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TUESDAY, JANUARY 13, 1987

The Washington Post

AN INDEPENDENT NEWSPAPER

Cardinal O'Connor's Israel Visit

CARDINAL John O'Connor's trip to Israel has ended unhappily. Dismay was expressed by the organized Jewish leadership in New York, a city whose large Jewish and Catholic populations make the relationship of the two faiths a major community concern. The cardinal, a respected figure in the "dialogue" of two faiths, came home wondering whether he should have gone at all.

The Jewish leadership in New York had urged Cardinal O'Connor to visit Israel, calculating that his position as archbishop in New York might make him more sensitive to Jewish concern about the Vatican's refusal either to recognize the Jewish state or to accept its sovereignty in any part of Jerusalem. Once in Israel, however, Cardinal O'Connor was ordered by the Vatican to cancel scheduled appointments with Israeli leaders in their Jerusalem offices. The cardinal gamely tried to satisfy both the obligation of a distinguished guest and that of a cardinal: he met some of the top Israelis in the studies of their residences, not their offices. But although his compromise was surely offered in good faith, the burden of the Vatican's policies on Israel and Jerusalem proved too great to overcome.

The same burden seems to have affected the reading given some other remarks of the cardinal. He had arrived in Israel from Jordan, where he had expressed compassion for Palestinian refu-

gees—a sensitive subject but surely not one beyond the limits of comment. In Jerusalem, meanwhile, he emerged from a visit to a Holocaust memorial and referred to the Holocaust as "an enormous gift" of Judaism to the world—Catholic terminology with which many of his Jewish listeners were evidently unfamiliar. Given the opportunity, Cardinal O'Connor might have tempered the affront perceived in these remarks in New York. But while he was still homeward bound, virtually every major Jewish organization in the United States joined, on the Jewish sabbath, and criticized his trip.

The critics were awfully quick to jump the cardinal when he failed to deliver the major adjustments in Vatican tone if not policy that, somewhat unrealistically, they had invited him to Israel to make. Still, the source of Jewish-Catholic tension on Israel lies elsewhere. Only part of it comes from the view—one that the Vatican shares with many governments, including America's—that the status of Jerusalem is unsettled. Much the most serious part arises from a Vatican policy that asks of Israel alone, as a condition of recognition, that it first resolve its differences with neighbors and others. Coming from an institution whose past is stained with anti-Semitism, this demand cannot fail to be seen as an indefensible anachronism.

Israel
does

Israeli Air Raid Destroys Arafat's Base in Tunisia

Many Die in Attack; U.S. Defends Action

174 By Jonathan Randal
Washington Post Foreign Service

TUNIS, Oct. 1—Israeli warplanes today destroyed the personal headquarters here of Yasser Arafat, chairman of the Palestine Liberation Organization, in a daring precision attack that required midair refueling to reach the target 1,500 miles from home base.

Hours after the six-minute, mid-morning bomb and missile attack on the seaside complex 21 miles south of Tunis, the official Tunisian news agency TAP said the death toll had reached more than 50. Earlier, a PLO spokesman provisionally put casualties at 156 without providing a breakdown between the dead and wounded.

Arafat, who reportedly was at another PLO site, was not injured, although there were indications that the raid was timed to kill him. Witnesses said his L-shaped headquarters building had all but disappeared into a deep crater.

Israeli officials said the raid was in retaliation for the assassination in Cyprus last Wednesday of three Israelis at the hands of Palestinian gunmen, although the PLO had denied involvement. Defense Minister Yitzhak Rabin said it was a warning to terrorists "that the long arm" of Israel's military will reach them wherever they are. [Details on Page A20.]

The raid, Israel's first outside the Israeli-Lebanese region since 1981, brought wide condemnation from Arab countries, including Egypt, from U.N. Secretary General Javier Perez de Cuellar, and from several Western European capitals.

But in Washington, President Reagan and other U.S. officials strongly defended the Israeli raid, with White House spokesman Larry Speakes calling it "retaliation against a terrorist attack" and "a legitimate response and an expression of self defense." [Details on Page A20.]

The Tunisian government tonight asked the U.N. Security Council to meet to discuss the raid, which Tunisian Foreign Minister Beji Caid Essebsi said was a case of state terrorism aimed at sabotaging Middle East peace efforts.

The number and types of warplanes used were not known and Israeli military statements about the raid gave no details, although

Israeli television said that they had been refueled in the air for their 3,000-mile round trip.

Witnesses here told reporters that they counted six planes, which some said were F4 Phantoms. But the Palestinian news agency WAFA said eight U.S.-made F16s were involved in the attack, which heavily damaged or destroyed buildings used by Force 17, the PLO's elite security wing blamed by Israel for the Cyprus killings, while leaving others in the complex untouched.

A visibly affected Arafat, who visited the scene in early afternoon but made no statement, was reported to have been in Marsa, a northern suburb of Tunis, when the attack began at 10:07 a.m., diplomats said. Tunisian sources said there had been plans for Arafat to preside over a meeting with Force 17 officials between 9 and 11 a.m.

Since Arafat moved his headquarters to Tunisia after the Israelis forced the PLO to leave Beirut in 1982, various Palestinian offices have been purposely dispersed into many neighborhoods to avoid running the risk of the Israelis' destroying all the leadership at once.

Tunisian witnesses said two Israeli aircraft remained high in the sky while the others attacked in pairs with air-to-ground missiles. WAFA said 500-pound bombs, some of them delayed-action, also were dropped.

Diplomats quoted Tunisian military sources as saying Israeli planes reportedly started skimming just above the Mediterranean when they reached the island of Malta, 250 miles to the east, to avoid radar detection.

Tunisian radar screens picked up the intruders only minutes before they attacked, the diplomats added.

Except for frequent raids into Lebanon, today's was the first abroad by Israel since their aircraft destroyed a French-built nuclear reactor near the Iraqi capital of Baghdad on June 7, 1981.

In a mission comparable to today's for precision and surprise, Israel rescued a planeload of Israeli hostages at the Entebbe, Uganda, airport, 2,200 miles from Israel on July 4, 1976, but it used an airport in neighboring Kenya as a staging area.

The pinpoint precision of today's raid was reminiscent of some Israeli bombing during the siege of west Beirut in 1982. Then, several buildings thought to have been regularly used by Arafat were destroyed—sometimes within minutes of his reputed departure—while adjoining structures were left untouched.

Diplomats credited the Israelis with almost perfect timing, noting that Israeli intelligence apparently had learned that Arafat, ever wary and secretive about his travels, had flown back from Morocco only last night.

Palestinian sources said the Israeli raid today should silence Arafat's critics among the PLO dissidents who have accused him of wanting to sell out to Israel by entering peace negotiations with King Hussein of Jordan.

In the attack cited by Israel as provoking the retaliatory raid, three Israelis—two men and a woman—were killed in their yacht in Larnaca, Cyprus, by three pro-Palestinian gunmen, who are now in Cypriot custody. Israel has blamed Force 17, and a caller to a western news agency in Jerusalem claimed responsibility for the slayings on behalf of Force 17.

But Arafat's wing of the badly split PLO has denied responsibility for the killings, and one of the gunmen told reporters, "We belong to no organization."

The government of Cyprus said Monday that from its investigations and interrogation of the three alleged assailants, one of them a Briton, "so far, no evidence has emerged leading to the conclusion that some organization" was involved. Some Palestinians later charged that the Israelis were espionage agents, but Cypriot officials have said they have found no evidence that they were.

Diplomatic sources warned that the United States might be accused of collusion with Israel in the raid. They reasoned that many Tunisians would question whether the U.S. 6th Fleet, which is reported to be off the Tunisian shore as a show of support for Tunisia in a current dispute with Libya, had been able to detect the Israeli intruders and could have alerted Tunisia.

Military sources noted, however, that unless the Israelis had been detected at higher altitudes while still in the eastern Mediterranean, even sophisticated equipment aboard the U.S. vessels would have had trouble picking up the Israeli aircraft in their low-level approach.

Israel Had the Right to Strike Back at Terrorists, Reagan Says

By David B. Ottaway
Washington Post Staff Writer

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President Reagan, in one of his strongest endorsements of the use of military force against terrorism, said yesterday that Israel and other nations had the right to strike back "if they can pick out the people responsible."

When asked by reporters whether Israeli pilots had selected the appropriate target in yesterday's raid on the headquarters of the Palestine Liberation Organization in Tunis, Reagan said he had "great faith in [Israeli] intelligence capabilities."

The Israeli raid was in response to the murder of three Israeli civilians in the port of Larnaca, Cyprus, on Sept. 25.

Reagan's comments during a brief White House news conference were made a few hours after an administration spokesman

Speakes characterized the Israeli raid as "a legitimate response" and "an expression of self-defense" against past acts of violence against the Jewish state by Arab terrorists.

The administration's open endorsement of the raid was a contrast to the president's cautious attitude toward any U.S. retaliation during the hostage crisis of last June, when 39 Americans from a TWA airliner were held captive for 17 days in Beirut.

At that time, Reagan said that in retaliation, "if you just aim in the general direction and kill some people, well, then you're a terrorist, too."

Reagan's comments were also in contrast to the administration's strong condemnation of the Israeli air attack on Iraq's nuclear reactor outside Baghdad in June 1981. More recently, the State Department deplored the violation of Tunisian air space on Sept. 23 by four Libyan jets, which a U.S.

spokesman said violated "all norms of international behavior."

A spokesman for the Tunisian Embassy here said his government was "astonished, to say the least," by the administration's approval of yesterday's Israeli raid.

"It doesn't square with what your president said to our president about the U.S. commitment to Tunisia's territorial integrity," the spokesman said, referring to President Habib Bourguiba's visit here last June.

White House spokesman Larry Speakes, while acknowledging that the United States did not have "the full story" on the attack, said that preliminary reports appeared to show that Israel had a legitimate reason for retaliation.

"As a matter of U.S. policy, retaliation against terrorist attacks is a legitimate response and an expression of self-defense," he said. "The president has said linking

those who commit crime to those who are punished is essential."

Asked if this U.S. policy applied to other areas of the world, Speakes replied, "Yes."

Reagan refused to comment on whether U.S.-made warplanes had been used in the Israeli raid, saying, "I don't know. I don't know the facts." U.S. arms export regulations restrict the use of U.S.-made military hardware in some offensive actions, but administration officials characterized the Israeli raid as "defensive."

Speakes also said, "We are distressed by and deplore the cycle of violence in the Middle East, of which the latest incident is a part. It underscores the urgent need to work for peace in the Middle East."

The Israeli attack occurred as Jordan's King Hussein is in Washington to discuss ways to move the Middle East peace process forward.

It was not immediately clear what impact, if any, the Israeli raid might have on the king's willingness to continue the talks. But Rep. Lawrence J. Smith (D-Fla.), who attended a meeting with him yesterday, said, "he didn't make any big deal about it."

The Israeli raid on the PLO headquarters in Tunis was conducted after the Israeli government had repeatedly charged that the organization, led by Yasser Arafat, was behind two aborted sea raids on Israel earlier this year by Palestinian guerrillas as well as the Sept. 25 operation in Larnaca in which three Palestinians took hostage and then killed three Israelis aboard a yacht.

However, a Cyprus spokesman Monday said that from its investigation and interrogations so far of the three captured Palestinians, "no evidence has emerged leading to the conclusions that some organization, and which, is behind this affair."

Chicago Tribune

Perspective

A forum—ideas, analysis, opinion

Section 1 11



Chicago Tribune, Wednesday, January 18, 1984

U.S.-Israel ties serve Arabs

By Martin Indyk

The words "strategic cooperation" were hardly out of President Reagan's mouth before the critics launched into their chorus. First came the old Arabist refrain: "Working with Israel will alienate the moderate Arabs." Then came the bargainiers' tune: "We gave Israel everything; we got no concessions in return."

Apocalyptic soothsayers provided the next line: "It will drag us into a superpower confrontation." And the final verse came from the world-be guardians of peace: "Closer relations with Israel will damage the peace process."

It's a familiar song, but it's the wrong song. To be sure, Arabs do not like the idea of strategic cooperation between the United States and Israel because they don't like Israel. However, it is critical to distinguish between Arab rhetoric and Arab reality. Naturally, King Hussein expressed dismay, Prince Bandar inveighed against Israel and President Mubarak worried about the peace process.

But where was the criticism of the United States? Where was there any sign of alienation or retaliation? The Saudis are reported to have refused to coordinate a military response to the possible closing of the Straits of Hormuz by Iran. Yet it is safe to predict that such resolve will quickly crumble in the face of a real Iranian threat. After all, who is protecting whom?

The fact is that while America's Arab friends are anti-Israel, the real source of their insecurity is Soviet-backed Arab and Islamic radicalism. The United States is the only superpower, and Israel the only regional power, capable of deterring and containing this threat. They did so in the early 1960s when Nasser's Egypt threatened Saudi Arabia. They did it again in 1970 when Syria and the Palestine Liberation Organization were prevented from overthrowing King Hussein. And they are doing it now by deterring Syria from taking over Lebanon.

In this sense, there is a fundamental commonality of interests among the United States, Israel and conservative Arabs. That is why the United States enjoys an unparalleled position of influence in the Arab world even as its relationship with Israel grows closer and stronger.

As for the *quid pro quo* chorus, there is a peculiar logic at work here. When we go to other countries for help, we are the ones who offer them concessions to secure their assistance. Yet when we go to Israel for help in deterring threats to American interests, we expect to obtain concessions from Israel.

Strategic cooperation is not a favor the United States is granting Israel. It serves the best interests of the United States. Of course, such an alliance also serves Israel's interests. However, it is essential to note that this time Washington, not Jerusalem, sought the strategic relationship because we need Israel's help to stabilize the Middle East.

In this regard, the prophets of a superpower confrontation also have it backwards. Working with Israel to help restore a favorable balance of power in the region actually reduces the risk of such a confrontation by raising the costs of aggression. When the Soviet Union saw the United States confronting Israel in Lebanon, it felt free to restock Syria's arsenal and rebuild its ability for trouble-making. Now that it sees the United States working with Israel in Lebanon, there are indications it is counseling caution in Damascus.

A similar argument needs to be put to those who believe strategic cooperation between the United States and Israel will damage the peace process. By standing up to the radical rejectionists, such an alliance in fact encourages moderation. Moreover, by indicating that the United States intends to stand by Israel, the alliance bolsters those in the Arab world who argue that Israel cannot be defeated and must be accepted. And by reassuring Israel of American support, the alliance helps to encourage Israeli confidence in the peace process.

Undersecretary of State Larry Eagleburger sounded the right note when he said, "In the last analysis, I think we very clearly did what was in our best interests and in the interests of peace in the Middle East."

Martin Indyk is a senior policy analyst with Near East Research Inc. in Washington.



Background on US-Israel Strategic Cooperation

Reagan Links Middle East Disputes To Global East-West Struggle

The new policy of strategic cooperation with Israel is designed to deter Soviet moves in the Persian Gulf, but it may also increase stability in the Middle East.

BY CHRISTOPHER MADISON

The Middle East, with its continuing turmoil, violence and uncertainty, may be President Reagan's most serious foreign policy problem. He faces a reelection campaign without any obvious victories or apparent solutions in the region.

The risks can be seen most immediately in the continued presence of marines in Beirut three months after more than 230 of them were killed in a terrorist bombing and more than a year and a half after Israel's invasion of Lebanon added still another crisis spot to a region fraught with tension. By all obvious measures, Reagan hasn't convinced Americans that the marines are there for good or even coherent reasons.

The Reagan Administration's policies toward the region—they do exist—may be difficult to grasp and support because they present a paradox. In a way that seems simplistic, the President has closely linked the complex regional disputes to his Administration's overpowering foreign policy concern—the global East-West struggle. The paradox is that the linkage, brought on by increased Soviet influence in Syria, which in turn has contributed to the stalemate in Lebanon, has also brought about a revision of U.S. policy toward Israel that may bring some stability to the regional conflicts.

In a speech last Oct. 25 designed to generate support for the presence of the marines as well as for the just-completed U.S. invasion of Grenada, Reagan asked, "Can the United States or the free world, for that matter, stand by and see the Middle East incorporated into the Soviet bloc?"

Also in the name of the East-West conflict, the President next initiated a move to improve relations with Israel, which had been in disrepair for more than two years. He invited Yitzhak Shamir,

Israel's new Prime Minister, to Washington for several days of talks in late November and, at the conclusion, announced that the two countries would begin exploring cooperation on both military and economic matters.

A new "joint political-military group," Reagan said, "will give priority attention to the threat to our mutual interests posed by increased Soviet involvement in the Middle East." Those talks began in Washington late this month.

The linkage between the Middle East conflict and the East-West struggle is reinforced by another factor: Israel is not just a Middle East power, but also a pro-Western democracy whose future is dependent on the success of the West in the East-West struggle. "It's in their interest for us to succeed," said a former State Department official who closely follows Middle East policy.

In the process of improving its military relations with Israel, the Administration has had to shatter some old policies—chiefly, one that called for the United States to keep Israel at arm's length on military matters to avoid alienating Arab nations considered friendly to the United States. Because those who supported the arm's-length policy—most prominently pro-Arab pockets in the State Department and Defense Secretary Caspar W. Weinberger—have only reluctantly gone along with the new policy, the Administration is not trumpeting it.

Administration officials are also highly sensitive about Arab reaction to its new relationship with Israel. They have made efforts to convince Arab allies that U.S.-Israeli cooperation is aimed at deterring Soviet moves in the region and is not related to Israel's regional disputes with its neighbors. But officials expect the United States to be blamed for any aggressive Israeli actions in the future.

But as an official said, the Administra-

tion has decided that "foreign policy in the region can't be held hostage to Arab sensibilities."

Two years ago, a U.S.-Israel memorandum of understanding was signed that would have started a series of talks on military cooperation similar to those now under way. But it was quickly scrapped when the countries got embroiled in a dispute over Israel's annexation of territory on the Golan Heights, a move opposed by the Reagan Administration.

It has taken more than two years to bring relations back to where they were at the beginning of the Administration. "This policy really should be viewed in the context of getting U.S.-Israel relations back to where they were," an official said.

This time, diplomats in both countries are taking precautions. Besides a low profile for the discussions—U.S. officials are not announcing the talks unless asked—there probably will not even be formal, written agreements that could be canceled because of disputes on other issues.

But even if nothing is put into writing, the new cooperation agreements that are being negotiated have significant regional and global implications. Late in January, a group of Israeli officials met quietly in Washington with a group of U.S. officials, headed by Jonathan Howe, director of the State Department's office of politico-military affairs, to begin talks on three areas of military cooperation: American use of Israeli medical facilities in an emergency, the placement in Israel of U.S. military equipment and supplies, including folding hospitals for transport elsewhere in the region during a possible war, and joint contingency planning and of joint military exercises, the latter perhaps as early as this year.

There are also efforts under way to improve economic ties. Negotiations were begun earlier in the month on the

establishment of a free-trade agreement between the two countries—something that the United States has with no other nation. (For more on the agreement, see box, p. 161.)

The three levels of military cooperation, as well as the new economic ties, suggest both how surprisingly undeveloped the relationship between the two countries has been in some respects and how far-reaching the impact of the cooperation could be.

The sharing of medical facilities presents the most glaring example of unfulfilled opportunities. After the bombing of the marine headquarters in Beirut last Oct. 23, wounded marines were transported to Germany for medical attention. Why were they not flown to Israel, next door to Lebanon, which possessed more than adequate emergency medical facilities? The official reason was that normal procedures called for them to be treated at U.S. military hospitals. But as Stuart E. Eizenstat, a former aide to President Carter, noted recently, "The decision clearly resulted in part from the Administration's unwillingness to be too closely identified with Israel for fear of somehow jeopardizing America's relations with the Arab world."

