magazines

II. Research and monitoring

- A. media monitoring -- information on Arab penetration
- B. monitor activities of U.S.-Arab Chamber of Commerce, Emergency Committee for American Trade, National Association of Arab-Americans, Arab American University Graduates, Inc., etc. to determine if counteractions are necessary
- C. obtain information from public opinion polls regarding knowledge of and attitudes toward Arab influence in the U.S.

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■ BERTRAM H. GOLD, Executive Vice-President



III. Business sector

A. Anti-boycott

1. continue support of federal legislation
2. pending federal pre-emption, support state legislation
3. help ensure federal and state enforcement of compliance
4. independently monitor compliance, on selective basis
5. file complaints and litigate where appropriate
6. pursue efforts to encourage "Phase II" -- foreign enactment of anti-boycott provisions

B. business cooperation

1. assessment: study, aided by AJC regional/chapter committees, including liaison with area "Fortune 500" corporations; programmed interviews on:
  - a. contracts, trade and investment in Arab world
  - b. Arab investments in U.S. corporations
  - c. Arab deposits in U.S. banks
2. follow-up: public statements, monitoring, litigation, etc. using, when possible, local law firms on pro-bono basis
3. sessions with corporate counsels, led by AJC laymen
4. disclosure of Arab national and/or corporate retainers for lobbying, contracts, etc.
5. Coalition-building: businesses by industry, chambers of commerce, labor groups, etc.

IV. University sector

A. assessment: study, via programmed interviews of university officials, and information received from on-campus contacts (APPME and Jewish groups), the relevant activities of universities regarding

1. contracts with Arab countries
2. grants from Arab countries
3. Middle East studies departments

4. faculty employment and deployment
5. Arab faculty and student groups
6. Arab propaganda on campus

B. follow-up: public statements, monitoring, litigation, etc., including strengthening of chapter liaison and on-campus informants and countervailing groups

V. Church sector

- A. assessment: study of influence of Arab Christian church in U.S. including connections with other churches; study of Arab Moslem population in U.S.
- B. follow-up: revival of Jewish-Moslem dialogue; efforts through Christian umbrella organizations



IS:ls  
enc.

77-975-5



## THE AMERICAN JEWISH COMMITTEE

**date** March 2, 1977

**to** Ira Silverman

**from** Mort Yarmon

**subject**

In the area of Arab Penetration -- social, cultural, religious, as well as economic and political -- I would like to propose we call a small group of concerned writers for a get-together lunch. The aim would be to expose them to a topic that generally is overlooked: Arab Penetration. I am thinking of men and women with whom we have worked over the years, those who we know to be much concerned over anything that could threaten Israel or Jewish life in the U.S. Examples: Cynthia Ozick, Hugh Nissenson, Dorothy Rabinowitz, Midge Decter, Gerold Frank, Gerald Green, Robert Moskin, Alvin Toffler, Meyer Levin, Terry Morris. The purpose, in addition to the general one of increasing awareness of the problem by an important group within the community, would be to hope that they would think of using our concerns as a theme for their writings. Specifically, I would hope that they would look to us for help -- research and the like-- in the event they did plan to do something. Perhaps we could meet with them on a continuing basis, but that could be decided after we appraise the first meeting.

This suggestion is in keeping with our past history. A "Writers Board" was set up during World War II, and I have met with writers in this fashion on occasion since the Six-Day War.

It has nothing to do with whatever ultimately we decide about reaching the general press about this issue. Nor should it conflict with any plans you may have to reach other elements in the community: academics or what-have-you.

If you agree, let's get together to discuss specifics: whom to invite, an appropriate date, an agenda, etc.

*Mort*

THE SAUDIS ARE COMING

A delegation of spokesmen from Saudi Arabia is reportedly on its way to the United States (Christian Science Monitor, February 21) with plans to talk to legislators, business and civic groups, academics and anyone else who will listen about such matters as peace in the Middle East, the Arab boycott against Israel, and the future relations between Saudi Arabia and the U.S.

Saudi Arabia, which is selling billions of dollars' worth of oil to the U.S. and is spending comparable sums here on purchases of arms and other goods and services, has, for some time, cast herself in the role of the enlightened moderate among Arab powers and in OPEC. She has adopted a peacemaker stance in Middle East affairs and kept her latest oil-price increase to 5 per cent despite a 10-per cent rise voted by most other OPEC countries--announcing that "in appreciation" she expected the U.S. to bring pressure on Israel.

In view of Saudi Arabia's claim to enlightenment and moderation, it might be worth remembering that country's recent history on issues of political and economic concern.

The Price of Moderate Prices

-- The Saudis were the architects of the 1973-74 oil embargo and the subsequent quadrupling of oil prices, and their carrot of "moderation" has always been proffered in combination with the stick of higher oil prices or possible renewed embargoes.

-- To help enforce the 1973 oil embargo, Saudi Arabia demanded that the American oil companies constituting the Arabian-American Oil Company (ARAMCO) supply a list of Saudi oil products being sold to the U.S. military--in effect using American businesses as instruments of the anti-U.S. policy.

-- In the years since the 1973 embargo, hints or threats of new embargoes or higher prices have been made to reporters or politicians, whenever the Saudis wanted to influence Congress, the Administration or the American public. For example, in August 1976, the Saudi Minister for Planning, Hisham Nizer, came to Capitol Hill to threaten a new oil embargo if Congress were to pass pending legislation that would curb compliance by American companies with the Arab boycott against Israel. The same threat was conveyed to U.S. officials a few weeks later by Saudi Foreign Minister Prince Saud Ibn Faisal, and again reported by the official Middle Eastern News Agency in Cairo when Congress showed signs of blocking the proposed sale of Sidewinders and Mavericks to Saudi Arabia.

-- In November 1976, just before the latest oil price rise, the Saudi Oil Minister, Sheikh Ahmed Zaki Yamani, told Business Week that a new embargo still remained possible until the U.S. moved to bring about a "peaceful settlement of the Mideast crisis."

Anti-Israel--and Anti-Semitic

Saudi Arabia's usual attitude toward the State of Israel has been irreconcilably hostile. Furthermore, while intermittently disclaiming any hostility against Jews as such, Saudi Arabia has a long record of anti-Semitic gestures and rhetoric.

-- In November 1973, King Faisal publicly said: "The Jews are accursed by God through the Prophets....They have deviated from the teachings of Moses and have attempted to murder Jesus Christ....They have...no right to have any presence in Jerusalem. The Wailing Wall is a structure they weep against; another wall can be built for them to weep against."

-- In December 1974, a party of Saudi ulemas (religious judges) distributed anti-Semitic literature, including the notorious Protocols of the Elders of Zion, to co-participants attending an ecumenical colloquium, sponsored by the Consultative Assembly of the Council of Europe.

-- King Faisal frequently presented visitors with copies of the Protocols, along with a gift package containing an anthology of anti-Sem-



itic quotations and a collection of distorted statements from Jewish sources, described as Faisal's favorite bedtime reading.

-- In March 1975, Faisal told a delegation of U.S. Congressmen that there could be no Jewish state of Israel under any final Arab-Israeli peace settlement--and insisted there were no Jewish holy places in Jerusalem, only Christian and Moslem ones.

-- In December of the same year, Faisal's successor, King Khalid, called on Muslims the world over to free the Moslem holy places in Jerusalem "from the dirt of Zionism and its evil aggressiveness."

#### "You Can't Come In"

Saudi Arabia also has a long record of discrimination in admitting visitors, workers, businessmen, even U.S. military personnel, to her territory. Traditionally, Jews were altogether barred, while Christians were admitted only under certain restrictions. (These practices are only gradually giving way under pressure from the West.)

-- As late as March 1975, a Jewish member of a delegation of U.S. Congressmen visiting Saudi Arabia, Rep. Henry H. Waxman (D.-Calif.), was denied a visa until the State Department intervened on his behalf.

-- Until recently, Jews were not even accepted on technical or professional work teams sent to Saudi Arabia by the U.S. Government or American corporations. In 1975, the Saudis demanded that a Midwest Universities' Consortium that was to provide technical assistance to their country fire the professor in charge, who was Jewish--a step that would have placed the Consortium in direct conflict with U.S. fair employment law. The Consortium refused, and nullified its contract with the Saudis. (After several other episodes of this sort, the U.S. formally protested these discriminations, but it was not before March 1976 that Saudi Arabia finally agreed to issue visas to anyone involved in joint Saudi-U.S. projects.)

-- Christians are currently allowed into Saudi Arabia as business may require, but they may not practice their religion publicly. A recent visitor reported that Sunday services at the U.S. Embassy are camouflaged as "welfare meetings" and Catholic confession as a "conference."

#### Saudi Society

Saudi Arabia's feudal society is hardly an advertisement for her enlightenment and moderation.

-- Saudi Arabia remains a theocratic state on the medieval model. Moslem religious law remains the basis for all legislation--which means, among other things, that thieves are still punished by having a hand cut off. Women remain strictly segregated and disadvantaged. Until recently, education for girls was almost nonexistent.

-- According to Business International, Saudi Arabia and Kuwait head the world-wide list of bribe-prone countries. Every sale--a bottle of aspirin or a contract to build a port--is expected to be accompanied by a 5 per cent or 10 per cent payment under the table.

#### They Need Us

The Saudis and their friends have been floating rumors that anti-boycott action will deprive American companies of orders, contracts, investments, and capital. In the face of this bluster, Americans would do well to remember that Saudi Arabia is not doing business here as a favor to the U.S. No other investments offer the same safety. And only American companies can supply the sophisticated technology for the Northrop jet fighters the Saudis have bought or the trained people needed to teach them how to fly and maintain them.

The fact is that the Saudis do business with the U.S. because it is good for the Saudis. They will not refrain from doing so to punish Americans for doing what is good for Americans.

STATEMENT OF ALFRED MOSES, CHAIRMAN  
OF THE DOMESTIC AFFAIRS COMMISSION  
OF THE AMERICAN JEWISH COMMITTEE,  
SPEAKING FOR THE AMERICAN JEWISH  
COMMITTEE, THE AMERICAN JEWISH CONGRESS  
AND THE ANTI-DEFAMATION LEAGUE OF B'NAI  
B'RITH, ON BEHALF OF NINE NATIONAL AND  
101 LOCAL JEWISH ORGANIZATIONS  
BEFORE THE COMMITTEE ON INTERNATIONAL  
RELATIONS, UNITED STATES HOUSE OF  
REPRESENTATIVES, MARCH 8, 1977.

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Mr. Chairman and members of the Committee, I appear before you today to discuss the anti-boycott provisions of H.R. 1561, a bill to amend the Export Administration Act of 1969. I am Alfred Moses, Chairman of the Domestic Affairs Commission of the American Jewish Committee. With me are Mr. Paul Berger of the American Jewish Congress and Mr. Maxwell Greenberg of the Anti-Defamation League of B'nai B'rith; together we have the privilege of appearing on behalf of our organizations and the other six national and 101 local constituent agencies of the National Jewish Community Relations Advisory Council, whose names we would like to enter into the record of these hearings.

We appreciate, Mr. Chairman, your joining in the sponsorship of H.R. 1561, and commend you and Representatives Bingham and Rosenthal and the other members of the Committee who have led the effort of the past year to enact effective anti-boycott legislation. We believe H.R. 1561, the product of extensive deliberation and negotiation by this and the last



Congress, constitutes reasonable and effective legislation to counter the abuses fostered against United States interests by foreign boycotts. We endorse wholeheartedly the anti-boycott provisions of H.R. 1561.

This legislation is needed to combat the pernicious practices here in the United States resulting from compliance with Arab boycott demands. Such practices are known to this Committee and are well documented. They include the denial of contracts to otherwise qualified American companies, which are blacklisted because of their trade or other relations with Israel or even because their owners or executives are American Jews. They include the coercion of American companies to refuse to deal with other American companies which are blacklisted. These practices are enforced through the use of certifications which have the effect of enlisting American firms to police the boycott imposed by the majority of Arab countries. American exporters are asked by Arab customers to state they do not sell to Israel; manufacturers are asked to declare they have no operations in Israel, or that their products contain no Israeli-made components; banks are asked to honor letters of credit valid only for those recipients who do not do business with or in Israel or with a blacklisted company. Beyond these formal certifications, companies seeking Arab business are given to understand that

their chances are better if they do not deal with Jewish-owned or managed companies; some countries, notably Saudi Arabia, have refused to grant entry visas to Jews assigned to work teams of American companies. As a result, there is also what is termed a "shadow boycott" -- the self-imposed discrimination practiced by some businesses against American Jews and American Jewish companies aware of Arab demands -- in an effort to curry favor with potential Arab customers.

Mr. Chairman, in view of these flagrant abuses of fundamental American rights -- for individuals and businesses to pursue their business activities without being compelled to adopt business practices repugnant to American values and interests -- we believe it is necessary to enact into federal law the following principles:

First, no U.S. person may discriminate against a U.S. person on the basis of that person's race, religion, sex or ethnic or national origin, or that of its employees, directors or shareholders, to comply with, further or support a foreign boycott.

Second, no U.S. person may furnish information with regard to or reflective of a U.S. person's race, religion, sex, ethnic or national origin or business relationships with a boycotted country, or presence or absence on a blacklist, for the use of a foreign country, its nationals, or residents to comply with, further or support a foreign boycott.



Third, no U.S. person may refrain from doing business with or in a foreign country, its nationals or residents pursuant to an agreement with a foreign country, its nationals or residents to comply with, further or support a foreign boycott.

Fourth, no U.S. person may refrain from doing business with any other U.S. person pursuant to an agreement with a foreign country, its nationals or residents to comply with, further or support a foreign boycott.

Agreements or conduct which have the prohibited effect on U.S. persons would be violations of applicable law irrespective of where such agreements are entered into. "Agreements" need not be in writing or express but may be inferred from actions taken. Such actions would include compliance with a boycott-related request from, or a requirement of, or action on behalf of, a foreign country such as furnishing information with respect to boycott requests. The terms "agreement" and "course of conduct" would not be restricted under these principles to the unacceptable definitions in the Treasury Department guidelines issued by the previous Administration on November 4, 1976 interpreting the anti-boycott provisions of the Tax Reform Act of 1976. The legislation should apply to U.S. nationals and residents and to domestic corporations wherever their actions occur. It should also

apply to foreign corporations to the extent of their activities in the United States. It should further apply to any foreign subsidiary of a domestic company which is 50% or more owned by such domestic company with respect to its activities which affect the foreign trade of the United States. In no event should a U.S. person be permitted to use, aid or abet a foreign person to evade the restrictions applicable to U.S. persons, or foreign persons to the extent of their activities in the United States.

These principles are embodied in the language of H.R. 1561, for which we are deeply grateful to you and your colleagues, Mr. Chairman. Since the introduction of the legislation, we have benefited from the enterprising and creative attempt by the Anti-Defamation League and the Business Roundtable to come to a joint agreement on the value and content of federal anti-boycott legislation. They have issued a joint statement of principles, which we would like to have entered into the record.

The principles outlined in that document are consonant with those I have enunciated and also include suggested exceptions which we believe ensure that the passage of such a law would not place unreasonable burdens on the interstate and foreign commerce of the United States. They differ only in some minor respects and nuances from those in H.R. 1561 and we believe



that this formulation, which has made possible the agreement between the business and Jewish communities on these issues, will not impair the effectiveness of H.R. 1561. The exceptions provide that the legislation should not prevent a U.S. person from complying or agreeing to comply with the laws or regulations of a foreign country, (1) prohibiting imports of goods from, or produced by a national or resident of another country, (2) prohibiting shipment or transshipment of goods by a carrier of another foreign country or by a route other than as specified by such country or its nationals or residents, (3) dealing with import and shipping document requirements of such country regarding country of origin, name of carrier, route of shipment and name of supplier except that no information furnished in response to such requirements should be stated in negative, blacklisting or similar exclusionary terms, or (4) dealing with export requirements of such country relating to shipment of goods from such country to any other country, its nationals or residents. Moreover, the legislation should not prevent a U.S. person from dealing with immigration or passport requirements of such country provided that information furnished in response to such requirements should not be furnished in a manner which is in conflict with the basic principles outlined above. We would also agree that the legislation should not prevent a U.S. person from complying with

a unilateral and specific selection by a foreign country of a single supplier of goods or services to be involved in distinct aspects of a transaction so long as such selection does not in practice violate or tend to violate the principles set forth above. This would mean, for example, that American corporations would not be permitted to make a final designation from among a list of potentially acceptable candidates submitted by a foreign corporation, nor would they be permitted to prepare a list from which a foreign corporation would make such a selection. In short, none of these exceptions may be used to violate the intent of the fundamental principles. Although the legislation should not place banks in the position of having to honor letters of credit other than in compliance with their terms, no bank or other related service organization should be permitted by the legislation to furnish information or otherwise act in a manner contrary to the fundamental principles. It is our understanding that these provisions would operate to bar a U.S. bank from advising or confirming or in any other way processing a letter of credit with prohibited boycott-related terms.

Because the American public as well as the Congress and concerned executive agencies should be informed about requests for compliance with foreign boycotts, we endorse the reporting provisions of H.R. 1561 which would require any U.S.



person receiving such requests to report that fact and other relevant information, including whether he intends to comply and whether he has complied with the requests, to the Secretary of Commerce, but innocent persons reporting under the statute should be protected from any inference of improper action.

I would point out, Mr. Chairman, that an issue which loomed controversial during earlier consideration of anti-boycott measures has apparently all but disappeared as a problem: prohibiting the furnishing of so-called "negative certificates of origin." Not only did the ADL-Roundtable group agree on the utility and appropriateness of such a prohibition, but it was reported two weeks ago that all Arab states except Iraq have agreed to drop requirements for these negative certificates. They will, according to the New York Chamber of Commerce and Industry and the U.S.-Arab Chamber of Commerce, henceforth accept positive assurances of American manufacture. We welcomed the recent statements of several business and industry groups before the Senate Banking Committee's Subcommittee on International Finance to the effect that in view of the apparent readiness of the boycotting Arab states to drop this requirement, legislation to prohibit negative certificates will not create problems for them. We similarly appreciated Secretary of State Cyrus Vance's opposition to the use of negative certificates. We believe that there is still a need for an American statutory prohibition

to ensure that negative certificates will in fact be permanently discontinued.

As we explained in our own testimony before the Senate Subcommittee on International Finance, the extensive use of negative certificates has been one of the most widespread abuses fostered by the Arab boycott. The analysis by the Anti-Defamation League, the American Jewish Committee and the American Jewish Congress of the first 836 boycott reports which had been made public by the Department of Commerce, following President Ford's disclosure order of October 7, 1976, revealed that the negative certificate of origin was, by far, the most frequently demanded boycott condition. Indeed, that demand was made in 614 out of 836 cases studied -- nearly 75%. With your permission, I would like to have this study entered into the record. Mr. Chairman, to permit the possible employment of the negative certificate of origin would legitimize a principal weapon employed by the Arab boycott operations which compels American firms to police and enforce its boycott against Israel, and for which there is no justification in normal international trade practices.

I have referred, Mr. Chairman, to the testimony two weeks ago of various business and industry groups on the pending Senate anti-boycott legislation. We have carefully



considered those statements, offered primarily in opposition to the legislation, and can find no persuasive arguments to deter passage of provisions such as those contained in H.R. 1561. In fact, many of the persons appearing as opponents of the legislation accepted the fundamental principles we have outlined which would ensure the protection of the rights of American firms and individuals faced with boycott pressures. In the absence of any evidence to support claims that the proposed legislation would result in a loss of business to American firms, they relied on the contention that favorable congressional action would hinder American efforts to achieve a negotiated settlement to the Middle East conflict. We respectfully submit that the legislation under consideration -- which does not deal with the Arabs' primary boycott of Israel -- is principally a domestic concern, aimed at protecting American businesses and individuals against unfair practices. As stated in a New York Times editorial of February 24, 1977, in support of anti-boycott legislation, "No one denies the legality of a primary boycott of Israel. No one expects the Arabs to buy oranges from Haifa at the moment. The United States has used that kind of boycott itself against Cuba. But there is also a secondary boycott that blacklists American firms that trade with Israel, or contribute to Israel in some meaningful way. And there is a tertiary boycott that blacklists American

firms that deal with other American firms, which happen to deal with Israel. So the tertiary boycott aims to reach domestic American transactions, penalizing, quite possibly, a Texas firm that sells to a California company." Despite our conviction that this is the case, we are aware that some concern has been expressed about the legislation's foreign policy implications. Such fears were largely dispelled by the testimony of the Secretary of State last week before this Committee when he agreed that H.R. 1561 with certain limited changes was acceptable legislation for dealing with what he termed "conduct that is contrary to commonly accepted American principles and standards."

We are pleased to note also the support of the President for effective anti-boycott measures. This is consistent with the pledge he made during his campaign. We trust that the Congress and the Administration can work expeditiously together to refine the language needed to reconcile any remaining points of disagreement.

We have been heartened, Mr. Chairman, by the many statements by members of this Committee in support of strengthened federal anti-boycott provisions. Representative Rosenthal, in a recent public letter, contends eloquently that the anti-boycott legislation is necessary to right wrongs facing us here at home, and will not damage our trade abroad. Referring



to the thousands of requests for compliance with the Arab boycott which have been revealed to date, he states that "These requests have as their principal object the penalization of innocent American companies doing business with America's only democratic ally in the Middle East, Israel. The requests are intended to divide each industry into companies which can do business in the increasingly lucrative Arab markets and those which cannot. It is this secondary boycott which has drawn the fire of Americans of every political and philosophical persuasion and which is the target of the legislation I and others have introduced. The legislation does not interfere with the Arabs' direct boycott of Israel. It merely attempts to prevent such primary boycotts from having anti-competitive and discriminatory effects in the United States. If the legislation were presented accurately to the Arabs, I am confident that valuable American trade in the Middle East would not suffer. Indeed, Arab businessmen are among the first to complain that the boycott has made trade more cumbersome and expensive."

