

MIDDLE EAST—ARAB WORLD

A. ISRAEL — Presidential election - Party and government changes - Other internal developments

Election of Mr Chaim Herzog as President (March 22, 1983).

Re-establishment of Ministerial Defence Committee (December 1981).

Party changes and related developments (January 1982 to February 1983).

Series of no-confidence motions (January to May 1982).

El Al crisis (May 1982 to January 1983).

Death of Gen. Moshe Dayan (Oct. 16, 1981).

Controversy over proposed appointment of ambassador to UK (February 1983).

Military changes following Kahan report (March 1983).

The *Knesset* (Israeli Parliament) on March 22, 1983, elected Mr Chaim Herzog (64) as the sixth President of Israel in succession to Mr Itzhak Navon, whose term of office was due to expire at the end of May 1983 and who had announced on Jan. 31 that he would not seek re-election. [For Mr Navon's election as President in April 1978 see 29147 A.]

Mr Herzog, the candidate of the opposition Alignment, received 61 votes in the secret ballot in the *Knesset*; there were two abstentions and 57 votes for Mr Menachem Elon, the candidate sponsored by the ruling coalition—which comprised the *Herut* and Liberal parties (together making up the *Likud* front), the National Religious Party (NRP) and the *Tami*, *Tehiya* and *Agudat Israel* parties.

Since the ruling coalition controlled 64 seats in the *Knesset*, it was evident that seven of its members had failed to support Mr Elon. The three *Tami* ("Israeli Tradition") deputies were believed to have supported Mr Herzog (who was a friend of Mr Nessim Gaon, *Tami*'s financial patron), and others also reportedly preferred him because he was better known nationally than Mr Elon, a Supreme Court judge whose reputation was confined mainly to legal and scholarly circles. (Dr Joseph Burg, the Interior Minister and NRP leader, had on March 7 declined to stand in the presidential election, although he had the support of Mr Menachem Begin, the Prime Minister; Mr Burg's nomination had reportedly been opposed by the Liberal and *Tami* parties.)

Mr Herzog was born in Belfast in 1918, subsequently moving to Dublin when his father became Chief Rabbi of Ireland. He was educated at Cambridge and Sandhurst, and saw active service in the British Army in the Second World War, rising to the rank of lieutenant-colonel and assisting in the capture of Heinrich Himmler, the head of the Nazi SS organization. On the establishment of the State of Israel in 1948, he became head of military intelligence with the rank of major-general. After leaving the Army in 1962, he worked as a journalist, gaining national fame with his broadcasts during both the 1967 and 1973 wars. He served as the Israeli permanent representative at the United Nations from 1975 to 1978, and was elected to the *Knesset* as a Labour deputy in June 1981.

Government, parliamentary and party developments

Mr Begin announced on Dec. 22, 1981, the formation of a "Ministerial Defence Committee", composed of nine ministers including Mr Ariel Sharon, the then Defence Minister, and Mr Itzhak Shamir, the Foreign Minister (both members of Mr Begin's own *Herut* party), as well as representatives of the NRP and *Tami* party.

The committee—the equivalent of that set up in 1975—see page 27043—had been called for by the Agranat Commission (established in 1973 to investigate allegations of unpreparedness in Israel's armed forces at the outbreak of the Yom Kippur war—see page 26368). The committee's original function was to maintain close control over the armed forces, but it was also believed that Mr Begin saw it as an "inner cabinet" useful for informal and confidential decision-making, since its decisions and deliberations would not be made public.

Mr Aharon Abu-Hatzeira, the Minister of Labour, Social Welfare and Immigrants, and leader of the *Tami* party, resigned his ministerial post on April 23, 1982, after being convicted of embezzlement of funds (when he was Mayor of Ramlé in 1975) and sentenced to a suspended prison term of four years and three months. [For his indictment immediately following his appointment in May 1981 on other charges of corruption, see pages 30933-34.] The *Tami* central committee selected Mr Aharon Uzan, hitherto the Deputy Minister for Integration of Immigrants, as his replacement, the party having been guaranteed a cabinet post in the government agreement reached on Aug. 4, 1981, between the *Likud* front on the one hand and the *Agudat Israel*, NRP and *Tami* parties on the other [see pages 31119-20].