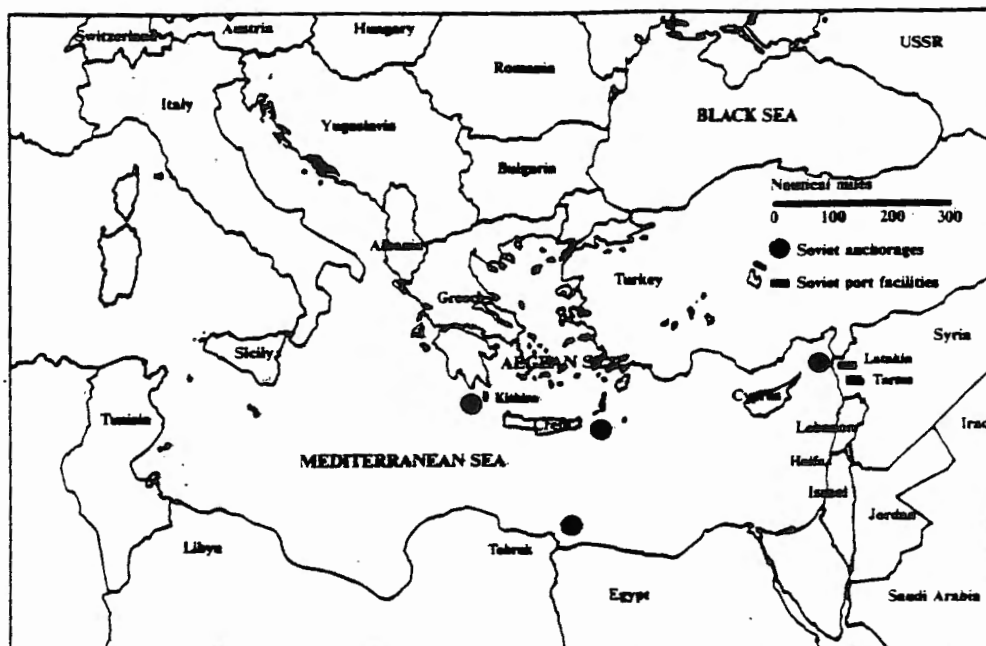
Eizenstat made that statement in mid-November, but Shamir's visit has changed the policy. And the new relationship has important implications for Middle East politics. Administration officials believe closer ties with America will make it easier for Israel to face up to hard regional questions such as withdrawal from occupied areas and abandonment of some West Bank settlements.

Officials also believe that the ability of the United States to influence events in the volatile Middle East depends in large part on healthy U.S.-Israeli ties. Said an official who participated in the U.S.-Israeli discussions, "To the degree that others in the region see relations as strained, they will act less responsibly."

U.S. officials also believe the new relationship with Israel may help end the stalemate between Israel and its neighbors. As a former State Department official said, "The only way the Arabs are going to make peace with Israel is if they are convinced that the West has a stake in Israel's existence as a democracy."

GLOBAL STRUGGLE

Even more important, a formal strategic relationship between the United



Israel is strategically located in the eastern Mediterranean Sea not only to play an important role in the Middle East but also in the broader global struggle between East and West.

States and Israel relates closely to the over-all global East-West struggle as it is played out in the Middle East, nearby in the eastern Mediterranean Sea and in countries bordering the Mediterranean, such as Greece and Turkey, which are U.S. allies.

"Israel today is a significant enough military power to act as a deterrent against Soviet plans for an invasion of the Persian Gulf or for activities in the Mediterranean," Steven Spiegel, a political science professor at the University of California (Los Angeles), wrote last June in *Commentary*, the magazine of the American Jewish Committee.

It also is, in many ways, an ideal U.S. ally in the region. According to Steven Rosen, director of research and information for the American Israel Public Affairs Committee, Israel's strategic value to the United States is based on three factors: its fighting strength, its location and its political orientation.

Israel, according to Rosen, a defense specialist, is stronger than any other country in the region and is the dominant naval force in the area east of the Turkish straits. Its location makes it the eastern anchor of the Mediterranean, halfway between Europe and the Persian Gulf.

For the United States, it provides a place to position equipment for later deployment over a wide area—so-called pre-positioning. Analysts believe the United States faces equipment shortages in every theater and must be ready to move equipment from one to another.

Politically, despite their differences over regional problems such as Israel's

territorial disputes, the United States and Israel agree more than they disagree. "If the Soviet Union becomes the dominant force in the region, this would upset Israel as much as it would upset the United States. Israel is a reliable ally in the Middle East," Rosen said.

In many ways, the regional and global implications are intertwined. U.S. officials discussing the agreement make clear that the increase in the number of Soviet military advisers in Syria during the past 18 months—from about 3,000 to about 7,000 men—is a source of concern and an impetus for the U.S.-Israeli talks. Military cooperation that may result from the discussions is clearly designed to affect the Soviet Union's calculus of power in the region.

There seems to be a consensus that the extent to which the Syrians became embroiled in Lebanon reflected their feeling that they had "an umbrella of protection" from the Soviets. The Administration wants to use the new relationship with Israel to show the Soviets that their activity caused a step-up in U.S. activity in the region.

Until the late 1970s, U.S. policy in the Middle East, as well as U.S. strategic interests in the eastern Mediterranean, was based on the "twin pillars" of Iran and Israel, both strong friends of the United States. When the shah of Iran was overthrown in 1978, that foreign policy began to crumble; it was unable to rest, it seemed to U.S. officials, on the strength of Israel alone.

And when the Soviet Union invaded Afghanistan in 1980, it meant the loss of

the only remaining barrier between the Soviet Union and the Persian Gulf oil fields, which were crucial to the economic health of the Western alliance. Soon after Afghanistan fell, President Carter declared that the United States would defend the oil fields from attack. But his pledge caught military officials off guard because, at that moment, the United States had no military plans for such a defense.

This, in turn, led to a scramble by the United States to develop the capacity to defend the oil fields and other strategic interests in the region. Initial efforts by the Carter Administration focused on the Arab countries in the region that have been friendly to the United States—chiefly Egypt, Saudi Arabia and Oman.

According to many accounts, Israel was excluded because the traditional view of many in the Defense Department as well as in the State Department was that it would be impossible to have good relations with moderate Arab states if the United States and Israel were linked strategically. To some Middle East analysts, this became the "either/or" policy. It has been traced back to 1948, when the Joint Chiefs of Staff advised President Truman not to recognize Israel because it would threaten U.S. access to Persian Gulf oil.

Spiegel, in his article, described the traditional either/or attitude: "The argument repeated so often that it is now an unquestioned article of faith is that cooperation with the Arab states is essential if U.S. interests in the Middle East are to be preserved. Since the Arab states will not accept a close U.S.-Israeli relationship—and certainly not strategic cooperation—the only way to protect U.S. interests in the area is to increase the distance between Washington and Jerusalem."

The flaw in that plan was that the moderate Arab states were not willing to risk making any formal commitments to cooperate with the United States on strategic matters. They feared it would only encourage antigovernment subversion in their own countries by forces opposed to Israel.

Saudi Arabia, for example, merely agreed to cooperate covertly. It would "overbuild" its own military facilities, with U.S. help, so that they could be used by U.S. forces in an emergency. While relations with Egypt blossomed under



Steven Rosen of the American Israel Public Affairs Committee says Israel's strategic value to the United States is based on its fighting strength, location and political orientation.

President Anwar el-Sadat, there were problems with strategic relationship talks with his successor, Hosni Mubarak, because the Egyptians wanted to control facilities there, and Congress balked at that.

The result was that a planned \$1 billion base at Ras Banas in Egypt now will only be a \$50 million skeleton facility.

In the end, U.S. military planning in the region increasingly depended on Diego Garcia, an island in the Indian Ocean more than 3,000 miles from northern Iran, which is a possible destination for U.S. troops in any U.S.-Soviet Middle East conflict.

FIRST TALKS

The idea of a strategic relationship between America and Israel may seem to be a response to the insufficient arrangements with Arab states. But some former U.S. officials confirmed that talks between defense officials of both countries began in 1976, when Donald Rumsfeld, now Reagan's special Middle East envoy, was President Ford's Defense Secretary. Because of Arab sensitivities—and the risk that in response to their objections, U.S. officials opposed to the talks would sabotage them—they occurred in secret until the beginning of the Reagan Administration, when the issue moved into the public domain.

The U.S.-Israeli talks were strongly supported by former Secretary of State Alexander M. Haig Jr. and Richard V. Allen, Reagan's first assistant for national security affairs, but opposed by Defense Secretary Weinberger, who contended that military cooperation with Israel would upset Arab allies.

In the summer of 1981, Haig and Allen, believing a close U.S.-Israeli relationship would strengthen the U.S. position in the region, persuaded the President to overrule the many objections raised by Weinberger and others to strategic talks with Israel.

At Reagan's direction—the Defense Department earlier had stalled on the issue, according to sources—the Pentagon began drafting a memorandum of understanding with Israel that was signed at the end of November 1981. The fact that Weinberger would not allow photographs of the signing ceremony was interpreted by some as an indication that the Administration was worried about how the Arab world would react.

Less than three weeks later, however, the agreement was canceled when Israel took steps that amounted to a virtual annexation of territory on the Golan Heights without consulting the United States.

What seems ironic to some officials now is that in canceling the memorandum, the United States meant to punish Israel for its actions on the Golan Heights. That assumes that the memorandum was seen as a favor to Israel from the United States. That was the traditional attitude of some in the Defense and State Departments. But some defense analysts now believe strategic cooperation may be as important to the United States as it is to Israel because of Israel's strong military position in a crucial part of the world.

The cancellation of the memorandum was the beginning of a long, frosty period in U.S.-Israeli relations, a period that included Israel's invasion of Lebanon and the massacre of Palestinians in an area of Beirut supposedly under Israel's control.

But as the war dragged on in Lebanon, the U.S. position began to change. U.S. officials who favored the idea originally had never really lost sight of the advantages of a strategic cooperation agreement, but they became more aware of the need for it last year. Haig had been replaced by George P. Shultz, who, according to government sources, was not convinced of the wisdom of the idea immediately but eventually became a strong supporter, along with Robert C. (Bud) McFarlane, now Reagan's national security adviser.

The situation became more urgent last summer when McFarlane, acting as Rea-

Israeli Trade Talks Could Serve Other U.S. Trade Goals

The current negotiations between Israel and the United States aimed at creating a free-trade agreement suggest foresight in the Israeli trade ministry and in the Office of the U.S. Trade Representative.

The Israelis, facing the risk that Congress will abolish some important trade concessions enjoyed by Israel and others at the end of the year, hope to perpetuate them in the bilateral agreement. U.S. Trade Representative Bill Brock, meanwhile, believes an agreement, in addition to its face value, could be used to accomplish some of the Administration's other, unrelated trade objectives.

If the free-trade talks, which started in mid-January and will continue this spring, succeed, it will be the first time the United States has negotiated a free-trade agreement with a trading partner. Depending on the outcome of the negotiations, that would mean that virtually all trade barriers—tariffs, quotas, procurement laws and other kinds of barriers, including investment and trade in services—between the countries would be eliminated.

The issues behind the negotiations are not the volumes of trade. The United States now has the balance of trade advantage: it exported \$1.5 billion worth of goods and services to Israel in 1982—the major categories were machinery, electronic equipment, grain and soybeans and transportation equipment and aircraft—while Israel exported \$1.2 billion worth to America—nearly half of it in diamonds and industrial goods, including sophisticated electronic equipment and lasers.

Israel enjoys duty-free access to the U.S. market for 90 per cent of its exports, while about 45 per cent of U.S. exports to Israel face import duties.

Nevertheless, Israel has been pushing the idea of a free-trade agreement for several years. Why? About a third of its exports to the United States are duty free because Israel is eligible for trade concessions under the generalized system of preferences. This program, which provides duty-free access to the U.S. market for products from most developing countries, expires at the end of 1984, and enthusiasm for it has been waning. There is a strong expectation, in Congress and among trade officials in the executive branch, that even if Congress renews the program—not a certainty by any means—it will significantly reduce the participation of richer developing countries such as Israel.

By negotiating a free-trade agreement now, Israeli trade officials hope they can lock in duty-free access to the lucrative U.S. market indefinitely.

The advantages for the United States are also important. Besides gaining duty-free access for U.S. exports now subject to tariffs—they are mostly high-technology products—the United States would be positioned to compete squarely with the European Community in the Israeli market. The

Community and Israel have a free-trade agreement that when fully phased in in 1985, could lock out U.S. goods and services.

The talks with the Israelis serve another strategic purpose for Brock. Progress in liberalizing trade has been minimal in recent years at the Geneva-based General Agreement on Tariffs and Trade (GATT), and the United States is contemplating a series of bilateral agreements, outside the GATT, in an effort to secure reforms with individual trading partners. The Israeli talks are the first serious set of negotiations.

Other countries, afraid of losing their concessions under the generalized system of preferences, might be encouraged to seek similar agreements. This would give America a chance to attack, in bilateral agreements, some of the troubling barriers U.S. exporters face in developing countries.

The sight in international trade circles of the United States negotiating bilateral free-trade agreements might even move other GATT members to grow more interested in multilateral trade negotiations.

The U.S.-Israeli talks are in the very early stages, and so it is not clear how much difficulty there will be in agreeing on the scope of the agreement—what kinds of trade, if any, would be exempt from the free-trade status—and when it would take effect. There are indications the United States would like full implementation of an agreement sooner than Israel, which has more tariffs to eliminate.

Another concern is the international subsidy code, which prohibits export subsidies. The United States wants Israel to sign the code, a request that could be troublesome for Israel, as it has been for many developing countries, according to Dan Haipern, Israel's minister for economic affairs in Washington.

Some Israeli industries that are now protected by tariffs "are afraid of American cooperation," according to Haipern. "We'll have to convince them it's mutually beneficial," he said. This is not insurmountable, he said, because many Israeli industries that would compete against U.S. goods in domestic markets also export and could benefit from the opening of American markets.

So far, U.S. officials said, there is more curiosity than real opposition from American industries. Many goods that are labor-intensive are exempt from the generalized system because of pressures from labor groups. U.S. officials said it is conceivable some high-technology textile or footwear industries could ask for protection in the agreement. But such a movement hasn't surfaced yet. If it does, pressure will be applied on Congress, which must first renew the President's authority to negotiate lower tariffs with trading partners and also has to review any trade agreements resulting in lower nontariff barriers, such as subsidies, procurement procedures and other regulations affecting imports.

gan's special Middle East envoy was concerned about the military situation in Lebanon and wanted to take a firmer stand. But he was told by Pentagon officials that it would stretch U.S. forces too thin elsewhere in the world.

Logistical problems that arose when the United States wanted to resupply the Lebanese army during the summer of 1983 also brought home the insufficiency of American military strength and readiness, according to sources. And part of

the problem was the refusal of other allies in the region, including Greece and Turkey, to cooperate with U.S. resupply efforts.

"We realized how weak we were in the Middle East," said a defense analyst outside the government. "It was an invitation to aggression. We had to find sources of strength."

Syria's increased role in Lebanon, heavily backed by the Soviet Union, was a further indication that the region was

becoming another area of East-West competition. The most obvious way to counter a Soviet buildup was through a U.S. show of strength, and the easiest way to do that was to negotiate military agreements with Israel.

Interagency discussions on the strategic cooperation issue were well under way last summer, after Reagan signed a national security decision document ordering a study of ways the United States and Israel could cooperate on military mat-



Secretary of State George P. Shultz initially was skeptical about a strategic cooperation agreement between the United States and Israel. But now he is a strong supporter of the idea.

ters. The discussions reached a decision stage at the time the marine barracks was bombed and the National Security Council (NSC) was at an impasse. Weinberger, who had, earlier in the year, publicly announced the Administration's willingness to discuss cooperation with the Israelis, remained privately opposed to the agreement during these deliberations, while others in the Administration, including Shultz and McFarlane, strongly favored an agreement. McFarlane, according to sources, had become distressed that efforts to reach strategic agreements with "friendly" Arab states had produced little. The climactic NSC meeting came on Oct. 18, when the members were unable to resolve the dispute. Some in the Administration have described it as the most contentious NSC meeting yet.

The group met again on Oct. 23, following the marine bombing, but was no closer to an agreement. But the President himself decided the issue, signing national security decision document 111 calling for strategic talks. He also sent Lawrence S. Eagleburger, undersecretary of State for political affairs and a strong backer of the policy, to Israel to invite Prime Minister Shamir to Washington for talks.

To the argument that the Arabs would protest such an arrangement, the Shultz-McFarlane faction had a counterargument: Although the Arabs don't like Israel, they like weakness even less because in the end many of the moderate countries depend on the United States for protection against outside aggression.

An Administration official said that to the extent that a U.S.-Israeli agreement

contributes to regional security, it will be helpful to some of the Arabs. He said that any scenarios involving Soviet activity suggest that the "regional actors" will be unable to cope alone and that the combined U.S.-Israeli strength will help.

An event that occurred in 1970 is often recalled by those who favor strategic cooperation to illustrate that when necessary, moderate Arab states are not only willing to tolerate a U.S.-Israeli relationship, but are also willing to benefit from Israel's military strength. In September 1970, Jordan was threatened by an invasion from Syria and asked the United States to intercede with Israel to ask for Israel's help. Israel sent word to the Syrians that its forces would attack to prevent the Syrian move into Jordan. Syria

pulled back.

While obviously sensitive to Arab concerns, Administration officials do not seem to believe that military cooperation with Israel will, in the end, cause major problems. The Administration is trying to transcend the "zero-sum"—that is, if the Israelis gain from the U.S. friendship, the Arabs must suffer by an equal amount—outlook on the question.

FUTURE AGREEMENTS

The talks that took place in Washington in late January were preliminary, with neither side committed to details, or even to the scope of cooperation. But chances are good that all three areas under discussion will result in some agreements between the two countries. Naturally, the least complex or controversial issues probably will be solved first.

It seems certain, according to several sources, that the United States will make arrangements to use Israeli medical facilities, when necessary, for limited numbers of wounded U.S. troops. In addition, the United States probably will use Israel as the pre-positioning site for movable hospital facilities.

Estimates are that any large-scale conflict in the Middle East could create a need for 17,000 beds. Under the best conditions, the U.S. military is capable of provid-

ing only half that number, according to estimates made by defense analysts.

The theory behind all military pre-positioning is that by basing much of the equipment closer to the places where it will be needed, U.S. military forces could respond more quickly to future Middle East crises.

Folding hospitals are not the only items being discussed for possible pre-positioning agreements. Equipment and supplies are also being considered, including ammunition, food and extra clothing as well as trucks, tanks and other vehicles.

Rosen of the American Israel Public Affairs Committee, in a report entitled "The Strategic Value of Israel," compared the time it would take to deploy a mechanized pre-positioned U.S. division to the Persian Gulf from various places in the world:

- from the United States, 77 days;
- from Israel, 11 days;
- from Diego Garcia, 27 days;
- from Somalia, 14 days;
- from Kenya, 22 days;
- from Oman, 8 days;
- from Egypt, 10 days;
- and from Turkey, 17 days.

The report added, "If a war erupted in Europe instead of the Gulf, major U.S. reinforcement would be required for NATO to hold the line against the vastly larger Warsaw Pact armies." That could be done, in the case of a mechanized division, in 11 days from Israel compared with 24 days from the United States, Rosen said.

Joint contingency planning and possible military exercises present perhaps the most far-reaching aspect of the talks.

Lawrence S. Eagleburger, undersecretary of State for political affairs, strongly supports a strategic cooperation agreement between the United States and Israel.





Caspar W. Weinberger opposed the idea of a strategic relationship pact between the United States and Israel for a long time. But now he reluctantly goes along with the move.

gested that U.S. strength in the eastern Mediterranean has declined as aircraft carriers once stationed there have been moved into the Indian Ocean; in the past, it was estimated that two carriers were needed full time in the eastern Mediterranean for adequate deterrence, but that level of coverage is now "virtually impossible," according to Carus.

U.S. cooperation with Israeli air and naval forces could fill the gap. "Israeli naval and air forces are per-



National security adviser Robert C. (Bud) McFarlane had become distressed that efforts to reach strategic agreements with "friendly" Arab states had produced little.

U.S. and Israeli officials envision an arrangement under which the two countries would be prepared to coordinate their activities in the event of Soviet threats in the Middle East or eastern Mediterranean.

That threat could come in the form of possible direct Soviet moves into Iran and the Persian Gulf oil fields. Soviet forces could move in tandem with troops from Syria.

But some military planners think the most important result that could emerge from the U.S.-Israeli joint planning sessions and exercises is a stronger Western military presence in the eastern Mediterranean Sea. The Mediterranean is a particularly strategic body of water. It is the base of operations for the U.S. Sixth Fleet, and major U.S. allies, including Egypt, Greece, Israel, Italy, Lebanon and Turkey, are on its eastern edges.

It is also an important staging area for the Soviet navy, which has major ports and anchorages in the Mediterranean. Two Soviet allies also border on it: Syria and Libya.

"The United States must control the Mediterranean," W. Seth Carus wrote recently in a report entitled "Israel and the U.S. Navy." "Unlike the Soviet navy, which can achieve most of its objectives merely by denying the West the use of the Mediterranean, the U.S. Navy has to be able to operate on, above and below the sea as well as against the shore. Given the strength of Soviet naval and naval air forces, the Sixth Fleet could have considerable difficulty achieving its objectives."