Representative Rosenthal's assertion about the strength of American abhorrence of the boycott is well supported by a recent Louis Harris Poll which reveals that an overwhelming majority of Americans opposes the Arab boycott. Many editorials of leading newspapers across the nation have

supported strong anti-boycott legislation: with your permission, Mr. Chairman, I would like to have several editorials entered into the record. The American people perceive the Arab boycott as a moral issue. President Carter has described compliance and business cooperation with the boycott as a "disgrace." Our Secretary of Commerce has stated her views in identical terms to the Senate Commerce Committee. We respectfully submit that the American Congress bears an obligation to express the will of the majority of the American people, and to implement, by law, the moral indignation of most Americans.

We believe, Mr. Chairman and members of the Committee, that federal legislation is the only effective means to that end. While six states have already enacted anti-boycott statutes, and others have bills pending, these separate state remedies cannot have the necessary universality and uniformity to end improper practices imposed on American exporters by foreign boycotts. They were needed in the absence of effective national legislation, and they have been useful in protecting the citizens of their own states from various discriminatory boycott practices. Nevertheless, in view of the variations among these laws in scope, form and enforcement, some businessmen in these states have complained that they are unfairly restricted and thus put at a disadvantage relative to businesses in states without such statutes. Although there is no conclusive



evidence that any state with an anti-boycott law has, because of it, lost Middle East trade, we think that a uniform federal law would wipe out the anxieties and confusion which now exist. We would thus suggest the appropriateness of legislative language to the effect that new federal anti-boycott measures would preempt the various state laws governing the acts or transactions covered by the federal law, provided that the federal law reflects the strong and comprehensive thrust of your bill, H.R. 1561.

As an accompaniment of this legislation we urge the Congress to advise the President and the other members of the Executive Department of the constructive purposes that would be served by using the influence and standing of our country abroad, to encourage our friends to adopt similar legislation and to enact similar prohibitions -- thus to make it certain and clear the Arab boycott will never be allowed to operate as a disturbing and distorting factor in international trade. This was a recommendation of the House Committee on Interstate and Foreign Commerce contained in its September 1976 report on the Arab Boycott and American Business.

Mr. Chairman, the primary boycott is an issue between the Arab states and Israel. But the secondary and tertiary boycotts are tantamount to blackmail and of concern to every American company doing, or planning to do, business

in the Arab world. The United States has always been committed to the protection of businesses, large and small, against unfair practices. The Arab boycott is a direct assault on these values, harmful not only to American Jews and those Americans perceived to be friendly to Israel but to all American businesses dedicated to ethical standards and conduct. Congress must now act to uphold this tradition by outlawing compliance with boycott practices which intrude on American domestic concerns and on business relations between American companies and Israel, a nation with which we maintain close and friendly relations. This kind of intrusion into our domestic order by foreign countries for whatever reason, directed against any country with which we maintain friendly and close relations, is an invasion of our national sovereignty and an affront to our dignity as a people.



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AMERICAN JEWISH  
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RISING ARAB INFLUENCE IN THE U.S.

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Egyptian President Anwar Sadat, returning from his recent visit to the United States, was asked by a Kuwaitian reporter how Americans see the future of the conflict between the Arabs and Israel. Sadat responded that "America has more than 99 percent of the cards to the solution...."

President Sadat's statement hinted at what has long been apparent to observers of the Middle East scene -- namely, that the linchpin of Arab strategy in its conflict with Israel is the campaign to drive a wedge between America and the Jewish state.

Despite a determined effort to win public support for their political positions in the United States prior to 1973, the Arabs failed in their objective. With the end of war and the subsequent emergence of world economic power bases in the oil-rich Arab Middle East, the propaganda effort has been revived, and a new dimension has been added. Threats to embargo oil, threats to make its price more costly, and threats to choke off the lucrative Arab market to American business, are the new and potentially more effective weapons in the Arab arsenal in their struggle against Israel.

Given the growing U.S. dependence on Arab oil, these threats and the capacity to follow through on them has given Arabs influence on U.S. policy and Congressional actions which they hitherto did not possess.

To prevent the Soviet Union from gaining a foothold in the Middle East has been a major goal of U.S. foreign policy for many years. With the emergence of Saudi Arabia -- one of the nations most hostile to Israel -- as the dominant Arab power in the region, the U.S. has increased its efforts to convince the Saudis of America's friendship, offering expanding trade, technical assistance and the sale of sophisticated armaments as evidence of our goodwill and "evenhandedness."

#### OIL AS A WEAPON

Nowhere is Arab influence in the United States more evident than in the capacity to exploit America's dependence on their oil resources. As Forbes Magazine pointed out, on October 15, 1976, "...our economy, our living our lives of freedom with strength and high standards today depend, almost absolutely, on oil from the Arab countries."

That the Arabs will continue to use oil to influence American policy was made quite clear in the immediate aftermath of the 1976 Presidential election.

Pointing to President Carter's pronounced pro-Israel posture during the election campaign, Cairo's semi-official newspaper, Al Ahrām, predicted (11/4/76) that the new administration would give Israel unlimited support unless the Arab world used its vast oil resources to confront Mr. Carter on the Israel question. The Arabs, said Al Ahrām, have "an oil weapon that should be used as part of



possible pressure tactics for any eventuality that may arise after Carter takes office."

And in an editorial immediately after a two-day meeting between Egyptian Foreign Minister Ismail Fahmy and Soviet Foreign Minister Andrei Gromyko in Bulgaria, the paper also urged Arabs to mend their relations with the Soviet Union.

There is little doubt that the mere threat by the Saudis to embargo oil was a significant factor in the failure of the 94th Congress to pass anti-boycott legislation. Quite unequivocally, the authoritative Oil and Gas Journal (10/11/76) declared: "The threat... of a possible Saudi Arabian embargo...killed this controversial measure."

Because of America's profigate use of energy and its failure to develop alternate sources of fuel, this country is even more vulnerable than in 1973, when, according to former Secretary of State Henry Kissinger, the Arab oil embargo cost the nation 500,000 jobs and \$10 billion in gross national product. Former Commerce Secretary Elliot Richardson has estimated that a prolonged embargo today, even if only 50 percent effective, would increase unemployment sharply and reduce our gross national product by as much as \$170 billion.

American dependence on Arab oil, particularly from Saudi Arabia, which has the world's largest known reserves, has grown at an alarming rate. Since 1973, domestic production has fallen off 13 percent (an estimated one million barrels a day), and 41 percent of our consumption is now imported. Of that amount, Saudi Arabia supplies about 20 percent and has replaced Venezuela and Canada -- both of which have refused to increase their exports -- as our principal foreign supplier.

Given the nation's vital need for a secure and adequate oil supply, the United States is going to great lengths to make Saudi Arabia and other Arab oil producers happy. What this means in terms of this country's Middle East policy was summarized succinctly by Congressman Bob Kruegar (D.) of Texas, in a recent interview with Petroleum Independent: "...Every additional barrel of oil from the Middle East means that our dependence on the Arab nations increases and, as our dependence increases, Americans who are concerned about the future of Israel have to realize that it's going to have an impact on our foreign policy and our attitude towards Israel."

Evidence of Arab strength through oil surfaced on at least two occasions during the 94th Congress.

High on Saudi Arabia's armament shopping list in 1976 were U.S. Sidewinder Air-to-Air and Maverick Air-to-Surface missiles. The original request for 2,000 missiles was reduced by the Ford Administration to 1,000 Sidewinders and "a large number of Mavericks," and in August 1976 the \$30 million sale was submitted to Congress for approval. There it met with strong opposition. The House Inter-



national Relations Committee took no action, and in mid-September the Senate Foreign Relations Committee voted 8 to 6, to block the purchase.

But the matter did not rest there. In an impassioned plea to the Congress, former Secretary of State Henry Kissinger argued that the Saudis would be "deeply offended" by Congressional veto of the missile sale and that such action "could affect our basic relationships with Saudi Arabia..." and "would have foreign policy consequences that are out of proportion to the technical military issues involved." The Senate Committee reversed itself, and the opposition collapsed.\*

One of the "foreign policy consequences" the Congress was concerned about was the possibility of a renewed oil embargo. While Dr. Kissinger was assuring Americans that no embargo threat existed, the authoritative Middle East News Agency released a story stating that the Saudis were talking about an embargo, and a State Department spokesman declared that if the missile sale was not consummated and/or Congress passed the then-pending anti-boycott legislation, it would be difficult, if not impossible, for American companies to purchase oil from Saudi Arabia. As Barrons reported (10/18/76): "During last month's bitter Congressional debate over the sale of sophisticated weaponry to Saudi Arabia, word came from the official Middle Eastern [sic] News Agency in Cairo that the Saudis had officially threatened American officials with a new oil embargo. The next day, all hands categorically denied the story, a happening which, in some circles, merely lends it greater credence."

Concern about continued availability of Arab oil also helped kill the anti-boycott legislation which was before the Congress at the same time the missile sale was being debated. During two years of Congressional hearings on the Arab boycott and on the various anti-boycott bills under consideration by both Houses of Congress, there were periodic Arab-inspired press leaks indicating that passage of such legislation was likely to provoke an embargo, a sharp increase in the price of oil, a cutback in oil production, or all of the above.

Mohammad Mahgoud, the Arab Boycott Commissioner General, stated his agency's position unequivocally just prior to a Baghdad meeting of regional Arab Boycott Officers, announcing that the meeting would consider "the American position against the boycott," and "take a decisive stand in this connection in order to maintain its effectiveness." (Washington Post, 10/17/76). The Boycott Commissioner General warned that "the Arabs will not allow the sale of any quantity of oil...to any American firm refusing to supply information requested...by Arab boycott authorities."

\* - The Arabs West Coast Report (Nov.-Dec. 1976), an official publication of the Arab Information Center, quoted an editorial in Saudi Arabia's Arab News (11/5/76) which said: "Arab, especially Saudi, influence was demonstrated last month when a Congressional Committee...voted to kill an arms deal with Saudi Arabia but rescinded the motion...after a lecture on the facts of international life by Dr. Kissinger."



## THREATS TO OUR ECONOMIC WELL-BEING

Over and above the specter of oil manipulation, the threat that American companies might be barred from participation in the lucrative Arab market deeply worries the U.S. business community.

In competition with Germany, Japan, France and English companies, American firms are scrambling to cash in on the billions of dollars that the once-backward oil producing countries are spending on development, goods and services in an effort to catch up with the 20th century.

In 1975, American companies sold some \$5.5 billion of goods and services to Arab countries. The 1976 figures are expected to reach \$7.1 billion; a conservative estimate for 1980 is \$10 billion; Saudi Arabia alone will spend \$80 billion in the next five years. American companies now hold one quarter of this market and hope to increase this proportion.

U.S. exports to other Arab countries are also growing. Syria, seeking to improve its relations with America, imported \$127.8 million in 1975, an increase of 222 percent over 1974; and U.S. experts believe 1976 sales will have exceeded \$300 million. Trade figures for the oil-rich Arab sheikhdoms is similarly substantial.

Determined to kill the pending anti-boycott legislation, Kuwaiti and Saudi government officials gave speeches and interviews, threatening to retaliate by choking off trade with the United States. Saudi Minister of Industry Al Qusaybi, in an April meeting with 90 visiting American businessmen, warned that if anti-boycott legislation or other obstacles to trade with Saudi Arabia should become a reality, the Saudis would "open the door" to European countries and Japan, and urged "friends of the Arabs in American society to make their voices heard."

In the midst of serious Congressional consideration of the various anti-boycott bills before both houses, Prince Saud Ibn Faisal, Saudi Arabian Foreign Minister, speaking in Houston, Texas on September 23, 1976 before some 1,200 business leaders, declared that the Arabs would not forego the boycott of Israel, and warned the "erroneous" assumption that Arabs cannot do without American know-how and products. Such an assumption, he said, "has dangerous consequences."

What those dangerous consequences might be was spelled out by American oil companies and individual businessmen with a special interest in placating Arab oil potentates.

Mobil Oil, in a series of nationwide newspaper advertisements in papers with a total circulation of 32 million, warned that passage of anti-boycott legislation would not only imperil our access to Arab oil, but could foreclose for the U.S. economy "all opportunity to



participate in the vast recycling of petrodollars," and exclude "American business from Arab markets." As a result, Mobil declared, America could be "reduced to a second-rate economic power, our citizens to a second-rate standard of living."

William E. Leonhard, President of Ralph M. Parsons Company, one of the largest engineering firms operating in the Middle East, warned that the legislation would "damage the U.S. economy and the country as a whole, for the benefit of some select few" -- a not too subtle thrust at the American Jewish community.

Others -- among them, Exxon, Continental, and Texaco oil companies -- warned that if American businesses were frozen out of Middle East markets and Arab oil revenues were recycled to other countries, the U.S. balance of payments would deteriorate and an estimated 650,000 American workers would join the ranks of the unemployed.

It is not surprising, therefore, that in spite of overwhelming votes in both houses of Congress, anti-boycott legislation failed to pass the 94th Congress because a parliamentary maneuver by Texas Senator John Tower prevented the formation of a joint Senate-House conference to reconcile differences. (Texas is enjoying an unprecedented business boom, due in no small measure to the fact that an estimated 25 percent of all U.S.-Arab trade originates in that state.)

According to recently released data, Arab influence also thwarted the Senate Foreign Relations Subcommittee on Multinational Corporations, when it sought to determine if Arab countries could affect U.S. foreign policy by threatening to withdraw funds on deposit in U.S. banks. The information the Subcommittee needed to carry out its investigations were simply not made available. The record of the closed hearings, recently released to the press, reveals that all the major U.S. banks, the Federal Reserve System, and Senator Charles H. Percy and former Senator Stuart Symington all argued, successfully, that release of such data "would hurt New York City," and could "do a great injustice to our own national interest." As Jerome Levison, the Subcommittee's Chief Counsel, has pointed out, (N.Y. Post, 11/10/76) the concentration of Arab money in New York banks enables Arab countries "to create an extremely serious disturbance in the U.S. financial system."

That Kuwait's funds, at least, would be transferred out if the data on bank holdings was released was made abundantly clear by that country's Finance Minister, Abdar Rahman al Atiqi. In a statement subsequently published in the Kuwaiti press the Minister warned that his country would "withdraw its funds from the American banks if these funds were revealed before the Subcommittee of the Foreign Relations Committee in the American Senate."



The sale of services to Saudi Arabia and other Arab states by the United States Government itself provides another fulcrum for Arab leverage. The most widely publicized of such business relations is the \$100 million paid by the Government of Saudi Arabia to the U.S. Corps of Engineers which, in effect, manages all construction projects for that government. The Corps has also sold its services to Jordan and Kuwait, and other U.S. agencies receiving payment for services from the Saudis include the General Services Administration, and the Departments of the Treasury, Labor and Agriculture.

Small wonder that Arab propagandist M.T. Mehdi, in his newsletter, Action, (October 11, 1976) trumpeted:

"Before Congress adjourned, it gave recognition to the newly developing Arab power. Two pro-Israeli measures were held up: one considering the sale of missiles to Saudi Arabia, the other on the boycott issue.

The Senate Foreign Relations Committee, which had opposed selling missiles to Saudi Arabia, reversed its position and the measure concerning the boycott was bottled up and didn't get to the floor, thereby becoming a hostage of the legislative procedure....

The recognition by Congress that they have had to change their previous positions was a defeat (for the first time possibly) of the Zionist lobby in Washington. This is a gratifying development and a sign of greater emancipation of American politicians from the Zionist hold."

#### ARAB INVESTMENTS

No one knows even approximately how much Arab money is invested in the U.S. This country does not have adequate disclosure requirements to provide such statistics; besides, the Arab countries, like some other nations, often invest secretly through intermediaries.

At present, Kuwait and Saudi Arabia are the only Arab oil states with cash surpluses to invest (\$5 billion and \$18 billion, respectively). Arab investors are concentrating cautiously on certificates of deposits, U.S. treasury bills, blue chip securities and corporate bonds (to the tune of some \$5.2 billion in 1975, according to Forbes, March 15, 1976), and on real estate (some \$982 million, according to the Research Project on Energy and Economic Policy).



Saudi investments in the U.S. are large and growing. In 1975 the Saudi Monetary Agency financed a six-year, \$100 million debt issue of American Telephone and Telegraph Company. Reportedly, the Agency's foreign holdings have doubled since January 1975, when they were \$45 billion, with \$14 billion in the U.S. Despite inflationary prices prevailing in those countries where the Arabs purchase goods and services, it is inevitable that the Saudi Arabian 5 percent price hike will augment the already substantial amounts available to Arab oil producers in the United States.

It is impossible to determine the total amount of Arab money in the United States, for a number of reasons. Our methods of accumulating statistics on foreign investments, according to numerous experts, are woefully inadequate, particularly in the face of the Arab penchant for secrecy, and the fact that a large portion of their investment portfolios are handled by agents acting on behalf of undisclosed principals. (One reason that the Arabs are eager to obscure their American investments is the fear that if they launch another oil embargo their U.S. assets would be frozen.)

Rumors that Arabs are investing in the U.S. via Swiss banks are rife in financial circles. In mid-May 1976, two investigative reporters for Newsday, after an examination of documents they described as "public and confidential," stated that "the newly rich Mideast oil countries have invested far more money in the United States than the government officially acknowledges by funneling billions of dollars through the anonymity of Swiss banks."

In mid 1974, the U.S. Congress, concerned about reported Arab purchases of American corporate stock, ordered a general study of foreign investments in the U.S. The study findings, released in the spring of 1976, and covering only the calendar year of 1974, revealed a total of \$1.8 billion of direct investments from Middle East countries -- twice as much as in the previous year.

While there is no authoritative data for 1975 or 1976, it is reasonable to assume that direct investment by Arab countries has increased substantially, and, undoubtedly, indirect purchases have similarly increased. The authoritative publication, The Middle East (July 1976), in an article dealing with Saudi Arabia's investments, reported that the official Saudi Arabian Monetary Agency has \$45 billion invested abroad, and that the Agency's holdings have doubled since early 1975. Fourteen billion dollars, the magazine reported, (one third of the total) was invested in the U.S. In August 1976, a visiting Saudi dignitary told a newspaper reporter that the U.S. would, in all probability, enjoy additional Arab investments in those areas in the United States -- "where we are welcome."

Few will argue that Arab investments in the U.S. are not welcome: They help stimulate our economy and reduce unemployment. What is of concern, however, is the power that accompanies these investments if the Arabs are disposed to use it. According to some financial experts, the heavy investment in Treasury bills and short-term



deposits makes it possible for the Arabs to blackmail the United States, since a sudden switching of funds to London or Paris could create a financial panic in banking circles. In the same way, the scope of Arab investment in U.S. industry and other sectors of our economy adds to their power to influence our economy, to deprive Israel of vital goods, and to sway the Congress and the American people for political purposes. Given their enormous stake in the American economy, the Arab oil producers are unlikely to exploit this power capriciously; nevertheless, it is there, and as with any effective weapon, it is inherently dangerous.

### UNITED STATES AMBIENCE

While every American Administration since the State of Israel was created has pledged itself to Israel's survival and its right to safe and secure boundaries (a sentiment overwhelmingly endorsed by the general public), there are indications that such support is not without limit or price tag. The realization that Israel, virtually isolated in the world community, has nowhere else to turn but to the United States for military and economic aid has resulted in stiffening of official attitudes towards the Jewish state and an inclination to force concessions to end the state of belligerency in the Middle East. The assertion by General George Brown, Chairman of the Joint Chiefs of Staff, that Israel is "a burden" to the United States is said to have considerable support, not only among our military leaders, but also among a number of powerful members of Congress.

In October 1976, the Pentagon blocked publication of an article by Joseph Churba, a highly regarded Middle East intelligence official in the Air Force, stressing the strong strategic relationship between the United States and Israel. Mr. Churba, who resigned his position in protest, is convinced that there is currently a "tilt" away from Israel in the Pentagon.

President Carter, however, assumed a staunch pro-Israel posture during the campaign, including a firm commitment to Israel's security, unequivocal support of anti-boycott legislation and a promise to retaliate in kind if the Arabs impose an oil embargo. Whether this stance will remain firm as the new President faces the hard realities of office remains to be seen.

### ARAB LOBBYING AND PROPAGANDA

The Arab world's 30-year campaign for American sympathy and support has not been notably successful to date. Public opinion polls indicate that the American people remain committed to Israel's survival and consider the Arab nations, more than anyone else, responsible for the Middle East conflict.

Yet the propaganda of and for Arab countries -- no longer crude and tainted by association with notorious anti-Semites, as it once



was -- remains a factor to reckon with. Its long-term strategy in the U.S. is to alter Americans' perceptions of Israel by depicting the once-oppressed as new oppressors, militarists, imperialists and racists. Another objective is to convince the nation that support for Israel is no longer in its economic or military interests.

Propaganda and lobbying on behalf of the Arab countries is carried on by a small official lobby maintained by the Arab League; by American public relations experts and former public officials in the pay of Arab governments; by American oil companies and other businesses; by Arab students in American universities; and by private U.S.-Arab friendship and aid organizations.

The Arab Information Center, the official Arab lobby in the U.S., maintained by the League of Arab States, is a small (18 employees) operation with offices in six cities. The Arab Report, its biweekly newsletter, goes to members of Congress and opinion makers; Palestine Digest, its compendium of press stories, is sent to reporters and columnists. The Center also provides speakers and films for churches, civic groups and universities.

According to Parade magazine (June 20, 1976), a confidential blueprint of a \$15 million pro-Arab, anti-Israel propaganda campaign in the U.S. has circulated in the Middle East since 1974. Also according to Parade, Arab states are retaining scores of experts to lobby for their political, economic and commercial views and needs. Whether or not the alleged master plan exists, much pro-Arab lobbying is currently done by skilled public relations practitioners.

In addition, a number of former public officials now work as registered Arab lobbyists, with duties that may or may not be precisely spelled out. Thus, Algeria pays \$120,000 a year to former Attorney General Richard Kleindienst for "legal counsel for business circles, Congressional relations, and relations with various official government bodies" on behalf of its oil and gas agency. The law firm of former Defense Secretary Clark Clifford, also active for this agency, gets \$150,000 a year.