Two *Likud* deputies, Mr Ammon Linn and Mr Itzhak Peretz, defected to the opposition Labour Party on May 18, 1982, leaving the ruling coalition with only 59 out of 120 seats in the *Knesset*. The Begin Government's majority was restored on June 16, however, when Mr Yigael Hurwitz and Mr Mordechai Ben Porat joined the *Likud* following the dissolution of the *Tahel* ("State Renewal") party, which had been formed in 1981 [see 30933 A] by the late Gen. Moshe Dayan [for whose death on October 1981, see below], but which had been unable to resolve what were described as "wide ideological differences".

On July 4 it was announced that Mr Ben Porat had been named an additional Minister without Portfolio.

The Government's position in Parliament was further strengthened on July 23 when the secretariat of the right-wing *Tehiya* ("Rebirth") party, which had three deputies in the *Knesset*, voted by 21 to seven to join the ruling coalition, while retaining its individual party identity.

On July 25 Prof. Yuval Ne'eman, the leader of *Tehiya* since its formation in October 1979 [see page 30108] and one of Israel's leading nuclear scientists, became Minister of Science and Technology, thus increasing the size of the Cabinet to 20.

Series of motions of no confidence, January to May 1982

Prior to this augmentation of the ruling coalition, the Government's continued existence had been threatened by a series of motions of no confidence, which were, however, defeated in the *Knesset*.

On Jan. 26, a motion of no confidence in the Government's handling of the evacuation from Sinai was defeated by 55 votes to 52 [see page 31906], following a defeat for the Government by 50 votes to 45 on the previous day in a Labour-sponsored motion calling for a limit on

amount of compensation due to be paid to the settlers. On March 23, a motion of no confidence in the Government's policies on the occupied territories resulted in a tied vote of 58 to 58, Rabbi Haim Druckman (NRP) voting against the Government in protest at the decision to withdraw from Sinai [ibid.]; a tied vote on such a motion was officially considered as a procedural victory for the Government, although Mr Begin reportedly suggested resigning, being subsequently persuaded to remain in office by cabinet colleagues. On March 24, a motion of no confidence in the Government's budget proposals produced an identical result, Rabbi Druckman again voting against the Government. On May 19, a motion of no confidence in government economic policy was defeated by 58 votes to 57, in spite of the defection of two *Likud* deputies to the Labour party the previous day [see above], since both the deputies then belonging to *Telem* abstained, as did one of the *Tehiya* deputies.

Formation of new party within ruling coalition

Following reports of increasing differences of opinion within the NRP, particularly over the issue of Israeli withdrawal from Sinai, it was announced at the beginning of February 1983 that a new party, *Matzad* ("Rally of Religious Zionism"), had been established, with Rabbi Druckman as its principal founder and first leader.

It was believed that the new party would have widespread support among members of the *Shvut Yisrael* ("Whole Land of Israel") faction of the NRP, formed by Rabbi Druckman in May 1982, which was opposed to any territorial concessions by Israel. Rabbi Druckman stated at the time of *Matzad*'s formation that he would continue to support the governing coalition.

Developments within opposition parties

There was considerable speculation in early 1983 that former President Navon might return to party politics and replace Mr Shimon Peres as leader of the Labour Party. (Mr Navon was formerly a Labour deputy in the *Knesset* from 1965 to 1977 and chairman of the foreign affairs and defence committee from 1975 to 1977—see 29147 A.)

Public opinion polls conducted in January 1983 revealed that the opposition Alignment (comprising the Labour and *Mapam*—United Workers—parties), would improve its electoral popularity, to a level comparable with that of the ruling coalition, if Mr Navon were to become its leader. Speculation as to Mr Navon's intentions increased when both Mr Peres and Mr Itzhak Rabin, a former Prime Minister from 1973 to 1977 [see 28533 A], indicated that they were prepared to support him as leader.

The Labour Party's effectiveness and internal cohesion had been substantially impaired during 1982 due to a series of incidents including (i) acrimonious and public disagreements between Mr Peres and Mr Rabin, who had defeated Mr Peres in closely contested party leadership elections in February 1977 but resigned in April 1977 on being charged with contravening currency regulations [see 28533 A]; (ii) a report by the editor of *The New York Times* in November 1982 alleging that Labour leaders had approached him to work for a cut in economic assistance from the United States as a means of bringing down the Begin Government; and (iii) open disagreement within the party during the Israeli invasion of Lebanon in August 1982 with regard to the extent to which Labour should support the Government's conduct of the war. [For events leading up to and including the Israeli invasion of Lebanon, see 31905 A.]