Carus and other analysts have sug-

gested that U.S. strength in the eastern Mediterranean has declined as aircraft carriers once stationed there have been moved into the Indian Ocean; in the past, it was estimated that two carriers were needed full time in the eastern Mediterranean for adequate deterrence, but that level of coverage is now "virtually impossible," according to Carus.

U.S. cooperation with Israeli air and naval forces could fill the gap. "Israeli naval and air forces are per-

manent factors in the Mediterranean balance of power," Carus wrote, and "the presence of the Israelis becomes a strategic asset for the United States, and thus for NATO, of no small importance." According to a former government official who has worked on the issue since the mid-1970s, Israel could help make the eastern Mediterranean "inhospitable" to the Soviet navy in time of war.

Soviet military planners would have to take into account Israeli naval and air strength as well as that of the United States, on the chance that the two countries might act in unison. (It cannot be assumed that because the two countries have a cooperative agreement, they will always act jointly.) Any airlift of U.S. troops over the Mediterranean could be protected by escorts from Israel.

But all that is in the future. If the two countries reach agreement on contingency planning and joint exercises, it could result in a joint exercise in the Mediterranean before the year is out. The purpose of such an event is twofold. First, the forces from both countries practice working together, gaining essential experience in the event they need to cooperate in a war.

Second, there is an important deterrent effect. The United States and Israel may want to give the Soviet Union visible evidence that they are working together to defend the eastern Mediterranean. Last year, for example, the United States began conducting land and sea exercises in Central America, and a major objective was to show its readiness to protect what the Administration considered U.S. interests in the region.

Clearly, the United States has embarked on a new course in the Middle East, both in its relationship with Israel and in its strategic position in the region generally. But even though officials believe a significant corner has been turned, they also believe that much could go wrong.

Israeli and Arab sensitivities are both acute. In the past, some U.S. officials have viewed any strategic cooperation agreement as a U.S. favor for Israel, a view that has disturbed Israel. If Israeli officials see this happening again, they could call off the talks.

On the Arab side, U.S. officials have taken great pains to stress that any cooperation won't be directed against Arab states in the region. They describe the Arab reaction as "wait and see," and they also believe the Arabs have a more subtle understanding of the ramifications of the U.S. role, despite the negative rhetoric that greeted the Reagan-Shamir meetings. "No one in the Arab world is surprised at U.S.-Israeli cooperation," said a U.S. official involved in the talks.

The U.S.-Israeli negotiations could even aid regional peace efforts. A former official who had been involved in the talks until recently argued that first of all, U.S.-Israeli cooperation can help deter Soviet "adventurism" in the region and strengthen the West's control over the eastern Mediterranean. But second, he said, "If the Arabs see us building a relationship with Israel, it reinforces the idea that they can come to us and make an argument about the Middle East and have some assurance that we will present the idea to the Israelis."

WILLIAM QUANDT ON JORDAN 1970

In the wake of Syria's victory in Lebanon, U.S. officials have been quick to argue that Jordan must be armed to protect itself against the Syrian threat. Syria's armed forces, however, dwarf Jordan's. King Hussein's only effective protection against Syrian aggression is Israel's military power.

In 1970, King Hussein appealed to Israel for just such protection against an invading Syrian tank force. The following account by William B. Quandt (Director of Middle East Affairs in President Carter's National Security Council) provides the details of Israel's offer of assistance to Jordan. It reveals that:

- * King Hussein requested Israeli intervention on the ground and in the air against advancing Syrian forces
- * The United States also requested Israeli intervention because American forces in the area were inadequate to the task
- * Israel's Cabinet decided to attack with its air force and send tanks into Jordan and into Syria, if necessary. Israel mobilized on the Jordanian and Syrian borders
- * Israel's actions deterred the Syrian air force from entering the battle and helped convince the Syrians to withdraw from Jordan

It was not until later that evening that the first reports of a Syrian armored probe into Jordan reached Washington.¹¹ The Soviet Union was quick to warn against outside intervention in Jordan and joined President Nasser in a call for a cease-fire. The Soviet chargé in Washington, Yuli Vorontsov, informed the State Department that the Soviets were urging restraint on the Syrians and were themselves in no way involved in the attack. Kissinger relayed this news to Nixon at Camp David. Nixon was unimpressed and skeptical. The Soviets, after all, had denied complicity in the standstill cease-fire violations along the Suez Canal. And now their client, Syria, was sending tanks into Jordan. Could this really be done without the Soviets at least giving their tacit blessing? More likely, the Soviets were urging the Syrians on.¹² Whatever the truth, United States diplomatic and military moves would thenceforth be aimed at getting the Soviets to pressure the Syrians to withdraw their forces.

CRISIS MANAGEMENT

It was not until the next day, September 19, that the Syrian intervention became ominous. While Secretary of Defense Laird was denying any need for United States intervention, Nixon was preparing for precisely that contingency. This was his crisis, not Laird's or Rogers's. Only Kissinger would be fully involved with the president's decisions.

The WSAG met more or less continuously throughout the day of September 19. Nixon ordered the 82d Airborne and units in West Germany to be placed on high alert, and the Sixth Fleet was ordered farther east.¹³ In addition to these signals to the Soviet Union, Sisco conveyed a warning to Vorontsov in the morning, stressing that both Israel and the United States might be forced to intervene unless the Syrians pulled back. Rogers publicly denounced the Syrian "invasion."¹⁴

Besides these developments, United States diplomacy was engaged in two other vital tasks that day. First came King Hussein's

11. The Syrians went to considerable lengths to make their intervention appear to consist of units of the Palestine Liberation Army. Tanks were hastily painted with PLA symbols.

12. The most damaging evidence of Soviet complicity in the intervention was reports that Soviet military advisers had accompanied Syrian tank units as far as the Jordanian border.

13. M. and B. Kalb, *op. cit.*, pp. 200-01.

14. *New York Times*, Sept. 21, 1970. M. and B. Kalb, *op. cit.*, p. 202. Rogers's personal views were less hawkish. He reputedly favored a joint U.S.-Soviet effort to end the fighting but was rebuffed by Nixon and Kissinger.

urgent request through his trusted aide, Zaid Rifai, to the American ambassador for American help against the Syrians. The situation in Amman was under control, but in the north it was very threatening. Late in the evening in Jordan, King Hussein ordered Rifai to send United States Ambassador L. Dean Brown a request by radio for intervention by air and land from any quarter against the Syrian tanks.¹⁵

In Washington, the WSAG met at 7:00 P.M. to consider the King's extraordinary appeal. Nixon joined the group at 7:45. As the talks were ending, General Haig entered the situation room with the sobering news that the town of Irbid had fallen to the Syrians.¹⁶ The time had come to contact the Israelis with Hussein's request.¹⁷ Golda Meir and Ambassador Rabin happened to be in New York at that moment at a fund-raising dinner. At 10:00 P.M., Kissinger managed to reach Rabin by phone to convey the king's appeal for intervention. Rabin consulted with the prime minister and then again with Kissinger. It was agreed that Rabin would fly to Washington for further talks and that Prime Minister Meir would immediately return to Israel to take charge of matters there. The next day would clearly be a momentous one.¹⁸

Monday, September 21, was indeed a critical day in the Middle East. King Hussein had called for help, but had made it clear that Jordan must have the final say on the kind of intervention. He preferred that the United States or Great Britain be involved, not just the Israelis. In the course of the day, as the situation on the ground changed, the king frequently modified his initial request. During the morning, Rifai indicated that the king preferred air strikes alone, but that ground intervention would be acceptable without further approval if communications were to break down. Later that afternoon Rifai requested an immediate air strike to check the advancing Syrian tanks. In the evening, Hussein shifted position once again, urging Israeli ground action into Syria, but ruling out Israeli armored intervention in Jordan.

15. Communications in Amman between the American embassy and the royal palace were extremely difficult. Radio and walkie-talkie were used, and the *fedayeen* often eavesdropped on sensitive conversations.

16. Van der Linden, *op. cit.*, pp. 81 ff.

17. The message was also passed to the British.

18. See M. and B. Kalb, *op. cit.*, pp. 202-07, for the most accurate account of this period. See also the *New York Times*, Oct. 8, 1970.

Meanwhile the president had to consider possible United States action and to develop a combined strategy with Israel for dealing with the king's frantic and sometimes confusing appeals. The WSAG principals met at 8:30 A.M. Present were Laird, Rogers, Packard, Moorer, and Kissinger. The chairman of the joint chiefs was opposed to United States ground intervention, because the capability simply was not there. Hence, if ground action were needed, Israel would have to act. Intelligence estimates from Israel claimed that 250 to 300 Syrian tanks were in the Irbid area.¹⁹ The Israelis doubted that air strikes alone would be enough to deal with the threat.

In view of the critical situation in Jordan and the apparent need for Israeli action, Nixon authorized Kissinger to work out a plan for intervention with Rabin.²⁰ Israel was prepared to move. A plan existed for sending 200 tanks toward Irbid, combined with air strikes. Israel would guarantee that her forces would be withdrawn from Jordan once the military operation was over. Kissinger and Sisco relayed to Rabin the king's preference for Israeli ground action inside Syria, not Jordan. This was considerably more risky for the Israelis, and might even provoke a Soviet response. Rabin therefore sought an American commitment to prevent Soviet intervention against Israel, as well as a promise of aid if Egypt were to attack.

By the end of the day, Rabin conveyed to Kissinger the cabinet's decision to intervene if Syrian tanks continued to advance on Tuesday. The Israeli air force would attack first, but, if this were insufficient, a tank force would also be sent into Jordan, and perhaps into Syria as well. Rabin insisted, however, on an American "umbrella," a presidential commitment to use force if necessary to prevent a Soviet attack on Israel. During the evening, Hussein again appealed for help as Syrian reinforcements entered Jordan. Nixon now decided to approve the Israeli plan.²¹ The United States agreed in principle to an Israeli air and land strike, subject to review at the last moment. The United States would not be just an onlooker.²²

As these negotiations were going on, Israel began to move its

19. The United States had no independent aerial intelligence-collection capabilities to follow the course of the battle. It had to rely on Israeli reconnaissance flights and Israeli and Jordanian accounts of what was happening on the ground.

20. M. and B. Kalb, *op. cit.*, pp. 204-06.

21. Israel asked for clarification of the United States position on seven points. This was given orally. Both sides relied on these oral undertakings in planning their subsequent moves.

22. M. and B. Kalb, *op. cit.*, p. 206, and interviews with American officials.

forces ostentatiously toward Jordan. As a symbol of commitment to the Israeli action, the United States ordered a plane to fly from an aircraft carrier of the Sixth Fleet to Tel Aviv for the announced purpose of coordinating targeting information. Presumably Moscow took note of these moves. A moderate message was conveyed by Vorontsov during the evening, which stressed that the Soviet Union was opposed to all outside intervention in Jordan. He appealed to the United States to restrain Israel.

The next day, Tuesday, September 22, was decisive. Israel, with United States backing, was poised to act. Hussein, with the assurance that Israel and the United States were behind him, finally ordered his own small air force to attack the Syrian tanks around Irbid, which it did with satisfactory results.²³ By afternoon, Syrian tanks were beginning to withdraw from Jordan. The need for Israeli intervention was less urgent. The king, speaking in code, informed Ambassador Brown that Israeli intervention was all right "up high," but should be directed elsewhere "down below."²⁴ An Israeli air strike would still be welcome, but land intervention should be only against Syria. Israel did not wish to undertake ground action only in Syria, and by the end of the day the prospects for Israeli or American intervention had virtually passed.

Kissinger and Nixon had met that day several times. They were acutely aware of how difficult it would be for the United States to intervene. Even with access to British bases in Cyprus, only 50 sorties daily over Jordan could be flown. Aircraft from the Sixth Fleet would be able to carry out 200 sorties per day, but even that could not compare with what the Israelis were capable of providing. It was with considerable relief, then, that the president learned that Syrian tanks were beginning to withdraw. Just to make sure the Soviet Union did not change its position, Kissinger went out of his way that evening to tell Vorontsov at an Egyptian reception that it was up to the Soviets to rein in their friends. "You and your client started it, and you have to end it."²⁵ The State Department had already announced that day that the Soviets were claiming to be restraining the Syrians, but

23. The Syrian Air Force did not intervene, nor did the Iraqi troops in Jordan, confronted as they were by a full division of the Jordanian army.

24. M. and B. Kalb, *op. cit.*, p. 204, misinterpret the meaning of this message.

25. *Ibid.*, p. 207; Brandon, *op. cit.*, p. 137. Kissinger decided to attend the Egyptian reception in part to improve his image with the Arabs.

Kissinger seemed to feel that a few added tough words could do no harm.

By Wednesday, the acute phase of the Jordan crisis had passed. Shortly after noon, Nixon met with Rogers and Kissinger in the Oval Office. While discussing the crisis, they received news that all Syrian tanks had left Jordan. A statement was soon released from the White House welcoming the Syrian withdrawal, and Sisco was asked to contact Rabin to obtain his assurance that Israel would make no military move. The Jordanians had the situation under control and no longer wanted outside intervention. For the United States and Israel, the crisis was over. Nixon celebrated on Thursday by playing golf at Burning Tree Country Club with Rogers, Mitchell, and AFL-CIO president George Meany. The following day, a cease-fire was announced in Jordan.

The Strategic Value of Israel

Israel's strategic value derives primarily from four advantages:

- (1) *Geostrategic position.* Israel is located midway between Europe and the Persian Gulf. From the point of view of U.S. defense planning, it has the potential to contribute in three theaters: the Gulf, the Mediterranean, and NATO's Southern and Central fronts. Compared to the continental United States, Israel is one-seventh the distance to the Gulf and one-half the distance to Germany.
- (2) *Political stability.* While virtually every other friendly country of the region is subject to overthrow by coup or revolution or a drastic change of political orientation, Israel's stability is deeply rooted in sound democratic institutions.
- (3) *Political reliability.* While policy orientations of other friendly states of the region could revert to hostility in the future, Israel's strategic interests and the values of its people are permanently aligned with those of the Free World. Deals made with certain Arab governments over the heads of their people can come unstuck if these people arise against their rulers, while our alliance with Israel is an alliance with the people of that country themselves.
- (4) *Advanced society.* Israel is the one politically and technologically advanced country of the region.

Yet, these advantages, which have taken on particular importance since the loss of bases in Iran, have not been sufficient to prevent the systematic *exclusion* of Israel from U.S. defense planning for the Middle East and the Mediterranean, even while such less promising "allies" as Somalia and Oman are fawningly courted.

As a result, an undue reliance is being placed on basing U.S. "Rapid Deployment Forces" in the continental U.S., and to a lesser extent in "access arrangements" with unstable regional allies, simply to avoid Israel.

This paper quantitatively compares U.S. basing and these other allies with the currently excluded option of Israel in meeting one particular requirement of current defense planning: the need to move huge quantities of war materiel to the Persian Gulf region rapidly in the event of Soviet aggression there. "Prepositioning" of materiel in Israel is shown to have substantial objective advantages over the alternatives in terms of both force effectiveness and cost including the following:

- *Force Effectiveness.* Using half of America's airlift fleet, materiel for a mechanized division prepositioned in Israel could be redeployed to the Persian Gulf 66 days sooner than from the continental United States. Similarly, the time required to airlift to Germany would be reduced from 24 to 11 days.
- *Cost.* It would cost the U.S. over \$9 billion in additional C-5 aircraft to achieve the same effect from bases in the U.S.—in terms of time required to deploy such a force—as compared to prepositioning in Israel.
- *Swing Force.* In terms of prepositioning a "swing force" for use either in the Gulf or Europe, Israel compares favorably with the other major prepositioning sites available to the U.S. Considerable savings in time and/or money could be achieved by prepositioning in Israel rather than in sites presently planned for the RDF.

Overall, in an honest comparison, Israel offers substantial strategic advantages. Yet the United States has chosen to bypass Israel in favor of an excessive reliance on strategic airlift from the continental U.S., which is slow and expensive, and alliances with unstable local governments of dubious reliability. This virtual exclusion of Israel from U.S. defense planning is, implicitly, a sacrifice of the objective American national interest to appease rejectionist Arab opinion. It is a sacrifice with a substantial hidden cost to the U.S. taxpayer, and it results in a less effective system of defense at a higher cost.

Israel and the U.S. Navy

The strength of the Israeli Air Force and Navy is an important but often neglected element of the balance of power in the eastern Mediterranean. At a time when Soviet capabilities in the region have grown while the ability of the United States to commit resources to the Mediterranean has declined, Israel has emerged as the most capable power in the basin. Moreover, Israel has an inherent interest in ensuring that the eastern Mediterranean does not fall under the control of Soviet-allied forces.

Israeli air and naval forces have impressive capabilities to challenge Soviet and Soviet-allied ships and aircraft operating in the zone east of the Turkish Straits. The Israeli Air Force can generate twelve times as many combat sorties as a U.S. carrier air wing, and twenty times as many attack sorties. Even if only 20% of its resources were dedicated to missions against Soviet targets in a Mediterranean crisis, the Israeli Air Force would still be able to fly more sorties than a two-carrier U.S. task force (twice what we have there now) operating at a maximum surge rate, enough to sink the entire Soviet surface fleet in the Mediterranean in less than four days. The Israeli Navy, although comprised mainly of small missile boats, has impressive capabilities against surface combatants, carrying almost three times as many anti-ship missiles as the Soviet fleet typically operating in the Mediterranean. Acting in combination, these Israeli forces are, surprisingly, capable of dominating the eastern Mediterranean and defeating any likely fleet of Soviet surface combatants deployed in those waters.

Even in the absence of a formal strategic cooperation agreement between the U.S. and Israel, Israeli air and naval forces are an important element in the balance of power in the eastern Mediterranean. The Soviet Union, aware of Israel's strength, cannot act in the region without taking into account possible Israeli counter-action. Accordingly, Israel has become an important deterrent to Soviet aggression and contributes daily to the security of the United States and NATO.

There are, however, steps that could be taken that would further enhance Israel's strategic value to the United States, many of which would have little cost to the U.S. And the benefits would accrue, not just to Israel and the U.S., but to all countries which would be adversely affected by Soviet domination of the Mediterranean—even including some hostile to Israel. As we look for allies to carry a greater share of the burden of the common defense, Israel stands out as a country able and willing to do more.

Israel and the U.S. Air Force

While the U.S. Air Force has not been permitted, for political reasons, to exploit fully the potential for strategic-cooperation with Israel, Israeli assistance has been significant in a number of areas, including:

- providing combat data on the performance of American and Soviet equipment in 1973 and in other wars, which significantly affects USAF expenditures of \$2 billion per year on conventional forces research and development and \$20 billion on nonnuclear procurement
- demonstrating the vulnerability of Soviet SAMs and interceptors in Lebanon, which may force the USSR to divert large sums from force expansion to force renovation and replacement
- contracting to overhaul and maintain engines and components for USAF aircraft in some of the world's most advanced facilities, helping to raise USAF operational readiness
- exchanging intelligence about Soviet and Soviet-allied forces in the Middle East and the Mediterranean

However, the potential for future cooperation is considerably greater, including:

- use of Israeli ports and airfields as offered by Prime Minister Begin, access to which is much less likely to be denied abruptly than facilities in countries like Oman and Somalia
- providing deep cover for USAF military transport aircraft, which could be vulnerable to attack while moving vital equipment and supplies through the Mediterranean and the Middle East in a crisis
- providing secure and reliable storage facilities for USAF fuel and supplies which must be prepositioned in peacetime to support rapid deployment of large numbers of tactical aircraft in a crisis
- substantially greater use of Israeli contract maintenance to improve readiness at reduced costs.

Use of Israeli facilities could be particularly important to USAF as part of an overall Middle Eastern basing mix, for which prudent planning requires at least one facility as a reliable and secure "fall-back" position in the event that access to other, less reliable sites is denied.

Curiously, the failure of the Air Force to exploit these opportunities seems to have more to do with political objections than with defense effectiveness issues per se. Specifically, some fear that closer relations with Israel would impair ties with Arab countries, and would be inappropriate because some of the policies of Israel differ from those of the United States. But these objections, which seem to have great intuitive appeal in some quarters, have not been subjected to careful analysis. For example,

- close relations with Israel has not in the past prevented increased American influence in the Arab world, and may have enhanced that influence;
- our relationship with Israel is based on an enduring affinity between the peoples of the two countries, and any agreement between the two countries is likely to be respected by any future Israeli government;
- American arrangements with other countries in the region are often made with unpopular elites, who may not remain in power or who may feel forced to abrogate agreements with the United States during periods of crisis;
- while there may be differences between the United States and Israel, the two countries have much more in common than exists between the U.S. and Oman, Somalia, or Saudi Arabia, not to mention Korea, Pakistan, and the Philippines. It is not necessary for a reliable ally to agree on every point.