Frederick G. Dutton, a onetime key advisor to Robert F. Kennedy, draws \$100,000 a year from Saudi Arabia for, among other things, accompanying Saudi officials on visits to members of Congress. Former Arkansas Senator J. William Fulbright receives an annual retainer of \$25,000 from the United Arab Emirates for "advice and guidance," and one of \$50,000 from Saudi Arabia for his personal counsel concerning "laws and policies of the United States, possible congressional or other action...as well as commercial and other ventures" (U.S. News and World Report, November 22, 1976).

The full extent to which American oil companies, particularly those whose prime sources of supply are in the Middle East, constitute part of the "Arab lobby" is not known. Given their huge stake in currying Arab favor, simple logic would suggest that they would



do all within their power to further public and official acceptance of Arab points of view. It is no surprise, therefore, that Gulf, Mobil, Continental and Standard of California since 1973 have under-written newspaper advertisements, mailed letters to influentials supportive of Arab positions on Middle Eastern affairs, lobbied on Capitol Hill and donated money to Arab American propaganda agencies.

In one of the most widely publicized efforts to influence Americans, Standard Oil of California, just prior to the outbreak of war in the Middle East in 1973, mailed letters signed by its president to the company's 262,000 stockholders and 41,000 employees urging them to show "understanding on our part of the aspirations of the Arab people, and a more positive support of their efforts towards peace in the Middle East," and suggested that "it is highly important at this time that the United States should work more closely with the Arab Governments to build up and enhance our relations with the Arab people."

Time Magazine reported (June 23, 1975) that American oil companies in the past 7 years had donated at least \$9 million to various Arab groups. In early fall of 1975, Gulf Oil Company contributed \$50,000 to various American pro-Arab groups through a Beirut bank "to promote a more balanced view of Arab-Israeli differences in the United States."

The Mobil Corporation has probably financed more nationwide pro-Arab newspaper advertisements than any other major oil company. From just prior to the Yom Kippur War in 1973 to their recent efforts to defeat pending anti-boycott legislation, Mobil ads have, by accident or design, articulated Arab policy on Middle East matters. (As part of its campaign to defeat anti-boycott legislation, Mobil sent telegrams to the heads of the Fortune 500 companies asking them to contact Congress and the White House expressing their opposition to pending anti-boycott legislation.) All of these efforts are aided and abetted by the American Arab Association for Commerce and Industry which -- though not technically a lobby -- has worked long and effectively for increased U.S.-Arab trade and improved economic relations. Similarly, the U.S.-Arab Chamber of Commerce -- with ranking oil, shipping and manufacturing executives among its members -- stresses the vital significance of the Arab market to the U.S. and the interdependence of Arab and U.S. interests.

The number of American companies that see things the same way is increasing, particularly since the construction boom in the Arab peninsula. Hundreds of American construction companies are taking part in what is perhaps the most ambitious building program in history, and other businesses are also heavily involved. In return, many are serving as spokesmen for Arab political views concerning the Middle East, the Third World and other issues of American foreign policy.

The young people that the Arab countries, desperate for trained personnel, are sending in unprecedented numbers to the U.S. to study serve as another propaganda instrument. In 1975 there were 22,000 Arab students in the U.S.; in 1976, according to The Wall Street Journal (August 4, 1975), the number had increased to about 35,000 -- some 5,700 from Saudi Arabia alone. Most of the Arab students are



serious, dedicated and eager to train for the jobs waiting for them back home. But they are also impassioned pleaders of the Arab cause, both on campus and in their contacts with the general American public.

### THE ARAB-AMERICANS

After the Yom Kippur War, in the afterglow of the new Arab military and economic power, the more than 1-1/2 million Arab-Americans finally felt the time had come to end their generations of non-involvement in American life. Today, new organizations, political, cultural, and action-oriented, are making their presence felt on the American scene. Their goal is to change the Arab image in the U.S., increase aid to the Palestine refugees, protect the civil rights of Arab Americans and to politicize the Arab American communities.

As the New York Times recently noted:

"From Bangor, Me. to Walnut Creek, Calif., from White River Junction, Vt. to the White House, representatives of the Arab lobby are visiting scores of American cities and towns to press the Arab view of Middle Eastern Affairs...the usual attitude of indifference toward the cause in Congress and among Americans is beginning to change.

"At garden clubs and before Rotarians and Daughters of the American Revolution...the Arabs are seeking out anyone who will listen to their side of the highly emotional and complicated dispute.

"Members of the Arab League have stepped up their effort in the United States in recent years, sending newsletters to opinion makers resurrecting moribund Arab American Chambers of Commerce and underwriting tours of the Middle East.

"The Arab Americans... are also becoming more militant, forming an increasingly powerful national association, sending letters and telegrams to Congressmen and using public relations techniques."

Long established Ramallah Clubs, an association of 20,000 descendants of the city of Ramallah, originally incorporated as a non profit, social, educational and charitable organization, this year set as a priority the raising of funds for the Red Crescent in order to provide medical and humanitarian support for victims of the Lebanese conflict.

Syrian-Lebanese Federations, heretofore basically "landsmanschaften" and apolitical, broke with tradition and began agitating for the protection of civil rights, to portray Arabs more favorably through lectures, films, and to bring their sentiments as to the future di-



rection of American Mideast policy to the attention of Congressmen and the Administration.

In various parts of the country, Arab-American Associations and Arab-American societies came into being for similar purposes, as did newly federated local groups.

Ethnic pride or "Arab awareness" is being bolstered as Arab-American publications and periodicals chronicle the exploits of Arabs in medicine, the arts, and commerce. Political action groups serving Arab interests have appeared for the first time on the local level.

Arab scholars, reviewing studies of elementary and junior-high-school textbooks, reported that Arabs were usually depicted as uncivilized nomadic Bedouins, and that little information was included about the rich heritage of Islamic civilization. They also concluded that Arab Americans must become more active in the campaign for American goodwill and understanding in matters relating to the Middle East.

Arab Americans have testified before Congressional Committees in opposition to economic and military assistance to Israel and have met with State Department officials to express their views on foreign policy; they have written letters to the editor and have run full page newspaper ads supporting the Arab oil embargo, calling for a more "evenhanded" policy in the Middle East, and, most recently, urging grass-roots opposition to anti-boycott legislation.

The National Association of Arab Americans, headquartered in Washington and with an estimated national membership of 200,000, has regional offices in New York, Detroit, Chicago, Los Angeles and Boston. It publishes a monthly newsletter and tracts and pamphlets on topical subjects, and holds well publicized annual conventions. It also provides financial and moral support for Arab Americans seeking local, state, and national political office. A small but growing number of Arab-Americans have run or are running for public office, most prominent among them being Senator James Abourezk of South Dakota, who has assumed the mantle of the Arab spokesman in the U.S. Senate. Arab Congressmen in the 95th Congress include Abraham Kazen of Texas, James Abdnor of South Dakota, and Toby Moffett of Connecticut, Adam Benjamin, Jr., of Indiana, Nick Joe Rahall of West Virginia, and Mary Rose Oaker of Ohio.

More than any other group, the NAAA has helped politicize the American Arab community. As the Christian Science Monitor has noted, the NAAA is being listened to in official Washington, as the "umbrella group for Arab political action."

The Association of Arab American University Graduates, Inc., a non-profit, tax exempt organization with national headquarters in Detroit and chapters in 15 states plus the District of Columbia, consists of approximately 1,000 Arab intellectuals and academics stationed on American college campuses. It seeks to overcome the



lack of knowledge Americans have about the Arab world and to improve understanding between Arabs and Americans. The AAUG has produced and distributed a wide variety of educational materials, furnishes speakers and filmstrips, and sponsors exhibits and seminars on Arab history and culture, and conducts an ongoing Newscast Monitoring Campaign to study the reportage and editorial analyses of events in the Middle East. To ensure maximum use of the talents of its elite membership, AAUG has also created a task force to identify Arab-American manpower resources and utilize them to meet the development needs of the Arab world.

AAUG has congratulated the United Nations for "identifying Zionism as a form of racism"; affirmed "the legitimacy of the struggle of the Arab people against Zionism, Imperialism and any Arab regime which furthers their influence"; and reaffirmed its "total support of the just struggle of the Palestinian people to restore their unconditional national sovereignty over the whole of Palestine."

#### "GETTING TO KNOW THEM"

In 1975, an Arab spokesman observed that any Arab bid for the good will of Americans would have to emphasize better understanding of Arab culture. As the economic influence of the Arab oil states touches more and more Americans, interest in things Arabic is also increasing. The Arab nations are exploiting this new interest to promote a better understanding and a more sympathetic view of their politics and their way of life.

In mid-1975, a new exhibition of Islamic art at the Metropolitan Museum of Art in New York drew so much critical acclaim and so many visitors that it was retained as a permanent installation. A course on "The World of Islam," featuring a field trip to the new gallery, has since been offered by New York University. At the Los Angeles County Museum, too, an Islamic exhibition became a permanent fixture, and similar exhibits have been added to the holdings of the Boston, Brooklyn, Baltimore, Cincinnati and St. Louis museums, the Freer Gallery in Washington, and the Art Institute of Chicago. An exhibition of treasures from the fabled tomb of Egypt's Tutankhamen brought crowds to the National Gallery in Washington late in 1976 and is scheduled to be shown in six other U.S. cities.

A "World of Islam" festival, presented in London in the spring of 1976, was widely reported in the U.S. -- among others by Reader's Digest and Vogue and in a beautifully illustrated special issue of Aramco's house magazine, Aramco World (May-June 1976). The event, featuring numerous exhibits and programs on Islamic history, art, calligraphy, architecture, music, science and technology, probably will be replicated in the U.S.

The Washington Islamic Center, which plays a growing part in the capital's civic life, held its second Muslim International Bazaar in 1976, with Arab crafts, clothing, books and foods. In Indianapolis,



a new Middle East Center promotes knowledge of Middle Eastern culture, history and heritage. In Boston, the city's large Syrian-Lebanese community organized a cultural festival in 1976 with official assistance given by the Mayor's office on the same terms as to other ethnic festivals; at the University of Wisconsin, an Eastern Folklore Day featured Mideastern music, dance and costumes; and in Dearborn, Michigan, at the insistence of the local Arab community, the week of May 8 was proclaimed "Palestine Week."

While there can be no legitimate exception to such moves to increase understanding between themselves and other Americans, it is important to recognize that they do represent growing Arab influence in the U.S., which, in the long run, can effect changes in American attitudes and in the direction of American policy.

There has been a significant increase in the number of Departments of Mideast or Neareast Studies in American colleges and universities in recent years. Many Jewish scholars are known to be active in the field, and two of the most prestigious departments -- at Columbia and the University of Chicago -- are headed by Jews. But, a significant number of Middle East Studies departments are headed or staffed by "Arabists," who have spent considerable time in Arab countries and have a deep affection for Arab culture. Though most take their responsibility for scholarly objectivity seriously, it has been suggested that some make little secret of their anti-Israel "tilt." Many of the men and women attending courses offered by Mideast Studies Departments are headed for key positions in government and industry. How these courses deal with the political issues between Israel and the Arab nations is likely to play a large role in shaping the future thinking of those now taking these courses.

Grants earmarked for Middle East studies have been received by Georgetown University (from Oman and the United Arab Emirates), Riker College and the University of Southern California (both from Saudi Arabia). The USC grant, totaling \$1 million, stipulates that occupants of the chair are to be chosen in consultation with the Saudi Minister of Higher Education. In addition, there are unconfirmed reports about Saudi funding at the Universities of Texas and of Houston, and the Five-College Consortium of Amherst College and its neighbors is said to be seeking Arab money for a cooperative Mideast program.

American universities also are involved in contracts to develop facilities in Arab countries and to help these countries organize new universities to supply much-needed engineering and management talent. Some of these ventures have been blighted by the client country's prejudices. In May 1975, negotiations for a technical assistance program between Saudi Arabia and the Massachusetts Institute of Technology fell through when the Saudis would not guarantee that Jewish team members would be accepted along with others. Similar contretemps destroyed programs planned or undertaken by Saudi Arabia with the Woods Hole Oceanographic Institution and with a consortium of five Midwestern universities.

Arab boasts of "constantly making gains" to create a better understanding for their cause in America cannot be lightly dismissed. To be sure, the American government is committed to Israel's survival, and such a resolve has the overwhelming support of the American people. There is no assurance, however, that Israel's perception of what is necessary for survival will always dovetail with that of the American government.

Saudi Arabia's blunt warning recently that it expected, as an expression of U.S. "appreciation" for keeping its oil price increase to 5 percent, increased U.S. pressure on Israel to resolve the Middle East crisis is a dramatic illustration of how oil is being used for political ends. The economic clout of the Arab nations, combined with an increasingly politicized Arab American community and a skilled Arab lobby, give promise of becoming significant factors in our political and economic life -- with profoundly significant impact on many aspects of American foreign policy, particularly U.S. support for Israel.





## CRITICAL NOTES ON --- JERUSALEM: PROPHETS AND PARATROOPERS

This is a blatantly anti-Israel film, unrelenting in its gross distortions and hostility towards the Jewish claim to Jerusalem. Israelis are portrayed as a usurping and destructive people, while the Palestinian Arabs emerge as "noble peasants," peaceful and deeply "spiritual." Jews are either armed soldiers or bulldozing modernists with a few Hasidim thrown in for "exotic" effect.

In addition to the false stereotypes, there are many substantive errors in fact as well as in cinematic treatment. Some of the inaccurate claims include:

1. The opening "Moslem saying" is part of the Jewish religious literature that pays tribute to the beauty and significance of Jerusalem.
2. Nowhere in the entire film does a Jew speak about the Jewish attachment to Jerusalem. A British Christian "represents" the Jewish position, a not uncommon tactic.
3. The film makes it appear that Zionism, the Jewish national movement of liberation, originated in the late 19th century when, in fact, the yearning for a return to Zion is nearly 2,000 years old and is deeply linked to the Jewish religious tradition. "Jerusalem" appears in the Hebrew Bible some 750 times, and "Zion" over 180 times.
4. Jewish national political independence did not last a mere 73 years as the film states. Jerusalem was the capital of the Jewish nation between 1000 B.C.E. and 586 B.C.E. and again between 516 B.C.E. and 70 C.E.
5. The film plays fast and loose with population and land statistics. According to the Encyclopedia Britannica, Jews have been the majority population in Jerusalem since 1844, fifty-three years before the first Zionist Congress met.
6. Perhaps the most egregious lie of the entire film is the bland assertion that President Roosevelt wanted to open the gates of America in the 1930s to European Jews, but "the Zionists" fought against such a policy.
7. Since the film presents Jewish acts of violence, fairness would demand that the movie refer to the 1929 massacre of the Jews of Hebron and the 1948 Hadassah medical convoy ambush. If one wishes to play the "atrocities game," it must be played fairly.
8. Israel respects and protects the holy places of all religions. Every objective observer of the scene today acknowledges this fact. There is no evidence that Moslem mosques were destroyed by Israel in Jerusalem.
9. The cause of the anti-Jewish riots of 1929 are ignored. Throughout the film the Arabs are portrayed as peace-loving innocent victims of the Israelis. There is no reference to the Grand Mufti of Jerusalem and his role in the 1929 riots or others at a later date. There is no reference to the Grand Mufti's ties to Hitler or his support of the Nazi cause during and before World War II. The systematic anti-Jewish campaign of the Arab leaders is completely ignored.
10. The events of June 1967 are distorted. We hear no mention of Israeli appeals to King Hussein to refrain from entering the war, that the Jordanians commenced hostilities in Jerusalem, and that for 19 years they razed the ancient Jewish quarter in Jerusalem and used Jewish gravestones for roadways and military latrines.
11. The film conveys the message that Jerusalem should not change, that it should remain an international "museum city" with no real flesh and blood people in its population. Only pious Christians, agrarian Moslems, and exotic Hasidim should live in the Holy City. Housing, sanitation, electricity, water, roads, schools, parks -- real urban needs -- are discounted or never mentioned. Jerusalem must remain a quaint "Holy Land postcard."
12. Squalid refugee camps are shown, but with no year or location given. No Arab in Jerusalem, indeed no Arab in Israel, lives in a tent. Again, fairness dictates that the Arab refugee issue be treated along with the Jewish refugee question in the Middle East.
13. The subliminal messages that emerge are the Israeli tanks, guns, marching soldiers, and bulldozers. Arabs are seen as peaceful, rooted to the land, pious, and poor. The film editing moves from an Israel Independence Day parade to a parade of hapless Arab refugees on the Allenby Bridge. There are shots of a Church with a waving Israeli flag -- an obvious attempt to play on Christian anti-Semitism.
14. Father Joseph Ryan is one of the most strident anti-Zionists and anti-Israel spokesman in America today. He was expelled from a University in Iraq, but he has nonetheless intensified his anti-Israel programs. He is a distinct minority within the American Catholic Church, and he represents an extreme position.

PLO Representative in Paris :

'THE ESTABLISHMENT OF A PALESTINIAN STATE  
IS BUT A STAGE....'

"Even if a State will be established in the territories to be evacuated, it will be so small that it will not be able to contain the entire Palestinian population. The establishment of a Palestinian State is but a stage that cannot set aside the right of the Palestinians to return to their homeland. There will be no solution without a settlement of the refugees of 1947.

(PLO Paris Representative, Az el-Din Kalak,  
at news conference on January 7, 1977)



PLO Radio Station :

'OUR STRATEGY REMAINS UNCHANGED :  
WE ASPIRE TO THE TOTAL LIBERATION OF PALESTINE'

"From time to time we read reports, in the Arab and foreign press, alleging that the Palestinian Revolution is prepared to make concessions in exchange for the attainment of the rights of the Palestinian people. Some of these reports go so far as to raise doubts as to the firmness of the Palestinian Revolution's strategic positions and aims.

"We wish to emphasize that the Palestinian Revolution continues to adhere to the hopes and aspirations of the Palestinian masses - and, in particular, the aspiration to the total liberation of the Palestinian soil."

("Voice of Palestine," Lebanon,  
February 11, 1977)

IRAQ AND PLO FACTION FORM ALLIANCE

GOAL - ANNIHILATE ISRAEL

After the Palestinians' defeats and heavy losses in the Lebanese war, Iraq and the Marxist "Popular Front" formed an alliance, with the following common goals :

1. Any future negotiated settlement of the Middle East conflict must be fought. Israel must be annihilated.
2. Any Arab politician or Palestinian leader who recognizes Israel, or declares himself agreeable to a mini-Palestine on the Jordanian West Bank, will be considered a traitor and executed.
3. Terror and subversive actions against Arab governments of the moderate camp - above all the oil producers, such as Saudi Arabia, Kuwait, and the Gulf Emirates - have to be intensified until they are overthrown, in order to gain military and financial bases for the "final struggle against imperialism and Zionism."

(Berliner Morgenpost, January 6, 1977)



IRAQ' VICE PRESIDENT:  
FORCE AND OIL TO BE USED FOR  
ANNIHILATION OF ISRAEL

An interview by General Sadam Hussain Takriti, Vice President of Iraq's Revolutionary Command Council, to the Egyptian weekly Al-Mussawar (January 27, 1977).

"From an objective viewpoint we very well know that international politics will not, at this stage, permit the Zionist entity to be dismantled... they will allow us to regain the Arab land which was captured in '67; but we do not consider this to be the end of the road. Facts in international politics develop according to the development of circumstances. We will reach this stage (regaining the '67 lands ) and then we will raise the debate on the lands which were captured before '67; and we will not limit ourselves to speaking of the West Bank, Gaza and the Golan as is the case at present....

"The parties involved should know that the Arabs maintain a very strong advantage in being able to use force and oil to increase their international status.

"We envision a Palestinian State where people of all religions, no matter what their citizenship, will live... we say that everyone who immigrated (to Palestine) after '48 must return to his place of origin."

ARAFAT : 'OUR TASK - STRUGGLE AGAINST ZIONIST FOE...

POPULAR WAR TO LIBERATE THE LAND....

## AMERICAN JEWISH

While the Western media continue to pass the word that Arab leaders have launched a peace offensive, moderated their position vis-a-vis Israel and, in general, are now favorably disposed towards a peace settlement, PLO leader Yasser Arafat is talking in an entirely different vein - to his own followers.

Speaking at a graduation ceremony of Fatah officers recently, Arafat said :

"We must be prepared for our task, which is the struggle against the Zionist foe and against all the enemies of our Arab nation - without and within... The Popular War of Liberation is the only way to liberate the land."

(Yasser Arafat, quoted by "Voice of Palestine,"  
Lebanon, February 1, 1977)



AS-SAIQA (SYRIAN-BACKED PLO FACTION):

"LIBERATE PALESTINE...FROM THE GALILEE TO THE NEGEV"

"The first paragraph in the unwritten constitution of the Palestinians will be the demand for a struggle for the return of the Palestinian territories on which Israel exists.

"This paragraph will be used for the restoration and liberation of the Palestinian land from Rosh Hanikra (the northern point of Israel along the sea) to Rafah (the southern point), from Beth Shaan and Jericho to Haifa and Jaffa. That is Palestine - from the Galilee to the Negev, from the river to the Sea."

(Palestine Corner, Radio Damascus,  
quoting from an article from Al-Tala't,  
the As-Saiqa Publication, February 15, 1977)



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SEYMOUR MAXWELL FINGER  
PRESIDENT

May 21, 1975

Mr. Marc Tenenbaum  
National Interreligious Director  
American Jewish Committee  
165 East 56 Street  
New York, N. Y. 10022

Dear Mr. Tenenbaum:

I thought you might be interested to see the enclosed memorandum by S. Merlin and Hillel Kook (P. H. Bergson), both Israeli citizens and members of the first Knesset.

It seems to me that their ideas are not only nonconformist, but also innovative. Though they are both members of the Board of this Institute, the opinions expressed in their statement are strictly their own.

In Israel the memorandum was published in the major newspapers and, I understand, it elicited favorable reactions.

Should you wish to comment on the proposals contained in the statement, I would greatly appreciate it, as will my colleagues on the Board.

Cordially,

S. M. Finger  
President

encl.