In January 1982, a new organization known as *Ometz* ("Political Zionist Opposition") had been formed, with the stated intention of acting as an umbrella group for opponents of the Begin Government. Its founders were composed of a group of *Knesset* deputies from the Labour, *Mapam* and Civil Rights parties, together with Mr Dedi Zucker, a former leader of the "Peace Now" movement (an organization committed to Israeli withdrawal from Lebanon), and several leading academics, including Mr Zeev Sternhell, professor of political science at the Hebrew University in Jerusalem. Whilst it was denied that *Ometz* was intended to become a new political party, many of its members expressed a fear

that the Labour Party was ceasing to act as an effective opposition to the Government and that it had moved significantly to the right during the period of the Begin administration. Therefore, the members claimed, they did not rule out the possibility of forming a new party if this trend were to continue.

In a separate development, it was announced on July 27, 1982, that, following agreement between the *Likud* and Labour parties, the local authority elections, due to be held in November 1982, would be postponed to July 1983, because of the continuing war in Lebanon. Labour Party sources privately admitted that the party's reason for agreeing to the postponement was the fear of suffering heavy electoral defeats due to Mr Begin's personal popularity following Israeli victories in the war.

Sentencing of Mr Flatto-Sharon

On Jan. 11, 1983, Mr Samuel Flatto-Sharon, an independent *Knesset* deputy from 1977 to 1981, lost his appeal against a conviction on charges of electoral bribery during the 1977 elections, and was sentenced to nine months' imprisonment. (Mr Flatto-Sharon had originally sought election to the *Knesset* as a means of gaining parliamentary immunity and thereby avoiding extradition to France, where he faced imprisonment for fraud, forgery and tax evasion—see pages 28534-35; 30108; 30934; 31119.)

El Al crisis - Further economic developments

During the summer and autumn of 1982, El Al, Israel's national airline, was subject to a series of bitter industrial disputes over both religious and economic issues, which came close to resulting in the airline's liquidation.

The Government announced on May 2, 1982, that it would take steps to implement one of the clauses of the August 1981 agreement between the *Likud* and the religious parties, which stated that El Al would cease to operate flights on the Sabbath and Jewish holidays. The Israeli Supreme Court ruled on May 10 that any such move had first to be endorsed by the *Knesset*'s finance committee; the Government subsequently announced at the beginning of August that Sabbath flights would cease as from the end of the month, subject to approval by the finance committee, which on Aug. 22 decided by a margin of 11 votes to 10 to endorse the decision.

El Al staff at Ben Gurion airport, Tel Aviv, who stood to lose a 250 per cent Sabbath day bonus if the ban was imposed, staged a series of protests in which orthodox Jews, readily identified by their distinctive mode of dress, were delayed or turned away at the entrance to the passenger terminal. The Sabbath ban also met with opposition from the *Histadrut* (Israel's trade union federation) which announced on Aug. 31 that a one-day strike to coincide with the implementation of the ban would be staged by workers in the transport and power industries. Opposition deputies criticized the ban as being motivated by religious dogmatism, whilst a report by a government committee claimed that because of the effects on Israel's exports and tourist trade, the country could lose the equivalent of over £69,000,000 a year as a result of the decision.

On Sept. 2, the day the ban was due to come into force, the Supreme Court issued an interim injunction ordering the airline to maintain all flights for 45 days. The court ruled that the ban was illegal because (i) the *Knesset* finance committee had been reconstituted by the Government in order to ensure that the ban was approved, and (ii) the decision was contrary to economic priorities and "against the public good".

The problems facing El Al as a result of the Sabbath ban were compounded by the announcement in September of a manage-

ment plan to restructure the airline involving the curtailment of union rights and the reduction of staff levels from 5,000 to 4,000, which led to further industrial action by El Al workers, resulting in the airline being grounded from mid-September onwards.

After the failure of negotiations on the restructuring, the board of directors of El Al decided on Oct. 18 to recommend the airline's liquidation, a decision which was approved by the Government in its role as majority shareholder on Oct. 24, and on Dec. 5 the airline appointed an official receiver.

