INTRODUCTION TO THE HISTORIOGRAPHY

FOR NUMEROUS COMPLEX REASONS ISRAEL’S foreign policy is a relatively recent field of historical study, so that a few historiographical comments are necessary to begin with. During the first years of statehood Israel retained many patterns of secrecy that had been characteristic of the Yishuv [the Jewish community in Palestine during the British Mandate], when the use of code names was common practice.¹ Following independence, it was natural for Israel to continue its pre-state political behavior and there were several reasons for maintaining secrecy; political and institutional inertia were rife in the country; the same people remained active participants in public affairs before, and after 1948; and, most important, the young state was surrounded by hostile neighbors. The inherent tendency to secrecy with regard to internal political matters and, especially, to foreign affairs, was also expressed in the quality and quantity of documentary material available to the public in the state’s archives. The government’s obvious interest in avoiding publicity on certain sensitive aspects of the Arab-Israeli conflict, and the close cooperation it enjoyed with the press at the time, meant that the question of Palestinian refugees—for example—remained almost completely outside the public debate. Other areas of Israeli foreign policy, such as immigration, oil resources, and the procurement of arms, were hushed up for similar reasons.²

During the first eight years of the state’s existence the tendency to secrecy meant that little was written on issues of foreign policy, with the exception of dramatic events that the government could not keep classified, such as the War of Independence, the reparations from Germany issue, and the Sinai Campaign. Also, the relatively recent (late 1970s) introduction
into Israeli universities of the study of contemporary history and international relations—which also contributed to the dearth of academic writing on the subject—makes the study of Israeli foreign policy a fairly recent discipline. Further, Israel adopted the “thirty year” formula as an iron rule for declassifying state documents. In other words, only by the end of the 1970s was it possible to begin researching the War of Independence, based on Foreign Ministry material, and only in the early eighties was documentation available on the origins of the Reparations Agreement with Germany. Since other countries (the United States and Great Britain, for example) declassified their state documents (including those regarding Israel) according to the “thirty year” principle, the 1948–1956 period became available for historical-academic research only in the late 1980s. Considering the time element involved from the start of formal research and to the published results, it becomes obvious why most historical studies on which the present article is based were published during the 1990s. However, the basic difficulty surrounding the source material for research on Israeli foreign policy has not abated. While, in theory, Foreign Ministry documents dealing with this period have been opened to researchers, the declassification process is far from over. Major lacunae remain due to administrative difficulties (for example, all the material relating to the Finance Ministry between 1948 and 1956 is still classified), and serious gaps exist in government, Defense Ministry, and military records. Since a considerable amount of Israeli foreign policy is contained in the last two bodies, today’s research suffers from the unavailability of material and can only reconstruct a fragmented and, possibly, distorted picture. Finally, the Israeli Foreign Ministry lacked a tradition of methodic internal reporting, a defect that is obvious in the quantity and quality of documents in the state archives. The aggregate result of these obstacles has meant that a significant number of areas in the history of Israel’s foreign policy have not received systematic academic treatment.³ Nevertheless, as will be demonstrated, the fruit of the extant research has provided a basis for the following analysis, and has laid a solid foundation on which a proper historiography will eventually rise.

FOCAL POINTS OF THE RESEARCH

The official establishment of the state of Israel in May 1948 constituted the realization of the Zionist vision. But the military victory that followed the War of Independence left in its wake many internal and external survival issues that would threaten this historic achievement for decades to come.
In the area of foreign affairs there were two main, interrelated issues; the first being the refusal by the international community to recognize the political, geographical and demographic results of the war—a denial that presented Israel with a permanent security threat in the Middle East context, while isolating and alienating it in the international arena. The second was Israel’s near-total dependence on foreign resources for survival. The effort required by Israel for guaranteeing its national security in face of incessant military threats was undoubtedly the main concern of the state’s strategic planning. At the same time, diplomatic attempts at breaking out of the ring of hostility, on the one hand, and securing survival resources, on the other, were complimentary directions of Israeli policy for the eight years following the 1949 signing of the armistice agreements. It may be said that the paramount importance of both issues in Israeli foreign policy has not changed to this day, and will probably remain so in the future. Thus, the following analysis presents the historical contexts of the basic features of the policy that has served Israel for the first half century of its existence. The study will focus on the parameters of the national security strategy that have determined Israel’s multi-faceted activity since the end of the War of Independence for gaining regional and international recognition, increasing immigration, and acquiring arms, financial aid, oil, and water. In contrast to the fragmented and horizontal focus of previous studies, this article, based on existing scholarship, will be the first attempt to cast light on the basic principles of Israeli foreign policy between 1948 and 1956, through the perspective of the entire range of its operational goals. The emerging picture reveals that Israel was more concerned with solving problems of survival, stemming from its conflict with the Arab world, than with seeking a solution to the conflict. The epilogue will address the question of the degree to which the 1956 Sinai Campaign represented a continuation of Israeli foreign policy, or a break with it.

REGIONAL RECOGNITION

The operational logic behind Israel’s efforts at obtaining a cease-fire derived from its military gains toward the end of the War of Independence in late 1948 and early 1949. Since Israel’s strategic position at that time was superior to the November 1947 United Nations recommendations, it naturally wished to strengthen this advantage by arriving at a permanent settlement of the conflict with its neighbors. The cease-fire arrangements and armistice agreements provided Israel with a perceivable advantage. Not only did
they signal an end to the bloodshed, but, more importantly, they provided a temporary recognition of Israel’s borders, despite the inevitable dispute over their exact demarcation. The recognition of clearly defined borders was a key element in the political legitimacy of Israel’s existence. Hopes were high in Jerusalem that the negotiations would lead to peace agreements of inestimable benefit to the nascent state. These hopes were expressed in the bilateral and multilateral contacts that lasted for eight years beginning in the second half of 1948, but their failure left the armistice arrangements as the only formal agreement between Israel and the Arab countries over the following decades. Several recent studies have sought an explanation to this manifest lack of success.

The research shows that, despite the separate armistice agreements, the last of which went into effect in July 1949, none of them led to a final resolution to the conflict. For three years after the official end of the war there was a flurry of Israeli diplomatic activity, whose main objective was to reach a formal peace treaty with the Arab countries. These endeavors were carried out both bilaterally and multilaterally, the latter having taken place under the auspices of the United Nations—the most outstanding of them were held in Lausanne in the spring and summer of 1949, and in Paris in the autumn of 1951. Bilateral talks ensued between Israel and Jordan, Egypt, and Syria between 1949–1952 and with Egypt until 1955. Key points of contention were clearly stated at the outset. As a primary condition for the signing of a peace agreement, the Arabs demanded that Israel make major changes in the armistice agreements. For example, Jordan’s King Abdullah called for a return of Palestinian refugees to their homes, as well as territorial concessions that would have resulted in Jordan’s recovery of the towns of Lod and Ramle. He also demanded the creation of an autonomous land corridor between the West Bank and the Gaza Strip. Egypt sued for parts of the Negev and Syria demanded a swath of territory adjacent to the Jordan River. Further demands voiced at Lausanne included an Israeli declaration of intent to accept the return of hundreds of thousands of Palestinian refugees as a precondition for final peace treaties. Israel rejected all the Arabs’ stipulations (excluding a reserved willingness to integrate approximately one hundred thousand refugees) and on one occasion even refused a top level political meeting (with Syria). In only one case was a strategic agreement reached (with Jordan) that produced the formal signing of a five-year non-aggression pact, but even this never came to fruition because of Abdullah’s volte-face, and subsequent assassination. The collective result of all these contacts was failure. Moreover, as the most
comprehensive research on Arab-Israeli contacts in this period has shown, both sides preferred to engage in political jockeying to avoid concessions, rather than sit down to serious negotiating.⁵

These developments have received new and diversified historiographical commentary regarding the responsibility for the breakdown in negotiations. One group of scholars has placed their failure on Israel’s shoulders;⁶ another claimed that the conflicting interests were irresoluble, and that responsibility should be divided equally between the sides;⁷ a third laid the main reason for the talks’ collapse at the Arabs’ doorstep.⁸ All three views shared a one-sided reliance on the wealth of Israeli political and military records (as well as American and British) and the near-total absence of corresponding material from the Arab side, without which the labyrinthine process of policy-making must remain to a considerable extent shrouded in speculation, and an objective, all-inclusive explanation of the historical reality an impossibility. Readers should be fully aware that a biased perspective of the mutual relations in the conflict, based exclusively on the material of one side, is unavoidable. Nonetheless, the Israeli perspective comes into sharp focus in the historiographical polemic following the publication of several studies. Interestingly, the disagreement among historians regarding the general responsibility for the failure of the peace negotiations is accompanied by a great degree of consensus on another issue. Almost all the researchers have identified a number of basic approaches in Israeli policy that became permanently fixed during this formative period. Studies dealing with national security issues are also in complete accord with these approaches. Declassified documentation has proven beyond doubt that after the war the young state’s leaders, with Ben-Gurion at their head, determined a general policy strategy for peace and security based on broad internal consensus. The strategy was based on two fundamental assumptions. The first perceived regional hostility as a permanent feature in the foreseeable future, one in which the enmity of tens of millions of Arabs in the Middle East and North Africa would be channeled to the annihilation of Israel. A few months after the murder of King Abdullah, Ben-Gurion spoke with exceptional candor to the cabinet:

In this deplorable situation, we must face the real danger, the real problems, and not look for illusory or trivial [solutions] . . . Our main problem is that there are twelve Arab countries . . . For every Jew in Israel there are forty-four Arabs, their land mass is fifty-seven times [the size of ours] . . . Those who aim their words at the Arabs imagine that their whole bloc will be a
Israel Ambassador to Uruguay, Yaacov Tsur, with roving diplomatic envoy to South America, Yitzhak Navon (L), and Embassy Secretary, June 1949.

Courtesy of the Israel Government Press Office

*Courtesy of the Israel Government Press Office*

---

Israeli Delegation to the UN, January 1950. (L-R: Arthur Lourie, Dr. J. Robinson, Abba Eban, Dr. Avraham Katzenelson, and Gideon Rafael).

*Courtesy of the Israel Government Press Office*
united empire, I too would like to believe so, [but they themselves] do not
know when this will happen, but it will and they [the Arabs] have the time
to wait. They know something about history; they know that once upon
a time there was a Christian state in Eretz Israel that lasted two hundred
years; [and was then] destroyed by them. [The Arabs] have time [on their
side] . . . It is their interest to erase all trace of the Jews from Eretz Israel, not
only to bring about the end of the State of Israel . . . [But] they know that
[these people] will never surrender . . . [therefore] they realize that they must
destroy this [the Jewish] population . . . This is [our] terrifying problem . . .
Today designers of Arab policy are willing to make peace with us, [only]
if we transfer to Madagascar or elsewhere and forfeit the land. This is the
inescapable problem . . .

Israel’s leaders were absolutely convinced that the Arabs had no inten-
tion of ever reaching a genuine peace settlement. It was an assumption
that was two-fold in significance. First, Israel would have to resign itself
to a state of perpetual conflict with its neighbors; second, it would have
to base all security decisions on its demographic disadvantage and pre-
carious geography. Operationally this meant devising a political-security
strategy that avoided risk-taking, and designing a foreign policy based on
a “worst case scenario.” In order to thwart the Arabs’ intentions to destroy
the Jewish state, defense considerations took precedence over peace-seeking.
The logic behind this was obvious: whereas peace would always be a
doubtful proposition, the Arabs’ goal of annihilating Israel would remain
a certainty.¹⁰ “Our catastrophe” Ben-Gurion told the IDF General Staff,
“is that, as far as we are concerned, defeat is forbidden. Once or twice [the
Arabs] can lose; we can defeat Egypt ten times and nothing will happen.
[But] if we [let them] defeat us once—it’s all over.”¹¹ The Prime Minister’s
perceptions were based on some irrefutable facts. Even after signing the
armistice agreements with Israel, the Arabs remained hostile and unrelent-
ing, sealed the borders, blocked the Straits of Tiran and the Suez Canal
to Israel-bound shipping, imposed a general economic embargo on Israel,
and a worldwide boycott of Israeli representatives. All these acts brazenly
flaunted the 1952 United Nations resolution that called for Israel and the
Arab states to begin direct negotiations for terminating the conflict. The
Arabs’ adamant denial that the armistice agreements were intended to
resolve the conflict, and their repeated reference to the imminent “second
round of fighting”¹² justified Israel’s view that peace was something that
could only be attained in the distant future. As Foreign Minster Moshe
Sharett clarified this to his staff in late 1952:
If the Jewish people have managed to endure for two thousand years before the establishment of the state, they can wait another twenty years until Israel is integrated into the framework of the surrounding states . . . 

The way for Israel to achieve this far-off goal was by a tireless, concerted national effort at increasing the population, strengthening the economy, and, especially, by expanding its military power and deterrent so that the Arab nations would eventually come to accept the futility of their dream of a successful “second round,” and that they might as well come to terms with the fact of Israel’s existence. In a situation of continuous conflict, strategic security implied more than mere military clout, it referred also to the safeguarding of other survival resources, such as population, water, capital and oil.

This explains the second level of Israeli political strategy—the absolute refusal to concede so much as an inch of the territorial-demographic gains of Israel’s 1948–1949 military victory, until such a time as genuine, longed-for, peace was achieved. At the outset, Israel’s objective in negotiations with each of the Arab states was to reach a comprehensive resolution to the conflict. Israel considered the smallest concession on its part during the 1949–1951 bilateral negotiations, which continued throughout the early 1950s, as jeopardizing the overall gains of 1948, because this would lead to demands for additional concessions, which would eventually shrink the country down to the size originally recommended by the United Nations in 1947, and provide the Arabs with a strategic advantage in their unyielding desire to destroy Israel. After 1948, two additional factors joined these basic assumptions to convince Israel to consign peace negotiations to the margins of operational feasibility. The first was the realization that the enormity of the Arabs’ defeat in the war, their inability to attain strategic rehabilitation in the near future, and the mutual implementation of the armistice agreements meant that there was little relevance to an imminent Arab military threat. Further, Israel was making huge efforts at the same time to solve urgent domestic problems, primarily, the social integration of Jewish immigrants, and stabilizing the economy. Under these circumstances it was natural for the national focus to pass from foreign affairs to domestic matters. A reduction in the defense budget was one of the logical consequences of the new inward direction in the early 1950s. The relegation of peace with the Arabs to the sidelines was another. Ben-Gurion gave this view explicit expression during top-level discussion in October 1952, when he stated that peace with the Arabs was not the main interest at the moment. Moreover, policy makers in Jerusalem were concerned that
Israel’s reiterations of its desire for peace might be interpreted as a sign of weakness; therefore a line was drawn for avoiding such statements.¹⁶ This basic assessment won almost the complete backing of the Israeli political establishment despite differences of opinion over the likelihood of the outcome. David Ben-Gurion and his Chief-of-Staff, Moshe Dayan, headed the security-activist circles that supported aggressive measures and military operations against Arab targets, both as a deterrent factor and as a means of convincing the Arab world to accept Israel’s existence. This type of militant activity was considered absolutely necessary in the immediate future, because, from the moment of its birth, Israel had faced a complicated “daily security” situation that forced it to defend its borders and protect its citizens from Arab infiltrators.¹⁷

During the period between the end of the War of Independence and the 1956 Sinai Campaign, instances of Arab infiltration into Israel soared to the tens of thousands. Although some of the infiltrators were not acting out of military motives or endangering human lives, the phenomenon was, nonetheless, seen as a blatant threat to Israel’s recently acquired territorial sovereignty. Most infiltrators into Israel between May 1949 and January 1953 were bent on pillage, although others were intent on murder and sabotage; and clashes between marauders and Israel’s security forces increased towards the mid-1950s. The whole issue of infiltration also posed a strategic-military challenge. The danger to civilians and damage to property and vital infrastructures questioned the level of security in the border settlements as well as the quality of the security forces, and was seen as a serious threat to the sovereignty of the state. Israeli retaliation against targets in Arab countries offered some solution to Arab infiltrators, and aimed at pressuring Arab leaders to hermetically seal their borders with Israel. Israeli reprisals were also designed to serve long-range goals. For example, it is now known that during the first half of the 1950s Israel’s military establishment used retaliation to try to draw Egypt into a major war, whose objective was to solve a number of Israel’s daily security problems by capturing a large chunk of strategic territory, and enhancing the state’s deterrence.¹⁸ On the other hand, Israel’s strategic obligation to the conditions created by the armistice agreements was not merely a declaration of intent but also the basis of Israeli policy—at least until early 1955. In order to prevent an escalation, which would have lead to all-out conflict, moderate circles in Israel, led by Foreign Minister Sharett, faced down the activists, in an endeavor to reduce as much as possible the violent friction between the sides. Israeli military incursions across the border were limited,¹⁹ and the ensuing debate spilled over to organizational matters in the internal
Foreign Minister, Moshe Sharett, December 1949. 
*Courtesy of the Israel Government Press Office*
struggle between the Foreign Ministry and the army over the supervision of the armistice committees. Another inter-agency clash, which resulted from the question of responsibility for Israel’s intelligence services and secret diplomacy, especially in the Middle East, first took place between two branches in the Foreign Ministry, the Middle East Division and the Political Division, each demanding prime status for itself. In this struggle for power, the Political Division won, a victory that contributed to the weakening and eventual disbanding of its organizational rival.²⁰ The second, more significant, power struggle was fought between the Political Division, on the one hand, and military intelligence and the General Security Services (GSS), on the other, with each side demanding sole responsibility for intelligence and secret diplomacy—key areas of influence in shaping national strategy.²¹ Notwithstanding their bickering over policy, both the activists and the moderates were united in their refusal to purchase peace with the gold coins of territorial and demographic concessions; on this point both groups were unequivocally pessimistic about Israel’s ability to end the conflict with the Arab world in the foreseeable future.²²