The following is a translation from the Hebrew (with minor omissions) of a memorandum sent on March 10, 1975 to Prime Minister Rabin and circulated among a select group of personalities in Israel.

## G U I D E L I N E S   F O R   A N   A L T E R N A T I V E

### A Four-Year Plan: A Constitution for Israel and Peace with her Neighbors

The repeated victories of Israel's Armed Forces have prevented our enemies from annihilating us. But our military successes alone did not and could not bring about peace and normalization in the relations with our neighbors. More importantly, our victory in the Six-Day war of June 1967, not only failed to guarantee our security, but, paradoxically, exposed us to a major enemy attack on two fronts for which we were not prepared psychologically, politically, even militarily. Indeed, our extraordinary victory of 1967 left us with a time bomb which we refused to recognize and did not defuse. All this happened because we regarded the military triumph as something of an end in itself instead of an instrument to shape a political strategy for achieving peace and stability in the region.

#### Mysticism and Military Force -- a Dead-End

Historically our policy has been based on two principal elements: mystical Zionism and military power. This combination, however, has not brought us nearer to our desired goals -- neither from the point of view of security, nor in our social life and certainly not in the realm of the spirit. In fact, we have reached a dead-end. It will be impossible to extricate ourselves from this cul-de-sac by repeating the same mistakes, by continuing the same line of thought, and by perpetuating a regime that has failed us and brought political defeat and total isolation in the international arena.

There is no other way to overcome our troubles and to weather the crisis than to undertake a thorough analysis of what went wrong and to draw the necessary conclusions. This requires probing not merely the initial military setbacks of the October 1973 war but the political, psychological and philosophical attitudes that prevailed since the establishment of the State.

In a detailed survey, of which this memorandum is only a summary of conclusions, we will offer a critical analysis of the principles which have so far guided our State and determined our very lives. Building on this analysis we will develop guidelines for the future on two levels: First, a formulation of an authentic Israeli peace plan and a political offensive with the aim of moving towards the solution of the conflict between us and our neighbors. Second, we offer a program for the

transformation of the State of Israel from its present character, essentially as part of the Jewish dispersion, into a sovereign nation-state.

### Simultaneous Elections both in Israel and among the Palestinians

This program is visualized from both a short-range and long-range perspective:

1. The short-range: to prepare in the course of one year general elections both in Israel and among the Palestinian Arabs.

2. The long-range, during the term of the next Knesset (Israeli Parliament): to implement a four-year plan leading to the transformation of Israel into a sovereign nation-state that functions in accordance with principles defined in a written constitution. Finally to bring about a settlement of the conflict between Israel and her neighbors, sanctioned in an all-inclusive peace treaty.

## FOREIGN AND DEFENSE POLICY

### 1. We and the Palestinians

#### An Authentic Israeli Peace Plan as an Alternative to Dr. Kissinger's Initiatives

a. Regardless of the future of Secretary of State Kissinger's initiative, and despite his good intentions and friendly attitude toward Israel, it is already clear that the step-by-step method will not bring the hoped for peace. Nor is the alternative to a step-by-step approach necessarily the Geneva Conference. Every initiative based upon external factors must, by its very nature, result in pressures and, ultimately, in imposed conditions upon Israel. Therefore, sooner or later, Israel will feel compelled to abandon the policy of partial settlements. Instead, it will be incumbent upon us to offer a comprehensive peace plan of our own and pass over to a diplomatic offensive with a view to convincing the Arabs, our friends in the world and public opinion everywhere, of our sincere determination to bring to an end the intolerable "status quo" that leads us from one war to the next.

Israel should simultaneously offer a plan for an immediate settlement of the Palestine conflict, as well as a vision of the development of good-neighborly relations between the two peoples, through cooperation and friendship in the framework of a Palestinian-Israeli confederation in the whole of Palestine on both banks of the Jordan.

#### To Reverse the Order: a Solution to the problem of the Palestinians Prior to negotiations with Egypt

b. Israel should express its readiness to enter peace negotiations, directly or indirectly, with each of her neighbors, if any of them



feel that they can isolate such a settlement from the Palestinian question.

Since, however, all of them believe that a bi-lateral peace settlement is contingent upon a solution of the problem of the Palestinians, it makes no sense to enter into such negotiations with our neighbors before that question is settled. In such a case the procedure should be reversed: first we have to seek a solution to the problem of the Palestinians and only then to enter negotiations with Egypt, Syria and Lebanon.

To Call Upon the Security Council to Supervise the Election of a Legitimate Representation of the Palestinian People

c. Since the P.L.O. has never established itself as a legitimate representative of the Palestinian people and since King Hussein at present refuses to act as their representative, Israel should address itself to the Security Council of the United Nations and offer a plan to initiate, in cooperation with Jordan, elections to a Constituent Assembly of the Palestinians, to be held within one year's time. Thus, the Palestinians will, at long last, have a legitimate body to represent them, capable of entering negotiations with Israel towards a peace settlement.

The Palestinian People -- East and West of the Jordan -- are a Single Entity: No Reason to Split Them

d. It is not possible to isolate the Palestine problem from the Kingdom of Jordan. No verbal acrobatics, no sophistry will do away with the organic connection and identity between the two. The conquest of the West Bank by King Abdullah was not an historical monstrosity. On the contrary, it was a natural development under the given circumstances. From 1948 on new realities emerged in both the Israeli and the Jordanian parts of Palestine. Lod, Ramleh, Jaffa were transformed into towns inhabited by Israelis. Jordan, on the other hand, held the largest concentration of Palestinians. In Transjordan are also concentrated the vast majority of the refugees, whose rehabilitation is most urgent from a humanitarian, moral and practical point of view.

To sanction a Palestine State in the West Bank (and in Gaza) does not solve the Palestine problem, it exacerbates it. Such a State would not contribute to peaceful relations between us and the Palestinians. It would become a storm-center of tensions, conflicts, confrontations and wars between various elements of the Palestinians. As demonstrated in September 1970, civil war between the Palestinian people waged along our own frontiers can also endanger our peace and security. We cannot be indifferent to these inter-Palestinian confrontations and wash our hands of them. We have a direct interest in what is going on in the whole of Palestine, on both sides of the Jordan. We have to do everything to bring about an easing of inter-Palestinian tensions and find a solution to the Palestine problem in its totality.



In this connection it is worth noting the paradox of Israel recognizing the existence of a Jordanian nation but ignoring the existence of a Palestinian nation. Realities and common sense would indicate an opposite position, since most, if not all of the "Jordanians" are in fact Palestinians.

### The Problem of the Legitimate Representation of the Palestinians

e. The most important problem is that of evolving a plausible and legitimate representation of the Palestinians.

Historically the legitimate authority to deal with concerning the Palestine conflict has been King Hussein. This is not to ignore the criticism, at times extremely severe, levelled against the King. Nor is it to disregard the hatred, at times deep, of the King on the part of certain segments of the Palestinian population, and especially among the Fedayeen. But the relevant fact is that King Hussein ruled the Palestinians for a whole generation -- more than 20 years. His grandfather, Abdullah, ruled them before that. Good, bad or indifferent, the Hashemites were the rulers of those parts of Palestine where most of the Palestinians lived.

Hence, if despite the Rabbat summit and despite all the pressures and threats King Hussein is subject to, he is nonetheless willing and self-confident enough to make commitments of a lasting nature; if he feels strong enough to enter negotiations with Israel on behalf of the Palestinian people and will not hesitate to sign a peace agreement with us concerning the territories that we conquered in the Six-Day war -- we, on our part, should take the calculated risk of negotiating a peace agreement with him. In other words, if Hussein decides to fight for the right to represent the Palestinian people in their entirety, and making all the allowances for the inherent dangers to him in such a course, there is no compelling reason why we, too, should not take the risk of recognizing him as our partner for negotiation and peace.

### If not Hussein -- Who?

Since, however, King Hussein, for the time being refuses to act as spokesman for the Palestinian people, we should express readiness to enter negotiations with an alternative body representing the Palestinians. This must be on the condition, however, that such an alternative representation possesses a plausible mandate from the Palestinian people, and is not just an artificial creation, as is the P.L.O., appointed and financed by foreign governments, whose common motivation is religious fanaticism and political totalitarianism so characteristic of pan-Arabism.

### A Constituent Assembly of the Palestinian People

f. Such a mandate can be obtained by a simple procedure of electing a Constituent Assembly of the Palestinian people. The elections should take place in the West Bank (Judea and Samaria), in Gaza and Transjordan.



g. The elections should take place under the aegis and supervision of the Security Council. The Government of Israel will offer maximum cooperation with the Security Council in carrying out this most important and decisive undertaking.

h. The Israeli Government will guarantee complete freedom of expression, association and assembly to all the inhabitants of the West Bank and Gaza during the one-year period to prepare and hold the elections.

#### Arafat Without a Gun

i. There will be no restrictions whatsoever against any person, group or organization or party among the Palestinians, including the P.L.O. and the other Fedayeen organizations, to participate in the elections, to wage their respective propaganda campaigns. This complete freedom to participate in the election campaign will be contingent upon one condition only -- that those groups who wish to be part of this democratic process will have to proclaim a suspension of violence for the whole period of the election campaign. In an atmosphere of violence no genuine elections are possible. It would indeed be desirable if Arafat, before trying to introduce secular democracy in the Israeli part of Palestine, tries his hand at the art and craft of the democratic process among his fellow Palestinians in the Arab parts of Palestine.

The only control and intervention on behalf of the Government of Israel during the one-year period of the election campaign to the Constituent Assembly of the Palestinian people, will be in the prevention of violence and the smuggling of arms.

j. Upon the completion of the elections to the Palestine Constituent Assembly, the Government of Israel will enter into direct or indirect negotiations with representatives of the newly elected Constituent Assembly of the Palestinians, regardless of who wins the election. The negotiations will be conducted on a basis of equality and mutual recognition and respect. No preconditions will be advanced by any of the two sides. The legal, international basis of reference for these negotiations will be Security Council Resolution 242.

#### From Refugees to Nationhood

k. The aim of the negotiations will be to find a solution of the Israel-Arab conflict in Eretz-Israel (Palestine) that has agitated the peoples of the region and threatened the peace of the world for more than a quarter of a century.

The two sides will try not only to reconcile their claims and counter claims, but also to adjust the principles embodied in Security Council Resolution 242 (that now deals exclusively with existing states) to the conditions of the emerging new Palestinian entity.



No escape from tri-partite negotiations

l. Such an adjustment of the negotiations to the new conditions, and the transition of the Palestinians from a status of refugees to one of a national entity, will inevitably call for tri-partite negotiations between Israel, the Palestinians and King Hussein.

Israel's interest will not be served by splitting the Palestinian people. On the contrary, Israel is interested in its consolidation. There is just no possibility of ignoring King Hussein or avoiding dealing with him, not only because of the legitimacy of his rule, but mainly because the majority of the population that lives under his jurisdiction is mostly if not totally Palestinian. There is no escape from this basic fact. And therefore a solution will have to be found to the Palestine problem in its totality within the framework of the original Mandated territories on both banks of the Jordan. Either this, or a solution may not be achieved at all.

m. Though Israel cannot and should not force its views on the Palestinians, either East or West of the Jordan, nor on King Hussein, it cannot and should not remain indifferent either. Israel's vital national interests are inextricably involved in any such arrangements. Hence, as long as there is no unified authority over all the Palestinians on both sides of the Jordan, Israel will have to insist that the negotiations between her and the Palestinians will have to start on a tri-partite basis, with a view, however, that in the last account a unified Palestinian representation will be the party in the negotiations with us.

n. It will do no good, to sketch in advance detailed proposals, or a scenario for the hoped for eventual settlement. Yet, even at this preliminary stage, it is necessary to advance three basic concepts, so that all concerned understand what the talks will be about.

A Palestinian State on both Sides of the Jordan and an Israeli Republic to the West of it

i. From the point of view of tranquility in the region and its peaceful development, it would in all probability be in the best interests of all concerned if in the framework of historic and Mandated Palestine there will be two states rather than three. That is, an Arab Palestinian state on both sides of the Jordan and Israel -- west of it.

To have a third state would defy the demographic, historic and economic realities of Palestine. Transjordan is no less Palestine than is the West Bank. One cannot fail to arrive at the conclusion that both Transjordan and the West Bank constitute a single demographic and economic entity. Such a large and viable state could give Israel the necessary guarantees by offering to demilitarize areas contiguous to the agreed upon borders.

It is not for Israel to dictate to the Palestinians the nature of the political regime which is to emerge from the new and large Palestinian entity. It is up to the Palestinians to determine for themselves the nature of the regime. Perhaps Arafat could persuade his fellow



Palestinians on both sides of the Jordan to transform their country into a secular democratic republic. Or perhaps King Hussein will succeed in convincing the majority of the Palestinians that the regime best fitted to their traditions and temperament is a benign monarchy, headed by him and as outlined on March 15, 1972 when he offered his famous plan for a federated state. And perhaps another plan of Hussein will have greater appeal with the Palestinians: the one he suggested in July 1967, shortly after the Six-Day war, to transform the Hashemite Kingdom of Jordan into a Palestine Republic, headed by him not as King but as President.

The Palestinians will not "Liberate" the Territories, they can only negotiate their Future

It will be up to the Palestinians to determine their future and the form of their independence. But they must also understand that Israel is duty-bound to see to it that its security requirements are not jeopardized. The Palestinians, whatever their rhetoric, will not and cannot "liberate" the West Bank. They can only negotiate for it in good faith, as indeed Israel should negotiate with the Palestinians in good faith.

The Final aim: the reunification of Historic Palestine in a Confederative Framework

ii. Sooner or later the idea of reuniting the whole of Palestine on both banks of the Jordan into some kind of a confederated Israeli-Arab framework, regardless how loose, will surface in the consciousness of both peoples. Though Israel should not make any pre-conditions for any peace settlement, and though it is incumbent upon her to enter negotiations in full freedom of give-and-take, this does not mean that Israel cannot or should not voice her views concerning the future of Palestine. Israel should not be inhibited from voicing its ideal loud and clear, because in our opinion the vision of cooperation corresponds to the deepest interests and yet muted aspirations of those directly involved -- the Israelis as well as the Palestinians.

Total Solution to the Refugee Problem -- Is In The Vital Interests Of Israel

iii. Whatever the outcome of the tri-partite negotiations, one problem cannot be left open without a total solution -- the Palestine refugees. No settlement can or should be acceptable to Israel which does not provide for a practical and formal solution of the refugee problem. Whatever the nature and scope of the future Palestine state, not one Palestinian should remain a refugee, within that state or outside of it. After an Israeli-Palestinian settlement is reached no Palestinian should be in a position to claim the status of a refugee. Of course, the implementation of transferring the Palestinians from one Bank to the Other, or from abroad to Palestine will take time. But from a formal and treaty point of view the total solution of the problem will be signified by the signing of the peace agreement with the Palestinians. The camps in Gaza, in Transjordan, in Lebanon and in Syria will be



liquidated, without any exception. Palestinians will either become full fledged citizens of the Palestine state or they will be considered citizens of the countries where they have settled. The settlement of the Israeli-Arab conflict will mean that the refugee problem has been solved once and for all.

## 2. RELATIONS WITH THE UNITED STATES

### There is no Alliance Between Israel and the U.S.

The world considers the United States not only a friend, but also a staunch and abiding ally of Israel. There is, however, a great deal of ambiguity and imprecision in this relationship. The history of U.S.-Israeli relations has shown abundantly that from the very beginning we were often treated cavalierly by Washington, sometimes even with outspoken enmity. This was the case, for instance, in 1956 after our spectacular victory in the Sinai campaign. We were given an ultimatum and we submitted. There certainly was no friendship let alone alliance on the part of America under the Eisenhower-Dulles Administration.

Conversely, from the June 1967 war until the war of October 1973 it was Israel that treated the U.S. cavalierly, with complete disregard of America's interests, as if that super-power is committed, by force of circumstances, or for some obscure reason, to submit to any wish and whim of the Israeli government. This was an absurd and surrealistic situation. Such an attitude stemmed in great part from our unrealistic evaluation of the influence and power of American Jewry in shaping the policy of America. This false evaluation contains the seeds of possible disasters to come.

Though Israel's attitude, generally speaking, may not have caused any great harm to the interests of the United States (as Washington understands them), it had detrimental effects upon our own fortunes. The Yom-Kippur war was to a great extent a direct result of this short-sighted and arrogant attitude.

With the shock of the "earthquake" our arrogance nearly disappeared but instead paralysis set in. The absence of any Israeli initiative created a most dangerous vacuum which permitted the Arabs to undertake a world-wide political offensive.

The Summit Conference at Rabat violated the spirit if not the letter of all the agreements reached between us and our neighbors in the wake of the October 1973 war. Pan Arabism emerged with a strategy whose spirit and aim is the liquidation of the State of Israel. Though Sadat occasionally makes statements that may (or may not) be interpreted as moderate or even conciliatory, the fact remains that never before was the climate in the Middle East so charged with hostility and evil intentions towards Israel as it is now.

### To Clarify Our Relations with the United States

In view of our past experience the time has come to try to normalize our relations with the United States. First and above all we need to



define, by mutual agreement, the nature and the scope of the American commitment to the security and territorial integrity of Israel and our own commitments to the United States, on a reciprocal basis.

Among the various elements and aspects of such a formalized commitment, four are of paramount importance:

a. Territorial Integrity

What is the American Administration's interpretation of the concept of the territorial integrity of the State of Israel? What are the boundaries of Israel agreed upon between Israel and the United States as legitimate and defensible and as defining the territorial integrity of our country?

b. Aggression

When and under what circumstances would the U.S. consider military action by any of the Arab states as an act of aggression against the territorial integrity of Israel?

c. Soviet Intervention

When and under what circumstances, and according to what criterion would the United States consider Russian military action in the Middle East as direct and unprovoked intervention in the Israeli-Arab conflict?

d. Oil Blackmail

To what degree, if at all, will the United States tolerate the Arab oil producing countries using the vital commodity with the intent of determining the outcome of the Arab-Israeli conflict -- both in the field of battle as well as in the international arena?

These and other important aspects of Israel-American relations can be clarified (though never absolutely and with finality) only in a process of negotiations with a view toward defining them in a formal document. A formal treaty would probably constitute the most effective instrument to serve the security interests of Israel. But it can also be in the form of a series of documents containing understandings based upon reciprocity. Israel cannot remain the eternal recipient without committing itself to consulting with the Administration concerning far-reaching strategic or political moves on her part against the Arabs, or against any other international factors.

One should always keep in mind that American pressures are exerted only against a background of Israeli negativism and lack of initiative, or as a reaction to lack of Israeli willingness to consult Washington. Israel-American relations must be based on mutual understanding, and regular consultations. Otherwise, Israel's situation -- militarily and diplomatically -- is bound to deteriorate at an ever increasing pace.



### 3. ISRAEL - SOVIET RELATIONS

Parallel and complementing the above -- and there is no contradiction here -- Israel should urgently undertake a vigorous diplomatic offensive, with a view towards improving relations with the Soviet Union. Israel should seek the renewal of diplomatic relations and normalization in as many fields as possible.

#### HISTORIC TRANSFORMATION: FROM PART OF THE DISPERSION INTO A SOVEREIGN NATION-STATE

##### Towards a Reevaluation of Values and Priorities

The proclamation on May 14, 1948 of the reemergence of the State of Israel, constituted the triumph of the Hebrew war of liberation and the realization of the Zionist aim. The Zionist revolution achieved its purpose.

With the proclamation of the State, a new leaf should have been turned over in our history, and a new age of national independence ushered in. The leaf was never turned, and the new age never began. True, there was a need for a transition period for adjustments to the harsh conditions of that period. We were confronted in the very first months of our independent existence by a war of annihilation waged by all our neighbors. At the same time we were also faced with the urgent task of transferring to Israel, speedily and on a large scale, the remnants of European Jewry and most of the Jewish communities from Arab lands. These tasks required the full concentration of the energies both of the government and the people.

But this transition period became a permanent condition. What were supposed to be emergency priorities became habitual preoccupations. In order to rationalize all this a phoney post-State Zionist ideology was created and is perpetuated till this very day. The basic requirements of the sovereign state were neglected, as if the national revolution never took place.

After a period of almost 30 years, the time has come to put an end to a state of affairs in which all principles of an independent and normal political existence became distorted. The time is certainly overdue for a public debate concerning the basic issues of our existence, so that we can plan a more normal life and brighter future for our nation. As long as we persist in our refusal to define our identity as a sovereign nation-state, there will be no end to our internal religious divisions and the appalling gap between our various ethnic communities. Nor will we find the time and the means to rectify the present disgraceful social conditions and the ever widening gap between the haves and have nots.

There is a lack of elementary sincerity in the relationship between Israel and world Jewry. A clear and honest attempt to define the relations between us as a sovereign nation and the communities of the Jewish people



in the dispersion would greatly help to crystalize and solidify our relations with the Jewish people wherever they are.

### National Debate on Basic Issues

We suggest that within one year national elections be held in Israel.

The election campaign should for the first time in the history of Israel become an occasion to debate real and basic issues concerning the nature of Israel's political constitutional regime with a view of transforming Israel from a heavily armed Jewish community into a nation-state living in peace with its neighbors.

Thus the election campaign will have to deal not only with immediate problems concerning negotiations with our neighbors and other foreign policy and domestic matters, but also with the basic questions concerning the constitutional nature of Israel. In the course of this debate we will attempt to raise the questions enumerated below and make an effort to provide satisfactory and reasonable answers:

### Separation of State and Religion

a. Should Israel retain the theocratic aspects of its present regime, or should an honest and effective effort be made at a separation of state and religion within a constitutional framework to be drafted and promulgated during the term of the next Knesset? In other words, should Israel be launched upon a course of secularization, or remain shackled by the chains of tradition belonging to Judaism as a religion but having no justification among the constituent elements of Israel as a modern nation-state?

The Jewish religion is an ancient and universal faith for the sake of which the best of her adherents sacrificed themselves in large numbers. Millions of Jews in almost all parts of the world are attached to their religion no less than the Jews of Israel. Should the Jewish religion remain a component of the political and party system of the state? Is that not in essence, a negation of the spiritual and moral values of Judaism as a religion?