At a minimum, the potential costs and benefits of enhanced strategic cooperation with Israel need to be systematically compared with other policy options available to the United States, before arriving at a final judgment. This has not been done.

Commentary

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Israel as a Strategic Asset

Steven L. Spiegel

THE idea that the American commitment to Israel has damaged our interests in the Middle East has surfaced once again as a result of the war in Lebanon and its diplomatic aftermath. This, in spite of the fact that in the Middle East, a region located on the doorstep of the USSR and where resentment of the West is well-ingrained, the supposedly damaged U.S. is today the dominant political power.

An examination of the historical record, moreover, demonstrates that Israel has often served as a silent partner in the American role in the area. At the request of the U.S., for example, Israel mobilized in September 1970 to defend Jordan from Syrian attack, a move which in itself averted the need. We also know that Israeli intelligence has acted to warn several Arab governments close to the U.S. of impending actions against them. In the summer of 1977, the new Begin government provided Anwar Sadat with information about an effort by Libyan-backed conspirators to overthrow him. The Israelis have similarly provided repeated secret warnings of threats to the Saudis. In the recent mini-crisis over a Libyan-inspired threat to the Sudanese government, the intelligence sources which the U.S. relied on to mobilize a counter-offensive were largely Israeli.

In 1982 the Israelis drove two Soviet proxies, the Syrians and the PLO, from Beirut and opened Lebanon to the United States. The war in Lebanon itself represented the culmination of a decade and a half in which Israeli intelligence and military methods were in the vanguard of the campaign to control and destroy the network of international terrorism which has been operating against democratic or pro-Western regimes from Germany to Colombia; Ireland to Thailand; Spain to Turkey. The much-maligned Israeli attack on the Iraqi nuclear reactor also dealt a blow to future instability and violence.

But even these examples do not do justice to Israeli influence on the political and military bal-

ance of the area and the benefits this brings to the United States. Israel today is a significant enough military power to act as a deterrent against Soviet plans for an invasion of the Persian Gulf or for activities in the Mediterranean. For example, if the Soviet air force wishes to entertain operational activities in the vicinity, it must take the Israeli air force into account. So too at sea. Although not noted for naval prowess, Israel has become a major factor in the Eastern Mediterranean, especially since its forces were largely withdrawn from the Gulf of Tiran with the relinquishing of the Sinai. Indeed, in the 200-250 mile area off Israel's shores, no power can easily challenge its naval vessels. (During the recent Sudan crisis, it was this major Israeli presence which permitted units of the Sixth Fleet to leave the coast of Lebanon.) The Soviets must also take this force into account in formulating their own plans and operations.

With the Soviet Union so close at hand by comparison with the U.S., in no other area is there such a high premium on U.S. airlift and sealift capabilities to sustain the credibility of U.S. military strategy. The Rapid Deployment Force (RDF) does not have available to it adequate supplies, especially fuel, for use in a crisis—which is sufficient in and of itself to destroy its credibility. Where else but in Israel could such supplies be safely stored? The Israelis also have the facilities and the trained manpower to maintain U.S. equipment at a 20-30 percent higher state of readiness than is currently the case. Their naval facilities could be expanded to permit increased cooperation with U.S. forces in the area, such as the tracking of Soviet forces. Israel's outstanding medical facilities—by far the best in the region—could also be expanded, and at relatively low cost, to provide care for U.S. personnel in an emergency.

DESPITE the compelling logic of Israel's past and present utility to the U.S. and the major benefits to be gained from increasing cooperation in the future, recent administrations have moved in the opposite direction. During the very period when the Israeli presence in the region has been most valuable to the United States, officials have made growing efforts to downplay the importance of the connection with Israel, to end the strategic dialogue, and to place ever-

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wider limits on even secret areas of strategic cooperation.

What explains this perverse behavior? The argument repeated so often that it is now an unquestioned article of faith is that cooperation with the Arab states is essential if U.S. interests in the Middle East are to be preserved. Since the Arab regimes will not accept a close U.S.-Israeli relationship—and certainly not strategic cooperation—the only way to protect U.S. interests in the area is to increase the distance between Washington and Jerusalem.

Now it is quite true that Arab states complain publicly and privately about any kind of cooperation between the U.S. and Israel, or any kind of American assistance to Israel. Yet this has not prevented the United States from emerging as the dominant great power in the area. Indeed, U.S. influence with the Arabs has usually been strongest when the relationship with Israel has been the most solid. Thus Anwar Sadat switched from an alliance with the Soviet Union to the United States precisely because he believed that only the U.S. could persuade Israel to withdraw from the Sinai.

No one should expect Arab leaders to applaud the American-Israeli relationship, and in deference to Arab sensitivities, both Washington and Jerusalem need to be discreet in parading the full scope of their contacts. But as the Jordanian crisis of September 1970 makes clear, no matter how loudly they may protest U.S.-Israeli security cooperation, Arab leaders will not hesitate to benefit from the U.S.-Israeli connection in an emergency; and, as demonstrated by Syria's precipitous withdrawal from Jordan on that occasion, both Arab radicals and their Soviet patrons will be deterred.

The arguments against collaboration with Israel might have greater weight if functioning security cooperation had been established with other states in the region. But despite prodigious and generous efforts with respect to all possible alternatives over the last several years, no serious program has been established and none is likely to be. Great hopes have been expressed for bases and cooperation with Saudi Arabia, but its leaders are so frightened that they will not agree to any kind of American activity which will help to fulfill any U.S. strategic schemes. The Saudis have in fact hampered U.S. attempts to enlarge facilities in the Persian Gulf by placing pressure on the Omanis and the Bahrainis not to expand cooperation and preferably to contract it. American officials are reduced to arguing that increased arms sales to Riyadh will lead to American equipment being available in case of an emergency. This position is based entirely on faith, for there is no concrete evidence or specific agreement available to substantiate the confidence with which it is avowed.

Many commentators have viewed Egypt—with its peace treaty with Israel and its new relationship with the U.S.—as an attractive proxy. Yet even under President Sadat the Egyptians were

reluctant to provide the U.S. with permanent bases. Today they are embarrassed to be identified with the U.S. too closely lest their new openings to the rest of the Arab world be impaired. One high-ranking Egyptian official recently told the press: "Cooperation between the United States and Egypt is on a bilateral basis and does not deviate to any regional or strategic scales. We are not a party in a regional bloc set up against anybody." So much for all the talk about the development of an Egyptian intervention capability to project force into nearby areas.

The talk within the Reagan administration of a Jordanian Rapid Deployment Force is no more realistic. Jordan is a small country, too weak to risk serious conflict with any of its neighbors. As King Hussein's behavior has always demonstrated, Jordanian politics is the politics of survival, and this is simply incompatible with the role of a regional proxy.

The only other possible alternative is Iraq. To many officials, that country's conflict with Iran and disillusionment with the USSR present a tempting potential for future cooperation. That this option can have been seriously discussed, however, is testimony to the poverty of the strategic approach currently being followed by the U.S. in the Middle East. Iraq, unstable and unreliable in the best of times, is now badly shaken by its disastrous war with Iran. In the 1950's the U.S. had paramount influence with both Iran and Iraq; given the conflict between the two in the 1980's, a close relationship with both will not be possible, even after the war ends. Despite the tensions in the relationship between Teheran and Washington since the Shah's departure, the U.S. cannot afford to burn its bridges with Iran because that country is more important than Iraq on every index of strategic and geopolitical valuation. When the Ayatollah passes from the scene, the U.S. will have to make an attempt to recoup and to prevent Russian domination. The Kremlin has clearly recognized which country represents the greater prize, and its so far unsuccessful attempt to flirt with Iran is in large measure responsible for its tensions with Iraq. Even if Iraq were prepared to realign, and even if it were worth a new effort for the U.S. to consummate a new relationship, the risk in terms of sacrificing future openings to Iran would negate the option.

A HARD look at the potential allies of the U.S. in the Middle East, then, returns us to Israel as the only country in the region upon whom we can rely. It is no longer a question of whether the U.S. dare take advantage of Israel's offer for increased cooperation. The question is, do we have a choice? Before his mind was cluttered with the politics of Washington bureaucratizing, Ronald Reagan said it well: "The fall of Iran has increased Israel's value as perhaps the

it suggests that it would have been better for the Israelis to lose the war with the Syrians lest some of their latest innovations be compromised. The fact is that if both sides learned valuable lessons in Lebanon, only the Israelis (and the U.S. when the information is shared) know *why* the Soviet equipment was defeated. The Soviets are reduced to adapting and guessing. To the extent that they must renovate their air-defense umbrella instead of expanding into new arenas or improving offensive weapons, the Western position is also strengthened, both because of reduced Soviet offensive readiness and because of reduced Western costs to counter new Soviet offensive equipment.

One CIA estimate suggests that the Soviets regularly spend more on air-defense systems (primarily missiles, guns, and associated radar) than on their strategic forces—about 12 percent of their overall defense budget. If we add the cost of the Mig-21 and Mig-23 interceptors, which are part of the Russian air-defense complex, we reach a total of about 20 percent of their entire defense budget—about the same as their navy. That such a substantial percentage of their defense operations should be compromised must be seen as nothing less than a major blow.

An ironic illustration of the effect of Israel's military reputation can be seen in the arms-sales arena. It is well-known in the U.S. defense field that many countries secretly send representatives to Israel to discuss their weapons purchases. Even from afar, Israel's influence in these matters is great. Thus, the Japanese hesitated for more than a year over whether to purchase the Grumman E2C Hawkeye, the airborne command-and-control system the Israelis used so effectively in the Lebanon war. After Israel decided to buy it, the Japanese made their affirmative decision. Since the war, several countries—especially Singapore—have expressed interest in Hawkeye. In this case Grumman gained at the expense of the British Nimrod. What the Israelis once did for the French Mirage, they now accomplish for American aircraft such as the F-16 at the expense of the Mirage 2000. Once the Israelis purchased the MD-500, an advanced helicopter gunship which they had helped to improve, the Jordanians, South Koreans, and Kenyans moved to purchase it instead of the German-made BO 105 and the French and British Gazelle.

ONE of the reasons the Israelis do as well as they do in the military sphere is their talent for innovation and their technical expertise. In general, Israeli research-and-development procedures are quicker and cheaper than in the United States—partly because the Israelis, living as they do under the threat of imminent danger, are more flexible, and partly because their small size puts a limit on inhibiting regulations. Improvisation and short-cuts are the Israeli specialty, and they operate on a quick-reaction basis

which permits crash programs not possible with the standard peacetime procedures prevailing in the U.S. Therefore, the U.S. armed forces have been able to benefit from Israeli developments whose licenses are later sold to American companies for larger production.

Recent examples include various types of mine- and obstacle-clearing equipment in which Israel is particularly advanced; the American SMAW warhead matched with an Israeli B-300 rocket launcher purchased by the Marines from McDonnell Douglas as an anti-fortification device; and the newly developed air filters for helicopters to keep sand particles out of the engines (an example of the dangers of working without filters is exemplified by the disastrous rescue raid over Iran in April 1980). An Engineering Fighting Vehicle for use by army engineers is also being produced in an unusual joint project.

More important than particular cases, however, is the wider application of Israeli innovations. The Israeli air force today faces a more complex challenge than its American counterpart. When an Israeli fighter plane takes off, it does not know whether it will confront Soviet, European, or American equipment. This complicated threat drives Israeli designers to a constant search for improvements and refinements, and it forces them always to probe the fringes of the latest art, to look forward to the next war rather than backward to the last one. Because of the close integration of Israeli developers with American corporations, the U.S. inevitably benefits.

The process works in the following way: the Israelis receive permission to purchase an American weapon—say, the F-15. In dealing with the company producing the weapon, they request particular features which the Pentagon has rejected, or they are offered features the Defense Department is not interested in developing. The Israelis are informed that if they are prepared to pay for the research-and-development costs, the American company will include it in the models sold to Israel. The Israelis agree, the item is developed, and the Israelis employ it. Once the weapon has been developed and tested, the Pentagon adopts it for American use (with obvious savings to the American taxpayer in comparison to a situation where the U.S. forces would have had to develop and test the item themselves).

A few recent examples of this process include: the conformal fuel tanks on the F-15; leading edge slats for the F-4 Phantom; an external fuel tank for the M-113; modification of the M-109 self-propelled artillery piece; a Head-Up Display and a weapons-delivery system for the A-4; bomb racks for the F-16; certain types of FLIR night-vision equipment; and a digital weapons-delivery system for the F-4.

Similarly, Israeli combat experiences have led to the improvement of American equipment—potentially saving American lives in the process and cer-

only remaining strategic asset in the region on which the United States can truly rely."

But in addition to its value as a regional power, Israel's importance to the United States has a global dimension as well. The notion that Israel could convey military lessons to the U.S. is seen as either embarrassing or as ludicrous given the disparity in the two countries' size and global responsibilities. Yet the fact remains that it is Israel which is in essence testing American equipment under combat conditions and against Soviet arms, and it is Israel which is developing the technical innovations and tactics to deal with new challenges posed by the latest Soviet weaponry.

In the past, Israeli experience affected the timing and direction of large sections of U.S. research and development—thereby reducing needless expenditure on faulty systems on the one hand and stimulating necessary programs on the other. Thus the 1967 war, by strengthening the case for a fighter like the F-16, helped in its development.

The 1973 war accented the new significance of electronic warfare—work on such weapons as air-to-ground, anti-ship, and anti-aircraft missiles, as well as countermeasures, needed to be intensified. Both the 1967 and 1973 wars demonstrated the continued importance of tanks, whose utility under present conditions many had questioned, and Israeli combat experience significantly influenced the development of the M-1, the latest American battle tank.

As for the 1982 war in Lebanon, much of inestimable military value to the United States came out of it. For example, the Israelis were able to inspect the remains of several Mig-23's and one Mig-25 which had been shot down, thereby providing the basis for adjusting operational tactics and improving American weaponry to counter equipment of Soviet design. The Israelis also worked out a lower-technology, less expensive method of destroying the T-72—the principal Soviet battle tank.

In this war, too, Israel was the first country in the world to deploy remotely-piloted vehicles (RPV's) successfully. The Israelis thus proved that intelligence could be gathered during battle inexpensively and at low risk to the lives of airmen. Thanks to this demonstration, the Pentagon, which had placed a low priority on its own RPV program (the Aquila), revived it immediately after the Lebanon war.

A particularly dramatic event occurred in 1982 when Israel showed there was a means of breaking the anti-aircraft missile wall the Russians thought they had developed against Western air forces. This accomplishment is bound to cost the Soviets heavily, because they will have to make major adjustments and improvements in their entire air-defense system, changing production lines and developing new equipment. Since this system is similar to the Warsaw Pact air-defense system in Europe, the Israeli achievement affects the conven-

tional balance between the U.S. and USSR as well.

Another contribution by Israel to the U.S. is in the field of intelligence. Despite the continued popularity of spy novels, in the 1980's intelligence gathered by electronic devices rather than human spies has become central. As suggested by Israel's success with pilotless drones, which have already proved a powerful intelligence tool, the Israelis have become important as developers of instruments (where they pay for development costs and the U.S. receives the benefit), as providers of information, and as a critical base from which to gather information. Were it not for the Israeli coverage of this critical region, the U.S. would have to spend more on such instruments as spy satellites.

In addition, the Israelis have helped develop intelligence systems with American corporations like Boeing, Sylvania, RCA, E-Systems, Beechcraft—in each case saving the U.S. millions of dollars. On some systems the Israeli contributions can be small but crucial; they often have implications for other regions. Thus, an intelligence balloon developed by Israel for over \$100 million will now be used by the U.S. over Cuba. Indeed, the U.S. intelligence community makes use of 60-70 percent of Israel's high-technology intelligence equipment.

IN KEEPING with the hostility toward Israel which has become so fashionable in recent months, three arguments have been brought forth to deny the importance of the Lebanon war to the military interests of the United States. The first is that the Israeli victories demonstrated only that Israeli pilots are superior to Syrian pilots and tell us nothing about the equipment involved. But the Syrians had been trained by Soviet advisers, and while it would probably have been more difficult for the Israelis against Russians, there is reason to believe that the final results would not have been different in major respects.

A second argument—that the Syrians do not receive first-line Soviet equipment—is misleading. The second- and third-echelon units in the USSR (mainly reserves) are still to a large extent equipped with T-54 and T-55 tanks, as are most East European countries (Poland and Czechoslovakia both produce the T-54 and T-55). But these are not good enough for the Syrians, who rely primarily on the much more advanced T-62 and T-72. Thus the argument that the Syrians suffered from inferior equipment simply is not accurate. In most cases the Israelis faced the same type of Soviet equipment the U.S. would face in a conventional war.

The third and most convincing argument against the military value of the Lebanon war to the U.S. is that the Soviets, having been forewarned, will now be able to adjust for weaknesses they did not previously realize they suffered from. This may be so, but taken to its logical conclusion

tainly cutting costs. Indeed, just realizing that a piece of equipment has a problem may be more critical than providing a solution.

Item: Israel discovered problems in the fuel pumps of the engine for the F-15 and F-16, and provided American engineers with ideas on how to deal with the difficulties. In all, the Israelis have made 27 substantial recommendations for changes in the F-15.

Item: The Israelis learned from combat use of the M-60 tank before the October 1973 war that its hydraulic fluid was highly flammable, thereby increasing casualties, and this discovery led to the adoption of measures to prevent such casualties in the future. Over the years Israel has made 114 modifications in the M-48 and M-60 tanks, many of which (such as improvements on tank air cleaners and the development of new cupolas for the M-48) have been adopted by the U.S. Army. In addition, the Israelis have been extremely successful in developing dry-clad storage for their tanks so that they can go for years without being checked or repaired and can be used suddenly in a crisis.

Item: Israeli combat experience has led to such changes as the decreased use of searchlights and the increased use of thermal sights for night fighting; the increased use of tanks and armored personnel carriers (APC's) in tandem; improvement in command, control, and communications, facilitating the coordination of air, land, and sea operations down to the unit level; the use of electronic warfare in reconnaissance units and aerial electronic countermeasures.

There is evidence, however, that the U.S. military could benefit to an even greater degree than it already does from Israeli developments. For example, the Israelis recently perfected the land-navigation system (LANS) for tanks, facilitating their accuracy of navigation, and the position-and-azimuth-determining system (PADS) for the artillery corps. In the U.S., where development costs typically exceed Israeli expenses by 30 percent and the lead time is usually longer, neither of these systems has yet been built despite the expenditure of tens of millions of dollars. Similarly, since the Israelis have already deployed and proven the ef-

fectiveness of the mini-RPV, it would be more cost-effective to piggy-back on the first-generation Israeli innovation than to spend millions merely to equal the Israeli achievement.

THE facts speak for themselves. Israel is a unique and impressive ally. It influences political developments in its own area, causes the Soviets embarrassment and military difficulties, facilitates the evaluation of American weapons, conveys lessons which can be learned only from combat experience, provides intelligence on the region, and saves U.S. defense costs through innovations and modifications of U.S. weaponry. Despite claims that Israel is a strain on the U.S. treasury, the types of assistance it provides more than compensate for U.S. aid. After all, if Israeli experiences were worth only 2 percent of the annual U.S. defense budget, that would amount to over \$4 billion.

Israel's willingness to cooperate and its capacity to innovate suggest that the savings could be even higher if we were prepared to place the relationship with Jerusalem on a more solid footing. Instead, the strategic factors in the American-Israeli relationship are regularly neglected or made subservient to political disputes over such issues as West Bank settlement or withdrawal from Lebanon.

In Shakespeare's *King Lear* the monarch foolishly relinquishes his kingdom to two daughters who flatter him with expansive but false promises of everlasting devotion while he disowns his one faithful daughter, Cordelia, because she will not stoop to pretenses. The analogy with America's current Middle East policy is compelling. Countries like Saudi Arabia and Kuwait, which offer friendship but will not cooperate with U.S. defense or diplomatic efforts, are regarded as crucial allies, whereas Israel—which offers facilities and services—is progressively treated as a pariah, a candidate for economic sanctions and political alienation. King Lear destroyed his life, his family, and his kingdom because he could not judge between friend and foe. The moral for the United States is obvious.

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Israeli doctors, hospitals could aid U.S. in Mideast

• M.J. Rosenberg is editor of Near East Report, the Washington weekly from which this is reprinted with permission.