During the early 1950s, the debate over the shaping of foreign policy and defense strategy was dominated by the activists. Beginning in 1951, two guidelines were set up for the responsibility of intelligence. Organizational hierarchy determined that internal intelligence be handled by military intelligence, the GSS, and the police, while activity abroad would be carried out by the “mossad le’tum” (the institute for coordination, or the “Mossad,” as it subsequently came to be known), connected directly to the Prime Minister’s Office. It was a reshuffle that left the Foreign Ministry with no significant means for molding relations with the Arab countries. The functional vacuum in the vital area of contact with the Arab world was filled by military intelligence and the Mossad. One of the clearest expressions of this hawkish orientation can be seen in the Defense Ministry’s 1954 decision to operate a Jewish spy ring in Egypt, with orders to sabotage Arab relations with the Western states in wake of Britain’s decision to evacuate its military bases in Egypt. The botched mission earned it the euphemistic sobriquet, “The Affair.”²³ At the same time the Israel Defense Force (IDF) came to dominate the armistice committees that were the major link with the Arab states.²⁴ The re-organization in government agencies that was completely supported by Ben-Gurion, strengthened not only the activist tendencies in Israeli foreign policy vis-à-vis the Arab-Israeli conflict, but also became the source for counter approaches in the Israeli Foreign Ministry.²⁵ The final victory for the hawkish line was achieved only when Sharett resigned from the office of foreign minister in June 1956, a date
that marked the end of strategic debate in Israel. From this point on, with internal opposition muted, the political-security activists gained almost total free rein in their strategic planning towards Israel’s participation in the 1956 war initiative against Egypt. The historiographical implication of these developments is also clear. Since the vast portion of Israel’s secret contacts with the Arab world in this period were carried out by the military and the Mossad, two institutions, especially the latter, extremely reluctant to declassify their documentation even half a century after the events, the historian’s ability to reconstruct an accurate picture of Israeli policy in the 1950s has been severely limited.²⁶

The small amount of material that has been opened to the public reveals that even after the assassination of King Abdullah of Jordan in 1951, the Israeli Foreign Ministry tried to maintain contact with a diminishing number of interested groups in the Arab world. Such activity was designed, naturally, to furnish vital information on current conditions in the Arab world and to indicate the prospects of reaching political agreements and understandings (especially with Egypt, after the “Colonels Revolt” in 1952). Israel stipulated from the beginning that no concessions would be made of its victory spoils from the War of Independence. Trial balloons were launched in the late 1940s and early 1950s when the Foreign Ministry was fighting unsuccessfully to hang on to the lead position it had attained in the Jewish Agency’s Political Department during the British Mandate. The erratic contacts with Arab representatives continued both directly and through intermediaries, usually foreign, until the middle of 1956. A considerable number of contacts were kept up mainly through a special channel in the Israeli Foreign Ministry in Paris. They were recorded in scores of files now located in the Israel State Archive and have been published in several books and articles.²⁷ The transcripts substantiate the claim that political dialogue continued between Israel and the Arabs even after Abdullah’s murder, although nothing came of it in practical terms. Both sides in the conflict would need more than twenty years and three wars in order to reach their first peace agreement.

INTERNATIONAL RECOGNITION

From its inception, the major political-strategic problem that Israel had to deal with was Arab hostility. The hatred was accompanied by a clearly defined policy of political and economic boycott, designed to isolate Israel from the region. Although Israel’s acceptance into the United Nations in
May 1949 was recognized by fifty-four countries, in 1953 only seven of them agreed to present diplomatic credentials in Jerusalem. The international community’s non-recognition of Israel’s postwar territorial-demographic reality—in essence belying the General Assembly’s November 1947 recommendations—allowed the Arabs to chalk up a victory for their diplomatic offensive. Sharett used mathematical terms before party leaders in mid-1949: “... the assumption is that we tried to grasp everything at once ... They [the United Nations] know how to do the type of arithmetic that can be summed up by sets of numbers: 1. UNSCOP [United Nations Special Commission on Palestine whose recommendations formed the basis for General Assembly discussions in late 1947] voted 62:38, 62 for the State of Israel, 38 for the Arab state. 2. The United Nations [Partition] Resolution of 29 November [1947] determined [territorial] proportions of 55 to 45 ... 3. The present situation stands at approximately 79 [percent of the territory] for the State of Israel and no more than 21 [percent] for the Arab part.”

Further, Israel found itself in disturbing diplomatic isolation because of its inability and unwillingness to commit itself to a bloc of nations or to form a strategic pact with one of the great powers during the height of the Cold War. Global aloofness, according to the Israeli leadership at the time, contained tangible dangers. This assessment was based on a number of reasons. First, it provided a powerful support for the Arab world’s demands, especially at the United Nations, to pressure Israel into relinquishing its war booty. The leaders of the young state regarded pressure from this direction as a serious threat, even though Israel had been legally established through the auspices of the United Nations and had been accepted into its ranks as a member state, a status that granted Israel de jure legitimacy. Second, international non-recognition was liable to have practical results, such as a freeze on economic assistance that would imperil Israel’s survival in the early 1950s (as will be analyzed later). The strategic implications of political sequestration were liable to be even more damaging because of the almost permanent international condemnation of Israel’s reprisals and the frequent demands for their cessation. Against this background, Israel’s political efforts at defending and explaining its policies played a salient role in deflecting unfavorable international reactions. In the case of an armed Israeli response, the international community’s reaction could drastically limit Israel’s military freedom; and should Israel persist, then it could find itself slapped with political and economic sanctions and prevented from taking any form of security counter-measures.

It is not surprising, therefore, that Israel’s main political goals during its first eight years were set at reducing its isolation beyond the Middle
East arena, and gaining legitimacy for its borders, its demography, and its right to self-defense. The attempts to realize these goals revolved around two central interconnected axes, the first of which consisted of activity within the framework of the United Nations to thwart any proposals calling for a change in the status quo of July 1949 (a subject still not adequately researched), and to counteract measures against Israeli retaliation. The second sought a two-way link between Israel and the superpowers, in order to forge strategic ties, on the one hand, and to minimize any possible damage to Israel’s international orientation based on non-identification, on the other. Accordingly, Israeli diplomacy was directed to activity outside the region. Nevertheless, the 1950s were also characterized by some success in breaching the walls of hostility in the Middle East. This was achieved by establishing relations (albeit problematic ones) with two states on the region’s periphery—Iran and Turkey.

International Recognition and the Arab-Israeli Conflict

Israel’s first diplomatic activity after statehood involved exhaustive lobbying in the international community, both within and without the United Nations, in order to obstruct discussions on “Palestine” and assure that any decisions made on it would be ineffective. This task proved to be a challenging one, since, according to the General Assembly resolution of 11 December 1948; a Conciliation Commission was to begin operating to assist the sides in ending the war. The commission was also intended to re-implement the decision for the internationalization of Jerusalem, and call on Israel to repatriate Arab refugees who wanted to return, while compensating those who preferred to remain in exile. The chief opponent in this struggle was, naturally, the Arab world that had gained the moral support of most of the United Nations’ member states. This turnabout added to the conceptual revolution within the Israeli leadership vis-à-vis the United Nations Organization, a negative perception that had already begun during the War of Independence and which would influence Israeli foreign policy for many years to come. Jerusalem’s first contact with the organization in the latter half of the 1940s had been extremely promising. It had provided Israel with an international playing field for the highly successful diplomatic activity that had helped Israel reap the majority of votes needed for the establishment of the Jewish state, and it forged what one historian defined, perhaps exaggeratedly, as “a kind of symbiotic tie between the Zionists and the United Nations.” But the traumatic war forced upon Israel by the Arab states in 1948 highlighted, in the eyes of many of Israel’s leaders, the organization’s total impotency in executing its
decisions and was proof of its basic limitations. This view intensified after the war when the United Nations emerged as the main international arena in the Arabs’ struggle to revert Palestine to its previous status. The frequent confrontations that involved countless attempts by Israel at blocking these aims fixed in Jerusalem’s mindset the image of the United Nations as a hostile body.³⁴

The international organization merely reflected the political forces that comprised it. From Israel’s point of view, three superpowers were engaged in the Middle East, and in all matters connected with a resolution of the conflict the American position presented a lesser challenge to Jerusalem than the British one. Israel’s undeviating position on procedural matters was that the conflict could be settled only by direct negotiations between the sides without any preconditions. In principle this approach was acceptable to the American State Department, whose position, until late 1954, was that the settlement of the conflict should be left to the two sides. In the intervening years it refused to adopt a policy of coercive diplomacy. The Soviets, too, supported this approach. The British, however, rejected Israel’s stubborn line on procedural matters for resolving the conflict, and tended to take an activist policy that included pressuring Israel to make concessions. In this way the British position was much less convenient for the Israelis.³⁵ Disagreement among these countries and the frustrating complexity of the conflict created a situation in which the major part of superpower activity ended up as conflict management (avoiding a flare-up and reducing tension) rather than a search for a solution to the conflict. Only in 1955, after an agreement was hammered out between the United States and Britain on the “Alpha” Plan (that included pressuring Israel into transferring large tracts of the Negev to Egypt) did Israel rear up on its hind legs and face down the two superpowers that were threatening to compromise its territorial integrity.³⁶ This attempt by the superpowers, as stated, failed. Despite disagreement over certain related issues, the British and Americans saw eye to eye on the importance of working within the framework of the United Nations in attempting to solve the conflict. This approach, and the interests of other countries outside the Arab world, triggered some of the most intense activity carried on in the United Nations between 1949 and 1952, and presented Israel with major challenges to its sovereignty. This was especially true in light of the international community’s threat to deny recognition of Israel’s war gains.

Israel’s diplomatic struggle inside and outside the United Nations revolved around four specific issues: borders, Jerusalem, refugees, and reprisals. One of the basic foreign policy problems faced by Israel in the
The 1950s was the UN’s non-recognition of the armistice lines as the country’s legitimate borders. The recognized lines were either the borders of the Mandate or those of the November 1947 Partition Plan, according to which the geographical division between the future Arab and Jewish states had been drawn up. This outlook significantly strengthened the Arabs’ opening move in their negotiations with Israel, emboldening them to demand territorial concession as a precondition to serious discussion. Of greater importance were the demands of the leading states in the international system, headed by Great Britain and the United States, for Israel to surrender certain areas under its control, such as the Western Galilee and parts of the Negev, as a means of achieving peace in the region, solving the Arab refugee problem, providing Jordan with a land route to the Mediterranean, and creating territorial continuity between Egypt and the Arab world to the east. Israel stubbornly stuck to its position that any discussion on permanent borders would have to be based on the 1949 armistice lines, and that any border adjustments it was willing to make, would be of a minor and mutual nature.

A good example of this and one that has received recent historiographical treatment is the battle for the Negev.³⁷ One of the key factors in the international effort to alter Israel’s borders in its first years of statehood was the long-standing British interest in controlling a land link between Egypt and Iraq, *inter alia*, via Israel. From 1947, until the signing of the armistice agreements in mid-1949, the British tried to change the Partition Plan’s sections regarding the Negev and persisted in their efforts even after this attempt failed. The Americans chose to remain Britain’s fence-straddling partners on this issue. But the State Department’s approach was similar to that of London in demanding at the Lausanne Conference, for example, Israeli flexibility on the Negev as an expedient to settling the conflict, and even threatening to take severe measures if Israel refused.

American electoral considerations, however, compromised Washington’s ability to implement a consistent policy against Israel on this subject. In operational terms it was very difficult even for the British to apply effective political pressure on Israel who, as stated, rejected every attempt to infringe upon its sovereignty in the Negev. Staunch Soviet support for Israel on the issue did not lighten matters for the British Foreign Office. This reality changed in late 1954 when, for the first time since the United Nations recommendation in November 1947, the British managed to bring the United States to agree to a peace plan based on the transfer of part of the Negev to Egyptian sovereignty (the Alpha Plan). Israel, who was not partner to the intrigue, found itself facing an extremely menacing international
coalition in 1955, but the Israeli prime minister refused to make even the smallest gesture towards a concession.³⁸ Since Egyptian President Gamal Abdel Nasser held fast to his unflinching demand that the precondition for peace negotiations was Egyptian sovereignty over a wide swath of the Negev, the Alpha Plan faded away within the year.³⁹

The question of the demilitarized zones also sparked confrontation between Israel and the Arab states. Since the armistice agreements did not determine to whom these area belonged, Israel demanded sovereignty for itself. Naturally the Arabs were opposed, and the political harangue that followed often grew into military clashes especially on the Syrian front. In turn this became a source of political pressure on Israel by countries outside the region. Since its approach to the conflict was based on the strict maintenance of the armistice agreements and an absolute reliance on the reports of the United Nations observers the United States took the lead in this crisis. Many of the UN reports (as revealed in later historical research) pointed to Israel as the military aggressor and initiator of the skirmishes.³⁹ While Israeli diplomats explained *ad infinitum* Jerusalem’s basic approach to the unresolved status of the demilitarized areas, and especially the official version of the Israeli initiative in various military incidents, it was Israel’s military activity that stood at the base of the constant political friction with the United States and other countries.

The Israeli view was that the Arab states were to blame for the refugee problem and were, therefore, duty bound to solve it. Israel determined the principle that the solution to the problem should be sought in resettlement of the refugees inside Arab countries, while agreeing, nonetheless, “for humanitarian reasons,” to participate in solving the problem, but stipulated that this assistance would be part of a comprehensive arrangement with the Arabs.⁴⁰ Here, too, Israel adamantly withstood international pressure. In 1949, for example, the Americans proposed the return of a quarter of a million refugees to Israel and created the strong impression that an evasion of response on Israel’s part would result in American opposition to Israel’s acceptance into the United Nations.

The political fate of Jerusalem presented an exceptionally formidable challenge to Israel. Contrary to Israel’s expectations, the Conciliation Commission devised a plan in 1949 that was approved in December of that year with the support of a majority of the member states, for establishing international rule over the city. Israel came under powerful international pressure to change Jerusalem’s status quo. No less severe, perhaps, was the bilateral and collective pressure applied within the framework of the United Nations following Israel’s retaliation raids. Israel’s intentional attacks on
Arab sovereignty caused by the raids (even though a number of operations were misleadingly presented as acts of civilian revenge) and the danger of escalation and renewal of all-out fighting explain the international efforts throughout the first half of the 1950s to restrain Israel and limit its freedom of military activity.

In light of these pressures, how did Israel carry out its foreign policy? What tools did it have at its disposal? How can its success in preventing the divestiture of its war gains be explained? Jerusalem held a number of cards that it managed to play quite effectively. First, the facts on the ground gave it the physical capability to nullify every operational move proposed by the international community. Territorial alteration or the return of refugees could be carried out in face of Israeli opposition but only if military force were used or crippling sanctions and harsh collective threats were employed. Although the Israeli Foreign Minister suffered insomnia over these possibilities, in retrospect not one of them was a realistic option from the international point of view. One reason for this was the differences of opinion among the superpowers. Each had its own solution to the conflict. Also, on certain issues some of superpowers approached the Israeli positions. For example, Israel benefited from American ambivalence on the refugee problem. Moreover, when Israel tried to put a freeze on the physical division of Jerusalem and win international recognition for this move, it received unofficial but practical support from the United States. This was due to the United States opposition to plans for internationalizing the city against the wishes of the parties, and to the American back-channel attempt to broker an agreement between Jordan, Israel and the Vatican on Jerusalem. The process of decision-making in Washington on the Jerusalem issue has been recently brought to light by an American historian who defined the policy, not surprisingly, as “alignment by coincidence” with Israel. Britain’s unequivocal support for Jordanian rule over Jerusalem had, for obvious reasons, an even less disguised interest for impeding the United Nations plan for internationalizing the city. In this way crucial support was given to the group of countries that refused to commit the United Nations to take serious measures to implement the November 1947 and December 1949 resolutions on internationalization.

The second reason why heavy-handed strategy was not seen as a viable option by the superpowers, or by the majority of the UN member states, was the natural proclivity to hope that an international body like the United Nations, dedicated as it was to world peace, would succeed in bringing the sides to a compromise solution without resorting to painful sanctions. The Arabs’ refusal to compromise, however, made it easier for Israeli representa-
tives to point to the foolishness of an imposed international settlement on only one side in the conflict. Moreover, on a number of international issues, first and foremost the Jerusalem question, the international community was faced with an extremely complex situation in which both Jordan and Israel stood united against any major changes in the urban reality that had resulted from the 1948 War and worked to the practical benefit of each side. Specifically, the partition of Jerusalem was desired by the Jordanian monarch and Israeli leadership, who formed a very effective coalition against plans for implementing the principle of internationalization. Under these circumstances the United Nations was unable to draw up, let alone put into effect, an independent operational program on the Jerusalem issue.