We, on our part, will advocate the separation of state and religion and the transformation of Israel into a secular republic, which of course will remain Jewish in the sense that the vast majority of its citizens are of the Jewish faith. Just as the United States is a Christian and France is a Catholic country.

b. Should Israel remain psychologically and structurally part of the "pezurah" -- of the dispersed world Jewish Community -- or should she begin to assume an ever greater autonomy, freeing herself more and more from diaspora Jewish institutions, and thus becoming a normal and sovereign nation-state? We will advocate the latter course.



In addition to the conventional notion of "the Jewish people" we should try to advance the idea of "the Israeli people," and thus adjust the resurgence of historic Israel to the modern age.

Protector of the Whole House of Israel the World Over -- or the Imperative of National Priorities?

c. Conversely: Should Israel continue to consider itself the guarantor and protector of Jewish communities the world over? Or should Israel adjust her very raison d'etre to the imperative of consolidating and strengthening the infrastructure of the State as such? In other words, it is time for Israel to define her national priorities in accordance with the principle that her own destiny, her own vital needs are also her first priorities, transcending everything else, with one exception: In case of an emergency, when a Jewish community anywhere finds itself in physical danger as a result of anti-Semitic persecution.

The radical change in the philosophical, psychological and political outlook we advocate stems from the assumption that the State of Israel is no longer the opening phase of the realization of Zionism. On the contrary, the emergence of the State of Israel is the consummation and realization of the ideal of Zionism as a national liberation movement that achieved its aim by liberating Palestine from British rule and by winning the subsequent war of independence. Thus Israel can no longer be regarded as an instrument or outpost or a vanguard of the Zionist movement. We perceive our destiny in a radically different perspective: the consolidation, the strengthening and the development of the newly sovereign State of Israel as the supreme historic imperative.

More than that: this reevaluation of values and reordering of priorities is not only vital and natural and logical from the point of view of Israel's interests as a sovereign state, but in the last account, it is also in the best interests of world Jewry. What is healthy for Israel, is also good for the Jews of the world.

In the present confused state of affairs, the lines are blurred between Israel as a sovereign state and the Jews as citizens in the various countries of their dispersion. In those circumstances, Israel cannot protect the Jews of the world. Rather the reverse is the case: Paradoxically, it is the Jews of the dispersion who must time and again come to the defense of Israel both as a State and as a collectivity of Jews who are in danger of their lives.

On the other hand, the need for the Jews of the world to defend Israel is responsible, at least to a considerable extent, for the steady erosion of the status and the security of the Jewish communities in the Western free countries. This trend is most disturbing.

A change in national perspective and the reordering of priorities require the following:

1. As a matter of principle, Israel should be committed to a policy of non-interference in the internal affairs and policies of any other state, except, as we indicated above, in special situations when there is a physical danger to Jews being persecuted as Jews.



2. Israel's policy should no longer be subordinated to absorbing new immigrants as a supreme and transcendent principle ("the ungathering of the exiles"), that can not be questioned under any circumstances. We suggest harmonizing the problem of Jewish immigration with other, no less important requirements, namely, to strive for greater social justice for all our citizens. We advocate economic policy that aims at a more decent and more just social-economic system -- even if such a new policy may affect the scope of immigration into Israel, in one period or another. (Except, again, in those emergency cases we have referred to above. In such cases, the gates of Palestine will be wide open.)

We will also encourage the end of the use of the terms "Alyia" (ascent) and "Yerida" (descent). These terms do not reflect a respectful attitude towards Jews who imigrate to or from Israel. Eretz-Israel is the Holy Land only from a religious point of view. Therefore, it is not befitting to use terms that characterized the pilgrimage of Jews from the diaspora to Jerusalem during the great holidays and religious festivals, for the present day migration. A Jew who emigrates from Israel for one reason or another is not a criminal nor a traitor. He does not descend from anywhere. He migrates to a place of his choice. He remains the same Jew that he was when he lived in Israel.

3. The relations between the State of Israel and the Jewish institutions in the diaspora will have to undergo a basic change, not only philosophically but also institutionally.

#### To Cancel the Covenant with the Jewish Agency

a. We advocate the annullment of the covenant between Israel and the Jewish Agency. As a result this institution will have to reorganize itself on an entirely new foundation and will assume a public rather than a state character.

It is imperative to establish a new system of relationships, sincere and honest, between Israel and the Jewish organizations in the world. This is particularly necessary for the United Jewish Appeal. The UJA should organize in Israel a body of experts, who in consultation with Israeli institutions will disperse this fund for specific and proper purposes. It is also necessary to enable the newly established body of the UJA to supervise and to directly control the spending of the monies which are being transferred to Israel. In such a way the connection between Israel and the Jews will be strengthened. It will become more genuine and honest and this in all probability will also help to advance the goal of bridging the social gap now prevailing in Israel.

#### The Law of Return and Naturalization in Israel

c. We suggest basic revisions in the Law of Return ("Khok Hashevut"):

i. The constitutional laws that the next Knesset will debate should include legislation that stipulates that Israel is open to immigrants of all religions and all nations. Their numbers



will be determined by the needs and interests of the state, and the vast majority will, in the nature of things, be Jews. The non-Jews, as in any other democratic and normal state, will also be able to become nationals and a part of the Israeli nation (like tens of thousands of Israeli emigrants who became Americans). The new legislation will also include a provision stipulating that every person who is a Jew or is designated by others as a Jew and as such is subject to persecution in the country where he lives, and who wishes to find a haven in Israel, will find the gates of our country wide open. Thus the practical requirements of the Law of Return will be met.

ii. In the framework of an Israeli nation all nationals of the state -- Jews, Moslems, Christians, etc. -- must be equal, not only in theory but in practice, before the law; this equality includes equal rights in employment, without any restrictions, including the civil service, diplomatic appointments and service in the Army. An Israeli Arab is not an exception, unless he declares in writing that because of reasons of conscience he objects to serving in the Israeli armed forces or in any service of the State.

iii. The principle of political asylum should be incorporated in the new legislation and given the most liberal interpretation -- in the sense that Israel will become an exemplary haven for the politically oppressed.

#### S U M M A T I O N

The conflict between Israel and her neighbors is not a territorial conflict, nor are frontiers the issue. It is essentially a conflict over national identity and self-determination between two peoples. Even if temporary arrangements are achieved, they will not insure true peace. True peace is conceivable only through the definition of the Palestinian entity on the one hand, and through the revision of the prevailing definition of the State of Israel, on the other.

As long as Israel refuses to define itself as a sovereign nation-state, and as long as it is not clear that the government of Israel represents the Israeli people and not the totality of the Jewish people in the world, we will remain misunderstood by friends, let alone enemies. The State of Israel is not an infinite entity. It is a defined national entity within defined frontiers. It is impossible to reconcile two unique phenomena -- a Zionist Jewish state on the one hand, and such a movement as the P.L.O. advocating the phoney slogan of a democratic secular Palestine, on the other. But it is definitely possible to arrive at a compromise and understanding between two nation-states, with defined territorial and demographic identities.

To a great degree it was Israel's policy that imposed the P.L.O. upon the Palestinians. The recognition of the Palestinians' right to self-determination will in all probability lead to the decline of the P.L.O. Such a recognition on the part of Israel can result in the recognition by the Palestinians of Israel's right to exist as a sovereign nation-state.



In summing up our proposals we should like to emphasize the imperative of freeing ourselves of the political immobilism in which we stagnated for much too long. It is imperative to launch a dynamic diplomatic offensive of political initiatives with a view towards achieving peace in the region. This cannot be achieved through Dr. Kissinger's process of a step-by-step approach. Even more important, it must be an Israeli initiative for many reasons not the least of which is the Soviet Union's compelling opposition to American initiatives.

The isolation which we face today stems not from the surrender of the world to the Arab oil black-mail (we were quite isolated in the international arena before October 1973), but mainly from the fact that the world does not understand exactly what we are and what we are after. We never offered any proposals. We only rejected proposals of others. An Israeli peace offensive as suggested in this memorandum, as well as other steps that the Government surely would add the moment it decides upon an independent Israeli initiative, will certainly bring about an end to the frightening erosion of our standing in the United States and in Europe. It will also help world public opinion to understand our position. It will revive friendly attitudes towards us, as was the case, for instance, when in the weeks preceding the Six-Day war in 1967 -- the whole free world, without any exception, was on our side. The truth is that the oil weapon is a two-edged sword. And there is a deep reservoir of anger and resentment in all of the Western countries against the Arab oil potentates, a factor that today we are not exploiting at all.

Our government makes desperate efforts to gain time. But time works against us with an ever increasing speed. The postponement of political initiatives with the intention of gaining time constitutes a grave danger to our security. Had we undertaken a major initiative in the wake of the Six-Day war with a view towards achieving a peace-settlement, we would certainly have obtained much better results than we can expect today. And of course, we would have prevented the October 1973 war from taking place. It is clear that if we persevere in our policy of procrastination, we will not be able to obtain even the limited aims our government strives to achieve. And after the next war, even if we score a clear and resounding victory, our diplomatic situation will not improve, but will become more precarious.

All this is not to say that the outlook for the future is necessarily gloomy. Just as before the Yom Kippur war we exaggerated our power, we are now inclined to indulge in extreme exaggerations in the opposite direction. Neither of the two contrasting moods reflect objective reality. We are not a "world power," but neither are we entirely powerless.

The truth is that our situation is far from desperate, if we are sober and alert enough to remove the hurdles we ourselves have erected. We are a nation of three million living in a strong state marshalling the most potent and sophisticated weapons in the world. And we can count on the help and backing of a super-power, on the condition that we act wisely and in harmony with the United States.

We must also remember that apart from our military capabilities, we possess forces and extraordinary talents which have not been tapped. The time has come to utilize these forces for purposes befitting an ancient

people reborn in its homeland. But all this is contingent upon snapping out of our lethargy, that is the greatest of all dangers. One should not, one must not, postpone any longer the redeeming initiative.

There is no denying that some of the elements of our plan contain serious concessions. But our plan requires farreaching concessions also from the other side. The truth is that the concessions demanded of both sides are trivial when compared to the goal: to bring the conflict between us and our neighbors to a conclusion based on reciprocity, in which there are no victors nor vanquished. Only thus is a true peace possible, a peace that will enable our historic nation to fulfill the age-old vision of the prophets of Israel and to make our contribution to the whole of mankind, as a sovereign nation and a spiritual power in the Middle East.

Hilel Kook

S. Merlin

Kfar Shmaryahu, Israel

Ramat Gan, Israel

March 10, 1975





SECRETARIAT FOR CATHOLIC-JEWISH RELATIONS

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INTRODUCTION

Since the Arab-Israeli war of June 1967 the image of the State of Israel has deteriorated in the world and in the United States. During the same period Israel has assumed ever greater dimensions in the hearts and minds of Jews everywhere. This divergence in appreciation has led to new tensions in Jewish-Christian relations. Many Jews are disappointed, disillusioned, in the openly professed commitment of Christians to the Jewish-Christian friendship and find it difficult to square this with their anti-Israeli or anti-Zionist attitudes. Most Jews today make common cause with Israel and see that State not merely as a political entity but also as something very close to Judaism itself. For that reason they are inclined to interpret anti-Israeli attitudes as somewhat anti-Jewish. In any case, they--and many Christians too--are dismayed at a certain unevenness or partiality from which Israel suffers at the hands of her critics.

Because the chief function of this office is that of promoting Jewish-Catholic understanding, hostile and suspicious views of Israel are consequently of special concern to us. Though it is not our function to dictate attitudes or policies of Christians with respect to the State of Israel, we must concern ourselves with any and all misinformation or misconceptions that tend to undermine that understanding. That we do so should not be interpreted as anti-Arab, nor should it be seen as an uncritical, doctrinaire pro-Israeli position. Another of our aims is Arab-Jewish reconciliation. If we take a pro-Israeli position it is only insofar as we consider it warranted by the facts and truths of the case. Arab-Israeli peace must be built on a foundation of truth and justice.

We propose, accordingly, to provide the various diocesan offices of Catholic-Jewish relations with a series of papers on selected subjects which deal with aspects of the Arab-Israeli conflict, particularly those which involve some of the sources of hostility to the State of Israel and to Jewish commitment to that State. The first paper, which follows, takes up the question of Israel's moral and legal right to exist. Others will deal with the refugee problem, Zionism, Christian theology and Judaism, and the like.

SECRETARIAT FOR CATHOLIC-JEWISH RELATIONS,  
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FOUNDATIONS OF THE STATE OF ISRAEL

Numerous discussions with Christians about the State of Israel have convinced me that many of them are not only poorly informed but often badly mistaken about that State, especially with respect to its historical and juridical foundations. Most seem unwilling to consider the subject except in terms of Arab refugees, which problem they oversimplify, and thereby proceed to cast doubt on the State's right to exist. Frequently the matter is put crudely: "But didn't the Jews rob the Arabs of their homeland?"

The aim of this paper is to answer this question. We are aware of the pitfalls and complexities of such an effort, sensitive to the chasm that separates Israelis and Arabs on the question. It is incumbent on all men of good will, nevertheless, to seek out the facts of the matter honestly and courageously, and to shun exaggerations and distortions of either side.

If in this paper we arrive at a pro-Israeli position this is because, we believe, a dispassionate and complete consideration of all the facts requires it. This is not to ignore Arab claims and rightness on particular points, nor to approve all that the Israelis have done. It simply means that an objective assessment of essential facts of the situation is in Israel's favor. Whoever deals with nothing but the question of refugees, boundaries, over-reaction, may find cause to criticize Israel but cannot on that account cast doubt on Israel's right to live and develop in peace.

The roots of the tragic conflict between Arabs and Israelis over the State of Israel can be traced to two diametrically opposed views of ownership of the land of Palestine. The Arabs hold that it is an Arab land and therefore could not morally or legally be given to the Jews; and so, many conclude, Israel as a State should be eliminated. The Jewish position is that Palestine belongs both to Palestinian Arabs and Jews and that the State of Israel is morally and legally well founded.

Obviously, these positions are inherently contradictory, so that one is necessarily right, the other wrong, this despite whatever partial truths or falsehoods either may contain. To decide their rightness or wrongness we must first turn to history, then to law. Our objective is to prove not only the legal validity of the State but of the moral basis upon which this legality rests.

It is understood that space limitations permit only the briefest statement of the essential facts and explanations. This paper can serve at best as an introduction to the subject. A short bibliography is appended for further study.



## 1. Is Palestine an Arab Country?

What does history tell us?

A crossroad between Asia, Europe, and Africa, Palestine has remained (from the destruction of Jerusalem until today) the neglected province of absent rulers and the runway of fluctuating populations. First a Roman province, then Byzantine, it came under Arab rule in 637 A.D. The Arabs ruled it as foreign conquerors for 400 years to lose it in 1071 to the Seljuk Turks (1071-1099). Christian Crusaders occupied it for nearly two centuries, after which it was ruled by Tartars, Mongols (1244-1260), Mamelukes of Egypt (1260-1517), and Ottoman Turks, who held it until it was mandated by the Allies to Great Britain at the close of World War I. Thus has it remained an amorphous geopolitical entity without clear boundaries, a thankless host to Jews, Arabs, Christian pilgrims, bedouins, and the various agents of its conquerors. In the last thirteen centuries it has changed hands fourteen times and has at no time been an independent country. No national claim to it was made by any group within it from the first to the twentieth century. Through the centuries it had a clear, if fluctuating, Arab majority. It was never, on the other hand, without a Jewish population, and often in the course of the centuries Palestine was the center of world Jewry's cultural and religious life. Though a small minority, Jews alone maintained a continuous presence going back to earliest times. Moreover, until Jewish settlers commenced to populate it in larger numbers in the latter half of the 19th century, the land evidenced the neglect it had suffered. The land of "milk and honey" of old was now for the greater part a morass of desert, swamp, and stones. The comment has been correctly made that never was there a land more than Palestine that called out for a nation and a people to possess and care for it. The historian of Palestine understands this better than anyone else.

There is another aspect of the problem, however, that history does not answer. It is often assumed by critics of Israel that Palestine was an Arab land by virtue of its Arab majority. It is an ambiguous argument since it is not clear whether the principle is to be applied universally and impartially. Did it apply in times past when Arabs were a majority under the Turks? Does it apply today in Israel's part of Palestine where Jews are a majority? Or only in 1920? The argument, of course, is based on the principle of national self-determination. The principle came into prominence after World War I thanks principally to Wilson's peace proposals and has been generally accepted ever since. It is the contention of this paper 1) that the principle is not a mechanical one based only on numerical population but on other more qualitative considerations which history and culture provide; 2) that its application must always be validated by legal agreements of parties legitimately empowered to decide the status of the land involved, and 3) that it is not retroactive. If it were retroactive, most states in the modern world would have to be unmade.

On all above scores the principle of self-determination cannot be accepted as legitimation of the Arab claim to all of Palestine. It could as well be employed to legitimate the claim of Israel today.

But even on the basis of numbers, the case for Israel is stronger than its critics would allow. When they speak of Jews robbing or displacing Arabs they confess an ignorance of Palestinian and Zionist history. Jews



commenced to settle in Palestine in larger numbers in the latter half of the nineteenth century. In increasingly larger aliyots (going-up) the settlers purchased land and developed it, generally employing Arabs to do it. It is not our intent to describe the growth and development of the Jewish settlement of Palestine, except to say that it was a legal and humane process, which finally provided the basis for the partition plan of the United Nations.

It is apparently not generally known how recent the Arab claim to the whole of Palestine is. The claim is the product of Arab nationalism, which existed in cultural form in the nineteenth century but did not take a definite political expression until after World War I. Even though Jewish settlement of Palestine had commenced in earnest in the 1880s, no clear Arab hostility to it was manifest until after the Paris Peace Conference.

As late as 1919, at the Conference, Emir Feisal, Sherif of Mecca, who was to be ruler of the Arab State Britain promised to sponsor, accepted the Balfour Declaration (see below) and signed with Chaim Weizmann of the World Zionist Organization an agreement in which they declared that they were "mindful of the racial kinship and ancient bonds existing between the Arabs and the Jewish people." Article IV of the agreement stated:

"All necessary measures shall be taken to encourage and stimulate immigration of Jews into Palestine on a large scale, and as quickly as possible to settle Jewish immigrants upon the land through closer settlement and intensive cultivation of the soil. In taking such measures the Arab peasant and tenant farmers shall be protected in their rights, and shall be assisted in forwarding their economic development."

Later, Feisal, because of duplicity on the part of Britain and France, dissociated himself from the agreement; his statement nonetheless stands as authentic testimony to attitudes and policies of the time.

In the same year Feisal, in a letter to Felix Frankfurter, later Justice of the U.S. Supreme Court and a Zionist, wrote these words:

"I want to take this opportunity of my first contact with American Zionists to tell you what I have often been able to say to Dr. Weizmann in Arabia and Europe. We feel that the Arabs and Jews are cousins in race, having suffered similar oppressions at the hands of powers stronger than themselves, and by a happy coincidence have been able to take the first steps toward the attainment of their national ideals together. We Arabs, especially the educated among us, look with the deepest sympathy on the Zionist movement. Our deputation here in Paris is fully acquainted with the proposals (i.e., for a Jewish state on both sides of the Jordan) submitted yesterday by the Zionist Organization to the Peace Conference. We will do our best...to help them through; we will wish the Jews a most hearty welcome home. Dr. Weizmann has been a great helper in our cause, and I hope the Arabs may soon be in a position to make the Jews some return for their kindness...."



At this point we leave the pages of history. Its testimony is clear: as the second decade of the present century drew to a close, Palestine could by no means be considered an Arab country in which Jews had no rights. Competing claims by Arabs and Jews, we shall see, had been made to the Allied governments into whose jurisdiction Palestine had fallen. It was against this historical background and these claims that the forces of international law would move to establish both an independent Israeli State, a Palestinian Arab State, as well as several other Arab States again.

## 2. Is the State of Israel Legally Founded?

The juridical foundation of the State of Israel begins with the Balfour Declaration. This took the form of an official letter from the British Foreign Secretary Arthur Balfour to Lord Rothschild of England in 1917. Its text ran:

"His Majesty's Government views with favor the establishment in Palestine of a national home for the Jewish people, and will use their best endeavors to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights and political status enjoyed by Jews in any other country." *of existing non-Jewish communities in Palestine, or the rights*

The Declaration was the fruit of some three years of diplomatic efforts that went on between the Zionists and the British government. Indeed, it was the fruit of efforts made from the beginning of the Zionist movement. Since its first foundation in 1897 as a modern organization at the Congress of Basle, Zionism had pursued two courses: one seeking a legal charter from the various governments that would be involved in setting up a Jewish state; and a second which concerned itself with the purchase, settlement, and development of the land in Palestine. The Balfour Declaration made no mention of a Jewish state but only a "national home," but posterior developments were to make clear that this was the aim of Jewish efforts, which aim was accepted by the various political authorities (excluding Arabs).

Of itself the Balfour Declaration was of no political efficacy. All would depend on whether its principles would be accepted by the Allied governments and finally the world community. This acceptance commenced immediately after the proclamation of the Declaration through ratification by the French, Italian, and United States governments. At the same time a Zionist emissary to the Vatican was assured by Pope Benedict XV that "Jews and Catholics would be good neighbors in Palestine." More important than these approvals was the incorporation of the Balfour principle into the Palestine Mandate Agreement between Britain and the League of Nations in 1920 at the San Remo Conference of the Allies. It was also incorporated into the treaty of peace between the Allies and Turkey at Sevres in the same year. And in 1922, when a special mandate for Palestine was enacted, the "historical connection of the Jewish people with Palestine" was recognized, the principle of the Balfour Declaration was incorporated, and Jewish immigration into Palestine was encouraged. At this point the Balfour principle had acquired an effective international legal status.