M.J. ROSENBERG
Special to The Miami News

The American Israel Public Affairs Committee has just released its fifth monograph on U.S.-Israeli relations and this one could not be more timely. It is called "Israeli Medical Support for the U.S. Armed Forces" and it deals with the medical problems posed by any large-scale U.S. military involvement in the Mideast.

Stephen Glick, author of the monograph, writes that any "large-scale American deployment to the Middle East could involve as many as 300,000 troops, including six combat divisions, 14 wings of tactical aircraft, three carrier battle groups, and supporting forces." He says that a deployment on that scale would require at least 17,000 hospital beds close to the area of conflict.

However, Glick quotes Assistant Secretary of Defense John H. Moxley who says: "The harsh reality is that if the United States entered combat today, whether in the Far East, in Southwest Asia (the Middle East), or in Europe, we could not care for our casualties."

The Mideast is particularly problematical for Pentagon planners because the United States does not have large-scale military bases in the region. "The nearest . . . facilities, attached to our NATO forces in Europe, are a considerable distance from

the Persian Gulf," writes Glick. "In addition, the medical resources in Europe may not be available to the Middle East command . . . because of the urgent need in the NATO theater or because of possible political circumstances." (Theater, in military parlance, means the area in which hostilities are taking place.)

The lack of beds would not be the Armed Forces' only problem. "Even if the hospitals were available, the U.S. military faces a serious shortage of medical and medical support personnel. The shortages are greatest in certain critical skill areas such as surgeons," Glick says. He quotes Assistant Secretary Moxley: "An inadequate surgical capability is a war-stopper." Right now, the United States is short 30,000 nurses, and the overall medical personnel shortage is close to 200,000.

Glick points out that "these estimates envisage American involvement in a major war in Central Europe as well as in the Middle East. They indicate that the shortages of medical personnel are so great that they would seriously hamper a deployment in the Middle East while maintaining necessary levels of medical support elsewhere."

Glick looks at a number of possible solutions to the medical shortages. Saudi Arabia and Egypt are two possible options. However, Saudi Arabia possesses less than 7,000 hospital beds or only .72 per 1,000 people. Egypt, with the best health care system in the Arab world, has 24,000 beds — but with a population of 38 million this amounts to only .64 beds per 1,000 people.

Israel, on the other hand, has the medical facilities

necessary and has repeatedly expressed its willingness to help the United States in its medical planning. It has 18,000 beds in 106 hospitals. Relative to population, Israel has roughly six times the capabilities of the Arab countries (4.72 beds per 1,000 people). Glick notes: "Its medical system is, of necessity, designed for wartime expansion. This capability was demonstrated in October 1973, when up to 9,000 hospital beds were readied for military use within eight hours of mobilization."

There are other advantages to the Israeli option. First, Israel's hospital system has, on the average, 1,000 vacant beds which could be made available immediately. Second, Israel might agree to provide a fraction (i.e. 25 per cent) of its mobilization capability, for an additional 1,500 beds. Third, Israel could make available currently vacant hospital buildings which could be outfitted with beds exclusively for American use. Fourth, the United States could preposition in Israel a "folding" deployable hospital with 1,000 beds, like that currently stored at Diego Garcia.

Glick concludes: "The combination of such near-term, cost-effective solutions . . . would provide 4,000 extra beds in the region, going a long way to correct the shortfall in current facilities."

Moreover, Israeli option is one that could save American lives and grant the U.S. armed forces flexibility they do not now have. The Israel council's monograph provides additional evidence that U.S.-Israeli medical planning is an idea whose time has come.

REAGAN TURNS TO ISRAEL

A new Presidential directive seeks a closer relationship with the Jewish state as a key to peace in the Middle East. But the policy shift has strong opponents among U.S. military and diplomatic strategists.

By Bernard Gwertzman

AFTER FAILING FOR more than a year to make much headway with its Middle East initiatives, the Reagan Administration has decided to turn to Israel for help. That is the word today in a White House candidly frustrated over the continuing impasse in Lebanon, increasing tension in the whole region and conspicuous lack of support from most Arab governments. To break out of its predicament, the United States, it is felt, must take more resourceful advantage of the political and military power base represented by the Jewish state. A senior American official puts it this way: "If we don't have good, close relations with Israel, we will have no anchor in the region. We will be alone with a battleship and 2,000 marines."

To secure this anchor, President Reagan has secretly authorized a new effort to convince Israel's leaders that the two countries should put aside their recriminations and enter into a degree of "strategic cooperation" that would go far beyond anything tried before. It is a potentially controversial policy. There is little enthusiasm for it in the Pentagon, which would have to play the leading role in the largely military measures envisaged in the plan. If carried out, the new policy could further damage America's standing as mediator between Arabs and Israelis. It could even split the Middle East into Israeli-American and Syrian-Soviet spheres.

The shift in the American approach is outlined in a highly classified White House paper, National Security Decision Directive 111, signed by Mr. Reagan on Oct. 29 after two weeks of debate within the National Security Council. N.S.D.D. 111 sets forth priority goals for the entire Middle East, but its most important section deals with the need to repair ties with Israel. Two days after it was signed, Lawrence S. Eagleburger, the State Department's Under Secretary for Political Affairs, was sent to Jerusalem to discuss it with the new Israeli Prime Minister, Yitzhak Shamir.

Mr. Eagleburger, it has been learned, spoke in sweeping terms. He said: "The President and everyone in the Administration want to sit down with you and really talk about strategic cooperation in the future—in Lebanon, in the Middle East generally, and everywhere. We want to act on it in the context of Presidential desires and decisions. We like Israel

and want to establish the closest relationship. You and we have a long-standing special relationship. This is the time for defining it."

As a kind of political down payment, Mr. Eagleburger informed the Israelis that the President had yielded in a longstanding dispute in regard to the \$1.7 billion in military credits provided annually by the United States. The Israelis would be permitted to divert some of the money to building a new Israeli jet fighter, the Lavie, even though American foreign aid is supposed to be spent on American equipment, and the Lavie project was strongly opposed by the Pentagon.

What sort of additional cooperation did the United States have in mind? State Department officials list some possibilities, including joint military exercises, stockpiling of American military equipment in Israel, better sharing of intelligence data, joint planning for possible military contingencies, and use of Israeli ports to service the United States Sixth Fleet. Closer consideration of these measures has been put off until the scheduled arrival in Washington today of Mr. Shamir and his Defense Minister, Moshe Arens, for talks with Mr. Reagan and other top American officials.

The Israeli visitors are likely to be wary of the American overture. Similar approaches in the past turned out to be little more than attempts to bribe Israel into making concessions to the Arabs in the furtherance of American policy aims. This, however, does not imply a lack of interest in Jerusalem in Mr. Eagleburger's message. The Israelis have been adept in the past in turning American policy to their own advantage, and they are unlikely to leave this new opportunity unexplored.

Yet the Israelis are expected to have many questions as to how far the United States really intends to go this time. For, even within the Washington bureaucracy, few will dispute that American policy toward Israel has not been particularly consistent in the past.

Starting with President Truman's prompt recognition of Israel's independence in 1948, the United States and Israel have enjoyed remarkably close relations. Sensing a basic oneness in political and philosophic outlook, Americans, over the years, have been committed to an unwritten guarantee of Israel's survival. But this identity of basic principles has not prevented major differences on specific issues—primarily in regard to Washington's efforts to maintain cordial ties with Arab states at war with Israel.

It is the double objective of American policy—commitment to Israel and good relations with the Arabs—that has led to the swings in attitude toward the Jewish state that have characterized all American Administrations, including the present one. For instance, the Reagan Administration insisted that the Israelis get out of Lebanon, then supported their objective of ridding the area of the forces of the Palestine Liberation Organization and Syria. It

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blamed the Israelis for the breakdown in the negotiations on withdrawal of all foreign troops from Lebanon, then shifted the onus to Syria and the Soviet Union. It rejected the Begin Government's offer of cooperation between American marines and Israeli forces in Lebanon; today, it is eager to have that cooperation.

The policy review that produced the new Presidential directive was, in effect, an effort to resolve these contradictory policies. The death of 239 American marines in a terrorist attack in Beirut on Oct. 23 provided the final push. Even that tragedy became a political irritant. Although Israel was quick to offer emergency treatment of the American wounded, the American military flew them to medical facilities offshore, in Cyprus and in West Germany, explaining that these were adequate — and touching off charges of anti-Israeli bias.

Even before the truck-bomb incident, Mr. Reagan seemed to have felt that some new initiative for pacifying the situation in and around Lebanon had to be tried. In a telephone conversation with Thomas A. Dine, Israel's chief lobbyist in Washington, Mr. Reagan expressed a stark view of where events were moving in Lebanon.

"We've got to find a settlement there," he said. "You know, I turn back to your ancient prophets in the Old Testament, and the signs foretelling Armageddon, and I find myself wondering if — if we're the generation that's going to see that come about. I don't know if you've noted any of those prophecies lately, but, believe me, they certainly describe the times we're going through."

The President's immediate objectives, at that point, were to face down the Syrians and devise a formula that would permit him to extricate the marines. The advice he received from Mr. Eagleburger, Secretary of State George P. Shultz and the new national security adviser, Robert C. (Bud) McFarlane, was that he turn more to Israel for help.

Mr. McFarlane had just concluded an assignment as special envoy in the Middle East, and he was deeply concerned by what he believed to be Syria's determination, backed by Moscow, to frustrate a Lebanese settlement and embarrass the United States. Mr. Shultz had earlier decided that Jordan, Saudi Arabia and other Arab states, on whose support he had counted in his Middle East diplomacy, were intimidated by Syria and unable to offer substantial help. Disillusioned with the Arabs, Mr. Shultz came around to the Eagleburger view of the situation: that American policies in the Middle East hinge on the closest cooperation with Israel; that the marines will never be withdrawn until there is a political settlement in Lebanon; and that the Syrians will never permit such an accord unless they are persuaded that Israel, strongly backed by the United States, is more than a match for the Syrian-Soviet combination.

The same analysis was applied to the Palestinian question — the dormant Israeli-Egyptian negotiations on autonomy for the Israeli-occupied West Bank, and the stalled Reagan plan for a political entity associating the West Bank with Jordan. Neither this nor any other long-range issue in the Middle East will be susceptible to a solution, these officials reasoned, until there is a solid foundation of trust between Israel and the United States. The basic prerequisites, it was argued, are twofold — to give the Israelis a firmer sense of security from the threats that surround them, and to disabuse the Arab states of any notion that Washington might be willing to weaken Israel's position in the pursuit of American aims.

It was not a particularly new argument. Israelis have contended for years that their country was a strategic asset for the United States, and that Washington was making a mistake in seeking to keep some distance between itself and the Israeli Government.

But, although Mr. Reagan had promised a closer relationship in his Presidential campaign, the chemistry between Washington and Jerusalem proved too explosive to work toward that objective while Menachem Begin was Prime Minister and Ariel Sharon was Defense Minister. Both Israeli leaders were masters of the shock treatment in foreign policy, with a penchant for abrasive language that often grated on American sensibilities. Mr. Shamir and Mr. Arens, while no less tough-minded, are less given to surprise decisions and more concerned with keeping relations with Washington on an even keel. Mr. Arens, a graduate of the Massachusetts Institute of Technology and a former Ambassador to the United States, is intimately familiar with the Washington political scene.

All the same, the eventual outcome of the new round of American-Israeli talks in Washington this week is an open question. No independent observer can be confident that the rather grandiose-sounding White House proposals for a new "strategic relationship" will be translated into practical programs. High policy apart, there is an important consideration — domestic politics — working for the new approach, and powerful constituencies — the American military, and American Middle East specialists — opposing it.

ANY IMPROVEMENT IN relations with Israel will be welcomed by the President's political advisers. Mr. Reagan, in his 1980 Presidential campaign, won many Jewish voters away from President Carter by his uncritical acceptance of Israel's actions. In office, however, he has disappointed many of Israel's supporters in this country. Implementation of N.S.D.D. 111 would strengthen a Reagan re-election bid, particularly if the Democrats nominate Walter F. Mondale, who is in high standing with the pro-Israel camp.

As for the Defense Department, it has always had to temper its admiration for Israel's military expertise with its concern for the larger strategic realities of the Middle East. Because of the critical importance, to the United States, of the oil resources and strategic waterways controlled by the Arab governments and by Iran, American military men have always taken a dim view of any explicit military link between the United States and Israel. The Shultz-McFarlane-Eagleburger policy is not particularly popular with Defense Secretary Caspar W. Weinberger or with Gen. John W. Vessey Jr., chairman of the Joint Chiefs of Staff.

The Pentagon's reservations are echoed in political terms in the State Department's Bureau of Near Eastern and South Asian Affairs. In the view of many of the department's Arab specialists, the United States already has a close military relationship with Israel, a virtual alliance underwritten by generous American military and economic aid, which this year will reach a new high of \$2.6 billion. This, as they see it, unavoidably makes it more difficult for Washington to maintain good relations with the Arab world. Why make matters worse, they ask, by striving for a degree of "strategic cooperation" with Israel that would further prejudice America's standing with the Arab countries, and would cast fresh doubt, in Arab eyes, on Washington's claims to an even-handed policy?

The Presidential policy directive takes account of these concerns. The paper, according to a paraphrase given by one official, says that "we expect the Israelis to be seriously understanding of broader American problems, particularly the problems we see in the Persian Gulf and the need for the United States to have clear strategic cooperation with the Egyptians, Jordanians, Saudis, Omanis and others."

It is far from clear, however, whether the Israelis are prepared to withdraw their longtime objections to American military relationships with Arab governments.

Mr. Eagleburger, on his recent trip to Israel, found no change in Israel's view that weapons sold to an Arab state are all too likely eventually to be fired at Israel. The difference in the two perspectives runs so deep that while Washington is pressing for an end to the war between Iran and Iraq, Israel would prefer to see the hostilities prolonged, reasoning that neither combatant is likely to put military pressure on Israel so long as it is fighting for its own life.

An obvious question, therefore, is whether, in offering a closer relationship with Israel, the White House is asking for greater Israeli forbearance on American arms sales to the Arabs. A senior State Department official says the Pentagon would favor such a quid pro quo, but "as far as the State Department, the National Security Council and the President of the United States are concerned, there should be no linkage." Nor, he adds, does Washington intend to condition its offer on a suspension of the Israeli program of establishing new Jewish settlements on the West Bank, a policy clearly aimed at diluting the region's Arab character and tying it more closely to the Jewish state — although, the official emphasizes, the Administration still seeks a freeze on the number of settlements there.

In a sense, the President's talks with Mr. Shamir and Mr. Arens bring the two Governments full circle, back to where they were in the first year of the Reagan Administration.

The new President was dismayed by Mr. Begin's refusal to see any merit in Washington's supplying Saudi Arabia, a pivotal country in the Arab world, with Awacs reconnaissance planes and other military equipment. He was surprised by Israel's bombing of an Iraqi nuclear reactor in June 1981, and by the Israeli bombing of P.L.O. headquarters in a populated area of Beirut, with heavy loss of civilian lives. To him and to his first Secretary of State, Alexander M. Haig Jr., these actions suggested lack of concern on Mr. Begin's and Mr. Sharon's part with American interests in the Middle East.

It was then that the first attempt was made to draw the Israelis into a closer relationship. The hope was that this would make them more tractable on the Awacs issue and on other American initiatives toward the Arabs. Mr. Begin called on Mr. Reagan in September 1981, and was offered a plan of "strategic cooperation," a concept formalized in a "memorandum of understanding" signed by Mr. Sharon and Mr. Weinberger that November.

From the Israeli viewpoint, it was a flawed scheme. Both Mr. Begin and Mr. Sharon had wanted a kind of military pact — but one that would strengthen Israel's position vis-à-vis the Arabs. The document drawn up by the Americans was aimed at deterring threats to the Middle East from the Soviet Union.

The agreement was only two weeks old when Mr. Begin handed Mr. Reagan another shock — the virtual annexation of the Golan Heights, an area seized from Syria in the 1967 war. Mr. Reagan retaliated by suspending the new accord. Mr. Begin was stung into an emotional outburst, accusing the United States Government of treating Israel like a "banana republic." So ended strategic cooperation in 1981.

The relationship remained bumpy for the next year. Israel completed its withdrawal from Sinai in April 1982, honoring its obligation under the Camp David agreements. Six weeks later, however, Israel fulfilled Washington's forebodings by invading Lebanon in an all-out offensive against P.L.O. forces north of the border. To the surprise of American officials, who expected the Israelis to stop about 25 miles into Lebanon, Mr. Sharon drove to Beirut in a grand plan to do away with the P.L.O. and Syrian presences in all of Lebanon and to promote a Lebanese-Israeli alliance.

This bold stroke plunged the Reagan Administration into confusion and discord. Mr. Reagan and Mr. Weinberger were upset; Mr. Haig saw in the invasion an opportunity to free Lebanon of all foreign forces. Mr. Weinberger wanted the President to take firm action against Israel; Mr. Haig disagreed. This dispute contributed heavily to Mr. Haig's resignation, and his replacement by Mr. Shultz.

When Israeli planes attacked Beirut, Mr. Reagan called Mr. Begin to tell him his air force was creating a "holocaust," a term the Prime Minister found insulting. In September 1982, after the P.L.O. and Syrian forces

in Beirut were evacuated by sea under the terms of a cease-fire, Mr. Reagan, at Mr. Shultz's urging, offered his plan for Jordan and the West Bank. Mr. Begin rejected it out of hand. Lebanon's new President-elect, Bashir Gemayel, was assassinated later that month, and the Israelis entered West Beirut, in violation of the cease-fire. While Israel was in control of the city, the forces of the Phalangist Christian faction slaughtered hundreds of Palestinian refugees in the Sabra and Shatila camps.

The massacre brought Israeli-American relations to their lowest point. A small peacekeeping force of American marines and French and Italian soldiers had overseen the Beirut evacuation; the President now sent the marines back to Beirut and demanded that the Israelis leave. Through the winter of 1982-83, the United States blamed Israel for the lack of progress in Lebanon. The marines almost came to blows with the Israelis in disputes over their patrolling areas.

As the situation in Lebanon continued to worsen, and the American Embassy was virtually destroyed in a terrorist explosion last April that killed more than 60 people, including 17 Americans, Mr. Shultz made his first trip to the Middle East as Secretary of State. He succeeded in putting together an agreement between Israel and Lebanon on the terms for an Israeli withdrawal, and the chill in American-Israeli relations thawed. Mr. Begin was, by then, in his last months in office, mourning the death of his wife and the daily loss of Israeli lives in Lebanon.

It was the steady drain of Israeli casualties that led to the next disagreement between Jerusalem and Washington. Early last September, Israel decided to pull its troops out of the Shuf Mountains near Beirut. By then, American policy had swung around to supporting the Israeli presence there as a stabilizing factor. Spurning American counsel that they remain in the Shuf, the Israelis decided to let the Lebanese

factions in the region fight it out. This added to Washington's problems, as the Syrian-backed Druse militia began attacking American marine positions with mortars and artillery. The Pentagon was forced to defend the marines with the battleship New Jersey and as many as three carrier task forces, with a combined complement of 300 planes.

By then, however, Mr. Shultz had gone through a long process of disillusionment with the Arabs — with King Hussein of Jordan, who had favored the Reagan plan and then had declined to join in, because the P.L.O. and the other Arabs would not give him their backing; with the Syrians, who had pledged that they would leave Lebanon, and then had told Mr. Shultz they would not do so unless the Israeli-Lebanese accord was nullified; with the Saudis, who appeared ready to play a constructive role but avoided any real involvement. At the same time that he was losing confidence in the Arabs, Mr. Shultz had come around to seeing the Israelis as necessary partners

— and as trustworthy ones, if their own security fears could be relieved.

Thus, the pressure of events in the Middle East, a more congenial leadership in Jerusalem and a change of perception within the Reagan Administration combined, a month ago, to persuade the President that, despite the friction of the past, another attempt at "strategic cooperation" with Israel was called for. As a senior official puts it, "The President decided that the time was ripe to try to engage in a long-term, mature dialogue with the Israelis about issues of mutual interest and concern, particularly in the strategic area. The primary purpose was to begin a process of talking in some detail about cooperative ways in which we can help each other on an array of military contingencies."

N.S.D.D. 111 was the result. It remains to be seen, however, whether this effort will succeed where the earlier one failed. Israeli-American relations have had many ups and downs, and, thus far, a balance that would meet the interests of both countries has eluded the best efforts of both Governments. ■

NYT 7/15/86 Halting Weapons Spread

Wider Development of Cluster Munitions After U.S. Cutoff Shows Inevitable Growth

By JOHN H. CUSHMAN Jr.