Israeli foreign policy also made efficient use of the proposals for concessions on its part in order to extricate itself from international pressure, especially that of the United States. On the refugee question, for example, Israel expressed its willingness to consider the absorption of 100,000 refugees in 1949, and an arrangement with Egypt, whereby Egypt would receive desert areas along its border with Israel in exchange for Israel’s annexation of the Gaza Strip. After the Arabs rejected these proposals, Israel agreed to cooperate with representatives of an international survey commission that would offer (but in the end failed to) mutually acceptable economic solutions to the refugee problem. In 1950, after Israel sensed an American loss of interest and reduction of pressure on the issue, it withdrew its willingness to absorb the Arab refugees but expressed a commitment to establish and contribute to a “rehabilitation fund.” One year later, Israel agreed to an additional token concession and announced it was prepared to open negotiations, according to certain conditions, with an accredited United Nations institution or with the Conciliation Commission on the question of compensation for abandoned Arab lands. The conditions stipulated that negotiations would be carried out by free agreement; no demands would be made of Israel for more than an equitable contribution within its economic capability; Israel would be granted international assistance for its financial contribution; no further demands would be made of Israel; fulfillment of the payment would rest on the United Nations and not on Arab countries or landholders; the compensation that Israel was to receive for the frozen assets of Iraqi Jews would be detracted from the payment to the refugees; above all Israel would abide by its side of the bargain only if it was agreed upon that this contributed to the solution of the refugee problem, and that the issue would be considered settled. Finally, it should be mentioned, Israel also profited greatly from the fact that the Palestinian refugees were in no
condition in the early 1950s to produce a leadership that could effectively represent their interests in the inter-Arab arena let alone the international one.⁴⁵

The problem did not disappear from the international arena, and the decisions that were made in December 1948 continued to threaten Israel. But there is no doubt that the volume of international diplomatic energy expended on the conflict lessened considerably during the first half of the 1950s. The explanations for this, of course, went beyond Israel’s unilateral steps. Nevertheless, it seems that the combination of Israel’s strategic refusal to submit to international pressure, on the one hand, and its tactical willingness, sometimes only manipulative, to offer independent solutions to the conflict, proved a most effective strategy for dealing with the issues of borders and refugees. The Jerusalem question, however, eluded this type of diplomacy. During 1949 Israel endeavored to combine its rejection of the practical implementation of the Conciliation Commission’s plans for internationalization with a willingness to agree with the United Nations on the question of supervision and safeguarding of the city’s holy places. Totally unexpectedly, the political negotiations turned into an approval by the General Assembly of the entire internationalization scheme in December 1949.Israel perceived the plan as a strategic menace that required an unprecedented step in the short history of its foreign policy. The Israeli leadership greatly feared the relative majority enjoyed by the plan (including the United States, the Soviet Union, and France), regarding one of the most salient points in the 1947 Partition Resolution. Israel felt that without a vigorous response on its part, not only would Jerusalem be seized from its grasp but also the territorial and demographic status quo in the young country would be severely compromised. This tangible fear compelled the prime minister to deal decisively with the United Nations decision, and on December 13, 1949 he proclaimed—despite the opposition of his foreign minister—that Jerusalem would henceforth be the official capital of the state of Israel.⁴⁶

While coming to the decision, Ben-Gurion correctly predicted the international organization’s inability, and the Americans’ unwillingness, to clash head on with Israel over this question, especially due to the basic difficulty in the practical implementation of internationalization and the opposition of the two countries ruling the city. Israel mitigated its unilateral decision with proposals for resolving the Jerusalem problem within a vague framework of United Nations supervision over the holy places. This would be most problematic and impractical, as Sharett and Ben-Gurion
well knew, since most of the holy sites were in Jordanian territory and Jordan was categorically opposed to any infringement of its sovereignty over the eastern part of the city, while the Vatican was rigid in its demand for full internationalization and had no intention of compromising on a scheme it justifiably deemed empty of content.⁴⁷ Britain’s opposition to the internationalization of Jerusalem, the Soviet Union’s similar reaction in 1950, and American ambivalence to the maximal plan, as well as that of a number of non-Catholic churches, all guaranteed, in 1954, the effective removal of what had been conceived as one of the direst threats to Israel by the United Nations. Israel’s diplomatic achievement stood out all the more singularly, especially in light of the lukewarm reactions by the international community toward the government’s transfer of the Foreign Ministry’s offices to the city in 1952.⁴⁸

However, Israeli strategy in these years failed to turn *de facto* international acceptance of Jerusalem into *de jure* recognition, as can be seen by the fact that almost no country in the world was willing to grant official endorsement to the Israeli capital in the 1950s. Instead they established their representations in other cities. The political struggle that had been waged on the Jerusalem question was rendered, in effect, inconclusive. Furthermore, it has remained to this day one of the most acute reminders of the international community’s refusal to accept the reality created in the city during 1948–1949. At the same time, Israel also failed to attain a cancellation of the United Nations decision on the refugee issue that continues to be the legal and international basis of condemnation against Israel.

Another example of Israel’s limited success on the international front during the 1950s, and for which it was harshly censured, was the matter of retaliation raids. The denunciation of Israel’s military reaction stemmed mainly from the assessment in many capitals outside of the Middle East, especially Washington, London, and Paris, that this type of activity could escalate to war. Israel’s response to this fulmination was influenced greatly by Ben-Gurion’s accurate estimate (for the most part rejected by the Foreign Ministry) that the international pressure campaign would not be backed by forcible measures. This campaign reached its climax in October 1953 following the IDF raid on Qibya (ten kilometers east of Lod airport), after which IDF forces were dispatched only against military targets and with a strict warning not to hit civilians.⁴⁹ Despite the Israeli Foreign Ministry’s estimate that the hostile international reaction would be “a severe blow to the state’s international standing,”⁵⁰ it seems that the Western Powers accepted, at least partially, Israel’s claims that its cross-the-border incursions were a realization of its right to self-defense.⁵¹
On a number of occasions, however, the Americans did threaten the Israelis, especially with regards to armaments, while at the same time enticing them with the possibility of a strategic pact. But Ben-Gurion was determined to give absolute priority to immediate security concerns. To Sharett “he preached his view as though it were an iron-clad rule: as important as a [strategic] pact with the United States may be, security matters are no less important, and if this is a contradiction, then so be it.”

Little wonder that international pressure did not cause a basic change in Israeli strategy nor, for numerous reasons, a rupture in relations with the superpowers. Moreover, Israel’s military activism and proven operational capability, as seen in the retaliatory raids, seem to have been of great value in convincing the French military establishment in early 1956 of Israel’s strategic importance, thus paving the way to the bilateral pact and the road to the Sinai Campaign. Nevertheless, it is hard to deny what was claimed at the time, and in retrospect, that Israel’s retaliation policy succeeded only in fanning the flames of hatred in the Arab world towards the Zionist state, and that the raids had a negative influence, at least in the immediate future, on the prospects of resolving the conflict.

2. Strategic Ties with the Superpowers

Israel’s foreign policy did not begin ex nihilo. Its historical foundations lay in the diplomacy of the Zionist movement. One of the main characteristics of this diplomacy was the quest for the support of the Great Powers that was crucial in the movement’s early stages, when it lacked any territorial base for realizing its vision. The goal of latching onto a powerful friend remained a central feature of the Zionist movement even after it attained political recognition and practical support in the Balfour Declaration, and after the establishment of the British Mandate in Palestine. Nevertheless, as long as Great Britain ruled in Eretz Israel by the authority of the League of Nations, the question of the Yishuv’s international “orientation” remained an academic question, notwithstanding radical left-wing groups in the Yishuv that raised the banner of the “forces of the morrow,” as the Soviet Union was referred to in the jargon of the period, and right-wing groups that expounded partnership with anti-British forces such as Fascist Italy. However, the end of World War II witnessed three historical processes that lent a pragmatic dimension to the Zionist movement’s search for a global power to back it in its struggle for independence. First, was the hostile policy, as perceived by the Zionist leadership, of the British Labor Government and especially its decision to transfer the Palestine problem to the United Nations; second, the United States’ growing interest and
involvement in Palestine;⁵⁹ and third, the unmistakable signs of a surprising change in the traditionally hostile position of the Soviet Union towards the Zionist movement and its political goals.⁶⁰

In the first two years after World War II, this external reality formed the basis for the debate on Israel’s global orientation and carried for the first time practical implications for the Zionist leadership and the Yishuv’s political system. The main protagonists were those who were keen on retaining Zionism’s traditional diplomatic reliance on the British, vis-à-vis those who asserted that it was necessary to seek political ties with newer and more promising partners, such as the United States, or the Soviet Union.⁶¹

The termination of the Mandate and the birth of the State of Israel naturally reduced these alternatives but at the same time, paradoxically, also brought them into sharp focus. The choice facing Israel was complex because it would have to be made at the height of the Cold War, when a leaning toward one side automatically meant an antagonistic position toward the other. Israel was apprehensive over the results of an explicit strategic choice and preferred to adopt a political line that was defined at the time as “non-identification.” This strategy called for “knocking on both doors” while avoiding any move that might slam either of them shut. In the international reality of rigid bipolarity from the late 1940s to the mid-1950s, this ploy required great skill at political juggling, but it also sparked internal dispute.⁶² The dilemma that Israel faced and the circuitous path that it chose can be appreciated by a comprehensive analysis of the considerations involved in shaping this strategy.

Israel’s chief motivation in seeking superpower ties was the continuation of the conflict at the end of the War of Independence. The Arabs’ political-economic-military boycott of Israel and regional isolation also explain the endless attempts by Israeli diplomats at building strategic bridges with key elements outside the Middle East who might grant it access to resources it desperately needed.⁶³ Although Israel seemed to have the freedom of choice in its global orientation, for all practical purposes only the West offered it the hope for receiving economic aid, financial support, investments, raw materials, food, oil, military hardware and technological assistance—the vital resources the young state sorely lacked and that the Soviet Union was unwilling to supply. This was true despite the Czech armaments sent to Israel with Soviet approval at the beginning of the war and which proved to be of inestimable value at the most critical stage of the fighting.⁶⁴ Although Czech arms continued to flow, surprisingly, for a year and a half after the fighting, it was still unrealistic for Israel to base its military development on the Eastern bloc. This evaluation was peremptorily
proven correct to Israeli policy-makers in early 1951 when the Czech government flatly rejected Israel’s requests for continued arms sales. A direct request was made to Moscow five years later for weapons purchases when Israel found itself at a painstaking disadvantage after the publication of the Egyptian-Czech arms deal (September 1956), and, especially, following the American refusal to assist it with weapons. Despite positive signs from the Eastern block, the Russian reply to Jerusalem’s specific request in 1956 was negative.⁶⁵

Jerusalem saw the Soviets as a disappointing source not only of “canons” but also of “butter.” The USSR’s own grave economic situation during this period dictated its unwillingness to grant financial assistance to foreign countries, not even to Soviet satellite states. Its own links with Eastern block countries were characterized at this time by a one-way flow of resources—from Eastern Europe to Russia. Israel was well aware of conditions in Russia, and the negative response to the feelers it had put out to test Moscow’s willingness to grant economic aid in 1949 verified this assessment.⁶⁶ Nevertheless there was one economic area where the Soviet Union was prepared to answer Israel positively: Oil. When the British had placed Israel under a tight oil embargo in early 1948, the Soviets supplied oil to Israel in small quantities. Although the Russians also agreed five years later to sell Israel large quantities of the precious liquid, Jerusalem could not rely on the Soviet Union as a stable source (as will be analyzed below).⁶⁷ In summary, Israel viewed the West as the only potential source of desperately needed economic material.

The young country was also in need of foreign support to withstand the international pressures threatening its war achievements. In general, from 1949 to 1955, Soviet policy was sympathetic to Israel. Excluding the surprisingly hostile position it took on the Jerusalem question between late 1949 and early 1950, the Soviet Union and other Eastern block states supported Israel’s basic line that sought to preserve the status quo and curtail United Nations involvement with the Jerusalem question. Moscow’s interest was clear—by supporting the establishment of Israel it intended first and foremost to knock Britain out of its traditional status as the key player in the Middle East. Every blow by the international community to Israel’s strategic gains in the 1949 armistice agreements was seen by the Soviets as a British attempt to return to their former hegemony in the region.⁶⁸

It is not surprising that Israel had a supreme interest in adopting a foreign policy that would guarantee unfailing Soviet support. A manifestly pro-Western leaning, directly into the anti-Communist camp was viewed in Jerusalem as jeopardizing Israel’s security. Moreover, in the first years
of the state when accelerated immigration became the nation’s immediate goal, it was natural that great prudence was demanded in foreign policy especially towards countries with the potential for large-scale immigration. Most of the immigrants to Israel during this period hailed from countries behind the Iron Curtain; therefore it was in Israel’s basic interest to avoid any signs of a hostile policy towards the communist world.

Political acrobatics, in the form of preserving a policy of non-identification, were also indispensable because of the pressures of internal politics. The state’s leadership consisted mainly of members of the center-left Mapai party (the Israel Labor Party). In the country’s first years this party faced a serious political and ideological challenge from the left-wing Mapam (the United Workers Party). The 1949 elections had elevated Mapam to the position of the second largest party in the Knesset, and as such it offered young voters a highly attractive ideological alternative to Mapai for leadership in the Labor movement. A sharp clash ensued between the two parties over the question of Israel’s international orientation. Mapam called for an independent line that actually meant a pro-Russian orientation. Under these sensitive circumstances Mapai’s leadership had to decide whether to adopt an unequivocally pro-Western, anti-Soviet foreign policy (such as agreeing to the construction of British military bases in Israel), that could lead to a dangerous internal rift within the Histadrut (the all-powerful labor union).

To recall, the ideological confrontation between Mapai and Mapam had its roots in the Yishuv when Mapai’s leaders, especially David Ben-Gurion, developed a strong enmity towards communism, the Soviet regime, and Moscow’s leadership. Mapai leaders, who rejected the political and ideological totalitarianism in the Soviet Union’s domestic and foreign policies, were fully aware of communism’s official opposition to the Zionist movement. It appears that Mapai’s attitudes towards the Soviet Union did not change after the establishment of the state despite the valuable support that Moscow extended to the Yishuv before, as well as after May 1948. Nevertheless, it was impossible to brush aside this assistance in the historical context of Zionist-communist relations; it was so significant that Sharett defined it immediately after the declaration of statehood, as “the most revolutionary change that had occurred in the political standing of Zionism and the Jewish people since the Balfour Declaration.” It seems fair to assume that the Israeli prime minister was less hyperbolic in his assessment of the meaning behind this development. However, at an early point in Israel’s statehood, Ben-Gurion came to the sober conclusion that a political *modus vivendi* could exist between the two states despite the unbridgeable ide-
logical polarities between Zionism and Communism. While he regarded a political settlement with the Soviet Union as crucial for Israel, he harbored no illusions as to the unavoidable ideological confrontation between the two countries. In practical terms, this called for deft political maneuvering. Such a balancing act attained full expression in this period during the fierce political and ideological struggles waged by Mapai against Soviet-oriented Mapam. The power struggle, which reflected an inherent political logic, allowed Mapai to expound camouflaged ideological criticism against Russian communism while taking great care not to descend into a political confrontation. Nevertheless, Ben-Gurion regarded strategic contact with Moscow as a political taboo, a red line not to be crossed.⁷¹

Moreover, even relatively innocuous activities expressing a pro-Communist leaning were rejected by Mapai policy-makers because of internal political and ideological considerations. It is hardly surprising, therefore, that Foreign Minister Sharett refused to contemplate a pursuit of diplomatic ties with the People’s Republic of China in 1954, out of a fear that relations with this country would be seen as “strengthening the communist front with a country with whom we are in a state of total war . . . and [would be catamount to] sticking the point of a communist dagger into the heart of our country.”⁷²

But, building strategic ties with the West was not an easy matter for Israel’s policy-makers. First, the western camp, especially Britain and the United States, had for the most part refused to recognize Israel’s territorial-demographic status quo after the War of Independence. To Jerusalem’s chagrin, realpolitik had forced the British and Americans to adopt what was perceived as a pro-Arab leaning; and this was why Western policy seemed very abusive toward Israel. This was especially true vis-à-vis Great Britain. According to Ben-Gurion and many of his colleagues, Britain’s traditional role in Middle East politics presented a threat to the state. The leadership in Jerusalem followed the same policy line that the Jewish Agency (the Yishuv government during the Mandate) had adopted after World War II, in which the Zionist leadership remained wary of British intentions and perceived hostile signs in it. Therefore, Britain was regarded by Israel as an unreliable factor. Even though Britain recognized the State of Israel in early 1949 and diplomatic relations were established between the two countries, the image of the British government as a continuation of Bevin’s anti-Zionist line could not be erased.⁷³

Against this backdrop, it is clear why Israeli leaders, especially Ben-Gurion, had difficulty in conceiving permanent strategic ties with the British Government, which also, as we now know, did not seriously consider
this possibility at that time. A similar conceptual and credibility gap cannot be observed in Jerusalem regarding strategic relations with the United States, yet two supplementary factors rendered the possibility of such a pact remote. First and foremost was Washington’s inherent reluctance to enter into a strategic relationship with Israel, or even allow it to join a regional defense plan under American aegis. Both the United States and Great Britain reiterated their opinion that a turn in this direction would be likely to ruin the West’s attempt to create a regional security system based on the Arab world—the chief goal of the two superpowers at the time. Therefore, the first stipulation that they issued regarding bilateral issues with Israel was for Jerusalem to tone down its retaliatory raids and, second, to respond positively to American demands and to demonstrate more flexibility in peace negotiations with the Arabs. Jerusalem, however, was stiff-necked in its refusal to abide by either of the stipulations.⁷⁴

Under such perplexing conditions, Israel felt that its only way to minimize damage, while gaining an advantage from all sides, was to tread the path of non-identification in its global orientation. This policy was based on a pragmatic principle that served material-instrumental interests by eschewing any political-ideological program such as that which later characterized the bloc of non-identified Afro-Asian nations. This orientation also fit in with the Jewish historical tradition that had always refused to accept a priori principles and acts. It was as though Israel were saying, “we’re on our own because the world is against us”—a statement that expressed a fundamental distrust of the goodwill and moral preaching of the non-Jewish world.⁷⁵

Israel soon discovered that for several reasons the implementation of a strategic policy of non-identification was fraught with liabilities. The main problem was that both the United States and the Soviet Union tended to judge Israel by its pro-Communist or pro-Western proclivity, and pressured Israel to define its position much more clearly. In the first two years after Israel’s independence, American and British officials and politicians repeated their concern that Israel’s socialist leadership would lean to the Russian side. Even when it became obvious in early 1950, especially after the outbreak of the Korean War in June of that year, that this fear was unfounded, they would not accept Israeli reservations against openly declaring its support of the American side. There is little room for doubt that Washington and London soon realized that while Jerusalem was reluctant to pledge official backing of the anti-Soviet coalition in times of peace, it was unequivocal in its support of the coalition during a global conflict.⁷⁶
The Russians came to the same realization even earlier. In the absence of relevant Soviet documents it is difficult to determine Russia’s precise view in 1947 regarding their prognosis of Israel’s international orientation.\(^7\) Apparently they hoped that Israel would remain independent, refuse Western support, and decline to participate in anti-Soviet defense pacts. It is reasonable to assume that the Russians were disappointed in Israel’s non-identification policy even before the Korean War.\(^8\)

It may be said in retrospect, that the two superpowers correctly perceived the operational direction developing in Israeli foreign policy. There can be little doubt that the advantages and disadvantages of alternative strategies to non-identification were well known to Sharett and Ben-Gurion. They were also unquestionably aware of the dilemma—that a strict safeguarding of Israel’s international neutrality was likely to harm it in the future, while a Western orientation offered much more lucrative material benefits than a Soviet one. The policy line that was consolidated during the latter half of 1950 and the following year could be termed “facts, not pacts,” and in essence rejected Israel’s overt participation in an anti-Soviet strategic system, while, at the same time, it sought paths for covert cooperation with the West based on the industrial-economic-military build-up of Israel. The overall success of this policy, that lasted until the beginning of 1956, was not impressive (as will be analyzed below).