Critics of the Balfour Declaration have attempted to declare it null and void on the basis of two other political instruments which predated it, namely, the secret Sykes-Picot Agreement of 1916 and the recognition of an independent Arab Palestine supposedly conceded in letters from Sir Arthur Henry McMahon to Sherif Hussein the year before. As for the latter concession, McMahon himself, who had made territorial exceptions in his agreement with Hussein, expressly stated in a letter to the London Times in 1937 that he had never intended to include Palestine in his promise of Arab independence. In any case, a British White Paper, written by Winston Churchill in 1922, declared explicitly that "the whole of Palestine west of the Jordan was excluded from Sir Arthur Henry McMahon's pledge."

The Sykes-Picot Agreement, which incidentally contradicted McMahon's promises to Hussein, and which did not come to light until 1917, provided for a confederation of Arab countries under joint protectorates of France and England, with a large part of Palestine internationalized and Jews given a political, religious, and civil equality only. This agreement, a secret one in the old style, had no more binding force than the Balfour Declaration. As in the case of the latter, all depended on whether it would be subsequently and openly accepted and incorporated into the various legal instruments which would determine in detail the destiny of the postwar Middle East. As it turned out, the British and also the Arabs as well as the Jews were discontented with the Sykes-Picot arrangement; and as the Peace Conference got under way it was forgotten about on all sides and replaced with new arrangements, though even in these the main lines of Sykes-Picot were substantially adhered to.

It was in these critical postwar years of the early twenties that the seeds of the Arab-Israeli conflict were sown. At this point, the situation was quite fluid and political arrangements that would satisfy all parties might have been worked out if all had the far-sightedness and the sensitivities required. But apparently the Zionists of that time lacked an understanding of the national aspirations of the Arabs, and the Arabs themselves, lacking political experience, resorted more to force than to the more difficult task of convincing world opinion of their case. Meanwhile, much of the confusion of this time and of future years must be attributed to the contradictory commitments made by Britain to both sides. It is unjust at the present time to attribute the blunders and duplicities of the British or the Allied governments to Zionism or to the present Israeli government. Who can condemn a harrassed and scattered people's quest for a State in their ancient homeland by overt economic and political efforts?

Another source of misunderstanding concerns the relative apportionment of territory and independence that issued from the promises made by Allied powers. By some strange transposition of scene, one is given the impression by some that the Israelis got the best of it. The facts do not bear this out. After World War I Arabs received seven independent states: Egypt, Saudi Arabia, Yemen, Iraq, Jordan, Syria, and Lebanon, comprising an area of 1,350,000 square miles. Since then another five states have been added, namely: Sudan, Algeria, Libya, Tunisia, and Morocco, bringing the total square mileage to 3,500,000, with a total population of some 72 million (100 million today). As for Palestine itself, relying on the Balfour Declaration, Jews hoped for the whole of it, including some 45,000 square miles. But in actuality 4/5 of it was made into Transjordan in 1921. Of the remaining 10,000 square miles another 2,000 was subtracted to form the



Arab State in Palestine. In short, only 8,000 out of the 45,000 square miles, in which Jews formed a majority, became the State of Israel.

The final establishment of Israel as a State was effected in 1948 when, on the termination of the British Mandate, the General Assembly of the United Nations created a Jewish and an Arab State by partitioning the country. The partition plan was the result of a study conducted by a United Nations Special Committee on Palestine (UNSCOP). The plan was accepted by a vote of 33 to 13 with 10 abstentions. It was one of the few issues on which the United States and Soviet Russia have voted together. In its resolution the General Assembly affirmed the creation of

"A Jewish State in the land of Israel, and required the inhabitants themselves to take all measures necessary on their part to carry out the resolution. The recognition by the United Nations of the right of the Jewish people to establish their own State is irrevocable. It is the natural right of the Jewish people, like any other people, to control their own destiny in their sovereign state."

On May 14, 1948, the new State of Israel declared its independence and among other things asserted that it would

"uphold the full social and political equality of all its citizens without distinction of religion, race, or sex; will guarantee freedom of religion, conscience, education, and culture; will safeguard the Holy Places of all religions; and will loyally uphold the principles of the United Nations Charter....In the midst of wanton aggression, we yet call upon the Arab inhabitants of the State of Israel to preserve the ways of peace and play their part in the development of the State on the basis of full and equal citizenship and due representation in all its bodies and institutions."

Eleven minutes after the State of Israel was proclaimed it was recognized by the United States. This country was followed shortly after by the Soviet Union and most Western powers. Today Israel is recognized by 120 countries.

On May 11, 1949, Israel was voted by the General Assembly as a member of the United Nations.

But as the British withdrew and Israel was proclaimed the armies of Egypt, Transjordan, Syria, Lebanon, and Iraq marched against her. The partition lines were lost, the Palestinian Arab State disappeared, annexed by Transjordan, and the refugee problem was born.

The Arab-Israeli conflict is a complex and tragic affair. There have been wrongs on both sides and on the side of the Great Powers. But Israel's juridical foundations, her right to exist and develop in peace cannot be questioned.

Rev. Edward H. Flannery, Executive Secretary.

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THE INSTITUTE FOR ADVANCED RELIGIOUS STUDIES  
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2.2.70

I once promised you to let you have a copy of  
my letter to Tom Merton, but I cannot  
remember whether I ~~did~~ kept my promise.  
To be on the safe side I am enclosing  
a Xerox copy.

Zhr.

THE UNIVERSITY OF CHICAGO

CHICAGO • ILLINOIS 60637

THE DIVINITY SCHOOL

Swift Hall

9 December, 1969

Dear Tom,

I had promised to let you have my reactions to the statement on the Arab-Israeli Conflict, and I feel very bad about not having kept my promise earlier. But the way the situation in the Middle East continues to "develop", there is little incentive to say anything at all, let alone entertain any faith in the decency or good will of either political organizations (cf. the membership of Syria in the Security Council) or so-called religious bodies (cf. the WCC Canterbury statement of August 1969, and the Cyprus statement of October 1969 on the refugee problem). In actual fact there may be no alternative to the attempt to work through U.N. channels, but your reference (p.8) to the "moral authority" of this body sounds like a bad joke.

Whilst you will not expect me to agree with all the arguments and formulations in your statement, I gladly say that I was much impressed by its good will, considerable fairness, sobriety, commonsense, genuine concern and utter absence of sanctimoniousness. It is this which gives your statement a maturity and a moral and indeed religious dimension that are conspicuously absent from most other "Christian" (including WCC) statements on the Middle East. The very fact that you have produced not a statement of... but a statement to the American Christian Community, by a committee of some American Christians gives it that flavour of earnest endeavour which I so much appreciate.

Of course I have my doubts as to the wisdom and feasibility of starting from the present impasse by merely asking "where do we go from here?", without a fuller and more deliberate consideration of the historical context and record. I fully appreciate that you do not want to get bogged down in interminable historical bickering but seek to move towards a peaceful future. Yet the ME situation is -alas- soaked in history. If you start with the principle of the inadmissibility of the acquisition of territory by war, then what on earth has Jordan to do on the West Bank or in East Jerusalem? Or does the sacrosanctness of this principle begin in June 1967 only? (Cf. your statement p.10, Second Guideline). I for one should prefer to invert the sequence of §§ Ii and Iii on p.4. Similarly the third guideline enunciated on p.11 ought really to be the first - for it is on this rock that all other good proposals founder. If demands are made on Israel to withdraw its forces from occupied territories then the only rationale is that you attach normative value to the "history" of the West Bank in the last twenty years. So, as a matter of fact, do I, but then I insist that the whole historic context be seen in a proper perspective. You hit the nail on



the head, but somehow evade its full implications, when you say (p.5) that "Israel fears destruction while the Arabs fear Israeli expansion". Are these two fears really commensurable? For Israeli ears the juxtaposition of the fear of a small nation wishing to survive, and the vast Arab world with its tremendous resources -from Morocco to Iraq- fearing Israeli "expansion" sounds really incredible.

A great deal is made of the "bruised" psychology of the Arabs and their frustrations which all seek outlet in the most primitively spectacular, violent, immature and unconstructive "reflexes", namely terrorism, but you eschew a deeper analysis of the fatal Arab inability to tackle their own real problems (which exist even without Israel) constructively. Will the Arabs really be persuaded to attend to their own crying developmental needs once Israel has "withdrawn", rather than seek the Zionist scapegoat on which to project all their chronic failures and frustrations? I am not a social psychologist, but since your statement (rightly) emphasizes the psychological component, I cannot but ask my one really decisive question. You correctly stress that Israel cannot hope to become a full participant in the life of the surrounding region (and that is, after all, what we want to be - not a fortress in enemy territory) unless the psychological relationship between Arabs and Jews takes on a first importance. Towards this end the Arab sense of "humiliation" must somehow be healed, and this can be effected mainly by the liquidation of the "reminders of Israeli victory". But the bitter truth is that our very existence constitutes, in the eyes of the Arabs, such an unforgivable and unforgettable "reminder of Israeli victory". At present everybody pretends that our presence in Nablus, Hebron and Sinai is such an unforgivable "reminder". Before June 1967, when we were neither in Sinai nor in Nablus, the Arab world was unanimous in making it quite clear that our presence in Haifa and Elath was such an unforgivable reminder of Israeli victory and an injustice that had to be redressed. In brief, whilst your assessment and analysis seem to me to be lucid, fair, and going in the right direction, I feel that at least on one crucial issue your careful wording seems to be putting the cart before the horse.


You will understand that it is in the nature of a letter of this kind to focus on points of doubt and criticism. If I had dealt with the overall approach and with the many details with which I agree, this letter would have been much longer and probably much less profitable to you. (E.g. I think that your insistence on p.13 that the link between repatriation and compensation should be cut is a significant step forward in constructive thinking). It seems to me that your statement

reflects a positive evolution of thinking on the subject in the right direction on the part of some American Christians, and I prayerfully hope that this thinking will not only continue to evolve but also influence wider circles of American Christians.

You are at liberty to share my reflections and comments, if you care to do so, with the members of the ad hoc committee and with other friends.

With the greetings of the season and all good wishes

Yours sincerely



R.J. Zwi Werblowsky

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זכור אלה יעקב



P A P E R

by

Arthur Hertzberg

Even as a political fact the State of Israel is a unique creation. Its legal existence has been recognized by all of the major powers and by most other states; yet all of its immediate neighbors, the six Arab states on its borders, continue to insist that the presence of the State of Israel in the Middle East is a political and moral affront of such magnitude that it entitles them to try to effect its destruction. There have been many revolutions in the twentieth century in the name of national self-determination; Israel is the only example of a new state created by a largely non-resident people returning to the homeland of its ancestors. In our century the tendency of political states, both old and new, has been to conceive of themselves as secular arrangements which represent no particular religious tradition and not even any one cultural and historical heritage. The State of Israel is indeed largely secular. For that matter, one of the avowed purposes of its creators was to make it possible for Jews who wished it to lead completely secular lives as Jews, within their own polity. By law, Arab and Christian citizens of Israel have complete political equality and that ideal, which is largely honored even today, would approach being realized if peace would begin to come to the region.

Nonetheless, Israel was created by Jews to be and to remain an essentially Jewish State, that is, to represent something more than a conventional, secular political arrangement to serve the needs of its individual citizens, of whatever condition or provenance. This mystique pervades even the secularists in Israel; it is deeply felt among the majority of the Jews of the world, regardless of the nature of their religious convictions or commitments. The multiplicity of often clashing forms of life and value appears, from this perspective, to be the confusion of creativity, the necessary turmoil which attends the growth of a new synthesis between the old and the new. The present is seen as an age of becoming, and the sometimes even bitter internal conflicts of the moment are part of some larger harmony. The national mood in Israel is one of attempting to encounter the twentieth century in terms of its own historic tradition. It is a tragic paradox that the closest parallel to this self-image is to be found, in terms of their own pasts and presents, among the Arabs and, more generally, among many of the societies in the Third World, but most of these states are in varying degrees hostile to Israel.



The most unique characteristic of the life of Israel today is its connection with the Jewish community of the world. This theme was stated in law by one of its earliest constitutional acts, the Law of Return, under which any Jew is a citizen of the State of Israel from the moment of his arrival as an immigrant. Such a law is not entirely unprecedented among modern irredentist movements, but the whole complex of connections between the State of Israel and the world Jewish community is indeed unique. Support, both moral and financial, by the majority of the Jews outside of its borders is critically necessary to the development of Israel. The State of Israel regards itself, and is universally regarded, as the spokesman for some Jewish interests, such as the rights of the Jews of the Soviet Union, which are not immediately related to its own position and which sometimes, in terms of narrowest self-interest, Israel would be best off avoiding. The leadership in Jerusalem, including even its political and military figures, remain dedicated to the task of helping to preserve Jewish loyalty and consciousness among the Jews on all five continents. It is too narrow and even unjust to view this concern as the desire of an embattled nation to keep alive a maximum reservoir of good will and support, or ultimately even of potential new immigrants. The preservation of the Jewish spirit is the fundamental purpose for which the State was conceived by its founders; this commitment was even more important than the immediate needs which the Jewish settlement in the Holy Land has served during this tragic century, as the major place to which Jewish refugees from persecution could come as of right and not as an act of foreign grace. In turn, the Jews of the world look upon Israel as the major contemporary incarnation of many of their own hopes for continuity. The depth of the emotion which Israel evokes among them is, to be sure, affected by recent memories of Auschwitz. Israel is, indeed, in its very strength, a symbol of the end of Jewish passivity and lack of power to resist slaughter; it does represent an open door for Jews who do not easily, in this present age, trust anyone else but themselves with the keys to their safety. At the very root, however, Israel, and the world Jewish concerns which help sustain it, are both based on some of the grand and ancient themes of Jewish religion and of Jewish history. One cannot understand the present unless it is viewed as both a contemporary re-evocation of elements of faith and hope peculiar to Judaism and, paradoxically, as a contemporary tension between this older outlook and newer modes of thought and life.

Let me add another, more immediate paradox. On the one hand, it should be easier to speak of these great issues here at a consultation with men of good will whose lives have been spent in understanding, in terms of their own tradition, the way of life and faith of the biblical tradition. Nonetheless, the religious and spiritual premises which are at the root of Zionism, both ancient and modern, are precisely those aspects of the Jewish experience which do not exist for Christians, in most of the versions of their own understanding of their faith. The task of a Christian at this meeting, trying to make the most uniquely



Christian element of his faith, the Incarnation, comprehensible to Jews would be of a comparable order of difficulty. Our religious traditions move, at their most characteristic, in different grooves. We do have a right to ask of each other two things: that we, indeed, attempt to hear how the great themes of the Bible have resounded when played by other players and on instruments other than our own; and that we attempt to hear each other without judgmental presumptions, laying aside the notion, insofar as it is possible for human beings so to do, that the experience of others should not have existed because it differs so radically from our own.

All of the elements of Jewish religious consciousness were present and indeed defined in the very first encounter, in the biblical narrative, between the One God and Abraham. The account needs to be recalled, both for what it affirms and for what it excludes: "And God said to Abram, go forth from your land and from your place of birth and from the house of your father to the land which I will show you. And I will make of you a great people and I will bless you and make your name great; and be a blessing." In the next verse the last promise is amplified: "and all the families of the earth will be blessed through you". Abraham obeyed the command and entered the land, where the One God appeared to him, reiterating and amplifying the promise, "and to your children I will give this land" (Gen. 12:1-3). In these encounters Abraham was taken away from all of his original relationships. Community, land and even the family within which he arose all represent ties which were broken in a fresh beginning, a covenant with the Lord, in which a new community is created which Abraham is to found. It is to arise in a particular place, the land of Canaan which is set aside for authentic encounter between the seed of Abraham and the God who founded their community. The life of this community in this land exists for a purpose, to demonstrate to all other peoples how human life is to be lived at its most moral. The implication already exists in the original sending, that any falling away from such a standard will represent a breach in the covenant and a defilement of holy soil. Exile is already conceivable as punishment and the ultimate return is already in view as laden with messianic meaning, of redemptive quality for Jews and for mankind.

One can skip the centuries and quote a modern writer from almost our own time, to find these most ancient themes reappearing essentially as they were first pronounced. Solomon Schechter, the first President of the Jewish Theological Seminary of America, wrote in 1906 in New York: "The selection of Israel, the indestructibility of God's covenant with Israel, the immortality of Israel as a nation, and the final restoration of Israel to Palestine, where the nation will live a holy life on holy ground, with all the wide-reaching consequences of the conversion of humanity and the establishment of the Kingdom of God on earth - all these are the common ideals and the common ideas that permeate the whole of Jewish literature extending over nearly four thousand years."



Both as a fact and a promise the relationship of Jews to the land of Israel thus appeared as an indispensable element in the original covenant. Jerusalem appears later, at the time of David. It is clear from both of the biblical accounts of its conquest, in Samuel and in Chronicles, that making the city into the capital is the act which set the seal on the creation of the Jewish Kingdom. The city did not belong to any individual tribe, not even to the tribe of Judah: "And David and all Israel went to Jerusalem" (I Chronicles 14:4), thus acquiring it by action of the entire people and making of it the place to which all Israel would turn. It certainly does not need to be demonstrated that all of the biblical writers looked to Jerusalem as the essence of the meaning of their faith, life and hope. In the later years of the existence of the Second Temple Jerusalem was the center of pilgrimage not only for the Jews in the Land of Israel but also for the increasingly scattered Diaspora. The evidence for this is to be found in all of the literature of the period, in Josephus (Wars i, 4, 13). Philo (Laws 1, 68) and the New Testament (Acts of the Apostles 2:5). The literature of the Talmud is, of course, laden with accounts of masses from all of the Jewish world coming to the Temple especially to celebrate the Passover. There is a tale, no doubt exaggerated, that one Passover King Agrippa had the priests count the number of paschal lambs that had been offered up and he found that the total exceeded, 1,200,000 (Pasahim 64b). It is well known that in those days, in the century before the destruction of the Temple by the Romans, the Temple was visited by gentiles as well as Jews and there is Talmudic evidence that in the sacrificial cult there was regular provision for acts of prayer and atonement for all the "seventy nations" of the world.

The connection between Jews and the land was not broken by the Exile. By the third century the Babylonian Jewish community had begun to overshadow the one which remained in the land under the Romans, and yet Babylonian authorities ruled, as firmly as those in the Holy Land, that either party to a marriage could force the other, by appeal to Rabbinic courts, to move from the Diaspora to the Land of Israel (Ketubot 110b). Dwelling in the land remained, in the view of most of the later rabbinic authorities, a biblical commandment of continuing validity. Those of the medieval writers who did not insist on this as a religious good absolved themselves and the people of their generation because of the dangers to life that the journey involved (Responsa of R. Isaiah Trani II, 25). This point is perhaps best made by quoting a tale from the Third Century: Two Rabbis were once on their way out of the Land of Israel to Nisibis, where the great teacher R. Judah ben Bathyrah dwelt, to learn Torah from him. They got as far as Sidon and there they remembered the Land of Israel. They began to weep, they rent their garments, and they remembered the biblical verses which promised the land to the seed of Abraham. The Rabbis turned around and went back to their place in the land; pronouncing that dwelling in the Land of Israel is in itself an act equal of religious significance to all of the Commandments in the Torah (Sifre, Re'eh).



In aspiration and in memory the connection of Jews with the land was thus not broken by the Exile. On the contrary, the destruction of the Temple and the Holy City, Jerusalem, and the absence of Jews from their land were regarded as a time of punishment. Life outside of the Holy Land was possible for Jews, but it was less than the full life, in perfect obedience to God, which could happen only with physical restoration. What has increasingly appeared with the progress of historical research in the last century is that these religious commitments were more than merely visionary. Some Jews continued to remain in the land even during the most dangerous and disastrous times. In every century there were returns to it, sometimes by small handfulls of leading spiritual figures and, on occasion, by substantial communities.

In the early centuries access to Jerusalem itself was denied to Jews, though there is some evidence that the Roman emperors of the second century and the one thereafter did permit them to visit the city and to worship on the Mount of Olives and sometimes even on the Temple Mount itself. The situation became even more difficult by the fourth century. There is contemporary evidence from Christian sources that Jews had the greatest difficulty in buying the right to come, at least on the Ninth of Ab, the anniversary of the destruction of the Temple, to pray near the Western Wall. The Pilgrim from Bordeaux, the earliest Christian visitor whose written account of his visit to Jerusalem has survived, tells that in the year 333 Jews came every year to that site to "bewail themselves with groans, rend their garments, and so depart" (The Bordeaux Pilgrim, pp. 21-22). There are comparable accounts by the Church Father Gregory of Nazianzus (Orat VI de pace, p. 91) and by Jerome in his commentary to Zephaniah, written in the year 392 (Migne, Patrologia, XXV, Col. 1354). With the end of Roman rule in Palestine the prohibition against Jews living in Jerusalem was lifted and after that there is evidence for an often flourishing Jewish community in the Holy City. During the Crusades the great traveler Petahiah of Regensburg was in Jerusalem in the years 1180-1185, and he reports that at that time there was only one Jew, a dyer, resident in the city. After the era of the Crusades the community began to rebuild.

It is instructive in this connection that since 1844, a half-century before the first stirrings of modern Zionism, Jerusalem had been the one city in the Holy Land which has consistently had a Jewish majority in its population. According to the 1844 edition of the Encyclopedia Britannica the population figures were then: 7,120 Jews, 5,530 Moslems and 3,390 Christians. At that point the entire population of Jerusalem lived within the walled city. By 1896, when much of the Jewish population was already outside the wall but the city as a whole was a unit, there were more than 28,000 Jews and some 17,000 Christians and Moslems, combined into roughly equal halves (Luah Erez Yisrael, 1896). The first government census by the British, that of October, 1922, found almost 34,000 Jews and about 38,000 Moslems and Christians in the whole of the city. Even at that point, with the Jewish population growth



taking place entirely outside the wall, there were still 5,639 Jews in the Old City itself. In 1931 Jews were a majority of 51,000 in the city out of a total population of 90,000. By 1939 the Jewish population of all of Jerusalem was an even more pronounced majority, but almost two decades of riots and pogroms by Arabs against Jews in the Old City had made it a dangerous place in which to live, and Jewish population in the Old City itself had declined to something over 2,000.