Special to The New York Times

WASHINGTON, July 14 — The complex story of Israel's cluster munitions illustrates how hard it is to control the spread of advanced weapons, the uses to which they are put and the technologies that help to build them.

Last week, United States officials said they were investigating possible illegal export of American equipment to be used to build cluster weapons, which scatter over a wide area small bomblets carrying special charges designed to penetrate armor. These munitions were supplied to Israel by the United States until 1982, when Israeli forces in Lebanon broke United States restrictions on the weapons' use.

Whatever this investigation finds, the state-owned company involved, Israel Military Industries, has already designed its own cluster munition to replace the American one. The Israeli device was tested successfully last summer, according to the international publication Military Technology.

In fact, the journal suggested, the Israeli model is superior to the American one and could supplant it in the arsenals of West Germany and other allies using such weapons.

Technology Is Widespread

The production of cluster weapons by many nations shows how widespread the technology for their production is. And Israel's pressing ahead with development after the United States halted its flow shows how hard it is to restrict any kind of weapon once it has been invented.

Like the Europeans, Israel faces an adversary, in this case Syria, that is equipped with tanks. Cluster munitions, either dropped from aircraft or fired from howitzers, are a standard weapon against tanks. Israel lost its access to American cluster weapons after it was accused of using them against populated areas or civilian targets.

That accusation and a subsequent secret investigation of the charges put the United States Government in a quandary. Under terms of the Arms Export Control Act, if Israel was officially found to have violated the secret terms of a 1978 agreement limiting the use of cluster weapons, exports not only of cluster weapons but of all military items to Israel would be blocked.

The Reagan Administration notified Congress in July 1982 that a violation of the agreement might have occurred, but it never sent a formal notification that the violation had occurred.

'Has Never Taken Next Step'

According to a recent study by Richard F. Grimmett of the Congressional Research Service, "to date, the President has never taken the next step and actually determined that a violation did occur which necessitated the cutoff of deliveries or sales."

The Administration instead decided only to block further sales to Israel of cluster munitions. But that did not impede Israel's development work on the item.

Aside from Israel, several European countries, including West Germany, Norway and Italy, are seeking to improve upon the United States cluster shell, the M-483, which is shot from 155-millimeter howitzers. But its range is limited and it has other shortcomings.

According to Military Technology, the West German company Rheinmetall has offered to sell the West German armed forces a projectile that could contain Israeli bomblets. Israel, the magazine said, sold Rheinmetall the manufacturing rights to the bomblet, but might produce them in Israel initially if the West Germans choose the weapon over other candidates.

Israel Weapons Improvements

Israel has made several improvements in its cluster weapons, according to the article, which was published in the December 1985 issue of Military Technology. The article was written by Wolfgang Flume, who is editor of a German-language publication, Wehrtechnik, published by the same company. One improvement keeps spinning artillery shells from transferring their motion to the bomblets. The transferred motion distorts the shape of the bomblets in flight, making them less effective.

Another improvement reportedly being worked on by Israel would incorporate a timing fuse to detonate any charge that missed its mark. Otherwise the unexploded munitions would pose a danger to later passers-by.

This is apparently not the only cluster weapon Israel makes. The Jerusalem Post last week quoted the general manager of the Israel Weapons Development Authority as saying that an improved cluster bomb known as the Tal-2 might be sold to the United States. That weapon is dropped from aircraft. An earlier version was in production in Israel even before the 1982 invasion of Lebanon.

A Pentagon spokesman said he was not aware of any plan to buy cluster munitions from Israel. Officials of Israel Military Industries, which has an office in the Israeli Embassy in Washington, were not available today to discuss the issue.

Purchase Legal, They Say

In a statement last week, the Israeli Defense Ministry said that "the whole development" of submunitions for cluster weapons "was totally independent and that the grenades are original Israeli ones and that their production was already started some time ago." The ministry also said that equipment for such projects was purchased legally by Israel.

Donald S. Stevens, a vice president of Assembly Machines Incorporated of Erie, Pa., one of the companies Israel was dealing with over equipment for the project, said several competitors, domestic and international, had been invited to bid on a contract to supply the machinery, which was to be built according to Israeli blueprints. He described the equipment as "standard industrial manufacturing technology."

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Saturday, July 26th	9:30 AM - 11:30 AM
Monday, July 28th	7:00 PM - 9:00 PM
Monday, July 28th	8:00 PM - 10:00 PM
Tuesday, July 29th	5:30 PM - 7:30 PM
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U.S. Agrees To Meeting On SALT II

Decision Marks Effort
To Respond Positively
To Soviet Proposals

By David Hoffman
and Walter Pincus
Washington Post Staff Writers

President Reagan informed the Soviet Union yesterday that the administration has agreed to Moscow's request for a meeting in Geneva to discuss his decision to stop observing the limits of the unratified SALT II treaty, White House officials said.

The decision marked a shift from the administration's initial reaction to the Soviet proposal for a meeting of the Standing Consultative Commission, a joint U.S.-Soviet group established in 1972 to monitor the first SALT agreement. Top administration officials have been sharply critical of the commission, and at first talked about rejecting the Soviet proposal as a propaganda move.

The White House decision to attend the meeting is the latest in a series of attempts by the administration to send positive signals to Moscow concerning arms control and American desires for a second summit meeting between the president and Soviet leader Mikhail Gorbachev. Recently, for example, Reagan publicly described the latest Soviet arms control proposal as "the beginning of a serious effort" toward negotiations.

A White House official said Reagan informed the Soviets that the United States does not want the meeting to become a vehicle for publicizing Moscow's criticism of Reagan's May 27 decision on SALT. The official said the U.S. role in the meeting, which the Soviets want to begin next week, would be to listen to Soviet questions about the SALT decision.

In a move that brought sharp criticism from Congress and the

See MEETING, A13, Col. 5

■ Soviet team will monitor nuclear tests in Nevada. Page A13



NEZAR HINDAWI

...accused of planting bomb

British Cite Syria in Case Of El Al Bomb

By Karen DeYoung
Washington Post Foreign Service

LONDON, July 14—British authorities today directly implicated the Syrian government for the first time in the attempt three months ago to plant concealed explosives aboard an Israeli airliner leaving here for Tel Aviv with nearly 400 aboard.

A 31-year-old Palestinian, charged with trying to place the bomb aboard the El Al flight last April, was "acting on instructions, apparently from the Syrian government," a British prosecutor alleged today.

The prosecution said that Nezar Hindawi had admitted responsibility for the unsuccessful bombing attempt. It said that after planting the bomb in the suitcase of his unsuspecting girlfriend who was due to board the flight, Hindawi had followed instructions to go to the Syrian Embassy in London, where he met with Ambassador Louf Haydar.

Today's proceedings, a preliminary hearing for the prosecution to demonstrate that sufficient grounds exist to bring the case to trial, marked the first time British authorities have accused Syria publicly of complicity in the April 15 incident.

Damascus has been linked cir-

See HINDAWI, A15, Col. 1

NASA Sees New Delay For Shuttle

Agency Officials Cite
Redesign Problems in
Solid Rocket Booster

By Kathy Sawyer
Washington Post Staff Writer

NASA officials yesterday announced that the next shuttle launch will be delayed another six months, at least until early 1988, because of unexpected difficulties with the redesign of the flawed solid rocket booster that caused the Challenger disaster.

The announcement, which could worsen the backlog of commercial, scientific and military payloads and mean more layoffs in the space program, came in a report to President Reagan yesterday outlining how the agency plans to implement the Rogers Commission's recommendations for overhauling the National Aeronautics and Space Administration and fixing booster problems.

Along with the report, according to a White House source, NASA Administrator James C. Fletcher handed the president a personal appeal for his support in building a fourth orbiter to replace Challenger, which disintegrated Jan. 28, killing its crew of seven. The White House has been unable to resolve the divisive question of how to pay for the proposed \$2.8 billion spacecraft.

White House officials have said the decision is at least two weeks off.

At a news conference yesterday after he delivered the report, Fletcher said, "There is no guarantee when it's all done that there will be a fourth orbiter, because financing is a real problem."

Until yesterday, NASA officials had held to a target date of July 1987 for the next shuttle launch, although outside experts and some inside NASA had said that was overly optimistic.

"I guess we're all disappointed" about the schedule slip, Fletcher said, adding that the agency is being

See NASA, A9, Col. 1

by the administration's constructive engagement" policy of seeking to effect change largely by using quiet persuasion with Pretoria. By giving a new, possibly black, ambassador a mandate for a bolder, more open approach to the black commu-

Congress and Tutu, a Nobel peace laureate.

The sources said a draft of a speech emphasizing this aim has been prepared for possible delivery by Reagan prior to hearings on South Africa to be held by the Sen-

wrongdoing, spoke on condition of anonymity, but questions were raised about whether he had used his position to get preferential treatment. Con-

only that Nickel, who is on a vacation in Europe, will participate fully in the policy review here.

Syria Cited by British in El Al Bombing Attempt

HINDAWI, From A1

cumstantially to Hindawi, a Jordanian citizen who entered Britain last February using a false Syrian passport, ever since his arrest the day after the bombing attempt. But government officials until now have avoided any direct reference to possible Syrian involvement in planning or placing the bomb.

On May 11, Britain expelled three Syrian diplomats after their government refused to waive diplomatic immunity to allow them to be questioned in the case. In late May, however, Prime Minister Margaret Thatcher said Britain "at the moment has no such evidence against Syria of state-sponsored terrorism of anything like the kind that obtains in the case of Libya."

Syria, and Ambassador Haydar, repeatedly have denied any involvement in the bombing attempt. Damascus is said to be conducting its own investigation of the case, and

some Syrian officials reportedly have suggested that their government is being "framed," perhaps by Israel or an anti-Syrian terrorist organization with Hindawi's help. They have suggested that the plot included the bomb's discovery at the airport, before it went off.

Lawyers acting for Hindawi during today's hearing did not question the prosecution's account of his alleged confession. Instead, their examination of official police witnesses appeared to concentrate on circumstances surrounding his interrogation and widespread publicity following his arrest.

It remained unclear during today's hearing whether the prosecution would offer any evidence of a Syrian link other than Hindawi's own testimony in a full trial. Under British law, the media here are not allowed to report any of today's proceedings, and government officials later declined to respond to questions about the case.

In its opening statement, the prosecution said without explanation that it was dropping one of two initial charges brought against Hindawi—that of "conspiring with others" to murder the 358 passengers, plus crew members, aboard the plane. In addition to a remaining original charge of trying to "cause an explosion aboard an aircraft," police have added charges of unlawful possession of a gun and ammunition, which were found with Hindawi at the time of his arrest.

Today's presentation by the prosecution was somewhat sketchy but it added a number of details to previously reported accounts. When Hindawi arrived here last February, it was alleged today, he was accompanied by two men also carrying Syrian passports.

In early April, he asked his girlfriend, Anne Marion Murphy, an Irish national, to marry him on learning she was pregnant with his

child. He bought her the April 15 ticket to Tel Aviv as a wedding gift and dropped her off at London's Heathrow Airport that morning with a suitcase. He said he would take a later flight.

At the El Al departure gate, an Israeli security official determined the suitcase had a false bottom and contained plastic explosives and a timing device. Murphy was released two days after the incident because police said that there was insufficient evidence to show that she had committed a criminal offense.

The prosecution said Hindawi was to fly via Syrian Arab airlines to Damascus but followed an alternative plan and allegedly was directed to Syrian Ambassador Haydar, who arranged for him to spend the night.

The next morning, however, Hindawi turned up alone at a hotel run by a Jordanian who with Hindawi's brother convinced Hindawi to turn himself over to the police, the prosecutors said.

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and Bob McEwen of Ohio, the National Strategy Act would have the secretaries of state and defense present details of the president's strategy to the appropriate committees of Congress, where the fine points of policy and budget would be hammered out. It sounds good and looks good, but would it work?

The problem with grand strategies and the like is that they are more suited to Soviet-

The National Strategy Act may not go far in Congress, but no matter. Its introduction brings into the open a question that has been raging in private for some time. Can the United States forge a long-range strategy for dealing with an implacable enemy in a world that is sometimes hostile and often ambivalent, and make the strategy stick? A lot more than a congressional proposal hangs on the answer to that.

W TIMES 7/15/86

Abu Zaim's dream

You don't have to be a military genius to know that the PLO will never drive Israel into the sea. Both are locked in a death struggle, with terrorist attack followed by retaliation. Occasionally the fighting intensifies, leading to the destruction of a Beirut. Usually it's just enough to keep the hatred fresh.

Abu Zaim, also known as Col. Atallah Atallah, says he's had enough. As military commander of Fatah, the largest guerrilla organization in the PLO, he could play a significant role in legitimizing what is jokingly referred to as the Mideast Peace Process.

Last week he declared his hopes and intentions: "My dream is not just to be a man who fought against the Israelis, but a man who knew how to make peace. Now we need constructive acts. We must no longer deceive our people. It is obvious that peace will not come without direct negotiations with Israel."

In conjunction with Jordan, Abu Zaim says he hopes to make an arrangement with

his longtime enemy — a big job in itself. But there's plenty of brush to clear beforehand. The Bush Hog of the Middle East, Yasser Arafat, first must be pushed aside.

This could be done at a Fatah congress due within two months. High on the agenda is the removal of Mr. Arafat as PLO chairman. Then, says Abu Zaim, a general assembly of Palestinians from the Middle East would elect a new PLO parliament and executive council. Success at the congress would certainly increase Abu Zaim's stature, as would Fatah's strict adherence to his command to cease terrorist attacks.

Talk of peace in the Middle East naturally meets with skepticism, but it is significant that a man of Abu Zaim's position is gaining influence by saying such things as, "The military option has failed; there is only the peace option. I want to prepare the Palestinians to accept peace." Deadlocks have been broken before in that area of the world, even as Moses once parted the Red Sea.

A far, far better place

It is entirely consistent with good government that the fathers and mothers of Prince George's County Council didn't let everyone know they were going to Las Vegas this week. The National Association of Counties is holding its convention there, and you know it's important because six council members and County Executive Parris Glendening disrupted their lives to attend.

When council first told of the trip, the announced destination was Clark County. This is the height of consideration. How easy

But this is not a peaceful world. It came to the attention of some council candidates that the delegation had slipped over to Clark County, Nevada, home of Las Vegas. Did they spill the beans? Can Wayne Newton sing?

So now PG citizens are worried sick. How is it at the front lines of county management? they wonder. The sound of falling chips must be deafening. One-armed bandits are everywhere, as are loan sharks. Women of the night carry on business with the blessing of the law. And not only is morality in short supply. It's hot out in that desert, and water's

priority of the government.

Whenever *The Times* takes its international pro-natalist stance, it points to Singapore, Hong Kong, and Taiwan, three capitalist entities with per capita GNPs in excess of \$6,000 and a combined population of less than 30 million of the Third World's population of 3.8 billion. You are curiously silent on such countries as India, Pakistan, and Kenya, where per capita GNPs are under \$400 and social and economic conditions are more representative of the develop-



So do Hungary, Czechoslovakia, and Union.

But the real point to grasp is that rapid growth can and does in itself, hunger, malnutrition, mental degradation, and so on. The industrial

Plaudits to Slaughter

I have been a faculty member at the College Park campus of the University of Maryland since 1972. During that time I have had basketball players in my classes whose abilities ranged from that of Rhodes scholar Tom McMillan to those whom I regarded as being functionally illiterate. With regard to the latter, I found myself dismayed that students with such limited abilities could be admitted to the flagship campus of the university.

The single most positive event that has occurred during my tenure here was the selection of Dr. John B. Slaughter as chancellor. His appreciation and respect for scholarship,

and in particular his concern for the "student" has resulted in a significant improvement in the quality of education, including student-athlete, now attracted to the campus. Hence, with this knowledge and unique insight into the college, I have occurred under the administration, I took Tom Knott's July 9 column, in which his innuendo that Dr. Slaughter should be dismissed. I should feel fortunate to be one of Dr. Slaughter's admirers.

I like and respect Dr. Slaughter. Indeed I was impressed by the fact that he only had positions for three

Tyranny in Yugoslavia

I would like to correct an error in Andrew Borowiec's June 12 news article, "Albanian separatists put Yugoslavia on alert."

By no stretch of the imagination can the oppressed Albanian majority in Yugoslavia's Kosovo province be described as "separatist." The

tragedy of Albanians in Kosovo is that they are victims of Serbian supremacy. They are the victims of the Belgrade government's "separatists" because this is a way to pre-empt any potential for these Albanians to charge of "separatism." The repeated trick of the Serbian nationalists who know the State Department's concern for "the unity, independence, and sovereignty" of Yugoslavia. The partment consistently ignores the murderous Serbian quest for supremacy, which is the real issue. It has gone so far that the State Department has redefined Yugoslavia as the first non-Communist police state.

The oppression of Albanians in Yugoslavia has been continuing since the beginning of this century.

South Africa's wealth

I read with a great deal of interest your July 8 editorial "The sanctions fever." Thank you for spelling it out for us. Yours is the only publication that has had the integrity and is just plain honest enough to state what the struggle in South Africa is all about — control of the country's wealth of chromium, manganese, platinum-group metals, and industrial diamonds.

Much of the media and many poli-

We welcome your opinions.

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THE NEW YORK TIMES, TUESDAY, JULY 15, 1986

Book With Anti-Jewish Fable Is Linked to a Syrian Official

By LISA WOLFE

Special to The New York Times

Secretary of State George P. Shultz has instructed the United States Embassy in Syria to look into the authorship of a virulently anti-Jewish book that is said to have been written by the Syrian Defense Minister.

Officials said the book, which was written in Arabic and is apparently circulating in the Middle East, was brought to the attention of the State Department last month by the Simon Wiesenthal Center in California.

The book, "The Matzoh of Zion," is a retelling of a tale in which Jews living in Damascus in 1840 killed two Christians and used their blood to make matzoh. The accusation of ritual murder associated with the preparation of matzoh was common in Eastern Europe in the Middle Ages.

A spokesman for the Syrian embassy in Washington said yesterday that the embassy had no knowledge of the book and would neither confirm nor deny that the Syrian official, Gen. Mustafa Tlas, had written it.

"Syria is against Zionism, not Judaism," the spokesman said.

The dean of the Simon Wiesenthal Center, Rabbi Marvin Hier, said the group had incontrovertible evidence that the book had been written by General Tlas and that it was being distributed throughout the Arab world.

Rabbi Hier has sent copies of the book to the foreign ministers of all major Western countries, asking them to inform their ambassadors to Syria about the matter and to register official complaint. So far, only Mr. Shultz has responded.

In a letter dated July 3, Mr. Shultz wrote to Rabbi Hier: "I can assure you that I share your deep sense of outrage. I am encouraged only by my understanding that General Tlas's readership, in and out of Syria, is virtually nil."

The letter went on, "I have asked that a copy of the book be provided to the U.S. embassy in Damascus with instructions that this matter be raised with the Syrian Government."

According to the book, the Jews killed a priest, Tuma El-Kabushi and his servant, Ibrahim Amara, and used their blood to make matzoh for the holiday of Yom Kippur. In fact, matzoh is the traditional unleavened bread eaten on Passover.

"And this was not the first crime of its kind," the book says. "The West has known many like it. So did Czarist Russia. Some of the crimes were uncovered and registered despite efforts to conceal the details."

The motivation for the crime lies at the heart of Jewish beliefs, the book says, which include the "blackest hatred toward humanity and all religions."

The 199-page document includes an introduction apparently signed by General Tlas and dated April 1983. The book was published in 1985, Rabbi Hier said. The Simon Wiesenthal Center obtained a copy of it last May through a prominent journalist in the Middle East, who asked not to be named.

"We're not talking about someone from the neo-Nazi party or the K.K.K. who wrote this," Rabbi Hier said. "We're talking about one of the most powerful men in Syria who could be the leader of that country some day."

Peru's Shining Path Rebels Bomb Banks, Kill 4 in Raids

LIMA, Peru, July 14 (Reuters) — Leftist guerrillas bombed four banks in the Peruvian capital today, and two policemen and two peasants were killed in other attacks over the weekend, the police said.

The guerrillas placed dynamite at the banks in working-class districts in Lima, which shattered windows and damaged furniture.

In the southeastern state of Ayacucho, the guerrillas, members of the leftist group called Shining Path, stabbed to death a district lieutenant governor and his father after dragging them from their peasant hut on Saturday.

Their bodies, hands bound behind their backs, were discovered with signs denouncing them as traitors and army informers. The district governor, a volunteer, represents peasants before governmental authorities.

The two policemen were killed when guerrillas raided a rural outpost in Chapapunte on Saturday, the police said.