From its independence in 1948 until the Sinai Campaign, Israel’s relations with the Soviet Union and its satellites were marked by the deep frustration felt by the policy-makers in Jerusalem and Israeli diplomats abroad. The memoirs of officials involved in Israeli-Eastern block diplomacy resound with disappointment.\(^9\) No less than an exposure of feelings, the biographies and documents also reveal the political and diplomatic reality of the period. From its inception, the Soviet Union had aggressively opposed the Zionist movement on ideological and political grounds. Inside the USSR this policy had led to the liquidation of Zionist and Jewish organizations; in foreign affairs it rejected the movement’s right to exist. Little wonder then that Soviet support in the United Nations for the establishment of an independent Jewish state, and its continued implementation of this policy afterwards (in the form of political cooperation in the United Nations, indirect aid to immigration and flight from Eastern Europe, and approval of the Czech arms sales) had caught the Zionist leadership off guard and was received with great satisfaction. Despite the great care taken to refrain from leaping to long-term conclusions, and even though the Soviet global rationale (that had nothing to do with Israel-USSR bilateral
Golda Meir presenting her credentials as Israel’s first Ambassador to the Soviet Union to Deputy Chairman of the Supreme Soviet Valisov, October 1948.

Courtesy of the Israel Government Press Office

Golda Meir, Foreign Minister, September 1956.

Courtesy of the Israel Government Press Office
relations) was well understood, Israel still held onto a precarious hope that friendly relations with the Soviet Union would remain intact. This illusion was shattered very shortly after Russia recognized Israel. Soviet reconsideration quickly turned into open hostility following the establishment of an Israeli diplomatic presence in Moscow. The Kremlin went so far as to neutralize Israeli diplomats from all political, consular, cultural, and economic activity, and even denied them the right to make contact with local Jewry. From the moment they arrived in Moscow, Israeli representatives were virtually unemployed. By the end of 1948 the anti-Zionist-Jewish line also gained strength in the Soviet Union’s domestic politics and was expressed in Moscow’s unwillingness to maintain even a semblance of correct political ties with Israel through its representatives abroad and in Tel-Aviv.

Israel’s ability to alter this situation was limited. The only card it held was the preservation of its neutral line in foreign policy, and especially its refusal to join any anti-Soviet strategic pacts or allow the construction of Western bases on its territory. In its sporadic political contacts with the Soviet Union, the message of Israeli neutrality was persistently reiterated. An example of the fragile line that Israel tried to toe may be seen in its hesitation to support the American-led coalition in the United Nations at the outbreak of the Korean War. After Israel realized that it could not remain neutral indefinitely it decided to join the Western-led majority, while emphasizing that it was only supporting the United Nations and not admitting to a new anti-Soviet policy line. The following year, in response to Soviet accusations that it was pursuing an anti-Soviet policy, Israel made clear in an official memo its commitment to maintaining neutrality and prohibiting foreign bases on its soil. This declaration does not seem to have impressed the Soviet leadership. Beginning in late 1948 and especially throughout 1950, the Kremlin reaffirmed its conviction that Israel had become an integral part of the “Western-imperialist camp.” This perception reached unprecedented expression in the Soviet Union in 1952 during the “Doctors’ Trial” directed against Jews, Zionism, and the State of Israel. Russia’s severance of diplomatic relations a year later was interpreted in Jerusalem as the natural conclusion of earlier developments. The renewal of diplomatic ties in 1954 added no change to the basic character of Soviet-Israeli relations. Furthermore, in September 1955 Moscow authorized a Czech weapons sales of enormous quantity to Egypt and this was naturally understood in Jerusalem as the Soviets’ unequivocal support of Israel’s enemy. Israel’s attempts from 1948 until the Sinai Campaign to reach a state of political normalization with the Soviet Union ended in total failure.
Extant research reveals, however, that Israel attained normalization in its relations with the three Western superpowers—the United States, Great Britain, and France. Until late 1956, however, Israel did not succeed in forming strategic ties with them, mainly because it could not rely on their support in the political conflict with the Arab world. All three Western superpowers, each for its own reasons, rejected the sum of Israel’s war gains and tried to promote a solution that Jerusalem could only interpret as the demand for unacceptable concessions. It should come as little surprise, then, that Israel reacted negatively to the Anglo-American-French “Tripartite Declaration” in 1950 that was intended to guarantee official recognition of the status quo in the Middle East.

Despite the tension between Israel and the superpowers, Jerusalem realized at an early stage in the development of its foreign relations the importance of forging discreet, strategic contacts, especially with the United States. There were two central factors involved. The first was Israel’s suspicion of Britain over all aspects of its Middle East policy, a distrust that totally disavowed the possibility of a “British orientation” in Israeli foreign policy. An outstanding expression of this view was Ben-Gurion’s absolute refusal in 1951 to even consider the construction of British bases in Israel. The second factor was the great respect accorded to American political, economic, military and strategic weight in the world, as well as the United States’ increasing influence in the Middle East and its strategic approach toward Israel, all of which were seen (despite a number of political disputes) as far more beneficial than whatever the British could offer. Between 1951 and 1955 Israel tried, therefore, to obtain a direct understanding with the United States on strategic issues whether in the form of a bilateral defense treaty or cooperation in the build-up of Israel’s industrial and economic infrastructure that could serve Western interests in the event of a global conflict. Since the American State Department was known to oppose these ideas, an effort was made to interest the American security establishment about the advantages of an Israeli connection. Contacts were made with the CIA, which, beginning in 1951, started receiving intelligence information on the communist bloc that was collected in Israel from new immigrants who had recently arrived from Eastern Europe.

These feelers came to naught. From the beginning of the Eisenhower era, Washington consistently refused to respond to Israel’s requests because to do otherwise would have meant ruining its chances of turning the Arab Middle East into an area of anti-Soviet defense organizations under American auspices—the main goal of United States diplomacy in the region. Israel, for its part, was very concerned about an American proposal that it
join one of these regional pacts. This was because of the risk of deterioration in Israel’s relations with the Eastern bloc and, especially, because of the inevitable intelligence leaks that could be expected from membership in an organization that included Arab countries.\textsuperscript{84} Israel’s strategic isolation was very pronounced during 1955, the year that the Baghdad Pact was formed\textsuperscript{85} and that virulent anti-Israel resolutions were passed by the new bloc of non-identified nations established in Bandung, Indonesia (Israel was conspicuously not invited to the conference).\textsuperscript{86} Also in 1955 the Czech-Egyptian arms deal was signed, a clear message of Soviet support for Arab strategy.\textsuperscript{87} It should be obvious, then, why Jerusalem found it difficult to be reconciled to political isolation and why it strove incessantly to establish strategic ties with the United States. Nevertheless, by mid-1955 Israel’s leaders came to realize beyond doubt that this goal would not be achieved for the same reasons that had hindered it in the preceding half decade.\textsuperscript{88} By early 1956 Israel found itself cut off from all multilateral international pacts and void of any form of political-security defense treaty—a situation similar to what it had been experiencing in foreign relations since its birth. To make matters worse, two major Arab countries, Iraq and Egypt succeeded in forming a strategic link with the great powers. Nevertheless, in the months leading up to the Sinai Campaign (late October 1956) Israel’s strategic isolation seemed to be over because of unexpected developments in the region.

**IMMIGRATION**

The termination of the War of Independence raised the issue of immigration and integration to the forefront of Israel’s national agenda. It was felt that the survival of the state could be secured only with a significant increase in the population. It is not surprising that in this period Ben-Gurion customarily opened strategic discussions in the Defense Ministry meetings with an update on the number of recently arrived immigrants. A huge effort was underway to guarantee large-scale immigration, and it was natural that this demanded the investment of a great amount of time and energy in Israel’s foreign relations, as revealed in several studies published during the last fifteen years.

Israel targeted countries in the East bloc for potential immigrants. The remaining Jews in this part of the world after World War II were seen as the greatest source of immigration, especially since their situation rendered them “rescue immigration.” The Jewish Agency’s immediate operational
goal was to enable the arrival of nearly 40,000 Jews from Czechoslovakia, 200,000 from Hungary, 350,000 from Romania, 50,000 from Bulgaria, and 230,000 from Poland (most of whom had been living in the Soviet Union since WW II) before the Iron Curtain descended on these countries. Between the end of the war and the creation of Israel, almost a quarter of a million Jews from Central and Eastern Europe were smuggled into Italy, France, and Germany in an operation known as the “Brecha” (flight), and close to 100,000 illegal immigrants arrived from other parts of Europe to Palestine.⁸⁹ After 14 May 1948 the endeavors continued under better conditions for three reasons: the first was the removal of the British blockade; the second was the establishment of official Israeli representatives in Eastern and Central Europe; and the third was the increased resources that Israel obtained for expediting this operation. The combined result of these improved circumstances was the arrival of close to 300,000 Jews from East bloc countries. By the end of this great wave of immigration, it was estimated that approximately 200,000 Jews still remained in Eastern Europe (excluding the Soviet Union). Israel now had to find a way to overcome the obstacles blocking the emigration of this remnant and then set about socially integrating them into the country.

The main difficulty Israel faced everywhere it tried to promote immigration was that this type of activity required meddling in the internal affairs of another country. As such, it posed a threat to the national sovereignty of the host state that in turn awakened opposition.⁹⁰ This was especially true in the postwar East bloc where the nullification of internal and oversees freedom of movement of its citizens had become the law. This political system, more than any other in the same period, regarded free immigration of its citizens as a threat to national survival. Another difficulty lay in the need to maneuver freely in countries that greatly restricted the movement and activity of diplomats, foreign representatives, and, of course, local Jews. A third problem was the capacity to socially integrate mass immigration, in view of Israel’s acute economic limitations. To deal with these challenges, Israel employed a number of foreign policy strategies. The first was the attempt to reach an agreement, even a tacit one, with the Soviet Union to open the gates of the East bloc countries to Jewish emigration; this was a vital and natural supplement to the Soviet Union’s basic support for Israel. The message had been relayed to Soviet representatives even prior to 1948 and throughout the first three years of the state. No precisely worded official reply was received, but the scope of Zionist activity in Eastern Europe admitted to the Israeli representatives
that the Soviet outlook was sympathetic. In advancing towards its goal in the Communist bloc, Israeli representatives avoided the type of activity that could trigger an anti-immigration reaction. One interesting conclusion that has come to light in Israeli Foreign Ministry documentation is that for almost half a decade Israel had abandoned a concentrated attempt at winning the approval of the Soviet Union for the emigration of Soviet Jews to Israel. This frustrating sacrifice stemmed from the sober assessment that Russia would never permit its Jewish citizens to emigrate, on the one hand, and that the stubborn pursuit in this area would probably turn into an stumbling-block for immigration from the rest of Eastern Europe, on the other. 

Not surprisingly, Israel's organized activity for Soviet immigration commenced only in 1955 when most of the gates for mass immigration in Eastern Europe appeared sealed.

Given these conditions and the fact that most of the Jews from Czechoslovakia and Bulgaria who had wanted to immigrate before May 15, 1948 had managed to do so, the operational center for immigration in the first three years of the state concentrated on Poland, Hungary, and Rumania. This activity (which is awaiting definitive research) was capped with partial success due to a number of factors, the most important of which (and this subject lies beyond the scope of the present article) was the communist leaders' ideological opposition to foreign attempts to encourage the immigration of their citizens. At the same time, they were not averse to getting rid of certain sectors of the Jewish population, such as the elderly and infirm, especially if it was possible to receive economic remuneration in exchange. A great deal of Israeli activity concentrated on providing the East bloc countries with desperately needed foreign currency for purchasing hard to get goods.

The first technique for persuading these countries to agree to emigration was to offer dollars for each Jewish immigrant. Twice, before the establishment of the state, this arrangement had worked very satisfactorily. In 1946 Zionist emissaries for illegal immigration in Rumania agreed to pay for 15,000 Jews. In Bulgaria an agreement was signed in 1947 that allowed for the transfer of tens of thousands of Rumanian Jews via Bulgaria to Eretz Israel, as well as for the immigration of Bulgarian Jewry. The cost of this transaction fluctuated between fifty and one hundred dollars per person. According to a rough estimate, approximately $5,000,000 was paid to the governments of these two East bloc countries. In addition, considerable amounts of money were used as individual bribes to high officials in Poland, Czechoslovakia, and Hungary to permit the flow of immigration. Due to
the financial limitations of the Jewish Agency, it is understandable why at least part of the payment was clandestinely defrayed by the American Joint Distribution Committee (AJDC or JDC).⁹⁴

The proven success of “greasing the wheels of immigration” during the pre-state period, and the fact that the same people who had been involved in it before, remained so later, explains why Israel continued to use this method of inducement and financial source once the state was established. Economic enticement of this kind was proposed to other two countries in 1949—Hungary and Rumania, but only in one of them did Israel achieve partial success. Following drawn-out negotiations in September of that year the Hungarian government agreed to the sum of $300 per capita for 3000 Jewish immigrants. There was hope on the Israeli side that further transactions would be reached with other East bloc countries along easier economic terms, after the Hungarian deal. This proved to be wishful thinking. Despite numerous attempts by the Israeli government, the Hungarians and Rumanians refused to sign any more agreements similar to “the 3,000 immigrants deal.” Still, in 1949, after finally deciding to permit large-scale Jewish emigration to Israel, Rumania conditioned this emigration upon the payment of tens of dollars for each Jew leaving the country. There is no record of similar transactions in Poland.

Another technique employed more frequently in promoting Jewish emigration from Eastern Europe, involved exchange and barter. This was not based purely on economic logic. During the early years of the state’s existence, eastern European countries could offer Israel very few essential commercial commodities, let alone financial credit. In those years, Israel, too sorely lacked the goods to sell to these countries in exchange for imports. Nonetheless, Jerusalem regarded economic relations as a major instrument for saving Jewish capital in Eastern Europe through a system known as “transfer”—paying for merchandise with Jewish money that was frozen in local banks after World War II. Above all, trade and payment in hard currency was employed by Israel mainly to provide eastern bloc countries with an indirect incentive to agree to allow the emigration of Jews to Israel. Thus, trade agreements were signed with Poland, Hungary, and Czechoslovakia between 1949 and 1951, and as far as Israel was concerned, it all boiled down to a question of willingness on the part of these countries to permit immigration. Documentation shows that Poland was the only instance in which large-scale immigration began eight weeks after a commercial agreement was signed with Israel in May 1949. Whatever the case, later Israeli estimates seem to have minimized the efficacy of this type of economic lure in Hungary, Rumania, and Poland, and no attempt was made to return to it
in the mid-1950s. The upshot was that, until 1956, actual economic relations with these countries were unrelated to the immigration issue.

During the period of mass immigration, trade agreements with the eastern bloc gave Israel an additional means of overcoming opposition to Jewish emigration. The countries of Eastern Europe faced acute economic shortages because of vigorous American activity forbidding its allies, and those who enjoyed American aid, to sell to the eastern bloc a long list of industrial goods, mechanical equipment, raw materials, and even medicines—all of which were defined by Washington as “strategic goods,” and liable to contribute to the Soviet war effort. It was a situation that provided Israel with a golden opportunity to become an important commercial bridge in Eastern Europe, and to exploit this position for advancing Jewish emigration. The operation was simple: Israel would supposedly purchase those “forbidden” goods for itself, but would immediately export them in the form of “transfer” deals. The inherent danger in this scheme, naturally, was that the United States might discover the pipeline, but, casting caution to the wind, Israel decided to embark upon it. Declassified documents in the Israel State Archives (ISA) record that between 1949 and 1951 Israel “exported”, inter alia, lead and iron ore, drilling machinery, industrial diamonds and medicine to Czechoslovakia, Yugoslavia, Hungary, Rumania, and Poland. None of these goods was produced in Israel. To guarantee expediency, Israel set up a special company, known as “Hadad.” Despite the unarguable need for “transfer” deals in eastern European countries, it is difficult to assess the exact influence of their willingness to permit the exit of Jewish citizens. Be that as it may, during 1951 the Israeli economic bridge collapsed. The reasons for this were closer American surveillance of the commercial ties between Israel and the eastern bloc, the growing awareness in Israel of the risk entailed in the discover by the Americans of these ties, and, mainly, the halt in mass immigration from Eastern Europe that year.

Israel also initiated immigration activity in other parts of the world, not only where it was without diplomatic representation, but in places where it was officially identified as “the enemy”. In these countries it had to resort to the professional skill of operators from the Mossad le’aliya (the office responsible for the organization of illegal immigration of Jews to Israel), and others agencies. With a Jewish community of almost 150,000, Iraq became the focus of this richly documented activity. The highly successful endeavor resulted in the immigration to Israel of virtually the entire Iraqi Jewish community in the years 1950 and 1951. Immigration from Iraq had been defined “distress immigration” in 1949, for various reasons, and was
given top priority. The two major centers of the “distressed immigration” activity were Iraq and Iran.

In March 1950, Iran became the second country in the Middle East (after Turkey) to recognize Israel; this was followed by a tortuous eighteen year relationship characterized by highs and lows. From Israel’s point of view, the initial goal in maintaining this connection had little to do with strategic, intelligence, or even economic interests. The raison d’être of Israel’s link with Iran was to guarantee an infrastructure and logistical base for the illegal emigration of Iraqi Jews. Staff working inside Iraq on the illegal emigration project found themselves facing many obstacles, since smuggling large numbers of Jews through Turkey, Syria, and Jordan was almost impossible, the only feasible route was an overland one into Iran. In addition, flight conditions in Tehran allowed the Iraqi emigrants to proceed to Israel along a relatively safe air channel. Although the presence of Jewish Agency representatives in Iran was clandestine, the establishment of their network and their activity was accomplished quite easily, due largely to two factors. Firstly, the long border that Iraq shared with Iran made it difficult for either side to seal it hermetically, and made it possible to employ an extremely successful system of personal pay-offs. However, the need for vast sums of money used for bribing border guards “inspired” the Israeli director of “illegal immigration” to employ the same method with the Iranian government, in order to facilitate the passage of Iraqi Jews through Iran. Precious sums of money could then be saved—but only after the Iranian government officially recognized Israel.