In the last two millenia of its history Jerusalem has been the most dangerous and difficult place for Jews to dwell of any of the cities of the Holy Land. This sampling of population figures is evidence that physical connection to the city remained so precious to Jews that they were willing, throughout the ages, to risk the dangers and to submit to the suffering. All of the chronicles and contemporary accounts of the Middle Ages substantiate the import of the figures for the last century: whenever the barest possibility existed, even under hostile powers, enough Jews were to be found to cleave to Jerusalem so that, across the centuries, theirs was the largest continuing presence in the city. Here memory of the past, messianic hopes for the future and modern Zionism in all its contemporaneity are indeed the heirs of the major continuing physical connection to the city.

This clinging by Jews to Jerusalem even more than to the whole of the rest of the Holy Land is no accident; it has the deepest roots in the continuing religious tradition and folk consciousness of Jews. It is "the city which I have chosen unto me" (I Kings 11:36) and the one "upon which my name is called" (II Kings 21:4). It was, of course, the place where the Temple stood, the seat of God's presence, even though the heaven and the heaven of heavens could not contain Him. In the imagery of prophecy Zion and Jerusalem are often parallel to all of Israel; both these names are often used to represent not only the whole of the people but also all of its land. For example, "Speak unto Zion, you are my people" (Isaiah 51:16) or "Comfort ye, comfort ye my people; speak to the heart of Jerusalem" (Isaiah 40:1). The synagogue poets of late ancient and medieval times made much of these themes. Of the hundreds of examples that could be given, the most famous is also the most characteristic. Writing in Spain in the eleventh century, Judah Halevi cried out: "Zion, wilt thou not ask after the peace of thy captive children?" This poet and philosopher ended his life as a pilgrim in the Holy Land, where he was killed soon after his arrival.

In the daily prayers of Jews to this day one of the benedictions of the silent devotion is a prayer for the rebuilding of Jerusalem; that paragraph represents the hope for the restoration of Jews to the Holy Land as a whole. In the grace which Jews say after every meal, morning, noon and night, the third benediction reads: "And rebuild Jerusalem, the holy city, speedily and in our day; blessed art thou O Lord who builds Jerusalem". All synagogues throughout the Jewish



world, from the first synagogue in antiquity to those being erected this very day, have been built in such fashion that they face towards Jerusalem. Its very name has always evoked the memory of a time when all was well, when Jews lived on their land and worshipped God in His holy temple, and the hope for the day when some of this glory would return. To be buried on the Mount of Olives, no matter where one dies, has been regarded for two millenia as surest hope of the Resurrection and bodies were being returned from Rome some 2,000 years ago for that purpose. To kiss the stones of Jerusalem, even in its destruction, was to be as close to God as man could be. To participate in its rebuilding was the hope of the ages.

In the Holy Land as a whole, the Jewish presence after the fourth century was, in terms of numbers, of relatively lesser importance. Nonetheless, the realities of Jewish history during the nineteen centuries of the Exile are misstated without emphasis on the important existence of Jewish communities in the land itself throughout the centuries. The Talmud of Jerusalem was created by important schools of Jewish learning in the Holy Land, and these declined only in the fourth and fifth century under Christian persecution. The fixing of the vocalization of the Hebrew Bible, the Masoretic Text, was done by Jewish scholars in Tiberias between the eighth and tenth centuries. At that time, and for the next century or so, both the Karaites and the followers of the Talmudic tradition had important communities in the Holy Land, and for a while, around the year 1000, academies of rabbinic learning were reconstituted in Jerusalem and Ramleh; these were of such consequence that they shared leadership in the Jewish world as a whole with the schools in Babylonia, though the Babylonian academies had, by then, enjoyed an uninterrupted tradition of almost a millennium. Even under the Crusaders Jewish communities continued to exist in the cities of Acre and Ashkelon and in a variety of other places, especially a number of villages in the Galilee, in several of which Jews have dwelt without interruption, since before the destruction in the year 70.

At the beginning of the thirteenth century there came the first organized attempt by Jews in Europe to return to the Holy Land, when three hundred rabbis of France and England came there; some of these men were of the highest intellectual rank. Nahmanides left Spain after an unfortunate disputation in Barcelona, which was forced upon him by Pablo Christiani, and spent the last three years of his life, from 1267 to 1270, reconstituting a Jewish community in Jerusalem. Towards the end of the fifteenth century the almost equally important Obadiah of Bertinoro, the author of the standard commentary on the Mishnah, left Italy for the Holy Land and he, too, reinvigorated the Jewish community in Jerusalem.

From the beginning of the sixteenth century, there was an important growth of Jewish population in the Galilee and especially in the town of Safed. Exiles from Spain, after the final expulsion of Jews in 1492, arrived in the country in some numbers and within a century



there were no less than eighteen academies of Talmudic studies and twenty-one synagogues in Safed alone. Indeed, the most important spiritual stirrings and creativity within Jewry during the sixteenth century took place there. There was an abortive attempt to reconstitute the authority of the ancient patriarchate, which had lapsed under Roman persecution; the studies of both Kabbalah and of Talmud were pursued with renewed creative elan. It was in Safed that Josef Karo published in 1567 the Shulhan Aruk ("the prepared table"), which was almost immediately accepted by the bulk of world Jewry as the authoritative summation of Jewish law and practice. To the present day all discussion in this area, even among the more liberal elements of Jewry, pays major attention to this code.

Until the end of the seventeenth century, the overwhelming majority of the Jews in the Holy Land were either Sephardim, of Spanish extraction, or Orientals. Central and East European influence became prominent in the year 1700, and it has existed in unbroken continuity into the contemporary era. A group of several hundred people arrived from Poland under the leadership of Rabbi Judah the Pious. Even though the destiny of this community was not a happy one, these immigrants were followed by others. Toward the end of the eighteenth century there came disciples of Elijah of Wilno, the greatest Talmudic scholar of the age, as well as a major group of relatives and other followers of his great antagonist, the founder of Hassidim, Israel Bal Shem Tov. Both legalists and ecstasies within East European Jewry could not then imagine the continuity of Judaism without a living link to the soil of the Holy Land.

Throughout these centuries economic conditions in the country were generally difficult, and the Jews suffered perhaps more than other communities. Those in the Holy Land were constantly sending letters and even personal emissaries to their brethren in the Diaspora asking for support. One of the prime sources of our knowledge of medieval and early modern Jewish history is in what remains of these exchanges. It was as well established tradition throughout the Jewish world that these continuing requests from their brethren in the Holy Land took priority even over local charitable needs.

The Jews in the Holy Land were, to be sure, living largely from foreign alms, and in this they were seemingly parallel to Christian pilgrims and monastic orders in the land during that era. There were two important points of difference; Jews who came to the Holy Land did not cluster around a variety of holy places. From Jewish perspective dwelling in the land, anywhere, was the fulfillment of religious commandment. In the second place their very presence in the land had radically different resonance among the Jews of the world than the Christian or Moslem presences had among their brethren elsewhere. This often embattled and struggling Jewish community, repeatedly reinforced by new arrivals and always in connection with the whole of the Diaspora,



was a constant reminder to the majority that it was living less than the ideal religious life and that return to the land was the ultimate goal. Maimonides in the twelfth century had, indeed, defined this consummation as not necessarily an eschatological event, attended by miracles and cataclysms. The restoration would happen in a natural way, by change in the political situation which would allow Jews to return to their homeland as part of a universal process ushering in a final age of justice and peace.

Such hopes were, indeed, aroused once or twice through the ages during messianic movements within Judaism. For a brief moment in the sixteenth century, when the melodramatic David Reubeni appeared in Rome, to offer some supposed military support to Pope Clement VII against the Turks, there was even talk of such a restoration in the highest Christian quarters. During Napoleon's campaign in the Middle East, he summoned the Jews by proclamation in 1799 to rally to his banner with the promise that he would help restore them to their land. We now know that this document resulted from some conversation with younger elements of Jewry in the Holy Land. For that matter, the first stirrings towards making an end of living essentially on alms began before the middle of the nineteenth century. Sir Moses Montefiore, the leader of English Jewry, and various forces of the French Jewish community, especially the Rothschild family, worked to teach Jews in Palestine to become artisans and even farmers. Central European philanthropists even created a school for these purposes in 1854 in Jerusalem. This was followed in 1870 by the founding of an agricultural school, Mikveh Israel, and within the next two years two Jewish farm colonies were established. The career of modern Zionism began in 1881, as a direct result of large scale pogroms in Russia, but in that year, before any of the new immigration to the land began, the American Consul in Jerusalem, Warder Cresson, wrote to his government that there were then a thousand Jews in the country who were deriving their livelihood from agriculture.

This ancient and ongoing connection to the land and the messianic hopes which this connection both exemplified and helped to keep into being were the spiritual and emotional climate within which modern Zionism arose. In the immediate situation of the last decades of the nineteenth century the bulk of the world Jewish community, which was then to be found in Europe, found itself confronted by three situations. The most searing and immediate was virulent hatred of Jews, and not only in their major place of settlement in Russia. Millions were on the move from that country after 1881, and it occurred to some of these emigrants that in their newer homes they might ultimately be as much in danger as they had been in the places from which they were fleeing. Such phenomena as French and German anti-Semitism towards the end of the century raised the question whether the more liberal part of Europe, in which Jews had been formally emancipated, would honor, even in bad times, the promise of equality for all. In the second place, what seemed then to be the most



hopeful of contemporary political ideas was the example of those peoples who were working toward their own national independence. Liberal nationalism was being proclaimed in the name not of dominance over others but of a creative future for all the historic communities, which would be both autonomous and live in concert with each other. This was the great dream of Mazzini, and the earliest major theoretician of Zionism, Moses Hess, responded to it as early as 1860 with acceptance and profound emotion.

The third situation, and the one perhaps most difficult to define, was the inner spiritual estate of Jewry itself. The dissolution of older values and identities, and especially of the religious ones, was engulfing the younger intellectuals of all the traditions of the Western world, but this was felt with particular poignancy among Jews. The stresses and tensions of the modern age were being experienced by the Christian majority of the European world within Christendom. The new age was revolutionary and upsetting of the older faiths, but for the Christian majority the continent of Europe, its monuments and most of what men had built on that soil and its very languages, represented the continuity of Christendom. The new secular age was a revolutionary break with the past, and yet it was occurring for Christians in a context which could ultimately assimilate even these tensions into some new synthesis. Viewed from Jewish perspective, even Western secularity required an act of personal conversion to the mode of life which descended from the majority tradition. What was worse, even those Jews who were willing to undergo this conversion, such as Heine and even Disraeli, found themselves less than completely accepted. The nineteenth century thus taught some Jews that it had been possible for them to be authentically themselves in the century before, while still in the ghetto, apart from society. In the new, half-emancipated age that followed, it was much more difficult to find their own mode of encountering modernity in terms of their own historic community. The nineteenth century was sufficiently open to Jews, intellectually, for them to experience all of its problems; it was sufficiently closed to deny them the possibility, even if they had wished, to disappear as individuals in modern society. They remained sufficiently rooted in their own older heritage to regard their community as an ultimate spiritual good, worthy of both survival and inner refreshing. They were sufficiently men of their day to feel that their own involvement in their particular past and in the land sacred to their spiritual tradition was in keeping with the contemporary belief that historic communities and peoples were worthy of preservation, for their own sake and for the service of humanity.

The tragedies and torments of the twentieth century and the achievements of the Jews of Israel have confirmed the direst of these predictions and some of the greatest of these hopes.

It cannot be emphasized enough that even the greatest of opportunities that the open society made available to Jews raised for them severe questions of spiritual survival. The rights of equality, wherever they have substantial meaning, were given to Jews as individuals, and the



continuity of their community performance had to be defined as a matter of private belief or, at its most organized, as a religious association parallel to that of contemporary Christian churches. From Jewish perspective such redefinition, enshrined in the modern slogans of the separation of Church and State or of religion and culture, were a far more difficult and devastating charge than they were for the Christian majority in the Western world. For Jews, the holy congregation of all Israel, which means the reality in this world of all that Jews do in community, is the fundamental premise of their identity and tradition. The individual, of course, exists, but between him and all of humanity there stands a mediating value, the Jewish people as a holy congregation. It was not accidental that comparison was made at the beginning of this essay between the difficulties in explaining the spiritual roots of Zionism to Christians and of explaining the Incarnation to Jews. As nearly exact as anything can be in parallels drawn between two different traditions, this comparison points back to the ancient sources and forward to the present. Classic Jewish interpretation of the Bible has always insisted that Israel according to the flesh is what is meant by Isaiah's prophecies concerning "the suffering servant". It is the individual Jew's experience of the Jewish people, of its corporate life, way and history, which mediates for him between the individual and God. When the richness and inner integrity of the life of that community is attenuated by either persecution or assimilation, or when belonging to the tradition becomes so privatized as to represent a bewildering variety of personal choices, that which is specifically Jewish in the consciousness of Jews will act, as it had acted in the last century, to recreate a living Jewish community on the land of Israel. For the rest of world Jewry this community represents the indispensable contemporary center which ties Jews to one another and which encourages them to believe that their own lives, though cast in different molds and under minority circumstances, are more viable. Its very creation some two decades ago represented a turning away from despair in the aftermath of the Nazi years and the rekindling among Jews of belief in the future. If I may use one of the clichés of the contemporary "theology of hope", the Jewish people in the 1940's had ceased believing in either the humanum or the futurum. It regained both in 1948, when the State of Israel was established. In the spiritual, cultural and practical connections between the Jews of the world and those in Israel the inner life and verve of the world Jewry has been refreshed.

There can be no doubt that the Zionist reconstitution of a national Jewish community in Palestine in our time was an act which derived both from the ultimate wellsprings of the historic Jewish faith and from the immediate necessities of a stormy contemporary age. This does not mean that all the trappings of political statehood and all the acts of sovereign power are here being presented as commanded, valid or necessary. On the contrary, what saves any nationalism, any sense of historic community and kinship, from becoming exclusivist, from the arrogance of "blood and soil", is conscience. It is an even more wicked



assertion that there is no salvation outside one's own nation than to pronounce that there is no salvation outside one's own church. The conscience which protects us from both such assertions has become manifest in the modern age both in secular forms, such as the United Nations Declaration on Human Rights, and in religious pronouncements by all the major Western faiths. This most fundamental of our moral convictions has as its source biblical prophecy. It was Amos who said to the Jewish people of his time that in the eyes of God, chosen though they were by Him, they had no more rights than the children of the Ethiopians and that his bringing the Jews from Egypt was paralleled by his bringing the Philistines from Caphtor and the Arameans from Kir. Here we are confronted by the universal element, the command of the living God of all the world, which enters as radical demand into the midst of every human particularity and keeps it under judgment. Indeed, the meaning of community for Jews is that they live in the real world of action and choice, in this world, and the meaning of their chosenness is that they are subject to the most severe and searching of moral judgments: "Only you have I known from all the nations of the world; therefore, I will visit upon you all your iniquities" (Amos 3:2). For men of religion, indeed for all men of conscience, both elsewhere and in Israel, its acts, like those of any other people, are under judgment.

*No less  
but no more*

It needs to be remembered in this connection that statehood as such was not even in the Zionist program from the days of the Balfour Declaration in 1917 until Zionists, with the doors of Palestine completely closed to Jews, had little choice but to opt for sovereignty in 1942.

In accepting the last reformulation of the Balfour Declaration Weizmann and his colleagues knew that they were agreeing to some form of bi-national existence with the Arabs in Palestine. This was all clearer in the exchanges of 1919 between the Emir Feisal and both Felix Frankfurter and Chaim Weizmann. It was against any increase in Jewish numbers in Mandate Palestine, and not against a Jewish State, that Arabs made riots in 1921. For that matter, the repeated stoppages in Jewish immigration by the British authorities under Arab pressure, especially during the 1930's while Hitler was becoming an ever more murderous menace, was what made it clear to the Jews that any increase in their numbers, any possibility of having the legal right to buy land, or even the ultimate safety of their community could not be left to the good will of others, of which there was all too little. From Jewish perspective partition and even statehood were not hoped for consummations but rather dire necessities. For that matter, even the very military might of Israel is less a source of pride and of national chauvinism than of fear of the constantly threatened destruction.

The Talmud tells of God's telling his people after the miracle of the splitting of the sea on their flight from the Egyptians that their song of triumph displeases him. He is imagined to be saying that His handiwork, the Egyptians, are drowning in the sea; even though their punishment was merited, how can anyone sing for joy? Right after the



Six Days' War of 1967 a number of young soldiers were interviewed and their answers to questions were published under the title Siah Lohmim ("The Talk of Warriors"). The recurrent theme of these talks of warriors was horror at themselves for having to kill even in a war of survival, and their sense of identification with the humanity of their fallen enemies. Neither a state or military power is an end value; they are unfortunate inevitabilities in an unredeemed world. They were, and remain, particularly necessary in a situation in which anything less than the sovereignty of the Jewish state and its ability to survive attack would have made an end of the whole of the enterprise, of reconstituting a viable and creative Jewish community in the Holy Land.

It would be morally obtuse to presume that there has not been from the very beginning of this struggle, and that there is not now, especially as one contemplates the continuing misery of hundreds of thousands of Arab refugees, much justice on the side of Arab anger. Repeated attacks by Arabs since 1921 on often defenseless people; their tendency to assassinate or to threaten to assassinate their own moderates, as well as their continuing refusal to negotiate any kind of détente with Jews; and the treatment by the Arab governments of their refugee brethren from Palestine (e.g. Gaza) tend to undercut their standing in the court of moral opinion. For that matter, convinced though I am that the falls from grace among Jews throughout this half century have been very much less, and almost always reactive, the creators of the new Jewish life in Israel have not always been, and are not today, invariably prophets and angels. We must, however, get behind the often horrifying details of this half century of struggle to the basic moral issue.

From the point of view of the Arabs in Palestine at the end of World War I, the Balfour Declaration was at its very root, even in its most limited application, an act of injustice. They were not impressed by the legal argument that all of the land in the region had not been sovereign for many centuries and that no local population in Palestine had never had sovereignty over the country since the end of the second Jewish commonwealth under the Maccabees. The Arabs of Palestine regarded themselves as morally entitled to their own development and unquestioned national life, untroubled by the claims or needs of others. It did not do to assure them, as Weizmann and others tried to do repeatedly, that Jews were coming to the land not to dispossess them or to take from them any of their rights, and certainly not to deny Arabs any of their personal or communal rights. The Arabs of Palestine presumed, correctly, that anything approaching freedom of Jewish immigration into Palestine would soon produce a large and dynamic Jewish population, the existence of which would block the way to the attainment of a normal kind of Palestinian Arab State. For them to agree to live permanently with the inevitable constraints of another people of equal standing was already quite intolerable. As is well known, some of the noblest of Jews, such as Magnes and Buber, who kept dreaming of this bi-national dream could not find any substantial Arab counterparts with whom to work seriously



towards its realization. Taking into account the Jewish emotion about the land, the dynamism of a highly trained people and the vastness of the need of millions of Jews for refuge, the Arabs were right, from their point of view, in fearing an open door would soon reduce them to a minority. Against this, they went into desperate battle almost at the very beginning, and they continue to insist that to have denied Arab nationalism in Palestine what would have been a normal development anywhere else is a grave injustice.

To be sure, even had there been no modern Zionism, it hardly needs to be demonstrated that the Holy Land is not like all other lands and that Arab nationalism in that country would have had a far different road to travel than that in Iraq or Egypt. All of the major biblical faiths have continuing involvements in the Holy Land which they regard as their right and which no sovereign nation, including the Israelis today, can deal with in the most simplistic categories of national sovereignty. The denial by a sovereign Jordan of access by Jews to the Western Wall during the twenty years of its occupation of the Old City and the destruction of all of one of the more than fifty synagogues to be found there, as well as the desecration of the cemetery of the Mount of Olives, was such an act of sovereign revenge on the Jewish adversaries of the Arabs. The possibility of such an occurrence in the midst of political tension of any kind in the future must be guarded against on behalf of all the faiths and in relation to all the political sovereignties of the region, not excluding that of Israel.

Nonetheless, without Zionism there would have been an Arab majority and perhaps ultimately an Arab State of some kind in Palestine. There is, thus, great pain and pathos and considerable stature to the Arab case, and many of the actions by which it has been contaminated do not blind Jews to its moral importance. Nevertheless, I submit at this table that an objective assessment of the moralities of the situation must arrive at different conclusions. An Arab majority and a sovereignty in Palestine and, in particular, over that part of post-partition Palestine which is now Israel, is not vitally necessary to the survival and creativity of the whole of the Arab national culture and history, or to the Islamic faith. The great centers of Arab continuity and survival are elsewhere. A viable Jewish people in the land is, however, indispensable to the survival of the Jewish spirit in our age. If we are to presume, as all men of good will must, that the disintegration of either of these great traditions, the Jewish or the Arab, would be a catastrophe of the first order, then it is our moral duty to work towards these conditions that make this impossible. What reversed a rapid trend of worldwide Jewish disintegration was the élan and hope which Zionism and the State of Israel have brought both to Jews and to Judaism. Even to contemplate making an end to the Jewish State for even the most moral of reasons, that its existence denies to Palestinian Arab nationalism sovereignty over the whole country and that we are horrified by the



present misery of Arab refugees, is to put one's moral priorities in the wrong order.

In the world of human action all of our judgments can never occur without some cost, for justice can only be proximate and there is always some right, and often great right, on the side of those whose aims we do not accept. This is the human condition at all times and everywhere, and it is nowhere clearer than in a consideration by ethicists of this grievous conflict. It would, however, be a trap and a delusion not to get our moral priorities in the right order. Indeed, a Hassidic teacher once said that Satan does not seduce us by proposing wicked action; he is at his most effective when he asks us to labor for the good, while keeping us from understanding that this labor is in the wrong order of priority and thus destructive of other, greater goods.