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NORTHEASTERN DIVISION
IN RE REDSTONE ARSENAL DDT LITIGATION
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notice of a proposed settlement of a class action, seeking damages for

ALL-IN-MICRO-MINI

On Signing of Memorandum of Understanding
Between the U.S. and Israeli
on the Strategic Defense Initiative
At the Pentagon
Tuesday, May 6, 1986 - 1 p.m.

*Israel's
Security*

Mr. Robert B. Sims, ASD/PA: Mr. Gaffney has a brief statement, and then we'll take your questions.

Mr. Gaffney: As those of you who were in the room observed, Secretary of Defense Caspar Weinberger and Israeli Minister of Defense Yitzhak Rabin today signed a Memorandum of Understanding, colloquially called an MOU, concerning cooperation in the Strategic Defense Initiative program. The MOU was signed in the course of a periodic meeting between Mr. Rabin and Secretary Weinberger, held to exchange views and discuss various subjects of mutual interests.

The SDI agreement is designed to provide a comprehensive basis for participation of laboratories, research establishments, companies, industries, and other entities in Israel in SDI research for the mutual benefit of the two parties. The agreement is classified, as are the letters that were signed together with the memorandum.

Israel, as you know, was one of the countries invited in March of 1985 by Secretary Weinberger, on behalf of the United States government, to participate in the SDI research program. As you also know, the U.S. has previously signed an SDI Memorandum of Understanding with the United Kingdom and the Federal Republic of Germany.

I'd be pleased to try to answer any questions you might have on this memorandum.

Q: Can you begin first by telling us what was in the letter, and how does that fit in with the MOU?

A: I'm not at liberty to discuss the contents of the letters except to say that they simply reflect some additional views that the two sides wish to express.

Q: Does the MOU strictly talk about research and development efforts which the Israelis would participate in? Does it get involved in the usage of SDI to protect Israel in any way?

A: The principle purpose of the memorandum, as I said, is to establish a basis whereby participation by Israeli entities can be facilitated. As such, it lays out basic guidelines which would be observed by U.S. contracting authorities and by the Israeli government and its respective entities in pursuing, on a competitive basis, research contracts authorized by and funded by the SDI program.

Q: What are they going to be doing?

A: We have identified in a classified addendum to the Memorandum, a number of areas in which prospective participation can take place. Beyond that I'm not really at liberty to discuss the specifics.

MORE

MEPS SURVEY

Middle East Policy Survey *a bi-weekly report on Washington and the Middle East*

August 8, 1986
No. 158

EXECUTIVE BRANCH

TRYING TO GENERATE MOMENTUM

Some US officials are still trying to parlay the Hassan-Peres summit into an opening in the moribund Arab-Israeli peace process. The latest efforts focus on contacts made during Vice President George Bush's visit to the region which ended this week.

White House officials insist that some progress was made at least in improving what one calls "the negotiating atmosphere." This official argues that the Bush trip demonstrated "there was more life than we thought" in the peace process. Specifically, he noted the meeting yesterday in Alexandria between Jordan's King Hussein and Egyptian President Hosni Mubarak as one positive result. "Before Bush went out to the region, the Arabs sensed a lack of US interest," argues this official. "Now they are showing interest because we do."

According to informed sources, Bush carried a number of written and oral messages from Israeli Prime Minister Shimon Peres to Hussein. The oral message, which these sources would only describe as "having to do with Israeli policy on the West Bank," elicited a positive response from Hussein. [In contrast to the written message dismissed by other Jordanian officials and already presented by Peres to King Hassan in Morocco.]

Administration officials also say with Assistant Secretary of State Richard Murphy remaining in the region to continue Egyptian-Israeli negotiations over their Taba border dispute, prospects for a quick resolution of the issue have been greatly improved. This in turn will lead to a Peres-Mubarak summit meeting and the return of the Egyptian ambassador to Israel, they say. "We've got some things to work with," says one optimistic Administration official.

Still, the skeptics far outweigh the optimists not only within the Administration, but among the diplomatic community as well. Some Arab diplomats assert that with King Hassan resigning as head of the Arab League, he has effectively distanced himself from his own initiative. They also believe that by "going it alone" Hassan merely accentuated the deep divisions within the Arab world, divisions which they say, immobilize Arab leaders.

Some US officials respond that it is precisely these divisions which offer the best hope for eventual compromise between moderate Arabs and Israel. "We would welcome a break-up of the Arab League," says one key US policymaker. "An erosion of the Arab consensus works to the moderates' advantage. Now they [the moderates] can act unilaterally or at least block the radicals."

This official and others have been heartened by the relatively muted response to Hassan's meeting with Peres from the Gulf states and the PLO. "No one has felt compelled to follow Syria's lead [in breaking relations with Morocco]," notes one State Department insider.

Other State Department officials, however, caution against viewing moderate Arab silence as acquiescence, let alone support for Hassan's move. "Hassan is just not seen as threatening," argues one State Department official. "For the most part these Arabs see [Hassan's meeting with Peres] as a grand, if bizarre, gesture of the monarchical mind." His explanation for their silence: "Why kick one of your fellow conservatives?"

CRITICIZING BUSH

Quite a number of State Department officials also take issue with the contention that Vice President Bush advanced the cause of peace during his recent trip. "Bush's people turned a simple 'hand-holding' exercise into a media event for peace," declared one angry State Department official. Another official somewhat more charitably described the upbeat assessments as "an understandable attempt by Bush's staff to make the trip something more than ceremonial." Moreover, this official noted that Secretary of State George Shultz last month turned down another opportunity to visit the region because he failed to see anything substantive resulting from it. Explained this official, "I think the Secretary feared if he took a trip, it would 'acquire a purpose' the way the Vice President's did."

State Department insiders were also critical of the Bush party for its attempts to press for a quick resolution of the Taba dispute. According to reliable sources, at one point the Vice President sent word to Cairo of an "American compromise" that could break the deadlock. Unfortunately, no one at the State Department had been alerted. "There was some pretty quick scrambling around here to create a compromise position," said one State Department insider.

ISRAEL, JORDAN AND THE PALESTINIANS

Prime Minister Peres was, by most assessments, the big winner from the Moroccan summit and the Bush trip. He has reinforced his image as the Administration's favorite Israeli and more important, at home, has clearly put his putative successor, Yitzhak Shamir, on the defensive. "Peres has compiled an impressive record," noted one Israeli. "Both inflation and the Lebanon involvement are at manageable levels. While the meeting with Hassan produced no breakthroughs, it still allows Peres to turn over office looking good on that front, too."

The exchange of offices between Shamir and Peres, scheduled for October, is taken as an article of faith by most US and Israeli analysts. Still, these analysts doubt Shamir's stewardship will last very long. They say that by establishing a commendable record on the economy, Lebanon and the peace process, Peres is in a strong position to challenge Shamir if he falters on any one of these issues.

Apparently Jordan's King Hussein is not banking on a short-lived Shamir tenure, say US analysts. They reason that Hussein's recent overtures to West Bankers indicate he is preparing for a long dry spell in peacemaking. "Hussein is battening down the hatches," says one US analyst. "By using a carrot and stick, he is attempting to keep the West Bankers on the land and off the East Bank [Jordan]." US analysts also ridicule the notion that Hussein is trying to build an alternative for PLO Chief Yassir Arafat's West Bank constituency.

Even the Israelis recognize Arafat's staying power. But they hope that Hussein's moves, which some Israeli analysts agree are primarily aimed at protecting the East Bank and the monarchy, could nevertheless undercut the PLO's appeal. They note, for example, that Hussein's grandiose scheme for a \$1.5 billion 5-year plan for the West Bank could, even in drastically modified form, attract widespread political backing. "Helping the West Bankers and building himself a constituency are not mutually exclusive," says one Israeli analyst. Adds another, "Almost anything can be done with money."

Still the betting among even the most upbeat Administration officials is that Hussein can only improve his position vis-a-vis Arafat, not replace him. "We have a choice,"

says one senior Administration official. "Give us some other Palestinians or fix it up with the ones we've got. The problem with 'other Palestinians' is that it takes a long time to develop them. Also, the idea there are others, may not be valid."

If the Bush trip is any guide, Administration policy generally is to move beyond a period of "benign neglect." Specifically, key US officials do not wish to encourage a process of what one observer calls the "Balkanization" of the Palestinian movement. "We believe now is a good time to press ahead," says one US official. "The Arabs just may be ready, considering their oil related economic difficulties and their fear of the Iran-Iraq war."

MIDDLE EAST

IRAQ IN TROUBLE?

What little optimism surfaces on Arab-Israeli issues is apparently a good deal more than exists about the region's other major conflict - the Gulf War. Arab diplomats are increasingly willing to point to the Iran-Iraq conflict as the number one issue facing the Arab world. And in Washington it is getting greater attention as some US analysts profess to see signs of waning Iraqi strength.

Even the Iraqis admit the precipitous fall in oil prices has hurt them more than Iran. With the regime in Baghdad under greater pressure from its civilian population, the Iraqis admit they may be approaching the limits of their belt-tightening.

Recently, Baghdad defaulted on some outstanding loans causing the US Export-Import Bank (Ex-Im) to reconsider advancing a modest \$50 million in credits. This, in turn, prompted the Iraqi trade minister Hassan Ali to cancel a scheduled visit to Washington.

State Department insiders assert that the Iraqi visit was more likely cancelled because Secretary Shultz could not find the time to schedule a meeting. And they admit Shultz also refused to intercede with Ex-Im in providing the credits. "The Secretary wasn't going to use his chits with Ex-Im for Iraq when he is going to need them for Mexico and Egypt," said one State Department official.

SITUATION ON THE GROUND

But it is on the battlefield where some US analysts profess to see the most urgent signs of Iraqi disarray. After losing the southern port city of Fao earlier this year, the Iraqis responded by capturing the less significant Iranian town of Mehran. In so doing, Baghdad boasted it was Iraq's answer to the Iranian gain. But Iraqi jubilation was short-lived.

According to US analysts the Iraqis did not fortify the hills surrounding Mehran. As a result, the Iranians were able to methodically emplace artillery on sites overlooking the Iraqi positions. In the ensuing counterattack, the Iraqis were routed, suffering heavy casualties. "Just when we thought the Iraqis were learning some lessons of war, they go and do something stupid like sitting tight in Mehran, allowing themselves to be surrounded on three sides," said one US analyst. "If that wasn't bad enough, when their position became untenable, they poured in more troops."

Still, when the Iraqis eventually withdrew and regrouped, they were able to blunt the Iranian advance - on open ground, employing their superior firepower. But warns one military analyst, "The Iraqis are in serious trouble if the Iranians ever get their hands on a sufficient supply of anti-tank weapons."

Fear of an eventual Iranian military breakthrough has been widespread among US analysts, at least since 1982, when Iraqi forces were pushed out of Iran. Now, however, some US officials, including analysts at the CIA and reportedly Morton Abramowitz, Director of

Intelligence and Research at the State Department, believe a major Iranian victory could come sooner rather than later.

They are concerned that the next major Iranian offensive (the Iraqis expect one as early as September) could crack Iraqi defenses around Basra. Already the city has been subjected to increasing artillery barrages. They also note that US efforts to stop Western arms supplies to Iran have not prevented a large amount of munitions from arriving (apparently through European and, some officials say, Israeli middlemen). More important, and despite several strong US demarches, China has increased its sale of weapons to Iran. ["Nothing short of a quid-pro-quo on an unrelated, but important US-China issue will get Peking to cut back its sales," said one well-informed US official. This official believes that arms supply to Iran has become part of China's anti-Soviet policy, which also includes support for Pakistan and the Afghan rebels.]

But most frustrating to US officials is Baghdad's seeming inability to effectively employ its overwhelming air superiority. Pinpoint attacks on Iran's Kharg Island oil facility last year plus the more recent and equally accurate attack on a major Teheran oil refinery were never followed up. Even the Iraqis admit there is not a full explanation for Baghdad's unwillingness to keep up the pressure.

A partial explanation offered by some US analysts (and the Iraqis themselves) is that Baghdad does not wish to provoke Iran into retaliatory raids, particularly against Iraq's financial backers in the Gulf. [In recent months Teheran has escalated its threats against Saudi Arabia and Kuwait. This campaign finally prompted a Saudi response this week from official, but unidentified, sources. "Harsh rhetoric at a low level," was one State Department official's characterization of the Saudi statement.]

Another reason for Iraq's failure to exploit its air superiority given by US analysts is that Baghdad, while willing to demonstrate its ability to effectively hit Iranian targets, sees an all-out air war as "the final hole card" only to be used in the event of a major Iranian breakthrough.

US PLANS AND ASSESSMENTS

Some State Department officials believe it is frustration with the Iraqi war effort that has created the new spate of pessimistic assessments. It has also led some to consider a review of the ban on export of US weapons to Iraq [dismissed by most State Department officials as irrelevant since Iraq already has a vast technological superiority] and even the possibility of sending a special US envoy to Baghdad to discuss strategy. The latter proposal is dismissed out-of-hand by the Iraqis. "We don't need lectures," says one well-informed Iraqi. Key US officials also consider the appointment of a special envoy to be a waste of time. "The only man worth giving advice to is [Iraqi strongman] Saddam Hussein. And he won't even listen to the Jordanians," says one State Department insider. The Jordanians, however, have communicated Saddam Hussein's view of the short-term war situation to Washington. "Unconcerned," says one US official.

Given the difficulty of piercing the veil of secrecy in Baghdad, most US analysts take Saddam Hussein's appraisal at face value. They also note a post-Mehran Baathist party meeting did not result in a diminution of Saddam Hussein's power. "We still believe it is Iraq's war to lose, not Iran's to win," concludes one State Department official.

As for Teheran's view of the war, US analysts have long considered the importance Iran places on its relationship with Syria to be the best guide. "If the Iranians thought they were on the verge of victory, they would tell [Syrian President] Hafez Assad to go to hell," says one US analyst. "But these days they are again giving him free oil and even an occasional American hostage like [Father Lawrence] Jenco."

July 7, 1986

AMERICA'S SECURITY STAKE IN ISRAEL

INTRODUCTION

The United States and Israel, longstanding friends bound together by congruent national interests and shared value systems, have been engaging in increasingly close strategic cooperation. And in recent years, Israel's importance in American strategic thinking has been growing. One reason stems from the Iranian revolution, which destroyed one of the "twin pillars" of American security policy in the vital Persian Gulf region and demonstrated the political fragility of "one man, no vote" regional allies. Another reason is the hesitant Arab response to American requests for access rights for the U.S. Rapid Deployment Force following the Soviet invasion of Afghanistan. This reduced the perceived costs of U.S.-Israeli cooperation in terms of forgone Arab cooperation. Finally, the ominous Soviet-sponsored military buildup in Syria and the sobering American experience in Lebanon drove home the need for closer Israeli-American military coordination.

Although Washington and Jerusalem have cooperated informally for decades ad hoc, an operational framework for strategic cooperation was constructed only in 1983. Its aim is to counter the common threat posed by the Soviet Union in the Middle East, and it extends to the Arab states only when they toe the Moscow line. Both the U.S. and Israel stress the deterrent value of close cooperation. The U.S. gains a reliable regional partner, which constrains Soviet military planning in the eastern Mediterranean and Middle East. Israel gains the close support of a superpower to offset Syria's Soviet connection, which encourages Damascus to dream of a Greater Syria whose borders would include what now is Lebanon, Jordan, Israel, and parts of Turkey.

Although Israeli-American strategic cooperation falls short of a full-blown formal alliance, Israel is gradually being transformed into

a strategic anchor on the southern flank of the North Atlantic Treaty Organization (NATO). Israel's strategic assets include its pivotal geostrategic location (which makes it, among other things, an unsinkable aircraft carrier), its formidable military strength, and its reliable and stable pro-West political system. Israel also has much to offer the U.S. as a source of hard-earned intelligence about the combat capabilities of modern Soviet weapons systems and how to counter them.

Close Israeli-American cooperation enhances the stability of the Middle East by convincing radical Arab states that Israel cannot be dismembered by military means. This improves the prospects for a negotiated settlement to the Arab-Israeli conflict and buttresses U.S. influence in both camps.

Israel is now the largest recipient of U.S. aid, receiving this year \$1.2 billion in economic and \$1.8 billion in military assistance, plus \$750 million in emergency economic assistance. This aid should be viewed not as a handout but as one element in a web of relationships creating a critically important U.S.-Israel strategic partnership. The U.S. serves Israel's interests and Israel serves those of the U.S. Now that the relationship rests on a solid base, each partner should evaluate how the relationship's benefits could be expanded. From the U.S. perspective, this means finding ways for Israel to provide more effective support for U.S. global strategic interests.

THE REAGAN ADMINISTRATION AND ISRAEL

Ronald Reagan entered the White House as a strong supporter of Israel and a proponent of closer U.S.-Israeli relations. In 1979 he wrote: "Israel's strength derives from the reality that her affinity with the West is not dependent on the survival of an autocratic or capricious ruler. Israel has the democratic will, national cohesion, technological capacity and military fiber to stand forth as America's trusted ally."¹ Secretary of State Alexander Haig shared the President's enthusiasm for Israel and sought to include it in the anti-Soviet "strategic consensus" that he attempted to forge in the Middle East.

During his September 1981 visit to Washington, Israeli Prime Minister Menachem Begin proposed a military pact between the two countries. The Reagan Administration responded with a Memorandum of Understanding (MOU), which both nations signed November 30, 1981. It was designed to meet the threats posed by the Soviet Union or Soviet-controlled forces introduced from outside the region. Although

1. The Washington Post, August 15, 1979.

the 1981 MOU provided for joint naval and air exercises, a framework for cooperation in military research and development, American use of Israeli medical facilities, and up to \$200 million of American purchases of Israeli military goods and services each year, it fell short of Israel's expectations. Some Israelis suspected that Americans viewed it as a political gift, perhaps to assuage Israel after the bruising October 1981 congressional battle over the proposed sale to Saudi Arabia of airborne warning and control system (AWACS) aircraft and F-15 enhancement packages. Then when the Begin government extended Israeli law to the occupied Golan Heights without consulting Washington, the Reagan Administration complained that the spirit of the MOU had been undermined. In retaliation, the U.S. suspended the agreement.

The nadir of U.S.-Israeli relations during the Reagan Administration came after the June 1982 Israeli intervention in Lebanon. While Washington accepted the limited goals initially proclaimed for Israel's operation, it could not accept the prolonged siege of West Beirut, which was under the control of the Palestine Liberation Organization. The Reagan Administration deployed U.S. Marines first as part of a multinational force (MNF) to separate the combatants and facilitate a PLO withdrawal and then in an attempt to restore order following the September 1982 assassination of Lebanese President-elect Bashir Gemayel. To preserve their neutrality in the eyes of the Lebanese, the Marines distanced themselves from the Israelis and avoided any cooperation that would mark them as occupiers rather than peacekeepers.

Despite the arms-length relationship between the Marines and the Israelis, the Marines came under increasing attack by Shiite fundamentalists and the Druze, both backed by Syria. Neither group, however, was motivated primarily by factors related to the Arab-Israeli conflict. Instead, the Shiite fundamentalists were incited by the Iranian Ayatollah Ruhollah Khomeini's brand of Islamic fanaticism, and the Druze were motivated by a desire to improve their position in Lebanon's sectarian struggles by increasing the territory that they controlled.

The U.S. experience in Lebanon was a costly but valuable lesson for Washington. By distancing itself from Israel, the U.S. reduced pressure on Syria to withdraw from Lebanon and allowed Damascus to play off the U.S. against Israel. The May 1983 Lebanese-Israeli withdrawal agreement reduced the strains in the U.S.-Israel relationship and exposed Syria as the chief roadblock to the reconstruction of an independent Lebanon. Washington grew increasingly impatient with Syrian duplicity, disenchanted with the failure of

Saudi Arabia to deliver a promised Syrian withdrawal, and frustrated with the bloody jousting of warring Lebanese factions.² Finally the October 23, 1983, bombing of the Marine compound at Beirut airport was the catalyst for a change in American policy.

On October 29, the President signed National Security Decision Directive 111, a classified document that calls for closer cooperation with Israel. In November 1983, Israeli Prime Minister Yitzhak Shamir visited Washington to discuss it with Reagan. Though the Reagan-Shamir talks did not yield a formal pact, they produced the Joint Political Military Group (JPMG), a forum for consultation about common threats posed by Moscow and its clients. The JPMG meets twice per year, or at the request of either side, to identify possible areas of cooperation and to monitor the ongoing strategic dialogue between Israeli and American officials. Subcommittees meet periodically to develop a response to military, logistical, and legal issues. Unlike the 1981 Memorandum of Understanding, which was an umbrella agreement made at the top but not taken seriously by mid-level U.S. officials, the JPMG is an institution to build cooperation from the bottom up. It is a nexus connecting the defense establishments of both countries that generates direct contacts between working-level officials familiar with the nuts and bolts issues required for practical cooperation.