For a number of reasons, official recognition was not forthcoming. First, because of Iran’s official position on the Palestine question, both before and after May 1948, which inclined fully to the Arab side. Second, the Jewish Agency representative in Tehran did not possess the necessary authority to hold talks at highest government levels, which would have made it possible to “grease official palms.” Third, there was no indication of the actual sums of money needed, whether they would indeed be needed, or the Israeli government’s willingness to supply them. In the end, however, several factors served to alleviate these problems. First, Iran’s public hostility to Zionism and the establishment of Israel was largely token, and Tehran’s sole contribution to the 1948 War had been the dispatch of ambulances for the Arab wounded. Iran’s inherent alienation from the Arabs and the geographical distance from Palestine led it to adopt a political line that deviated from the uncompromising position of the Arab world. Moreover, it seems likely that Iran’s eagerness to win hefty financial and military assistance from the United States and its belief in the Jews’ ability to influ-
ence the American administration in this direction furnished Tehran with strong motivation to adopt a positive attitude toward Israel. From Israel’s point of view, the enmity between Iran and Iraq also played an important role. Another factor that made the idea of an Iranian base appear feasible was the flight of Jewish capital from Iraq, some of which could be used as a loan to cover the bribing of Iranian officials. Finally, there was Israel’s trump card in Tehran—an American citizen, who had come to the city for professional reasons, and who had managed to establish solid connections with local politicians. This person was also in close contact with a business partner of the Shah’s, through whom contact was established with the prime minister—a link that was of inestimable value to the illegal immigration operations. After lengthy negotiations, the prime minister agreed to accept a generous payoff, and in exchange have the government agree to de jure recognition of Israel and the passage of Jewish Iraqi refugees through Iran.

The main difficulty in the illegal immigration from Iraq was, of course, the situation inside the country that forbade open activity on the part of Israeli representatives and Zionist organizations, and forced them to go underground. From the nature of things it is difficult to undertake a comparative analysis of the contribution made by the Jewish community and Zionist organizations, on the one hand, and those made by the state of Israel, on the other. Nevertheless, a number of achievements may be attributed to the state.

First, Israeli emissaries in Iraq assisted greatly in the organization of illegal immigration from the end of 1949 until March 1950. Second, the clandestine operation that was organized and financed by the state of Israel succeeded in smuggling Iraqi Jews into Iran and transporting them by air to Israel. Third, the climax of the operation was the Iranian decision to open its gates to Jewish refugees from Iraq. This guaranteed a major speed up in the transfer. It is clear today, as it was to the Israeli agents involved in the operation in early March 1950, that the success of the Iranian connection had a significant influence on the Iraqi decision of March 1950, almost parallel to Iran’s recognition of Israel, to permit the legal emigration of Iraqi Jews to Israel. The Iraqi government realized that it was unable to stop the exodus of Jews and their capital from the country. The domestic consequences that would follow the publication of this failure to enforce the law induced the government to take control of the mass emigration of tens of thousands of its citizens by legalizing their departure. It seems that the regime had decided to get rid of a segment of the Jewish population that contributed to its instability and threatened to undermine it.
Further, the authorities in Baghdad estimated that only a small number of Jews wanted to leave. Much to their surprise the collective decision that gradually crystallized during the first year of immigration activity was that the entire Jewish community wanted to escape en masse—a decision that also caused severe division in the community. The surprise was also felt by Israel’s clandestine representatives in Baghdad, as well as by their directors in Jerusalem. Added to these unanticipated developments, Israel was not yet ready to absorb so large a wave of immigration. Fourth, the state had to make the agonizing decision to open its gates to every Jew who wished to immigrate. This too contributed to the success of the entire operation. Finally, Israel took almost complete responsibility for the organization of the immigration enterprise, including the transfer of Jewish capital. The highpoint of the operation was an agreement with the Iraqi authorities, allowing direct air passage out of country for the majority of immigrants. This achievement stemmed, inter alia, from Israeli-Iranian cooperation in refusing to turn Tehran into a temporary absorption base for Jewish Iraqi emigrants. It was also brought about by bribing the Iraqi prime minister into allowing regular flights to Cyprus, from where the Jews would be flown to Israel. Great Britain eventually consented to lend political coordination to the scheme, although Israeli diplomats failed in their attempt to involve the United States in the affair. Iraq decided to accelerate the immigration process in early 1951. Direct and third-party dialogues with Israel on this decision eventually led to Iraq’s agreement to direct flights to Lod (January 1951) that in the following six months were able to complete the human airlift known as “Operation Ezra and Nehemia.”

At the time Iraqi Jewry was considered “a Diaspora community under threat,” whose survival would soon be gravely compromised, unless Israel hastened its exodus. Against this backdrop, intensive activity also took place between 1948 and 1951 in Libya and Yemen, two other countries where small Jewish communities were also believed to be in danger.96 Within a period of three and a half years, almost 30,000 Jews arrived in Israel from Libya and nearly 45,000 from Yemen. To extricate Yemenite Jewry, Israel had to enter into political negotiations with representatives of the country’s imam in Aden, through an emissary of the World Jewish Congress, in order to secure his permission for Jewish emigration. Since Britain ruled Aden, where the main port of departure was located, Israel also had to acquire Britain’s agreement for right of passage. It was mainly for domestic reasons that the imam agreed in April 1949 to grant Jewish emigration; Britain had earlier replied favorably to Israel’s request for use of Aden as an exit point. In Libya, British rule helped Israeli diplomats in
getting permission for Jewish emigration. London’s positive response was apparently connected to the parallel negotiations between Israel and Britain leading to the establishment of official diplomatic relations between the two sides. Finally, less of a political effort was needed in two other Arab countries, Morocco and Tunisia, for procuring what was defined as “selected immigration,” whether because the conditions there were more favorable or because it was estimated that Jewish survival there was not in immediate danger. The immigration to Israel of these communities took place between 1952 and 1956, when approximately 80,000 Jews from Morocco and 18,000 Jews from Tunisia arrived in Israel. In the case of Morocco, negotiations with France, who ruled there, resulted in legal immigration to Israel in March 1949.⁹⁷ Paris placed no obstacles on immigration from Tunisia either, although France would have preferred for the Tunisian Jews to remain because they were regarded as strongly pro-French. It is hardly surprising, then, that as France’s colonialism eroded in Tunisia, especially after mid-1954, when Tunisia declared autonomy, Israeli representatives increased their immigration activity there.

ECONOMIC SUPPORT

In the first years of its independence, Israel experienced a debilitating economic crisis. The burden of national reconstruction, the social integration of mass immigration (almost 800,000 new citizens in less than four years), and security costs created an enormous gap between Israel’s production capacity and what was allotted for investment, and, especially for consumption. The gap was made possible only because of a large import surplus financed by foreign currency⁹⁸ It is hardly surprising that Israel’s belt-tightening economy led its policy makers to turn the search for foreign currency sources into one of the country’s most urgent goals. Four such wellsprings were found, the first in 1951, in the form of “Independence Bonds.” Directed at Diaspora Jewry, these Bonds promised to bring in a revenue of close to $60,000,000. The second consisted of British balances; the third was American aid; and the fourth took the form of reparations from the Federal Republic of Germany. While no detailed research has been made on the first area of activity, the other three have received various degrees of historical study.

The Palestine sterling balances came about because in the pre-war period London served as financial center of this country. By 1939, these balances amounted to £20 million. After the outbreak of World War II, goods
and services sold by the Yishuv to the British Army reached £120 million, but by the end of 1947 this amount dwindled to £30 million. Although money held in British banks could not be legally expropriated, the British Government decided in February 1948 to postpone its transfer, for urgent economic reasons of its own. The freeze on the money reserves also had a political side—the anticipated anger in the Arab world that the release of funds to Israel would be presented as Britain’s economic assistance to the new state. The convenient political solution devised by Foreign Minister Bevin during 1948 and the first part of 1949, was to place the reserves on conditional hold (while occasionally releasing small sums) as long as Britain did not officially recognize Israel. At the same time Israel was removed from the sterling bloc.⁹⁹

The *de facto* British recognition of Israel in late January 1949 made it possible for both sides to begin negotiations on these issues at the end of January. The British tried to link the subject of sterling reserves to the list of monetary demands being made to Jerusalem. It should be noted that Britain left behind a number of assets and liabilities when it ceased to be responsible for the administration of Palestine. The assets, mostly in the form of land, buildings, and installations, exceeded the liabilities. Britain’s object, therefore, was to persuade the Israeli authorities to purchase the assets and assume the liabilities. In London the freeze on the sterling balances was naturally considered a persuasive means to make Israel pay for the property it had seized. During the negotiations that opened in Tel-Aviv in mid-1949 Israel used three arguments to advance its goal of releasing the sterling reserves and reducing to a minimum the payments for British assets. The first argument stated that, unlike the sources of Britain’s debts to India and Egypt—that were connected to the war effort—the Jewish balances were partly a result of the transfer of funds from the dollar bloc to Palestine. Second, although it had not opted for exclusion, Palestine was removed from the sterling bloc. And third, Israel’s economic situation made Britain’s release of funds an urgent necessity. Jerusalem’s main weapons, however, were its seizure of British property in the country, the awareness that it was legally impossible for Britain to freeze all the reserves, and that by inevitably releasing them piece by piece, Britain’s ability at gaining an equitable recompense in negotiations would only be lessened. The tactic that Jerusalem chose was to drag out the negotiations and to insist upon separating the two issues—of the sterling reserves and of the assets. At first, the discrepancy in the two sides’ positions, which was guaranteed to stalemate the talks, seemed to serve the Israeli side. But Jerusalem changed tactics in the last weeks of 1949, and decided to quickly reach a blanket
agreement. The main reason for this turning-point was Britain’s economic crisis and the sterling devaluation—that greatly reduced the attractiveness of the reserves and intentional foot-dragging on the issue. The fast-paced negotiations in early 1950 concluded with a clear Israeli success. In March the British agreed to free the reserves within three years in exchange for their property in Israel, which was estimated at £22 million, at only one quarter of its actual value. This outcome should be attributed to a number of British domestic considerations and exigencies, including London’s desire to cut itself off from all ties to the Mandatory economic system in Eretz Israel as quickly as possible. There were also differences of opinion between what Jerusalem perceived as the uncompromising anti-Israel orientation of the Foreign Office, on the one hand, and that of the Treasury, on the other, especially that of the Chancellor of the Exchequer, who was committed to sound economic ties with Israel; and above all, the conviction of British experts that Israel’s financial capability was almost depleted and that British insistence would result in Israel simply ignoring the debt. Whatever the case, the agreement added to Israel’s treasury over a two year period the sum of one hundred million dollars that was used for the purchase of oil. Further, the solution to the problem of sterling balances and British prop-
Property removed a major bone of contention in the political relations between the two countries and allowed negotiations to commence on another set of issues. Nevertheless, Israel’s attempt to channel diplomatic normalization with Britain into a credit grant ended in 1952, with dismal failure. During this period the British themselves were reeling from economic distress, and saw no financial logic in assisting Israel. In addition, they refused to be stigmatized in the Arab world as an abettor of the Jewish state; thus, they explicitly informed Israel’s foreign policy makers that this source of finance had terminated with the release of the sterling reserves.

The drying up of these sources heightened the destitution of Israeli foreign currency, and evinced the first cracks in Israel’s “non-identification” policy, that it had been sedulously nurturing during the first two years of the state’s existence. As early as late 1949, Israeli representatives in the United States began urging Jerusalem to demonstrate political solidarity with Washington.¹⁰⁰ These diplomats were aware of the blunt anti-Communist winds blowing in American public opinion and its influence on the administration’s decisions. They were especially concerned over the potentially damaging repercussions of “Israel’s fence straddling” on US economic aid to Israel. In the beginning of 1949 the US government owned American Import and Export Bank granted Israel a loan of one hundred million dollars. As far as Israel was concerned, this constituted the first step of its entry into the group of nations that enjoyed American aid. Israeli diplomats in Washington repeatedly recommended initiating a unilateral declaration to remove any doubt in the Administration’s mind as to where Israel stood in the superpower confrontation and to create a favorable political climate in Congress for increasing American aid. Opposing views blocked the acceptance of these recommendations in this period, but the outbreak of the Korean War in June 1950 forced Israel to announce its outright support for American action against the invasion of South Korea by Communist North Korea, and in this way demonstrate its anti-Communist orientation, even though it couched this position in terms of identification with the line adopted by the United Nations.¹⁰¹

There can be no doubt that one of the key considerations for this move was the realization that any other stand would shatter the chances of receiving American foreign aid. Unsurprisingly then, from the latter half of 1950 Israel lobbied the American Congress for additional economic assistance within the framework of the “Mutual Security Act” (an issue yet to be historically researched); this was another indication of the change in Israel’s foreign policy and global orientation. The fruits of this transformation were gleaned a year later, when, in mid 1951, Israel was accepted as a member of
the United States “foreign aid club,” that was guaranteed grants, loans, and “agricultural surplus” totaling over sixty million dollars a year, on the basis of renewed requests. Nonetheless, Israel’s efforts a year later to extricate itself from its financial crisis by means of a special American loan for the reduction of its short-term debts, did not succeed. This ongoing crisis was a result, *inter alia*, of the enormity of Israel’s imports surplus that was much higher than the total of the independent loan and American aid that came to only twenty percent of the entire capital import to the country in the first half of the 1950s. Israel’s economic misery was relieved only when an additional source of finances was found—in the form of reparations from the Federal Republic of Germany. Beginning in 1950, these reparations became one of the main objectives of Israeli foreign policy, but they also sparked one the most bitter political debates in the history of the state.

The still-fresh scars from the horrors of the Holocaust explain why Israel’s official position and original policy line rejected the thought of any form of contact with West and East Germany. But two factors intervened to make this policy unrealistic. One was West Germany’s growing political and economic clout that indicated it would fill an important role in rehabilitated Europe, and snubbing it would eventually prove counter-productive to the state. The second and immediate factor was the intensive activity carried out by Jewish NGO’s with various German agencies regarding the compensation for and restitution of Jewish property. The state’s need to channel this activity in its own direction formed the rationale behind the internal discussions at the administrative level in Jerusalem, that ended in early September 1950 with the recommendation to concentrate on returning Jewish property and obtaining reparations. The recommendation also called for a single institution to be set up by the Israeli government, in cooperation with the Jewish organizations, and the establishment of an official Israeli representation in Germany, to work in tandem with the superpowers’ high commissioners.

The Israeli government balked at first at dealing with the subject, but soon relented after the Western superpowers sent a dispatch in late October 1950, in which they announced the termination of the state of war with Germany and expressed the hope that Israel would adopt a similar stance. The matter was brought before a government session in early 1951 and set off a raucous debate. While the Foreign Ministry proposed that Israel turn to the occupying powers to guarantee monetary compensation and the return of property, and that Israel enter into direct contact with the German governments for this purpose, a number of ministers stood opposed, especially because of the ethical principle involved in granting...
Germany even indirect rehabilitation through negotiations. The economic consideration, specifically the financial affliction of the state, decided the issue, and Israel approached the occupying powers in mid-March with a request for reparations valued at 1.5 billion dollars. This was the price-tag that came with absorbing the 500,000 Jews, on the basis of $3000 per person, who had been persecuted by the Nazis and had immigrated to Israel. The request received an official reply by the occupation authorities but it was clear that it would be impossible to avoid a dialogue with Germany any longer. The German response was a quick and positive expression of its willingness for secret negotiations to begin in Paris in mid-April in the presence of the Chancellor of Germany, Konrad Adenauer. There was also a political-strategic side to Germany’s readiness for talks with Israel—as an instrument for rehabilitating its political status—but there is no doubt that their leader was motivated by a genuine moral conviction.

Israel presented two major stipulations to negotiations. The first was Germany’s public acknowledgment for the collective responsibility of the entire German nation for crimes against the Jews, and that this *mea culpa* be accompanied with an appeal for an apology; the second was Germany’s agreement to the sum of one and a half billion dollars as the basis for monetary discussion. For several months the negotiations revolved around these conditions. At first glance Israel’s financial demand did not present difficulties in principle, but Adenauer refused to accept the formula of collective German guilt for the Holocaust. Finally, in September, the German Chancellor passed a declaration in the Bundestag that stated that Germany recognized the guilt of the majority of the German people for Nazi crimes, and was committed to a moral and economic redress toward the Jewish people, while taking into consideration Germany’s economic ability to shoulder the burden of the reparations. Since the arrangements were also to include compensation to Jews who had not emigrated to Israel after WW II, it was necessary to coordinate steps with the organizations dealing with this. In late October a claims committee of the Jewish organizations discussed the Israeli request and agreed to give Israel priority in talks with the Germans. This decision and the unwillingness of Ben-Gurion and Sharett to deal personally with Germany until approval was granted by the Knesset explain the presence of Nahum Goldmann, President of the World Jewish Congress, as the representative of the Israeli side in the December meeting with Adenauer. The ensuing talks, in effect, finalized the basis of the arrangements and allowed Israel to publish them for public criticism. The opening of negotiations with Germany ignited an unprecedented public outcry accompanied by violent protests and even an attempt to obstruct
Herut party leader Menahem Begin addressing a mass demonstration in Tel-Aviv against negotiations with West Germany, February 1952.

*Courtesy of the Israel Government Press Office*

The freighter “Yafo” being built for the Israeli shipping company Zim in the German shipyards of Hamburg under the Reparations Agreement, August 1955.

*Courtesy of the Israel Government Press Office*
the Knesset from coming to a decision on the subject. Sharp differences of opinion were also voiced in the Israeli Knesseth, and may explain why the government had to take steps to circumvent the Knesset by seeking official approval for its proposal on negotiations with Germany from the Foreign Affairs and Security Committee.