On Jan. 1, 1983, however, the *Histadrut*, negotiating on behalf of the airline staff, succeeded in reaching an agreement with the receiver based on the restructuring plan, as a result of which El Al's flights were resumed on Jan. 12, although the airline continued to face serious financial problems (losses equivalent to \$244,000,000 having been reported in 1982).

Economic problems - Widespread industrial unrest

During 1982 the war in Lebanon served to aggravate the problems already facing Israel's economy. The annual rate of inflation rose from its level of 101 per cent in 1981 to 131.5 per cent in 1982, despite budgetary measures which included the reduction of government expenditure in the fields of welfare and education and were designed to reduce the inflation rate to 90 per cent. The 1982 balance-of-payments deficit was equivalent to US\$4,910 million, an increase of over \$500,000,000 during the year, whilst the trade deficit alone rose by 18 per cent to \$3,000 million.

The cost of the war in Lebanon was estimated at \$3,000 million, necessitating further austerity measures in the budget for 1983-84, two-thirds of which was absorbed in debt repayments and defence expenditure. An additional problem was the sharp decline in tourist trade during the autumn, which was seen as being due to the effects of the war and to Israel's decline in popularity amongst potential travellers from Europe and North America.

According to a report published at the beginning of January 1983 by the Israeli National Institute of Insurance, the number of Israelis living below the poverty line—defined as those receiving an income of less than 20 per cent of the average Israeli salary—had risen to 155,000, representing an increase of 100 per cent over the period 1979 to 1981.

In developments on the stock market, the Government announced in June 1982 that it would start selling shares in government-controlled companies in an effort to raise capital and absorb the large amount of money in public hands which had resulted in new share issues being 30 to 40 times oversubscribed. The National Coal Company and Paz Oil, Israel's largest oil marketing firm, were the first companies to be affected by this measure.

On Jan. 20, 1983, Mr Yoram Aridor, the Finance Minister, announced that the Government would introduce new regulations to "normalize" the operation of the stock market and curb speculation.

During 1982 the share index had risen by over 70 per cent to a point where, according to Mr Meir Heth, the chairman of the Tel Aviv Stock Exchange, it no longer bore any relation to the state of the economy. In the week following Mr Aridor's announcement, share prices fell by an average of 30 to 35 per cent, although on Jan. 25 the Government announced that it would intervene if necessary "in order to avoid a catastrophe".

A series of strikes organized by the *Histadrut* in December 1982 in support of pay demands by public sector workers, culminated in action on Dec. 28 by over 400,000 employees, one-third of Israel's total workforce.

Death of Gen. Moshe Dayan

Gen. Moshe Dayan, who had been Israeli Chief of Agriculture Minister, Defence Minister and latterly Foreign Minister (in 1977-79), died of a heart attack on Oct. 10, 1981, aged 66.

The son of Russian immigrants, he was born in 1915 in a kibbutz, one of the first Jewish communal settlements in what was Ottoman-ruled Palestine. At the age of 14 he joined the illegal defence organization, the *Haganah*, and after serving as a British forces during the 1936 Arab riots, he returned to operations; he was sentenced to 10 years' imprisonment by the authorities in 1939, but released in 1941 to help the British against French forces in Syria and in Lebanon (where he lost the sight of his left eye). He commanded the *Haganah* forces in the Jerusalem area in 1948 war and, as chief military delegate, signed the armistice [see 9743 A; 9829 A; 10100 A].

From 1953 to 1958 he was Army Chief of Staff, commanding Israeli forces in the successful advance across the Sinai in 1956 [15173 A]. In 1959 he was elected as a *Mapai* (Labour) candidate to the *Knesset* and became Agriculture Minister in Mr David Ben-Gurion's administration [see 17213 A]. He resigned from the Government in 1964 [see 20519 A] after Mr Levi Eshkol had succeeded Mr Ben-Gurion as Prime Minister, and he supported Mr Ben-Gurion in setting up the (Israel Labour List) to contest the 1965 elections [see 21086 A, 22463 A; 22556 D for reunification of the Labour Party in 1968].