For the continuity of Judaism and Jews the State of Israel, not in terms of its culture at this immediate moment but because of the revivifying possibilities that it alone can afford, is today a prime necessity for all men who care that the Jewish ethos should flourish and make its own kind of contribution to all of mankind. Once this is accepted as the moral good of the first order, it then becomes possible to say that the immediate next order of moral concern is that every justice be done to Palestinian Arabs short of such action which would result in the end of the Jewish State. At a moment of political and moral resolution of tensions, when the day of peace begins to come into view -- and I hope that our deliberations here will make some contribution to that day -- then the return of some former Arab residents to Israel, large scale compensation and the resettlement of the bulk of the refugees on a permanent and creative basis among their Arab brothers in the large expanses of the Middle East must all be undertaken. Precisely because Jews have been involved inevitably in this tragedy, by their very coming to the land and, more important in my point of view, because Jews are children of the biblical tradition, justice for Arabs should and will involve them in large and generous action.

At the very core of our concerns is not the tense and unhappy present, but the past from which it flowed and the more hopeful future for which we are laboring. That past involves us all, but it involves us in different qualities. Our interests are very deep, but they are not exactly parallel. Perhaps the best statement of this that has ever been written - it is the best that I know - was once formulated by a distinguished scholar whose own religious root was in the Anglican tradition. Writing in his History of Palestine, James Parkes defined these historic involvements as follows (pp. 172-173) :

"The intimate connection of Judaism with the whole life of a people, with its domestic, commercial, social and public relations as much as with its religion and its relations with its God, has historically involved an emphasis on roots in physical existence and geographical



actuality, such as is to be found in neither of the other religions. The Koran is not the history of the Arab people; the New Testament contains the history of no country; it passes freely from the Palestinian landscape of the Gospels to the hellenistic and Roman landscape of the later books; and in both its records the story of a group of individuals within a larger environment. But the whole religious significance of the Jewish Bible - the "Old Testament" - ties it to the history of a single people and the geographical actuality of a single land. The long religious development which it records, its law-givers and prophets, all emerge out of, and are merged into, the day to day life of an actual people with its political fortunes and its social environments. Its laws and customs are based on the land and climate of Palestine; its agricultural festivals follow the Palestinian seasons; its historical festivals are linked to events in Palestinian history - the joyful rededication of the Temple at the feast of Hanukkah the mourning for its destruction on the ninth of Ab, and above all the commemoration of the original divine gift of the land in the feast of the Passover. The opening words of the Passover ritual conclude with the phrase: "now we are here, but next year may we be in the land of Israel. Now we are slaves, but next year may we be free men." And the final blessing is followed by the single sentence "next year in Jerusalem".

Turning to the present, the most hopeful recent utterance by an Arab on the future of the Holy Land is by George Hourani, in a paper in November 1968 which addressed itself to themes which are essentially the same as our own. Speaking as President of the "Middle East Studies Association in the United States", Mr. Hourani considered "Palestine as a Problem of Ethics". He ruled out the notion that the modern Jewish settlers in the land had no moral right to be there; he was even inclined to consider the proposition that Jewish historic presence in the land granted Jews, even from his prospective, some substantial claim of residence and that on this point "the Arab case is not quite so unequivocal as most Arab spokesmen have claimed". Hourani climaxed his argument as follows:

"Given residence in considerable numbers, and a strong sense of national identity among Jews, it is reasonable that they should enjoy independence in a part of Palestine, on just the same grounds as the Arabs in theirs. To be absorbed as citizens in an Arab state, even as a federal province, hardly assures them of a flourishing future. Here it can be said that the drive for a Jewish state was self-fulfilling: given that drive, the feelings on both sides became so hostile that a bi-national state could not be expected to work in the foreseeable future. The logic of partition is the same today as it was under the British Mandate, the previous period of forced marriage. Both parties want to be in Palestine, but they are not there for love of each other; the driving force of both is to lead their own lives in freedom from each other. Both are happier with a whole half than with sharing the whole."



In the concluding moments of these remarks, it is meet that we return to the place and to the text with which we began. The place is Jerusalem and the text is, of course, the Bible, where Amos like all the Prophets began by announcing his ministry as follows: "And the Lord proclaimed from Zion and raised His voice from Jerusalem". His book concludes with: "Behold, days will come saith the Lord... and I will return the returnees of My people Israel and they will build up waste cities and they will plant vineyards and drink their wine, and they will plant gardens and eat of their fruits. And I will plant them upon their land and they will not again be uprooted from their land which I have given them, saith the Lord, their God".

It is in the Bible that Jerusalem as a city is indivisible: "a city which is joined altogether". Not only in the Bible but throughout its history, Jerusalem has been a unity, the one city of the one God, not only in itself but as the very essence, the living heart, of the Holy Land. In the religious consciousness of the Jewish people, a restoration to the Holy Land is inconceivable without the Holy City in which since the days of Melchizedek, even before Abraham, God had spoken to man. To be sure, in the most ecstatic of Messianic visions in the Bible it was imagined that not only Jews but all the nations would look to Zion. In the unrolling panorama of history, something of this has indeed been realized, for Christians and Moslems do indeed turn towards the Holy City and their interests in it are precious and important to Jews, as they are to all mankind. Be it remembered, however, that it is only in the system of Jewish religious law, as it has been handed down throughout the ages, that Jerusalem as a whole - not merely the site of the ancient Temple - occupies a special place. In the Bible itself it was already prescribed that the second tithe was to be used either as food to be eaten only in the city of Jerusalem, or as a wherewithal with which to finance a trip to his most sacred of all sites. For the other great religious traditions Jerusalem is the place of memories in which sacred events once took place; for the Jewish tradition, the whole city is indispensable if the Jew is to be able to live the life of performing all of the commandments enjoined by the Bible. Therefore in ancient times, by the waters of Babylon, weeping as they remembered Zion, Jews said: "If I forget Thee, O Jerusalem, may my right hand wither; may my tongue cleave to my palate, if I do not remember Thee; if I do not put Jerusalem above the greatest of my joys".

Because we descend from our various religious and cultural pasts, all of them rooted in events involving the Holy Land, we are seated here together at this consultation. We may look back from various perspectives upon the events of the last half century and be saddened by much of what has happened and wish that it were undone. History does not, however, permit us to unscramble eggs.

It is the task of men of peace, mindful of the realities, to bring reason and conciliation to bear. It is certainly not our task to encourage continuing war even with the most moral of rhetoric. It is not only Israel and the Arabs of Palestine, or Jews and the Arab world, who remain under judgment. So do we, here. Great are the peacemakers for the name of God himself is Shalom.





MONDAY, MARCH 26, 1979

ISRAEL, EGYPT SIGN PEACE TREATY,  
MIDDLE EAST LEADERS HAIL CARTER

By Religious News Service (3-26-79)

WASHINGTON, D.C. (RNS) -- In a ceremony packed with emotion, and reflecting the arduous struggle and obstacles that preceded it, peace between Egypt and Israel became official here with the signing of the long awaited treaty.

And so, for the first time since the creation of the Jewish state three decades ago, the two former enemy countries took an historic step towards peace and reversing the atmosphere of conflict.

The mood was one of celebration at a ceremony on the White House lawn, as the heads of state of the two Middle East nations, one a Muslim, the other a Jew, joined U.S. President Jimmy Carter, a Christian, in signing a treaty and related documents. All stressed that the historic occasion was but the first step in the quest toward a comprehensive Mideast peace.

Mr. Carter declared that "we have won, at last, the first step of peace -- a first step on a long and difficult road." At the same time, he noted that "differences still separate the two signatories of this treaty from each other... We have no illusions: We have hopes, dreams, and prayers, yes, but no illusions."

Stressing the need to "demonstrate the advantages of peace," the U.S. leader announced, "Let those who would shatter peace, who would callously spill blood, be aware that we three and all those who would join us will vigorously wage peace."

He noted that "all our religious doctrines give us hope," and quoted passages from the Koran and the Bible on the virtues of peace.

Egyptian President Anwar el-Sadat declared that "the man who performed the miracle was President Carter. Without any exaggeration, what he did constitutes one of the greatest achievements of our time."

Calling the signing of the treaty "a historic turning point of great significance for all peace-loving nations," the Egyptian leader stressed that in his quest for peace with Israel, "I was not performing a personal mission. I was merely expressing the will of a nation. I am proud of my people, and of belonging to them."

(more)

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Mr. Sadat also expressed gratitude for "the understanding of hundreds of thousands of Israelis who remained unwavering in their commitment to peace." He acknowledged that the signing of the treaty represented "only the beginning," but added that "it is an indispensable start."

The Egyptian leader urged, "Let there be no more wars and bloodshed between Arabs and Israelis. Let there be no more suffering or denial of rights. Let there be no more despair or loss of faith."

Israeli Prime Minister Menachem Begin described the event as "the third greatest day of my life." The first two, he said, were the first flying of the Israeli flag in May 1948, and the reunification of Jerusalem after the Six-Day War of 1967.

Mr. Begin hailed President Carter as "a soldier in the service of peace... an intransigent fighter for peace," and paid tribute to President Sadat for having demonstrated "civil courage."

The Israeli leader called the ceremony "a great day in the annals of two ancient nations, Egypt and Israel, whose armies met in battle five times in one generation, fighting and falling." Referring to the sacrifices on both sides, he said, "It is thanks to them, our fallen heroes, that we have reached this day."

Mr. Begin made reference to the sufferings of the Jewish people in the Nazi Holocaust, and concluded his remarks by reading Psalm 126 in Hebrew.

A group of pro-Palestinian demonstrators shouted slogans against the treaty during the ceremony, but did not disrupt the proceedings.

In the days immediately preceding the signing of the treaty, a minor problem cropped up when both sides could not agree on a timetable for Israel to turn over the Sinai oilfields to Egypt. The deadlock was broken on the day before the treaty ceremony with the help of U.S. Secretary of State Cyrus Vance, but details of the compromise were not announced immediately.

U.S. officials announced that Israel and the United States had agreed on a "memorandum of agreement" setting forth U.S. assurances to Israel in the event the treaty were broken.

The peace treaty is the most expensive ever supported by the United States, and involves an unprecedented aid package to both sides. If approved by the U.S. Congress, as is expected, the agreement pledges the U.S. to deliver \$3 billion in aid to Israel in the next three years and up to \$2 billion in military assistance to Egypt.



POPE URGES FAITHFUL TO PRAY  
FOR SUCCESS OF PEACE TREATY

By Pamela Mendels

Religious News Service Correspondent (3-26-79)

VATICAN CITY (RNS) -- Pope John Paul II has called for fervent prayer for the success of the Egyptian-Israeli peace treaty.

The treaty was signed March 26 in Washington, D.C.

Speaking on the eve of the signing to thousands of people gathered in St. Peter's Square for his regular Sunday noon talk, the pontiff said: "As you know, tomorrow a peace accord between Israel and Egypt is to be signed in Washington.

"Let us pray intensely that this event, which formalizes peace between two nations after several decades of war and tension, might signal a decisive step in the dynamic process of creating that peace which all people wish for in the entire Middle East -- a peace respecting the rights and the well-being of all the peoples in the area."

The pontiff exhorted the faithful to pray fervently for the success of the Middle East peace efforts so that "brotherhood and harmony may return to reign once again in the blessed land where Jesus was born and lived."

In an editorial (March 24), the Vatican daily, L'Osservatore Romano, hailed the Egyptian-Israeli accord as "the beginning of hope."

During his Sunday noon message, the Polish Pope also made his first public statement about his upcoming visit to Poland (June 2-10), placing the visit in the context of the 900th anniversary of the "martyrdom" of St. Stanislaus, the patron of Poland.

Recalling that Sunday marked the Feast of the Annunciation (of the angel Gabriel to Mary), the pontiff said he wished to "announce my trip to Poland," and express his thanks to "the Polish Episcopal Conference and the Polish civil authorities" for having invited him.

"The decrees of Providence," said the Pope, "are truly inscrutable, permitting as they do the celebration, by a Pope who was until a short while ago Saint Stanislaus' successor in the bishop's seat of Cracow, of the 900th anniversary of the Saint's martyrdom."

It was the figure of St. Stanislaus, the 11th century Bishop of Cracow who was murdered for his defiance of King Boleslaw the Bold, which created difficulties in the scheduling of the Pope's visit to Poland.

The pontiff's original intention was to be in Cracow on May 8, the feast of St. Stanislaus. But Poland's Communist authorities, who see the country's patron saint as a threatening symbol of opposition to the state, feared that a papal visit during official celebrations of the anniversary of the Saint's death would stir anti-government feelings and actions.

The Pope agreed, in concert with the Polish bishops, to postpone his visit until June and to center it in Warsaw, rather than in Cracow.

The Polish Church authorities, however, have extended the celebration of St. Stanislaus' anniversary to include the entire month of May and June.

UNITED NATION'S 'ISAIAH WALL'  
SCENE OF PRAYER, HOPE, CAUTION

By Religious News Service (3-26-79)

NEW YORK (RNS) -- The Isaiah Wall, opposite the United Nations building here and many times the site of demonstrations in times of Middle East crises, became the scene of prayerful and cautious hope in the hour prior to the signing of the Egyptian-Israeli peace agreement.

In an hour-long ceremony that ended just as the signing in Washington began, religious, ethnic and community leaders here spoke in front of the timely backdrop of Isaiah's prophecy: "They shall beat their swords into plowshares and their spears into pruning hooks. Nation shall not lift up sword against nation. Neither shall they learn war anymore."

But the word "caution" was uttered almost as often as the word "shalom," in the event sponsored by the Jewish Community Relations Council of New York.

"We gather in a spirit of exhilaration at the signing of a treaty of peace," said Donald McEvoy, a national vice-president of the National Conference of Christians and Jews, "and a mood of caution lest the euphoria of this moment lead us to a false conclusion that the struggle for peace and security is accomplished."

Mr. McEvoy echoed the sentiments of several speakers when he prayed: "Hasten, O Lord, that day when all the sons and daughters of Abraham shall dwell together as brothers and sisters in the lands which you have given to each."

Rabbi Paul Hait, executive director of the New York Board of Rabbis, called the signing of the peace treaty "a historic day" and prayed for the dawning of another day when "harmony shall prevail over hostility, and peace over war" throughout the Middle East.

As Cantor Joseph Malovany of the Fifth Avenue Synagogue sang "Oseh Shalom -- He Who Brings Peace," program participants, including the Rev. Donald Harrington of the Community Church of New York, and Rabbi Isaac Trainin of the Federation of Jewish Philanthropies, released three white doves, representing the hopes of Egypt, Israel and the United States.

Earlier, at St. Patrick's Cathedral, Cardinal Terence Cooke of New York offered a Mass for peace to mark the Egyptian-Israeli accord. "May people of good will everywhere realize that, with God's help, peace is possible," the Catholic prelate prayed.

"May the treaty signing in Washington be a courageous step in lasting peace in that part of the world so sacred to the people of every religious faith. May the leaders who gather today be filled with vision to continue the peace process. Despite the obstacles, may they be strengthened on their journey to peace, brotherly love and the protection of human rights," Cardinal Cooke said.



NATIONAL CONFERENCE OF CATHOLIC BISHOPS  
STATEMENT ON THE MIDDLE EAST  
Washington, D.C.  
November 16, 1978

The Middle East: The  
Pursuit of Peace With Justice

The challenge of achieving peace with justice in the Middle East confronts the conscience of the international community. As bishops of the Catholic Church in the United States we feel a dual responsibility to respond to the moral and religious dimensions of this challenge. On the one hand, we are bound to the Middle East by ties of history, tradition and faith. On the other hand, we are citizens of a nation which plays a direct and continuing role in the Middle East.

We address this problem as pastors, whose pastoral ministry involves a constant concern for protecting human life and dignity by fostering justice and peace at every level of society. We are vividly aware of the complexity of the political, legal, religious and moral problems of the Middle East, and we acknowledge with respect and gratitude the multiple efforts of political leaders who have labored to resolve this tragic conflict. We wish in the first place to encourage them and to give voice to the silent hopes of all people everywhere who long for a common effort for peace in one of the world's most dangerous political areas.

We seek in this statement to bring the problem of the Middle East before the Catholic community in the United States, so that this universal challenge to conscience may be in their thoughts and prayers. We seek also to make a constructive contribution to the public debate

in a nation whose impact on the Middle East is recognized throughout the world. We realize that the specific technical questions at the heart of the Middle East conflict must be resolved in the diplomatic arena, but it is our conviction that on an issue at once so politically and emotionally significant, public opinion in a society shapes the atmosphere for political choices. In accord with this conviction we offer the following:

I. 1973 to 1978: In our 1973 statement "Towards Peace in the Middle East" we specified a series of principles which should be part of an effective political solution. While acknowledging the process of continuous change that marks the life of that region, we believe the central elements of our 1973 statement to be still valid and useful guidelines for a comprehensive approach to peace and justice in the Middle East. Therefore, we again call for a comprehensive political solution involving the following:

- The rights of Israel: to existence as a sovereign state within secure and recognized boundaries;
- The rights of the Palestinian Arabs: to participate in negotiations affecting their destiny, and to a homeland of their own;
- Compensation: just compensation should be provided for all parties concerned, of whatever national origin, deprived of home and property by the three decades of conflict;
- The status of Jerusalem: recognition of its unique religious significance which should be preserved through an international guarantee of access to the holy places, and through the preservation of a religiously pluralist citizenry;



- U.N. Resolution 242: its continuing utility as a basis for a just settlement in the region.

These elements set a framework for understanding the key issues of justice and peace in the Middle East. The problems posed by them persist in spite of multiple efforts to resolve them. In seeking to address these continuing dimensions of the issue two other developments must be considered: the tragedy of Lebanon and the event of Camp David.

II. Lebanon: Since the outbreak of civil war in Lebanon, where almost one-third of the population (750,000) have become refugees, its fate has been directly tied to the question of a regional settlement in the Middle East. On the one hand, it is clear that Lebanon is highly vulnerable to a multiplicity of regional and international forces which directly influence its domestic life. On the other hand the fate and future of the Palestinians, whose refugee status evokes our sympathy, join the internal problem of Lebanon to the regional problems of the Middle East. While a regional peace is a de facto condition for peace in Lebanon, it is not a sufficient condition. The internal dimensions of the Lebanese problem - political, social, economic and religious - must be addressed with a blend of political wisdom and moral courage as a first step toward peace. The value of Lebanon to the Middle East, to Christianity and the world is a truth we cannot forget. The independence of Lebanon and its fabric of political and religious pluralism must be preserved. We call upon our government to have a special concern for all these elements.

The dimensions of the Lebanese problems are so great that a grave responsibility for assistance lies not only with a group of nations,

but requires the interest, care and action of the international community especially the continuing involvement of the United Nations. The urgent needs of the nation are that the cease-fire be preserved, that the Lebanese army be rebuilt to provide for the internal security of the country, that discussions among local parties be fostered to establish a new constitution safeguarding the human rights and religious liberty of all inhabitants in Lebanon, and that the sovereignty of Lebanon be securely preserved. The neutrality of Lebanon must be guaranteed and preserved, in order to keep the country independent and sovereign. The Lebanese must be the principal agents of their destiny, but they may rightly expect from the United States and other key actors in the international community both diplomatic assistance and the significant economic aid which rehabilitation in Lebanon will require. We commend the efforts of the Catholic Relief Services, the Catholic Near East Welfare Association and the Pontifical Mission for Palestine in alleviating the suffering of the victims of the conflict in Lebanon and we urge the continued support of their endeavours.

III. Camp David: The Camp David agreements involving Egypt, Israel and the United States already have earned a unique status in the modern history of the Middle East. The contents of the agreements and their ultimate impact on the region are complex issues which do not yield to a simple standard of judgment. To evaluate it adequately, Camp David ought to be seen as part of a process of peace-making in the Middle East.

In our view the Camp David accords have an intrinsic value which ought to be praised and supported, and they have limitations which



need to be acknowledged and amended. The symbolic and substantive value of a peace treaty which now seems possible between two principal states in the Middle East conflict is an achievement of the highest importance. It not only reorients the political process away from conflict and toward peace for Egypt and Israel, it provides hope that progress is possible in the Middle East. It is of the essence of diplomatic greatness to act boldly and courageously in the face of complexity and ambiguity. Camp David is such an action and deserves our support.

At the same time it is necessary to recognize that if Camp David is part of a process, the diplomatic initiatives taken there must be broadened. The limitations of the Camp David accords involve both the scope and terms of the agreements. One form of limitation is evidenced by the need to bring other key actors in the Middle East into the peace-making process. This in turn is related to the terms of the agreements: it is partially due to some dimensions of the accords that key parties are unwilling to participate in the process. Two issues which exemplify the substantive limits of the accords, and which the principles of this statement make us particularly concerned about, are the status of Jerusalem and the fate of the Palestinians, those living in the occupied territories and in the region of the Middle East. The question of Palestinian sovereignty remains unresolved by the accords, and calls for further negotiations. What has been initiated at Camp David must be extended with the same boldness and vision.

IV. Beyond Camp David: The Middle East problem is now set in the context of new signs of hope mixed with continuing elements of danger.

Aware of the conflicted and tragic history of the recent past, we are cautious but choose to emphasize the signs of hope: peace is possible. In transforming the possibility into a reality we see the same basic dimensions of the problem at work which structured our 1973 statement.

First, the international community, especially its principal diplomatic actors, inevitably influences the future of the Middle East; all those who touch the problem have an enormous responsibility to act with wisdom and vision. Second, the United Nations is a vital element in any Middle East negotiations, and its diplomatic and peace-keeping role will undoubtedly be crucial to a long-term resolution of the conflict. Third, the regional parties, whose conflicting claims of justice are the essence of the political and moral problem in the Middle East, are the key to peace. In their political vision, moral courage and will for peace lie our hopes for a peaceful future. Finally, the religious communities with roots in the Middle East must reflect the best of our traditions in supporting the movement for peace with justice for all the people of the region. We have a continuing concern for the protection of the basic rights, both civil and religious, of the Christian minorities in the Middle East and we encourage the local churches there to continue their steadfast witness to the faith.

We call upon the inhabitants of the Holy Land to renew and intensify their efforts to build a spirit of peace, by drawing upon the rich resources of the three great religious traditions which venerate the Holy Land as a sacred place. We pray that the Prince of Peace who



lived and taught and prayed in the Middle East will bless the efforts of all who hope and strive for justice and peace in the land which is still called holy.