Negotiations for the finalization of the agreement opened in Wassenaar, close to The Hague, in March 1952 and continued for six months. Contrary to Israeli expectations, differences of opinion broke out over monetary and procedural issues, threatening to paralyze the talks. The Israeli representatives realized that although the German chancellor enjoyed the backing of the Social-Democrat Party, he was being criticized by an aggressive opposition, which included many of Germany’s economic leaders, who feared that the reparations agreement would place too heavy a financial burden on Germany. Adenauer’s personal intervention decided the issue, and in early September 1952 the agreement was signed in Luxembourg. The total sum of three billion marks (approximately 715 million dollars) to be allotted over a twelve year period came close to Israel’s original demand. The method of payment—in essential goods—ensured that vital construction and infrastructure projects could be realized, and it also enabled Israel to pay for the oil that was coming almost entirely from British sources. The agreement extricated Israel from its crippling economic crisis and for this reason was seen as a major foreign policy victory.¹⁰⁴ Furthermore, the lengthy implementation of the Luxembourg agreement laid the groundwork for the later development of diplomatic and other relations between the two countries throughout the following thirteen years, until diplomatic ties were established in 1965.¹⁰⁵

SECURING OIL

Declassified records relating to the period between the War of Independence and the Sinai Campaign show that the struggle to secure energy sources was one of the major goals (albeit a less publicized one) of Israeli foreign policy. The task was jointly undertaken by diplomats and treasury officials who were given ministerial authority. This aspect of Israeli activity in the international arena was not made public for many years and its recent revelation sheds light on one of the state’s major survival concerns.

Among the most injurious results of the War of Independence was Israel’s alienation from sources of natural energy.¹⁰⁶ Mandatory Palestine and the State of Israel were totally dependent on imported oil since none
existed in the country (in 1955 a negligible amount was discovered near Ashkelon), and since the use of coal had been almost entirely discontinued in the late 1930s. Until the British evacuation of Palestine in 1948, oil for local consumption had been imported under unfavorable financial conditions because the British government had granted a near monopoly to four oil companies, one of them American. This monopoly prevented additional companies from entering the local market and allowed the companies to enjoy exclusive rights over prices. Even though the oil was coming from the Middle East its cost was exceptionally high, being based on the value of imports from the Gulf of Mexico. Although the British-owned refineries in Haifa had been operating since 1939, and there was a pipeline carrying crude oil from Kirkuk in Iraq to the refineries, the prices worked to the distinct disadvantage of the local population. Nevertheless, oil was obtainable as long as Britain ruled Palestine. This situation changed as 1948 drew near.

Britain gradually realized, toward the end of the mandate that the refineries would have to be shut down, mainly for fear of the belligerent sides, especially the Arabs, sabotaging the installations. When, at the outbreak of hostilities leading to the War of Independence, Iraq halted the passage of oil to Haifa imperative political considerations contributed to the decision to close the refineries. Not wishing to be seen as helping the Jews, whose control of Haifa was a foregone conclusion in late April 1948, the British placed a de facto embargo on oil shipments to Israel, a move that threatened to paralyze the state during the first months of combat. Israel’s tactical success in preventing this was achieved through the integration of a strictly controlled use and storage of limited oil imports, and the threat to nationalize the refineries in order to convince the British to continue the limited flow of petroleum. After the war, all international efforts to secure the opening of the pipeline or the Haifa refineries by means of Iraqi oil or Persian oil brought through the Suez Canal failed. The Arabs were officially and unyieldingly committed to the Arab boycott of Israel;¹⁰⁷ the British were disinclined to pressure Iraq or Egypt; and the Americans were not supportive of British efforts to find an alternative supply route. Israel, for its part, rebuffed every attempt to infringe upon its sovereignty in Haifa—an Iraqi and Egyptian precondition to negotiations. The accumulation of conflicting positions led Great Britain to close the Haifa refineries in early 1950.

Due to the seriousness of Israel’s threat to nationalize the refineries, however, the closure was postponed. Britain feared such nationalization for two important reasons. First, there were signs that the whole region was on the verge of ousting the British oil companies, a trend that reached
its climax a year later when Iran nationalized its own oil industry, and
Britain suspected that the Israelis would set an example that might start
a chain reaction in the Middle East. Second, the British realized that the
Suez Canal could be used as a passageway for oil supplies to Israel after
all. The idea, coded “Operation Vasco da Gama,” was designed to bring
Persian Gulf oil to Israel, via the Cape of Good Hope, and then return
with empty tankers via the Suez Canal. In retrospect it seems that the
Egyptians either turned a blind eye to the scheme or were unaware of it.
Whatever the case, the operation granted the refineries a reprieve and they
continued to process oil whose price justified the circuitous operation. This
was important for proving the profitability of the refineries, especially in
light of the persistent claim of British oil companies that the price of petro-
leum and its transportation from Venezuela (the only realistic alternative
source of crude oil to the Middle East) had turned the Haifa refineries
into a money-losing enterprise. An agreement was eventually reached, in
May–July 1950, stipulating that that the refineries would operate only for
local consumption and not for export (which would have required the Brit-
ish to organize the large-scale transportation of Middle East oil to Haifa, a
prospect regarded as completely out of question for political reasons). The
result of these developments was that for eight critical years Israel came
under the aegis of the British oil companies that controlled two-thirds of
the local market.

The British decision to keep the refineries operating was based on a
number of factors. The actual distillation process did not yield substantial
revenue, but the import of crude oil and its sale were lucrative. In addition
there was the hope, albeit slim, that a political solution to the conflict would
be reached and return the refineries to the 1948 level of operations, enabling
them to export their products. The dynamics of the situation were greatly
influenced by Israel’s desire to avoid having to import oil independently and
its basic interest in retaining the link to the international oil companies. The
Israeli case stood in stark contrast to the trend taking hold of the Middle
East in this period, that is, the emergence of national movements that
regarded the control of local production by foreign companies as the boldest
expression of Western imperialism, one that had to be utterly eradicated.
Against this backdrop, the Israeli case deserves an explanation.

In its first decade, Israel totally rejected the idea of a lightening
take-over of its energy production. This was for several reasons. First, the
nationalization of the refineries would bring Israel into a head-on clash
with the oil companies over importing, refining, and marketing rights since
all the companies were involved in these branches. Such a confrontation
was risky because legally Israel’s claim against the Mandate’s concessions was essentially a limpid accusation. Even if the state were to win in the international courts, it would almost certainly be called on to pay high rates of compensation, sums of money that it sorely lacked at the time. Furthermore, the nationalization of the energy market was likely to be regarded as an ominous threat to foreign investors—extant or potential, as well as to investors in energy supplies and oil drilling. In addition, the expulsion of foreign companies would undoubtedly provoke a harsh counter-reaction that would be very damaging to Israel. It was uncertain whether Israel would be allowed to purchase oil within the framework of the domineering international cartel after it had ejected the leading companies. It was also doubtful whether it could guarantee the transportation of oil because in this area too the world tanker market was controlled by the big companies. Even if Israel were to reconcile itself with the closure of the refineries this would be unacceptable because the state would have to forgo the development of its petrochemical industry and import refined oil at a high cost. Financing, too, was a weighty problem. It was clear that after the nationalization of the refineries, London would find it difficult to release or completely suspend Israel’s sterling reserves, which would prove disastrous for Israel in light of the near total depletion of its foreign currency. On the other hand, the continued connection with the British companies would guarantee the use of these reserves for the purchase of oil. Furthermore, the ouster of “Socony Vacuum,” the American company most active in the country, would probably destroy Israel’s chances of receiving economic aid from the American administration.

Above all, it should be remembered that Israel had just come into existence and lacked experience in the field of oil management. During the Mandate most of the country’s economic resources had been directed to agriculture, a small amount to industry, and a mere fraction to the oil industry. The reasons were obvious. The British had complete control of the energy field and there was no sense for the Zionists to develop theoretical skills that had no chance of being realized. Even if Israel wanted independence in oil production and sales in 1948, its ability to do so was inconsequential. Israeli diplomacy on the oil front during the War of Independence furnishes clear proof of two assumptions that became axioms for the national leadership. The first was that Israel could not stand alone in a power clash with the oil companies; the second was that even if it somehow succeeded in this confrontation in peacetime, its energy resources would be placed in jeopardy at times of war, rendering the state gravely vulnerable and without assistance from the big companies. Therefore, every effort
had to be made to guarantee the continued operation of the British oil companies in Israel. There were two additional important reasons for the extended presence of the two American companies—“Socony” and “Esso.” First, they balanced British exclusivity in the industry, thus providing Israel with a degree of maneuverability. Second, the American presence was a practical expression of Israel’s ties to the United States, a connection vital to Israeli strategy.

The possibility of purchasing oil with American assistance and the released sterling reserves was a decisive factor in shaping Israel’s oil strategy that in effect allowed a continuation of the pattern of foreign control dating from the Mandatory period. Two years later another monetary dimension entered the picture that further strengthened this tendency. After procuring the sterling reserves in 1951, Israel still found itself in a situation where, for all practical purposes, it was unable to buy oil. The British companies decided not to sell to Israel, and this presaged an economic paralysis. The catastrophe was warded off only by the reparations agreement with Germany, according to which the German government was committed to financing, in sterling, the purchase of Israel’s oil from British companies for a period of half a decade. While these agreements immensely aided Israel in guaranteeing its energy sources, they nonetheless reduced its ability to sever ties with the British oil companies.

Parallel to the developments that limited Israel’s interest in breaking with the Britain’s energy suppliers, other factors were pulling in the opposite direction. In Jerusalem the state’s leaders were convinced that powerfully entrenched foreign control of so crucial a commodity as petroleum and its production was strategically unacceptable. Despite the circumstances that precluded a hasty, unilateral step in severing ties with the oil companies, Israel made a series of decisions in this direction throughout 1949, and determined to set as the country’s goal the cautious penetration into the area of oil production. This would be accomplished by creating a national oil company that would enter into junior partnership in the existing market and slowly strengthen its position through agreements with foreign companies. Israel’s status as an independent sovereign state made a move of this kind acceptable to the foreign companies. The state’s critical need for oil during the first decade of its existence was not lost on the companies who sensed an opportunity for expanding their activity and profits without damaging each other. These factors explain why the Israeli company “Delek” was established. In mid-1952 the company began operating as a state-run, independent oil importer and seller.

From its inception, and especially after the establishment of Delek,
Israel aimed its sights at renewing the state’s oil supply from Middle East sources. This oil had two key advantages. Its basic price (FOB) was generally less than that of alternatives from the American continent. Also, the cost of transportation of Middle East oil via the Iraqi pipeline or Suez Canal was naturally less expensive than importing it from Venezuela or Mexico. This meant that the price of Middle East oil in Haifa (CIF) in the early 1950s was thirty percent cheaper than that of oil imported from the Americas. Moreover, from the start, the Haifa plants had been constructed for refining Middle East (Persian) oil, a grade that was lighter than other oils. The distillation of other types of crude oil was more costly and created a serious wearing away of machinery, and the overall production did not measure up to the required basket of refined products vital for the development of Israel’s petrochemical industry. This is why oil imported from the Persian Gulf had been the preferred option of the British oil companies and for these reasons the pre-1948 supply to Palestine had been based on this source (and on Iraqi crude). It is not surprising, therefore, that shortly after the resumption of Haifa’s refineries, the “Anglo-Iranian” company made an undisguised attempt to renew this supply source by circumventing the Iraqi pipeline. Operationally, in early 1953 the company had an unmistakable interest in turning Kuwait into Israel’s main oil source. The reason for this lay in the massive development of Kuwaiti oil fields and the possibility of channeling the oil to the developing Israeli market without upsetting the postwar global allocation determined by the international oil companies. The merging of interests between Delek and the British company was realized in agreements that allowed Delek to purchase Kuwaiti oil from British sources. All these plans went awry in the beginning of 1953, because of the intervention of the British Foreign Office that had grown apprehensive over the impact this exchange would have in the Arab world when it was discovered that Britain was supplying Arab oil to Israel. Thereafter, starting in early 1954, all the British companies in Israel had to revert to importing expensive oil from Venezuela.

In this period Anglo-Iranian and Delek were unable to rely on Iranian oil because of the serious crisis that erupted in mid-1951 following Iran’s nationalization of its oil industry. The three year long crisis stopped the plans to import from Iran in their tracks, and the British oil companies found themselves stuck in an inconvenient situation until early 1955. Delek, for its part, tried to overcome the plight by exploiting the huge increase in Soviet oil exports. Despite the opposition of the British companies, Delek lowered the price of crude oil, especially that of light fuel oil, which is vital to industry and the production of electricity. Since the Soviets were offer-
ing their oil at such attractive prices, with no political strings attached, the timing was perfect for Israel. The result was that from late 1955 until late 1956, when imports from the Soviet Union ceased following the Sinai Campaign, Soviet oil supplied one-third of the country’s needs.

Despite this, in the mid-1950s Israel did not envision the convenient, cheap Soviet oil as a long-range strategic solution to its oil problem. The solution was seen exclusively in the import of oil from Iran, even before the possibility presented. The main reasons for this were qualitative: Iran’s potential as a supplier, and the necessary political implications of an agreement for purchasing. All these factors led to the decision in 1954–1955 to cut back the purchase of Soviet oil to one-quarter of the total oil imports in order to guarantee a diversity of supply sources, strengthen Israel’s bargaining chip in negotiations with British oil companies, and lessen the price of imports. The remaining oil imports—roughly three-quarters—were expected to come from Iran.

This goal was exceedingly ambitious and far from simple to execute. The gates seemed to nudge open when, in August 1954, an agreement was signed between Iran and Britain settling the bitter dispute that had broken out, as mentioned, in late 1951. According to the terms of the agreement an international consortium was to be established for administering Iran’s oil industry. A relatively large number of companies would make up the consortium, in which the British would forfeit their monopolist position. Also, an Iranian national oil company, named NIOC, would come into being, and allocate a production level of twelve and a half percent of the total allotment of the consortium. It would be given the choice between production and selling or receiving money in exchange. These terms resulted in the opening of two channels of activity for Israel to secure the supply of Iranian oil: one, through connections with international companies (especially small ones known as the IRICON group, and several others that had no commercial ties with the Arab world); and two, establishing immediate contact with NIOC which was eager to flex its newly-won rights and develop into an independent national alternative to the foreign companies that still dominated the industry in Iran.

Nevertheless, Israel had to face the fears of all the oil companies operating in Iran about selling it oil because of their anxiety over undesirable reactions in the Arab world. In late 1954 it met this challenge on three fronts. The first was the signing of an agreement for the supply of Iranian oil, a move that created an important precedent in the eyes of the British, IRICON and NIOC. To Israel’s good fortune an Italian company, “SUPOR”, was discovered whose status in Iran had suffered following the
establishment of the consortium. SUPOR was prepared to take a chance and sign a deal (November 1954) for selling Iranian oil to Delek. The signing of this deal (that was to go into effect in early 1955) played an important part in the negotiations that opened that month between Israel and the oil companies operating in the country. Israel’s greatest achievement in these negotiations was an agreement with “Shell” for a trial delivery of Iranian oil to Israel, although it stipulated that the continued supply of this source depended on reactions in the region. Since British Petroleum (BP) (formerly, Anglo-Iranian) was more dependent on the Arab world, it refused to take part in the experiment. Due to the uncertainty that engulfed the Shell and SUPOR agreements, it is no wonder that Israel tried to make direct contact with NIOC. The ensuing negotiations were crowned with success, and an agreement was signed in June 1955 according to which Iran would sell Israel 75,000 tons of Iranian crude. The agreement further determined that the sale would begin in October 1955, terminate in September 1956, and that the oil would be sold to an Israeli-owned straw company whose offices were set up in Geneva. The Iranians avoided the transportation issue that was intended to take place along the “Vasco da Gama” route. The foreign companies active in Israel subsequently overcame their reservations and began importing Iranian oil to Israel.

The new map of oil supply to Israel that took shape in mid-1955 and remained in operation until late 1956 is instructive in that, contrary to common knowledge, in 1955 Iran had already become Israel’s main source of crude oil. This situation remained in force throughout 1956 despite the American companies’ decision to cease their operations in Israel. Even Shell continued to supply Iranian oil in 1956 under the same conditions that were agreed upon in 1955. The foreign companies guaranteed two-thirds of Israel’s consumer market, and the vast majority of the oil was supplied by Iran. In the same period Delek was supposed to deliver slightly more than one-third of the local consumption, mainly crude oil and light fuel oil imported from the Soviet Union. These were transported in a number of small tankers, some of which were Israeli-owned that had been bought with reparation money, while others were leased.

The Sinai Campaign completely altered the map of Israel’s oil supply by hastening the Soviet decision to cease providing Israel with oil and accelerating the departure of foreign companies from Israel the following year. Israel’s alternative was the Iranian oil market, and in 1957 it became Israel’s main source of energy. Israel’s political interest in Iran at this point was exclusively economic. Oil was the main goal. The intelligence and military cooperation that developed between the two sides in 1958 turned
into a means of sustaining this source. For the next twenty years Israeli diplomacy would invest enormous resources to protect its Iranian supply line. The episode ended in 1979 with the fall of the Shah.

SUPPLY OF ARMS

One of the most complicated issues that Israel had to contend with was the procurement of arms. Four main reasons explain the tenacity of this problem. First, the fact of Israel’s birth in the throes of war, and the implacable hatred of the Arab countries turned the military confrontation between the sides into a permanent feature of national reality. Second, at least during its first twenty years the new state was technologically incapable of producing the weapons systems it needed, and was therefore dependent on foreign sources. Third, while the supply of weapons was generally available, mainly from the great powers, it was also regulated by them according to global and, above all, regional political considerations that did not always incline to Israel’s favor. Finally, arms procurement presented a financial burden that limited the state’s ability to answer its military needs. These basic features, which were pronounced before independence, became even more conspicuous afterwards.