In June 1967, under pressure from public opinion with tension rising on Israel's borders, Mr Eshkol invited him back into the Government as Defence Minister [see 22075 A], four days before the outbreak of the Six Day War in which he engineered the pre-emptive strikes which ensured Israeli victory [see 22099 A]. He continued as Defence Minister until May 1974, when he was not reappointed to the Rabin Government following widespread criticism of the shortcomings of the defence at the outbreak of the October 1973 Middle East war [see 26578 A].

In 1977, following the electoral victory of the *Likud* coalition, Dayan, although elected on the opposition Alignment list, was nevertheless appointed Foreign Minister in Mr Begin's administration [see 28533 A]. He played a leading role in the negotiations with Egypt which led to the signing of the Camp David agreements in September 1978 [see 29646 A], but failed to win cabinet support for his proposal establishing a civilian administration on the West Bank, and, previous to taking part in subsequent negotiations on Palestinian autonomy, he resigned from the Cabinet on Oct. 21, 1979 [see 30107 A].

In 1981, he formed the *Telem* party [see above], one of the aims of which was to gain public support for his proposals on the occupied territories, which included plans for the unilateral establishment of Palestinian autonomy on the West Bank. *Telem* won only two seats in the June 1981 elections [see 31118 A], and it was widely believed that his deteriorating health and poor campaign performance contributed to its relative failure.

Controversy over appointment of ambassador to U.K.

As a result of considerable opposition in London to the proposed appointment of Mr Eliahu Lankin to succeed Mr Shimon Peres as Israeli ambassador to the United Kingdom, Mr Lankin announced on Feb. 25, 1983, that he no longer wished to be considered for the post. [For the assassination of Mr Argov in June 1982, see page 31914.]

Mr Lankin (currently Israeli ambassador to South Africa) was a commander in the *Irgun Zvai Leumi*, the Jewish guerrilla organization led by Mr Begin which had carried out attacks on British forces in Palestine during the 1940s. Whilst there had been no official reaction to his proposed appointment, it was criticized both in newspaper editorials and in the UK Parliament; Mr Winston Churchill, a Conservative member of Parliament, claimed in particular that the Israeli Government would be "peculiarly insensitive and undiplomatic to appoint

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 war to this
 Schiller
 Margaret Thatcher, the Prime Minister, was also reported to be involved in the assassination of many British
 Mr Lankin's appointment, and Mr Lankin's decision to step
 widely believed to be the result of an unpublicized meeting
 between Mr Begin and Mr David Wolfson, a member of Mrs
 political office, who was alleged to have raised the possibility
 recognition of the Palestine Liberation Organization in retali-
 the Israeli Government insisted on Mr Lankin's appointment.

Military changes following the Kahan report

part of the process of implementing the recommendations
 Kahan Commission's report on the Beirut massacres [see
 32041-45], it was announced on March 1, 1983, that
 Gen. Yehoshua Saguy, the director of military intelligence,
 dismissed, and that Bri.-Gen. Amos Yaron, the Beirut
 commander of the Israeli Defence Force, had been
 field command.

separate development, it was announced on March 15
 Maj.-Gen. Moshe Levi had been named as the new Israeli
 of Staff in succession to Lt.-Gen. Rafael Eitan, who was
 to retire from the post in April. Lt.-Gen. Eitan had also
 severely criticized by the Kahan Commission, which had
 however, recommended any penalty, due to his imminent
 retirement.—(Jerusalem Post - Times - International Herald
 Daily Telegraph - Guardian - Financial Times - Le
 New York Times) (Prev. rep. 31118 A; Arab-Israeli
 conflict 32034 A; 31905 A)

A LEBANON — Internal security and other developments

- Bomb explosion at US embassy (April 18, 1983).
- Attacks on international peace-keeping force (February and March 1983).
- Attacks on Israeli soldiers (January to April 1983).
- Deployment of Lebanese Army in east Beirut (Feb. 15, 1983).
- Bomb explosion at Palestine Research Centre (Feb. 5, 1983).
- Fighting between pro- and anti-Syrian groups in Tripoli (December 1982, January 1983).
- Visit to Saudi Arabia by President Gemayel (Nov. 14-15, 1982).
- Appointment of new UNIFIL Chief of Staff (Feb. 24, 1983).