During the half year that passed between the United Nations acceptance of the UNSCOP recommendations for the establishment of a Jewish state in Palestine and their implementation, the Yishuv had had to deal with three international resolutions that hampered its ability to acquire weapons. The first was the December 1947 American embargo on arms sales to the region; the second was a similar step taken by the British in February 1948; and the third was the general prohibition on arms sales that the Security Council passed on in May 1948. All of these interdictions were intended to reduce the military capabilities of the warring parties in order to prompt a cessation of hostilities. In retrospect, there is little doubt that the main goal was not achieved with respect to the Jewish side. Since the Arab armies (excluding Syria) relied on British weapons and support, they were hurt by the embargo. In the summer of 1945 the Jewish community, on the other hand, had already begun the successful organization of arms smuggling from various sources.¹⁰⁸ These included rather large quantities of crucially important Czech weapons during the opening stages of the war, in early 1948. In retrospect, one of most important contributions to Israel’s victory in the War of Independence was the stunning advantage of its fighting equipment, especially infantry and artillery ammunition.¹⁰⁹ This advantage
naturally remained in force when the armistice agreements were signed in the middle of 1949. Moreover, the British evaluation of the situation in late 1949 regarding the quality and quantity of the tanks, artillery, and planes in the Middle East countries excluded a comparison in simple terms such as “David (Israel) versus Goliath,” even if it referred to Israel’s military power compared to the entire Arab camp, let alone to individual Arab states.¹¹⁰ Added to this was the Arabs’ military demoralization, on the one hand, and Israel’s strategic decision to put immigrant absorption on the top of its national agenda, on the other. This explains why at the end of the war Israel was keenly interested to perpetuate the status quo on armaments; in no way did it work to Israel’s disadvantage despite the extension of the United Nations embargo.

However, Israeli efforts at perpetuating the embargo failed, and in the middle of 1949 the barrier was lifted. This was due mainly to Britain’s decision to return to the region and re-equip its allies in the Arab world, in light of its strategic plans that corresponded with American global designs. Selling outdated surplus weapons also contained an obvious economic motive for the money-strapped Exchequer in London.¹¹¹ Several arms procurement plans with Arab countries commenced, and this naturally set in motion an uncontrolled arms race in the region. The great powers, especially the United States, were understandably worried about the advent of a volatile situation that could endanger regional stability. To avoid another Arab-Israeli confrontation, a declaration was signed by the American, British, and French governments in May 1950 that allowed for the supervised and coordinated export of weapons to countries in the region, and the establishment of a practical framework for realizing this. Great Britain and the United States were the policy designers, while France was offered partnership mainly to ensure that it would not re-arm Syria. Thus for the following half decade the international export of weapons to the Middle East came under superpower supervision.¹¹² For obvious reasons these were not ideal developments from Israel’s point of view. For the first time in its brief history of arms procurement, Israel was forced to adopt two parallel tracks that came to form the cornerstones of its diplomacy. The first track tried exhaustively, through political persuasion especially in England and the United States, to reduce the Arabs’ arms acquisitions that had been underway since late 1949. Following the termination of weapons shipments from Czechoslovakia in 1950, Israel’s second track attempted to alleviate the relative deterioration of its defense capability by purchasing weapons solely from Western sources.¹¹³ In both areas Israel’s ability and efficacy were extremely limited in this half decade, for several basic reasons. The
United States consistently refused to sell heavy weapons systems to Middle East countries. Further, the superpower overseeing of weapons sales to the Middle East presented Jerusalem with a united Anglo-French-American political front that secured, at least until 1955, a degree of strategic balance between Israel and the Arab states. Although Israel rejected the tri-nation justification for this balance (based on the comparison between Israel and each individual Arab state), to break out of this front proved a formidable task. Last but not least, despite Israel’s financial difficulty in diverting resources for arms purchases, it refused to buckle under to some of Washington’s conditions for assistance, that qualified American supervision of the purchase of weapons and the possible restriction of their use. At any rate, Israeli activity in this troublesome and often menacing atmosphere shows that it was not faced with a threat to its basic survival. This situation changed radically, however, when the Egyptian-Czechoslovakian arms deal was signed at the end of 1955.¹¹⁴

It is hardly surprising, then, that Israeli efforts in the first half of the 1950s at preventing arms agreements in the Arab world and the supply of equipment from foreign sources were less vigorous than in other periods and that they also failed to produce any major breakthroughs. Although Israel consistently complained about the Arabs’ arms deals (especially the sale of British Centurion tanks to Egypt), in truth the transaction did not compromise Israel’s survival. In the absence of detailed research on this subject, it is difficult from the superpowers and Israel’s perspectives to assess the extent to which Jerusalem’s political pressure played a part in Anglo-American decisions to supply weapons to the Arab world during the first half of the 1950s. Still, at the time, Israel estimated that its pressure was effective in a number of instances.¹¹⁵ Whatever the case, it is undeniable that Israel’s efforts at re-armament had tactical results. The United States, France, and Great Britain agreed to supply Israel with several second-rate, unsophisticated, partially damaged weapons systems of WW II vintage. Israel’s only successes in acquiring relatively advanced weapon systems brought no tactical advantage, because they were accompanied by a superpower decision to equip the Arab side as well. For the most part, the British sale of Meteor jets to Israel in late 1952 had been an independent decision to balance the supply of this aircraft to Egypt and other Arab states, including Syria and Lebanon, and to reinforce Britain’s political position in the region. France, too, decided to join in the bustling arms trade to the Levant following the Meteor sale. In 1954 the escalating arms race enabled Israel to obtain a number of 155 mm. howitzers and AMX tanks from Paris at the same time as they were being sold to Arab countries. Despite the brisk
business in weaponry, only in late 1955 did France keep its promise to supply Israel with the sophisticated Mystère jets that the Arab side lacked.

The regional arms balance radically changed to the detriment of Israel in late September 1954, following the huge Egyptian-Czechoslovakian arms deal. The hardware included one hundred fighters planes, fifty bombers, nearly 230 tanks, one hundred tank destroyers, 140 artillery pieces, almost 300 anti-tank cannons, two naval destroyers, twelve torpedo boats, and six submarines. Not only the size of the deal, but the price-tag of two hundred million dollars and the high quality of much of the Soviet weaponry effectively shattered the entire system of Western supervision of arms sales in the region. Jerusalem’s policy makers were caught totally off guard. The overriding feeling in Israel was that, for the first time since the early stages of the War of Independence, Israel was facing a palpable threat to its survival. It is not surprising, then, that a return to an arms balance in the region became Israel’s immediate strategic goal.¹¹⁶ Both the United States and France were approached simultaneously, since British willingness to respond positively to Israel’s needs seemed unlikely, and the half-hearted request to the Soviets for assistance received the expected negative reply.¹¹⁷ The only realistic match against Egypt’s newly acquired Soviet tanks were American Pattons—which Israel lacked—and British Centurions—to whose sale Britain was unlikely to consent. Also on Jerusalem’s shopping list were advanced Western jet fighters, the French Mystère 4, (whose supply depended on American approval because they had financed the plane’s production for NATO) and the American F-86 Saber that was also manufactured outside the United States. Furthermore it was expected that the United States would grant Israel credit for its armament plan that called for a significant addition to the Israeli defense budget. Finally, it was hoped that the connections forged between the Israeli defense system and the French army during 1954–1955 would be translated into arms agreements in light of Nasser’s growing strength and the threat he posed to the two countries he regarded as his enemies. But the anticipated positive response from the Americans did not materialize. Israel’s request for a large arms shipment was rejected by the State Department in mid-December 1955 on the pretext of Israel’s aggression in Operation “Sea of Galilee.” In fact, the decision reflected broader American political considerations.¹¹⁸ Israel’s diplomatic pressure over the next three months finally induced the United States to supply it with a number of defensive weapons and consent to the sale of French jets and Canadian Sabers (the latter delivery never materialized).¹¹⁹ The final outcome of the American response, though, could only be perceived as negative by the Israelis, and this spurred Jerusalem’s policy makers
to vigorously pursue its second track—contact with the French—that had already begun a short time after the announcement of the Czech deal.

The rise of the unabashedly pro-Israeli Guy Mollet to the head of government in Paris in January 1956, and the American decision to agree to the sale of French planes to Israel speeded up the process of weapons shipments in April. At the same time the connection between the French and Israeli military establishments grew stronger and strategic understandings were reached even before Nasser’s nationalization of the Suez Canal in July. These sealed the new French-Israeli relationship and removed, from France’s point of view, any restrictions regarding American consent for French weapons sales.

The size of French arms assistance to Israel was of momentous proportions. Israel requested and received approximately seventy Mystère-4 jets, 200 AMX-13 tanks, forty-eight Sherman tanks, eighteen self-propelled cannons, plus half-trucks and ammunition. Since it was obvious at the outset that the delivery and “absorption” of Soviet weapons by the Egyptians would take considerable time, the Israeli arms deals with France provided an immediate, life-saving response of inestimable importance. It removed to a great extent the menacing shadow of the Czech deal already in mid-1956. As far as Israel’s arms procurements from France was concerned, this was a huge success. Undoubtedly, part of the success stemmed from French motives (for example the cancellation of an Indian order of 200 Mystères that forced Paris to search for alternative markets), and especially the perception of Israel as a stumbling block to Nasser’s support of the anti-French revolt in Algeria. It is also clear that Israeli diplomatic activity took advantage of the possibility of opening personal, unconventional channels of communication with the French military establishment in order to bypass the Foreign Office in Paris. This was of singular importance for convincing friends, expelling doubts, and maneuvering comfortably in an environment where a number of highly influential people, who were originally opposed to the budding French-Israeli relationship, became the military liaisons to the two countries between late 1955 and mid-1956. For all practical purposes the French-Israeli ties produced a strong political-strategic alliance as the Sinai Campaign approached and continued to prove beneficial in the following years.¹²⁰
PROTECTING WATER SOURCES

Most of Israel’s terrain is desert. The only permanent water source is the Jordan River whose drainage basin is co-terminus with three other countries: Syria, Lebanon and Jordan. The geographical reality of common borders drawn up according to the armistice agreements, and a prolonged, explosive political environment for control of the region’s main water source—set the background to one of Israel’s most critical survival tests in the first seven years of its existence.¹²¹ Israel’s struggle to guarantee the maximum use of water from the Jordan River began in 1951 when it became clear that the prospects for a peaceful resolution to the conflict were infinitesimal and that a number of Arab states had started planning independent exploitation of the Hatzbani, Banias, and Yarmuch rivers (in Lebanon, Syria, and Jordan respectively)—three sources of the Jordan River that lay beyond Israel’s borders. In the same year Israel decided, in principle, to drain Lake Hulah and its surrounding marshes, divert the northern part of the Jordan River, and construct a national water carrier from the Sea of Galilee to the Negev, Israel’s vast southern desert. The first stage—draining the Hulah—began that year. Israel’s decision was probably motivated by the need to establish facts on the ground that would help it gain international support and approval of the water project. From the outset, the work in one of the demilitarized zones triggered a military confrontation with Syria, and the incident ended with the intervention of the United Nations Security Council. Israel was forced to retreat from its plan to carry out digging operations in Arab land in the demilitarized zone, but it continued its Hulah drainage project in another area. At the same time it made a year-long effort to reach an agreement with Syria on the question of water diversion. Discussions were held at the joint armistice committee but the differences in the sides’ positions were too great, and the talks collapsed.

In the meantime, Jordan and Syria advanced a joint plan for exploiting the waters of the Yarmukh River, according to an agreement signed in early June 1953, by constructing a dam near the meeting-point of their borders. This project was intended, inter alia, to assist the Jordanian leaders in absorbing the half a million refugees that had entered the country during the 1948 War and afterwards. Within a short time the two countries succeeded in obtaining international financing for the project. Since the bulk of this capital was coming from the American government, Israel applied diplomatic pressure on the United States, claiming that the Jor-
The danian-Syrian agreement completely ignored Israel’s water rights. The diplomatic effort succeeded, and work on the dam ceased by the end of the year. Nevertheless, the Arabs’ water project was a warning sign that the Israeli government could not ignore. Thus, before it became clear that its political activity in the United States had accomplished its task, Israel took the initiative in July 1953, and commenced diversion of a section of the Jordan River near the Bnot Ya’akov Bridge in the demilitarized zone adjacent to the Syrian border. The spot was chosen according to technical and financial considerations, despite the knowledge that the work would meet with opposition. Almost immediately after earth removal operations began in October, the Syrians lodged a complaint in the United Nations and Israel was called upon to terminate the project. The demand was given strong support by the United States, and when Israel refused to succumb to international pressure, Washington threatened to withhold fifty million dollars of financial aid. This economic threat, the first of its kind applied by the United States on Israel, had a powerful effect in Jerusalem and work on the diversion project stopped abruptly, never to resume. Israel’s limited ability to create facts on the ground regarding the Jordan River, without obtaining international authorization, especially from the United States, was made painfully clear to Israel’s leaders.

Until the end of 1953 Israeli activity on water development had been the result of independent decisions. This changed significantly early in 1954, following an American initiative that affected for the next two years the diplomacy of all those who shared the Jordan River drainage basin. The Americans advanced a plan to divide up the region’s water that would, at the same time, solve some of the broader issues. The idea was to link regional water allocation to a political basis that would lead to the de-escalation of the Arab-Israeli conflict. It was hoped that this would result in creating an economic solution to the problem for some of the Palestinian refugees and perhaps push forward the peace process. The crux of the American plan that is associated with Eric Johnston, the envoy who labored to promote it, was to use the water for the benefit of the entire region. The Yarmukh was to be defined as an Arab river but some of its water would be allotted to Israel, and the Jordan was to be defined as an Israeli river whose water would be partially allocated to Jordan. The Yarmukh and Banias rivers would be diverted only for the irrigation of the Jordan Basin; two hydroelectric stations would be built, one in Jordan, the other in Israel; and the Sea of Galilee would be recognized as the region’s main water reservoir and would be rationed on a scale of approximately sixty percent to Jordan, thirty percent to Israel, and five percent to Syria. The American envoy made four trips to the Middle East over a single eighteen month
period, but failed in the end to bring the Arab side to agree in principle to any practical steps that corresponded to Israel’s basic willingness to reach a binding agreement.

In addition to the lesson that Israel learned during 1951–1953 about the efficacy of international condemnation when a unilateral grab was made for the Jordan’s water, other reasons need to be sought in order to explain its willingness to acquiesce to the plan. On the political level, accommodation with the Johnston Plan would wrest from the Arabs confirmation of Israel’s water rights, a move that implied political recognition. Acceptance of the plan would allow Israel to carry out its water diversion project without disruption, although the price would be steep—concession of some of its water. Also, in line with the United States, Israel saw in the plan as instrumental in tempering the Arab-Israeli conflict, *inter alia*, by its partial solution of the refugee problem in the spot where they had relocated. Finally, Israel’s approval was seen not only as a political tactic for approaching the United States, but also as a vehicle for receiving aid for its own water project.

The Arabs’ position had three sides to it. Egypt, who shared no border with the drainage basin of the Jordan River, was brought into the discussions by the United States in order to act as a lever to nudge the other countries toward an agreement. Therefore, from the start Egypt tried to get the parties to reach a compromise. However, ironically, during the talks Egypt went through a process of political radicalization that pushed it into adopting a negative position. Syria and Lebanon both had access to other water resources that, at least in this period, seemed to satisfy their needs. Thus, they had little motivation to participate. Above all, the political price—recognition of Israel and the granting of legitimacy to its identity as a Jewish state—seemed far too high a payment to warrant cooperation. Jordan needed the water more than the other two Arab states and would gain the most from the Johnston Plan—both in terms of water allotment and the economic assistance it would receive for its development plans. Nevertheless, it could not disregard the rest of the Arab camp that had flatly rejected the plan.

Despite Johnston’s failure to achieve a regional understanding, his efforts had a positive effect on Israel’s struggle to secure the Jordan’s water. Even after the departure of the American envoy, and for years later, Jerusalem faithfully continued to receive water allotments according to the original plan. In practice, Jordan also abided by the plan. The results of this were two-fold: the creation of the basis for future, pragmatic, secret cooperation between Israel and Jordan in the use of water; and the support that Israel received for its practical steps seven years later to build the
“National Water Carrier.” This support also strengthened Israel’s position in the political-military struggle over water that the Arab states launched in the early 1960s.¹²²

THE SINAI CAMPAIGN—CONTINUATION OR BREAK IN ISRAEL’S FOREIGN POLICY?

On October 29, 1956, Israeli paratroopers landed near the Mitla Pass in the Sinai peninsula (Egypt) and initiated hostilities with an Arab country for the first time since the end of the War of Independence. Not only were the war and invasion exceptional events, but so also was the conjunction of strategic and political circumstances, in which Israel was promised strategic-military support from two superpowers (Britain and France), but at the end of the fighting found itself in sharp confrontation with the other two (the United States and the Soviet Union). The Soviets ominously threatened to take military action against Israel, and the Americans issued warnings of severe economic sanctions.¹²³ The uniqueness of the Sinai Campaign and its implications are one reason for the relatively large number of research studies dealing with the Israeli perspective. Many studies treat the subject from the perspectives of the other parties for whom this war was also a historical milestone. Finally, there has been a declassification of Israeli, British, American, French, and even a small amount of Egyptian documentation relating to the period. All these factors explain the rich historiography of what has been widely referred to as the “Sinai Campaign.”¹²⁴ The wide diversity of literature on the subject makes summarizing it a technical difficulty within the framework of the present survey. Therefore only some of the key historical problems will be pointed out that connect the event, and distinguish it, from the general themes in Israeli foreign policy in the period prior to the war.

The seizure of Egyptian territory in October 1956 and the public support that Ben-Gurion gave the event on at least one occasion are only part of the layers of a historiographical postulate that claims, often obliquely and vaguely, that the Sinai Campaign was not an exceptional event at all, but a logical outcome of Israel’s basic strategy since late 1949. According to this claim, Israel attempted to destroy the border lines that had been drawn by the armistice agreements by initiating a confrontation with the Arab states that would allow it at a convenient moment to carry out a military operation for realizing its basic goal of re-drawing the lines. This thesis traces a linear path in Israeli policy whose main direction is the non-acceptance of the status quo created after 1949. Considerable evidence exists to support
“Bat Galim” cargo ship tied up at Suez Port, November 1954. 
Courtesy of the Israel Government Press Office

Prime Minister Sharett informs Ben-Gurion at his home in Kibbutz Sde Boker of the Cabinet’s decision to entrust him with the portfolio of Defense, February 1955. 
Courtesy of the Israel Government Press Office
this view. A number of studies have uncovered several cases, especially in Israel’s security establishment, where this goal was given explicit and practical expression. Moreover, other works have analyzed at length the government’s proposals for launching a war against Egypt at least one year before it broke out. The plans were eventually removed from the agenda by a single vote majority, but continued to be voiced within Israel’s political-military establishment. These studies also point to a direct link between security-tactical activism that was realized in the form of retaliatory raids and the decision to go to war. In this light the Sinai Campaign was a direct, almost unavoidable, continuation of previous military activities, and, to some extent, a result of them. Other studies blame Israeli reluctance to make territorial concessions for the failure of political negotiations with Egypt before 1955. According to these studies, Israel was just waiting for the opportunity to extend its territory, and pounded on the opportunity at the end of 1956, when, each for its own reasons, Britain and France saw the need to align with Israel in a military campaign against Egypt, following Nasser’s nationalization of the Suez Canal in July of that year.

This interpretation is not accepted in other research studies that present a far more diverse and complex picture. These studies find it hard to
refute the claim that even before 1955 the IDF tended to permit Israel to reshape its border with Egypt by means of initiated clashes that would produce an escalation, and then a confrontation. They further indicate that the IDF had no qualms over attempting to convince politicians of the strategic importance of this scheme and the IDF’s capability of realizing it independently. Moreover, the authors of these studies show that there were similar plans adrift outside the military. The roots of this approach can be found in the combination of cross-border infiltration by Egyptian military elements that deeply annoyed Israel and the threatening image of Nasser as a leader who had inscribed on his banner “the armed struggle against Israel” as the nation’s goal. Nevertheless, no research has yet claimed that Israel officially adopted a line of all-out military confrontation with Egypt during the period between 1949 and early 1955. Such a policy would not only have been unacceptable to Moshe Sharett but would also have lacked Ben-Gurion’s support. This view changed only when the latter presented the government with a proposal in March 1955 for capturing the Gaza Strip. This plan, presented hot on the heels of a murderous infiltrated attack from the Egyptian side, may be considered a large-scale retaliatory raid, although the government harbored no doubts that war was at issue, with all of its concomitant strategic implications. This concern was the main reason for rejecting the hard-line proposal, even though it was being urged by a large group of ministers, led by the minister of defense. Another study minimizes the significance of this development (by claiming that it was related to a tactical argument between Ben-Gurion and Sharett on the size of retaliation activity and that the change in the Israeli attitude began only at the end of 1955), but it is difficult to deny that by early 1955, “preventative war,” that is, a one-sided strategic alteration of the post-1949 reality, had already become Israel’s legitimate goal. The Egyptian-Czech arms deal in late 1955 only hastened Israel’s operational decision, but as studies show, the reality was far more complex. If until this time Ben-Gurion accepted in principle Chief-of-Staff Moshe Dayan’s prognosis regarding the necessity of a preventative war against Egypt, but strove to slow the pace of its realization, he now threw his full weight against Dayan’s hawkish plans, this time as prime minister, beginning in October and, in effect, throughout the first half of 1956. The reason that Ben-Gurion employed extreme caution in everything related to an Israeli-initiated war was the need to first attain an arms balance between the sides, and the highest priority was given to the procurement of weapons. Against this backdrop, not only was Dayan’s idea rejected, to the Chief-of-Staff’s great chagrin, but Israel displayed utmost restraint in the face of murderous infiltration activity in April 1956.
The caution paid off, and by mid-1956, it became clear that the state succeeded in achieving an arms balance with Egypt, as a result of French arms shipments. The threat of the Czech deal was significantly reduced and it seemed logical to expect that the motivation for war would also be lowered. But this was not how events turned out. In retrospect, it is clear that the rejection of the idea of war in late 1955 was only a tactical move, and the threat of a confrontation with the Egyptian leader, whose intentions seemed to be bellicose, coupled with a powerfully restored military capability, could only strengthen in Israel’s eyes the strategic attraction of a preventative war. The important development that speeded up Israel’s readiness to translate this thinking into reality occurred in May 1956. This was the result of the military establishment’s initiative in integrating its agreements on arms procurement with a military link to France in order to consolidate a joint counter-response to Nasser. Ben-Gurion approved the initiative, which later received the blessing of the French, and which was expressed in a secret bilateral agreement signed in Veimars at the end of June, shortly before Nasser nationalized the canal. If, until this stage, Israel had acted to strengthen the strategic tie between the two countries, then the following months were to witness intensive French activity for building what seemed at the time, and not only in Egyptian eyes, to be political science fiction—an Anglo-French-Israeli military coalition. Ben-Gurion balked at the prospect of a military tie with Britain, but after he received bona fide guarantees in writing from British leaders, he gave the coalition his blessing. Israel’s motives were complex, but they certainly must have included a reluctance to turn down its first ever strategic alliance that offered the possibility of participating in an international coalition designed to strike at Nasser and topple him, and in this way solve the problems of current security and basic security. This was also the chance to open of the Straits of Tiran (at the entrance to the Gulf of Eilat) to Israeli shipping, and realign the state’s southern border in a way more advantageous to Israel. The historiography of the Sinai Campaign teaches that the seeds of the practical idea for a preventative war that were sown at the beginning of 1955, and that produced the sharp turning-point in Israel’s foreign and security policy after the War of Independence, required over a year and a half to germinate, and only then under extraordinary political circumstances.

Israel’s struggle to find a strategic ally that would assist it politically and militarily had been a cornerstone of its foreign policy. Starting in the early 1950s, all practical efforts in this direction aimed at convincing the United States to become this ally. The failure of Israel’s leaders to accomplish this in the 1950s was balanced out with their success in forming a strategic tie
with France that included assistance in developing nuclear weapons.\textsuperscript{125} It is not surprising that a considerable number of people, especially in the security establishment, regarded this connection as an alternative to one with the United States. Was the Sinai Campaign a break with the political trend? Was the French connection a basic turning-point in Israel’s international orientation? Although many politicians and military people were convinced of Paris’ readiness to maintain a long-term connection with Jerusalem, others, in the Foreign Ministry, and especially among the state’s leadership, including the prime minister, were very skeptical. They took a much more realistic view of France’s ties with Syria, the pro-Arab tradition in the French Foreign Ministry, and especially the temporary rationale that lay at the heart of military relations with Israel—the war in Algeria. With this awareness, the Israelis were prepared to exploit to the maximum “the window of opportunity,” while striving to secure what was still believed to be one of the most decisive solutions to Israel’s international weakness—a connection with Washington. The Sinai Campaign was certainly not a turning-point in Israel’s efforts at winning regional recognition. Israel’s alignment against Egypt on the side of the colonialist superpowers only aggravated the hostility of the Arab Middle East against such recognition. The war had no effect on Israel’s attempts at furthering immigration from Eastern Europe, acquiring international economic aid, or safeguarding its water sources. On the other hand, the war proved to be a springboard for developing ties with Iran that were made possible, \textit{inter alia}, as a result of the opening of the Straits of Tiran (following the Sinai Campaign), and the arrival of oil shipments to Israel’s southern port. To sum up, the Sinai Campaign created no major break in the nature of Israeli foreign policy that had crystallized during the previous eight years. As the second decade approached, Israel’s struggle to secure vital resources from abroad continued to be the main focus of its national policy.

\section*{Notes}

This article was translated by Moshe Tlamim of the Ben-Gurion Research Center.

\textsuperscript{1} An expanded version of this article will appear in \textit{The History of the Jewish Yishuv in Eretz Israel from the First Aliya to the Period of the State 1948–1956}, Moshe Lissak, et al. (eds), (The Israeli Academy of Sciences and the Bialik Institute, Jerusalem)[Hebrew].

\textsuperscript{1} See Gershon Rivlin and Aliza Rivlin, \textit{The Stranger Cannot Understand}
(Tel-Aviv, 1998) [Hebrew] where over 600 pages of code names used in the Yishuv appear.


14. See Zaki Shalom, “Ben-Gurion and Sharett’s Opposition to Territorial
21. See Haggai Eshed, *An Institution of One Man* (Tel-Aviv, 1988) [Hebrew]; The historiography of Israel’s intelligence services in the first years of the state suffers from poor quality, especially because much of the archival material remains classified. However, for an authoritative analysis of the historical roots of these organizations, see Yoav Gelber, *Growing a Fleur-de-Lis: The Intelligence Services of the Jewish Yishuv in Palestine* (Tel-Aviv 1992); [Hebrew]; Asa Lefen, *The Information Service* (Tel-Aviv, 1997) [Hebrew].
25. For a detailed analysis of these concepts, see Sheffer, *Moshe Sharett*.
27. For a detailed discussion, see Saul Zeituni, *Deterrence and Peace* (Tel-Aviv, 2000) [Hebrew], and Caplan, *Futile Diplomacy*.
33. Yehoshua Freundlich, *From Destruction to Birth: The Zionist Policy from the End of WW II until the Birth of the State of Israel* (Tel-Aviv, 1994) 260 [Hebrew].
35. Caplan, *Futile Diplomacy*.
37. Ibid.
39. See Aryeh Shalev, *Cooperation in the Shadow of Confrontation* (Tel-Aviv, 1989) [Hebrew].
40. See Cahana, *The Palestinians’ Demand for the “Right of Return” and its Meaning for Israel*.


49. On the Israeli media, see Benny Morris, *Making a Correction* (Tel-Aviv, 2000), 175–198 [Hebrew].


60. See, Yaacov Ro’i, *Soviet Decision-Making in Practice: The Soviet Union*

61. For more on the foreign-diplomatic aspects of the Yishuv’s foreign policy, see Freundlich, From Destruction to Birth. On the domestic aspects of it, see Joseph Heller, The Birth of Israel 1945–1949: Ben-Gurion and his Critics (Gainesville, FL, 2000).

62. For a general Middle Eastern perspective of this phenomenon, see Avi Shlaim and Yazeed Sayigh (eds), The Cold War and the Middle East (Oxford, 1997).


66. See Bialer, Between East and West, 124–127.


72. 10 August 1954, ISA, File 2414/3. For another exceptional case in which Israel was averse to cultivation of diplomatic relations because of ideological reasons, see Raanan Rein, In the Shadow of the Holocaust and the Inquisition: Israel’s Relations with Franco’s Spain (Tel-Aviv, 1995) [Hebrew].


78. On Israel and the Soviet intelligence effort, see Issar Harel, Soviet Espionage (Tel-Aviv, 1987) [Hebrew]. It should be emphasized that the Soviet Union in those years had a “mole” in Israel in the figure of Israel Baer who served in a senior position in the security establishment and was one of Ben-Gurion’s confidants. It is reasonable to assume that Baer’s ability to estimate correctly Israel’s foreign policy directions was high.

79. See Mordechai Namir, Israeli Mission to Moscow (Tel-Aviv, 1971) [Hebrew]; Golda Meir, My Life (London, 1976); Arie Eliav, Between Hammer and Sickle, (Tel-Aviv, 1971) [Hebrew]; Katriel Katz, Budapest, Warsaw, Moscow: Ambassador to Indifferent Countries (Tel-Aviv, 1976) [Hebrew]; Nechemia Levanon, Codeword: “Nativ” (Tel-Aviv, 1995) [Hebrew]. Historical research substantiates this picture. See, Yosef Govrin, Israeli-Soviet Relations from their Renewal in 1953 to their Severance in 1967 (Jerusalem, 1990) [Hebrew]; Ro’i, Soviet Decision-Making in Practice; Arnold Krammer, The Forgotten Friendship (Urbana, IL, 1974); Bialer, Between East and West.

80. The prefaces to the volumes of documents from the Israeli Foreign Ministry in the first years of the state, published by Israel State Archives, contain an important analysis, albeit extremely concise on these subjects relating to the late 1940s and early 1950s. There are still no basic works that have thoroughly analyzed Israeli documents dealing with the Israeli perspective of its complex relations with the United States, Great Britain, and France in the period between 1948–1956. Partial treatment on this subject can be found in, Bialer, Between East and West; Zach Levey, Israel and the Western Powers 1952–1960 (Chapel Hill, NC, 1997); Sheffer, Moshe Sharett. For works on the American perspective, see Michael Cohen, Truman and Israel (Berkeley, CA, 1990); M. Benson, Harry S. Truman and the Founding of Israel, (Westport, CT, 1997); Isaac Al teras Eisenhower and Israel; Norman Finkelstein, Friends Indeed: The Special Relationship of Israel and the United States (New York, 1998); Peter Hahn, “The View from Jerusalem; Revelations about U.S. Diplomacy from the Archives of Israel,” Diplomatic History, 22 (4) (1998). On the British perspective, see Pappe, The Making of the Arab-Israeli Conflict; Ilan Pappe, “From Overt Conflict to Tacit Alliance: Anglo-Israeli relations 1948–1951,” Middle Eastern Studies, 4 (1990) 561–581; Zach Levey, “Anglo-Israeli Strategic Relations 1952–1956,” Middle Eastern Studies, 31 (4) (1995); Louis, The British Empire in the Middle East; William Roger Louis, “Britain at the Crossroads in Palestine 1952–1954,” The Jerusalem Journal of International Relations, 12 (3) (1990) 59–82; Tenenbaum, British Policy Towards Israel and the Arab-Israeli Conflict. On the French perspective, see Tsila Hershko, Between Paris and Jeru-

81. For the background of this international declaration, see Shlomo Slonim, “Origins of the 1950 Tripartite Declaration on the Middle East,” Middle Eastern Studies, 23 (2) (1987) 135–149. On the Israeli reaction, see, Bialer, Between East and West, 216–217.


83. On Israel’s efforts in this area, see Eshed, An Institution of One Man; and Dan Raviv and Yossi Melman, Every Spy a Prince (Boston, MA, 1990) 76–94.

84. Golan, Hot Border—Cold War.


86. See the painful influence of the event on the captains of Israel’s foreign policy in Sheffer, Sharett, 799–800.


89. See, inter alia, Zeev Hadari, Refugees Vanquish Empire (Tel-Aviv, 1985) [Hebrew]; Idith Zertal, The Gold of the Jews: Underground Jewish Emigration to Eretz Israel 1945–1948 (Tel-Aviv, 1996) [Hebrew]; Irit Kinan, The Hunger did not Subside: Holocaust Survivors and Eretz Israel Emissaries, Germany 1945–1948 (Tel-Aviv, 1996). The following analysis is based on Bialer, Between East and West, Dvora Hacohen, Immigrant in the Turmoil” (Jerusalem, 1994) [Hebrew]; Natanel Katzburg, “Problems with the Immigration from East Europe in the First Years of the State (1948–1949),” in Mordechai Eliav and Yitzhak Raphael (eds), Sefer Shragai (Jerusalem, 1988) 223–235 [Hebrew].


92. For more on this subject, see Yosef Govrin, Israeli-Soviet Relations from their Renewal in 1955 to their Severance in 1967, 186–209; Levanon, Codeword: “Nativ”;


94. For activity of the organization, see Yehuda Bauer, Out of the Ashes (Oxford, 1989).


96. See Chaim Saadon, (ed), Openly and Concealed: Mass Immigration for Islamic Countries (Jerusalem, 1988) [Hebrew].


98. For an analysis of Israel’s economic problems in the first years of the state, see Chaim Barkai, The Early Days of the Israeli Economy (Jerusalem, 1990) [Hebrew].


100. For further reading, see Bialer, Between East and West.

101. See Brecher, Decisions in Israel’s Foreign Policy, 111–172.


Negotiations (Jerusalem, 1980); Nicholas Balabkins, West German Reparations to Israel (New Brunswick, 1971); Neima Barzel, Israel and Germany 1945–1956: The Development of Social and Political Relations with Germany after the Holocaust, (Ph.D. Thesis) (Haifa University, 1990) [Hebrew]; Yehiam Weitz, “The Road to the ‘Other Germany’: David Ben-Gurion’s Relationship with Germany 1952–1960,” in Anita Shapira (ed), Independence: The First Fifty Years, 245–266 [Hebrew].

104. For a detailed analysis of the economic implications of the agreement, see The Reparations and their influence on the Israeli Economy (Bank of Israel, Jerusalem, 1965) [Hebrew].


106. The following analysis is based on Bialer, Oil and the Arab-Israeli Conflict.

107. For further reading, see Gil Feiler, From Boycott to Economic Cooperation (London, 1998), 24–34.

108. For an example of one of these activities, see Doron Almog, Arms Procurement in the United States (Tel-Aviv, 1987) [Hebrew]. Another example is Czechoslovakia (waiting for a historian to research the subject) where official documents have been declassified and published by the Institute of Modern History in Prague. Cekoslovensko a Izrael v letech 1945–1956—Dokumenty (Praha, 1993).

109. See Ilan, The Origin of the Arab-Israeli Arms Race, 218–244.

110. See the table in Levey, Israel and the Western Powers, 141.

111. See Cohen, Fighting World War Three from the Middle East.


113. The historiography of these activities until 1955 suffers from lacunae. A comprehensive monograph on the first has yet to be written. The ability to publish studies on the second activity from the Israeli perspective is seriously limited because the documentation in the State Archives, the IDF Archives, and the Defense Ministry Archive remains classified. The following analysis is based on Golan, Hot Border, Cold War; Avidan, The Main Characteristics in Relations between Israel and the United States in the 1950s; Mordechai Gazit, Israel’s Military Armaments from the United States (Tel-Aviv, 1983) [Hebrew]; Yitzhak Steigman, From the War of Independence to the Sinai Campaign: The Air Force between 1949–1956, (Tel-Aviv, 1990) [Hebrew]; Amiad Brezner, War Horses: The Development and Change in Israel’s Armor from the End of the War of Independence to the Sinai Campaign (Tel-Aviv, 1999) [Hebrew]; Levey, Israel and the Western Powers; Levey, “Israeli Foreign Policy and the Arms Race in the Middle East 1950–1960,” Journal of Strategic Studies, 24 (1) (2001) 29–48.

114. On the balance of arms between Israel and the Arab states according to the British Foreign Office in 1955, see Levey, Israel and the Western Powers, p. 147.
115. For further reading, see, S. Spiegel, *The Other Arab-Israeli Conflict* (Chicago, 1985).
117. See Bialer, “The Czech Arms Deal Revisited.”
122. See Nathaniel Lorch, *In the Grip of the Superpowers* (Tel-Aviv, 1990) [Hebrew].