On April 18, 1983, a bomb exploded at the United States
 Embassy in Beirut, killing approximately 60 people and injuring
 and completely destroying the central consular section of
 the building. Mr Robert Dillon, the US ambassador, was un-
 harmed, but among those killed were Lebanese civilians and 17
 nationals, including Marine guards, senior embassy staff, and
 Robert Ames, the director of the Central Intelligence
 Agency's office of analysis for the Near East and South Asia,
 and at least six other CIA employees.

The explosion occurred shortly after 1 p.m. local time, and apparently
 took the form of a suicide attack, in which a van containing an estimated
 amount of explosive was driven across the embassy forecourt and into
 the side of the building.

Responsibility for the attack was claimed in the first instance by the
Al Jihad al-Islami (Islamic Holy War) organization (an offshoot of the
 Lebanese Shi'ite *Amal* militia—see pages 30925; 31925), which stated
 that the explosion was "part of the Iranian revolution's campaign against
 the imperialist presence throughout the world" [*Al-Jihad al-Islami*
 having previously claimed responsibility for attacks on troops of the
 international peace-keeping force—see below]. On April 19, responsibil-
 ity for the attack was also claimed by two hitherto unknown groups, the
 Arab Socialist Unionists and the Organization for Vengeance for the
 Martyrs of Sabra and Chatila (the two refugee camps in west Beirut in
 which large numbers of Palestinian civilians were massacred in September
 1982—see pages 32039-40).

In condemning the explosion as "a cowardly act", President Reagan
 said that it would not deter US peace efforts in the region, stating that
 he had instructed Mr Morris Draper, the chief US negotiator in Lebanon,
 and Mr Philip Habib, the special US presidential representative to the
 Middle East, to press ahead with negotiations for the withdrawal of all
 foreign forces from Lebanon. [For the commencement of the negoti-
 ations, see pages 32047-48; for previous attacks on diplomatic staff and
 buildings in Beirut during 1981-82, see pages 31923-24.]

Attacks on the international peace-keeping force

During February and March 1983, the international peace-
 keeping force in Beirut [first deployed in August 1982—see pages
 31918-19], was the target of a series of attacks, the most serious
 of which occurred as follows: (i) on Feb. 2, two French Marines
 were wounded when their jogging party was attacked in west
 Beirut; (ii) on March 16, one Italian soldier was killed and eight
 others wounded when their patrol near the airport came under
 grenade and rifle fire, while later the same day five US Marines
 were wounded in a grenade attack in the Ouzai area [see map
 on page 32040], responsibility for both attacks being claimed by
 the hitherto unknown *Al Jihad al-Islami* organization [see
 above]; (iii) on March 17, another Italian soldier was wounded
 in an attack on a routine patrol; and (iv) on March 18, hand
 grenades were thrown at a command post of the French contin-
 gent in the suburb of Chiah.

After the attacks on March 16, the Lebanese Army cordoned off the
 area, arresting over 200 people and reportedly seizing several thousand
 rounds of ammunition at a local office of *Amal*. On April 4 it was
 announced that seven members of *Al Jihad al-Islami*, and two members
 of the Popular Front for the Liberation of Palestine, had been detained
 in connexion with the attacks.

Whilst diplomatic and other sources believed that pro-Iranian Shi'ites
 were responsible for the attacks, a spokesman for the Lebanese Govern-
 ment claimed on March 16 that the attacks served Israeli interests, and
 were intended "to demonstrate that the Lebanese Army is incapable of
 guaranteeing security and stability".

In an unrelated development, it was announced on Jan. 23 that an
 Irish soldier serving with the United Nations Interim Force in Lebanon
 (UNIFIL), was to face an Irish Army court martial in Dublin on charges
 of murdering three of his colleagues who were shot dead at a UNIFIL
 command post in southern Lebanon in October 1982 [see page 32046].

Tension between US Marines and Israeli forces

During early 1983 troops of the Israeli Defence Force (IDF)
 and US Marines serving with the international peace-keeping
 force came into confrontation in a series of incidents on the
 southern fringe of Beirut. It was reported on Feb. 2 that an
 Israeli armoured unit had attempted to enter a US-controlled
 zone, and was prevented from doing so only by the action of a
 US Marine captain, who climbed on to the leading Israeli tank
 and threatened its commander with a loaded pistol.

On March 17, the US Defence Department released the text
 of a letter sent to Mr Caspar Weinberger, Secretary of Defence,