Because the JPMG's activities are highly classified, little is known by the public about what it has accomplished or how it operates. The best available information was provided by Reagan at the close of his 1983 talks with Shamir. He said: "This group will give priority attention to the threat to our mutual interests posed by increased Soviet involvement in the Middle East. Among the specific areas to be considered are combined planning, joint exercises and requirements for prepositioning of U.S. equipment in Israel."³

POLITICAL DIMENSIONS OF STRATEGIC COOPERATION

Both Washington and Jerusalem are constrained by foreign policy considerations in setting the scope and nature of strategic cooperation. The U.S. is a global power with global responsibilities. It has many important strategic, political, and economic interests in the Middle East and South Asia. Washington seeks an arrangement that will strengthen the U.S. vis-a-vis the Soviet Union without undermining American influence in anti-Soviet parts of

2. See James Phillips, "Standing Firm in Lebanon," Heritage Foundation Backgrounder No. 302, October 24, 1983.

3. President's statement on the departure of Israeli Prime Minister Yitzhak Shamir, November 30, 1983.

the Moslem world. This means that U.S.-Israel strategic cooperation must be presented clearly as anti-Soviet, not anti-Arab.

For its part, Jerusalem seeks to neutralize the Soviet backing enjoyed by Israel's chief adversary--Syria--without unduly antagonizing Moscow. Israel naturally does not want to be drawn into a Soviet-American crisis unless its own vital interests are at stake. Confronted with the constant threat of Arab attack, it cannot afford to increase the risk of a direct clash with a superpower. The prime threats to Israel's security come from the Arab confrontational states, not from the Soviet Union. Although the Soviets arm and train many Arab armed forces, they rarely have confronted Israel with direct military force.⁴

A formal Israeli-American defense treaty has not been needed because the primary Soviet threat to American security is a secondary threat to Israel's interests and the primary Arab threats to Israeli security are secondary threats to American interests. The Israelis, in any event, are wary of a formal treaty with the U.S. because they fear that it would constrain their freedom of action in blunting regional threats. Bold actions such as the preemptive Israeli airstrikes that assured Israel's victory in the 1967 Six-Day War, the 1982 airstrike on Iraq's nuclear reactor, and the 1982 campaign to oust the Palestine Liberation Organization from Lebanon would have required extensive consultations, if not hard bargaining, with Washington. Given the press leaks plaguing many American bureaucracies, such a necessity would heighten the already great risk involved in such actions, deprive Israel of the advantage of surprise, and narrow its effective options. Some Israelis, moreover, are concerned that an anti-Soviet treaty with Washington could complicate efforts to ease the plight of 400,000 Soviet Jews who have been unable to emigrate.

Both countries thus prefer low-key, low-profile strategic cooperation to a full-fledged defense treaty. Yet strategic cooperation also may create major problems. A common criticism is that close Israeli-American strategic cooperation precludes Arab-American strategic cooperation. This of course overlooks the historical record that Arab states have refrained from close cooperation with Washington even when the U.S. has held Israel at arms length. Inter-Arab rivalries, xenophobia, acute sensitivity to foreign military presences spawned by bitter experiences with Turkish, British, and French empires, and an exaggerated adherence to the shibboleth of nonalignment have diluted Arab willingness to cooperate openly with the U.S. on defense matters. The lesson is that shunning Israel would not earn Washington the close cooperation of Arab

4. See: James Phillips, "As Israel and the Arabs Battle, Moscow Collects the Dividends," Heritage Foundation Background No. 291, September 20, 1983.

states. The Arab-Israeli conflict is not the only issue, nor necessarily the most important issue, in determining the closeness of bilateral Arab-American relations.

Paradoxically, Washington's ties to Israel have been an incentive for Arab leaders to improve relations with the U.S. Egypt's late President, Anwar Sadat, launched a rapprochement with the U.S. in part because he believed that Washington's influence with Israel gave it "99 percent of the cards" in any peace process. Jordan's King Hussein also has benefited from Washington's close ties to Israel, particularly in 1970 when, with U.S. and Israeli help, he rebuffed a Syrian-Palestinian challenge to his throne. Arab-American and Israeli-American strategic cooperation are not necessarily mutually exclusive because both are targeted at the Soviet Union and its regional allies. For this reason, Washington is right to seek strategic cooperation with such Arab states as Egypt, Jordan, Saudi Arabia, and Oman, among others.

Another criticism of Israeli-American strategic cooperation is that such cooperation would damage Washington's standing as a mediator between the Arabs and Israel. This danger could be minimized by reaffirmations of U.S. commitment to the 1982 Reagan peace initiative that called for self-government for the West Bank in association with Jordan. To shun cooperation with Israel, moreover, would harm the peace process enormously by encouraging Arab states, which reject negotiations, to cling to the chimera of a military solution in the mistaken belief that Washington might abandon Israel at some point in the future. On the other hand, close cooperation with Israel furthers the peace process by building trust between Israel and the U.S., making it easier for a secure Israel to risk territorial concessions in return for peace.

THE BENEFITS OF MILITARY COOPERATION

Medical Cooperation

The JPMG initially addressed the least controversial and complex issues, such as the medical field. The U.S. sought and gained access to Israeli medical facilities in the event of a crisis. This would reduce greatly the time needed to evacuate wounded American servicemen to modern hospitals. In a full-scale U.S.-Soviet clash in the Middle East, for example, estimated U.S. casualties would create a need for 17,000 hospital beds.⁵ In June 1984 the U.S. and Israel staged their first joint exercise--a medical evacuation to practice the

5. Christopher Madison, "Reagan Links Middle East Dispute to Global East-West Struggle," National Journal, January 28, 1984, p. 162.

transportation of casualties from Sixth Fleet ships to Israeli hospitals. Cooperation in the medical field also includes the pre-positioning of U.S. medical supplies in Israel and exchange visits of American and Israeli doctors.

Military Cooperation in the Eastern Mediterranean

Washington has shown interest in Israeli help in possible air and sea battles with Soviet forces in the eastern Mediterranean. The growing strength of the Soviet Navy and declining political reliability of Premier Andreas Papandreu's anti-American regime in Greece has increased the importance of Israeli cooperation in this vital area. Israel, meanwhile, depends on Mediterranean routes for virtually all exports and imports. The Israeli Air Force has had extensive combat experience over the Mediterranean and could play a dominant role in the area south of Turkey and east of Crete.

A U.S. Navy study reportedly has concluded that Israel's Air Force alone could destroy the entire Soviet Fleet in the eastern Mediterranean.⁶ By one estimate, Israel could launch 20 times as many air attack sorties as an aircraft carrier air wing or 12 times as many air combat sorties.⁷ Even if only 10 percent of the Israeli Air Force were committed to sea control missions, Israel could project more air power than could a U.S. carrier in the eastern Mediterranean. The Sixth Fleet itself rarely deploys more than two carriers at once in the entire Mediterranean.

The small Israeli Navy, meanwhile, is a modern force comprised of fast missile boats that pack considerable punch. Operating under Israeli air cover, the Israeli Navy could challenge Soviet naval forces up to three hundred miles from Israel's coast. To test this, in December 1984, Israel and the United States conducted joint anti-submarine warfare exercises. Given the large Soviet submarine fleet and Israel's limited experience in anti-submarine warfare, this is a promising area for cooperation.

Even if Israel sits out a military conflict with the Soviet Union, Jerusalem could make a major difference in the outcome by permitting U.S. warplanes to use Israeli air bases. This would extend the strategic depth of NATO's southern flank and help counterbalance Soviet access to Syrian and Libyan airbases.

6. Citation of ABC News Report in Wolf Blitzer, Between Washington and Jerusalem (New York: Oxford University Press, 1985), p. 76.

7. W. Seth Carus, Israel and the U.S. Navy, AIPAC Papers on U.S.-Israel Relations, Washington, D.C., 1983, p. 9.

Israel offers other benefits to the U.S. Navy. For one thing, U.S. Navy fighter bombers can use Israel's bomb range in the Negev desert. For another, the U.S. Navy now makes an average of two port visits per month at the Israeli ports of Haifa, Ashdod, and Eilat. Although warships of the Sixth Fleet did not begin visiting Israel until 1977, Haifa has become an important source of fresh food for the U.S. Navy. Israeli harbors are now favorite ports for American sailors. Indeed, with the recent terrorist attacks on U.S. servicemen in Europe, Israel is one of the few places where uniformed Americans on shore leave do not have to fear terrorist attacks.

Another promising area for cooperation lies in Israeli maintenance of U.S. Navy vessels. Haifa offers dockyard and repair facilities that easily could be expanded to accommodate many classes of American ships. Aside from the greater flexibility and effective fighting strength that this would give the Sixth Fleet, the use of Israeli repair yards would strengthen American bargaining leverage over Greece. If Papandreou carries out his threats to terminate U.S. access to Greek naval bases in 1988, then Israel, along with Turkey, could replace the Greek bases.

Persian Gulf Contingencies

Jerusalem would play more of a role in eastern Mediterranean than in Persian Gulf contingencies. But in the event of a U.S.-Soviet clash in the Persian Gulf area, Israel could provide air cover for U.S. troops being airlifted on the initial leg of their journey, probably to Egypt. Given the lack of long-range American fighter escorts, an Israeli air umbrella would free U.S. tanker planes and fighters that would otherwise be needed to protect defenseless air transports.

Israel also could serve as a depot for pre-positioned U.S. ammunition, fuel, and weapons. By storing such heavy war material 6,000 miles closer to the prospective front, the U.S. could reduce significantly the Herculean logistical task of airlifting combat units to the Gulf theatre. These pre-positioned supplies could be flown to Egypt or some other Arab staging area, to be married to American troops arriving from the United States. While pre-positioned stocks also should be dispersed prudently in friendly Arab states, it would be unwise for Washington to concentrate them in any one Arab state, given the political volatility of many Arab governments and the limited capability of some Arab states to provide security against Soviet air attack and commando operations.

Israel offers other advantages as a pre-positioning site. The Israelis have developed a "dry storage" technique that enables them to store sophisticated weaponry indefinitely in airtight containment vessels without any degradation in performance. Israel's pivotal location also would enable it to provide pre-positioned supplies to a

swing force assembled for NATO contingencies, one of the many ways that Israel could enhance the strategic depth of NATO's southern flank.

The strongest argument against using Israel as a pre-position site is that Persian Gulf states may not accept assistance facilitated, however indirectly, by Israel. But if the U.S. quietly stores supplies in Israel without publicly admitting it, Persian Gulf governments would not be forced to rule out such assistance in advance. Even if domestic political pressures should force American friends in the Persian Gulf to decline such assistance publicly, there is often a wide discrepancy between what governments do in a crisis and what they say in peacetime. Finally, if Persian Gulf states are adamantly opposed to pre-positioning U.S. supplies in Israel, they always have the option of enlarging the scope of their own strategic cooperation with the U.S. to diminish their dependence on Israeli cooperation in a crisis. Having made American security planning more difficult by denying the U.S. local bases, Arab Gulf states cannot expect to dictate to Washington as to the source of American assistance.

Military Intelligence

The U.S. has been able to study the military lessons of the Arab-Israeli wars to glean information that may improve U.S. security. For two decades, Israel has fielded a modern military force equipped with state-of-the-art weapons to face Arab forces increasingly equipped with sophisticated Soviet weapons. Periodic Arab-Israeli clashes have made the Middle East the prime combat proving ground for Soviet and American military technology. Over time, Israel has gained extensive experience in defeating Soviet weaponry, countering Soviet tactics, improving American weaponry, and devising its own combat doctrines. The U.S. military has profited immensely from Israel's hard-earned combat experience in the past and should work to take full advantage of Israel's military expertise in the future.

Following each of its wars, Israel has made available to the Pentagon invaluable data on the performance capabilities, technical specifications, and electronics components of Soviet weapons encountered on the battlefield. Israel has provided intelligence bonanzas in the form of captured Soviet-made tanks, electronic equipment salvaged from the remains of Soviet-made warplanes, and even an entire Soviet radar station captured during the 1969-1970 war of attrition. Israel also provided the U.S. access to an intact MiG-22 delivered by a defecting Iraqi pilot. In many cases these Soviet-made weapons never before had been subject to detailed Western inspection.

Israel has contributed significantly to the evolution of U.S. military tactics. Following the 1967 war, the Israelis passed on

information on the Soviet high-altitude SAM-2 anti-aircraft missile, which enabled U.S. pilots to survive missile barrages over North Vietnam.⁸ Israel later passed on intelligence on the low-altitude SAM-6 missile after the 1973 war and on other SAM systems after the 1982 war in Lebanon. Israeli experience has led to the decreased use of searchlights on tanks; the increased reliance on thermal sights for nightfighting; the greater use of tanks and armored personnel carriers in mixed formations; improvements in command, control, and communications between air, land, and sea units; the provision of electronic warfare capabilities to reconnaissance units; and improved aerial electronic countermeasures.⁹

In addition to influencing Western tactical doctrines, Israeli-supplied military intelligence has affected the evolution of American military technology. A joint Israeli-American analysis conducted after the 1973 war generated eight volumes of 200 to 300 pages each that affected the development of American weapons systems and eventually the U.S. defense budget.¹⁰ The 1982 war in Lebanon yielded substantial electronic intelligence on Soviet SAM missile systems and information on the vulnerabilities of T-72 tanks that may spark the creation of new military tactics and technologies to defeat these threats.

Technical Cooperation

Israel has improved American weapons to increase their combat capabilities, survivability, and endurance. The Israelis have made 114 modifications of U.S. M-48 and M-60 tanks, many of which were adopted later by the U.S. Modifications also have been made to the A-4, F-4, F-15, and F-16 warplanes, M-113A armored personnel carriers, and M-109 self-propelled artillery. In 1975, Israelis discovered defects in U.S.-made armor-piercing ammunition and alerted the Pentagon, leading to changes in U.S. manufacturing procedures.¹¹

Israel also has been a source of innovation in developing and applying new military technologies. The Israelis have been pioneers in fielding Remotely Piloted Vehicles (RPVs) to reconnoiter and strike heavily defended targets. The U.S. Navy has purchased the Israeli

8. The New York Times, September 5, 1982.

9. Steven Spiegel, "Israel as a Strategic Asset," Commentary, June 1983, p. 55.

10. The New York Times, March 13, 1983.

11. Steven Spiegel, "The Defense Benefits of the U.S. Relationship with Israel," unpublished paper, 1985, pp. 10-15.

Mastiff RPV and has initiated a joint program with Israel to develop another RPV.¹² Israeli companies also have contracted to provide components for the SMAW-B-300 rocket launcher for the Marines, heavy duty air filters for U.S. helicopters, and an engineering vehicle for the Army Corps of Engineers.

In May 1986 Israel also became the third U.S. ally to join the research activities for the Strategic Defense Initiative (SDI). Israel's expertise in lasers, computer software, and command and control technologies are promising areas for bilateral cooperation in developing strategic defenses.

POLICY RECOMMENDATIONS

Washington should integrate Israel discreetly into the global anti-Soviet defense system to strengthen deterrence of the Soviet Union in the strategic area between NATO's southern flank and the Persian Gulf. Joint contingency plans should be drawn up secretly to keep Moscow and its regional allies guessing about the extent to which Israel is willing to commit itself to containing Soviet aggression in a crisis. The eastern Mediterranean region should be the focus of such joint contingency planning because Israel's vital interests and greatest capabilities vis-a-vis the Soviets are centered there.

The U.S. should seek access to Israeli air bases on a contingency basis. The Sixth Fleet should increase its use of Israeli ports and naval repair facilities to augment its flexibility and reduce its dependence on problematic Greek bases. Naval and air exercises should be held regularly to familiarize U.S. and Israeli naval and air forces with each other and enhance teamwork in the event of a crisis.

U.S. medicine, fuel, ammunition, and weapons should be secretly pre-positioned in Israel to facilitate rapid movement to the Persian Gulf or NATO's southern flank if needed. An active Israeli role in Persian Gulf contingencies should be minimized to ease Arab anxieties about Israeli involvement and Israeli anxieties about being drawn into conflicts in areas outside the bounds of its vital interests. On the other hand, active Israeli support of U.S. efforts to help Freedom Fighters in Central America and Africa would be a powerful demonstration to the American public of Israel's status as a special ally.

Military intelligence liaison and technical cooperation should be organized to promote the maximum degree of cross-pollination in the joint assessment and countering of the Soviet military threat.

12. Aviation Week and Space Technology, January 13, 1986.

Israeli innovation in military technology should be adopted when practicable, including potential Israeli contributions to the Strategic Defense Initiative. In the Gramm-Rudman era, increased cooperation with Israel offers a cost-effective way to enhance the effectiveness of the American military establishment.

CONCLUSION

Israeli-American strategic cooperation is not a panacea that will blunt all Soviet threats in the Middle East, but without it, the world will be a more dangerous place. Such cooperation deters the aggressive action of Moscow and its regional clients, encourages Arab states to opt for a negotiated settlement rather than military action in the Arab-Israeli conflict, and strengthens NATO's southern flank. Israel has much to offer the U.S. in terms of military intelligence, technical innovation, access to air bases and naval facilities, and a pre-positioning site for fuel, medicine, ammunition, and weapons. Washington should work closely yet discreetly with Israel in order to transcend the zero-sum nature of the Arab-Israeli conflict.

James A. Phillips
Senior Policy Analyst

Son of the Sergeant York

By the time it was canceled last year, the Army's proposed Sergeant York division air-defense (DIVAD) gun had become a symbol of a procurement process gone haywire. After the Pentagon spent \$1.8 billion and ten years developing the tank-mounted, radar-guided gun, field tests showed that it had trouble hitting a hovering helicopter. The fiasco left the Army without a weapon to counter the Soviets' high-performance aircraft and growing fleet of nimble helicopters. Some reformers urged the Army to consider simpler and more reliable weapons, perhaps a version of the existing Rapier or the Roland missile systems. But the Army decided otherwise. Enter FAAD (for forward-area air-defense system).

In a pitch last week to a Pentagon review board, Army officials got preliminary approval for a system far more elaborate than the Sergeant York. Although the Army says it could build the FAAD system for \$9.3 billion, critics argue that it would cost two or three times as much. The proposed FAAD is nothing less than an entire package of weapons to deal with enemy air power in the forward area of a land battle. "In place of a weapon," explains Army Lieut. Colonel Craig Mac Nab, "we're proposing a system."

FAAD would use heavy missiles on an armored chassis in conjunction with lighter missiles carried by trucks. In building the Sergeant York, the Army had trouble deciding whether to arm it with missiles or guns. This time it chose both. FAAD would also include 50-cal. guns on M1 tanks and 25-mm cannons on Bradley infantry fighting vehicles. In theory, the elements would work together through a system of airborne and ground-based sensing devices.

One promising component of the system, which the Army originally balked at including, is the so-called FOG-M (for fiber-optic guided missile), a ground-launched missile with a television camera in the nose. Steered toward its target by an operator who sees through a gossamer fiber-optic thread that spins out from behind as the missile flies, the weapon's 6-lb. warhead spells almost certain destruction to an enemy tank.

According to Army Under Secretary James Ambrose, the Sergeant York illustrated the point that "no single weapon could do the job alone." What concerns critics, however, is the complexity of the systems approach, which the Army is so proud of. Predicts an engineer with a major defense contractor: "FAAD is going to make the Sergeant York fiasco look like a Sunday picnic."

The Army, which has the worst procurement bureaucracy of all the services, still seems to design weapons by committee, with every bell and whistle thrown into the conglomeration. Says Defense

U.S. Drops Subpoenas Of Israelis

Cluster Bomb Probe Cooperation Pledged

By Mary Thornton
Washington Post Staff Writer

The Justice Department yielded to Israeli requests yesterday and withdrew subpoenas of Israeli citizens under investigation for allegedly trying to illegally acquire U.S. technology for manufacturing cluster bombs, officials said.

"The subpoenas have been withdrawn without prejudice in return for pledges of cooperation by the government of Israel," said Associate Attorney General-designate Stephen S. Trott. Eight Israelis subpoenaed by two federal grand juries will not testify, but will "provide evidence relevant to the inquiry," he said, refusing to elaborate.

Exports to Israel of cluster bombs—canisters that contain hun-

dreds of small bombs—have been banned by the United States since 1982 because of reports that Israel used them in its invasion of southern Lebanon.

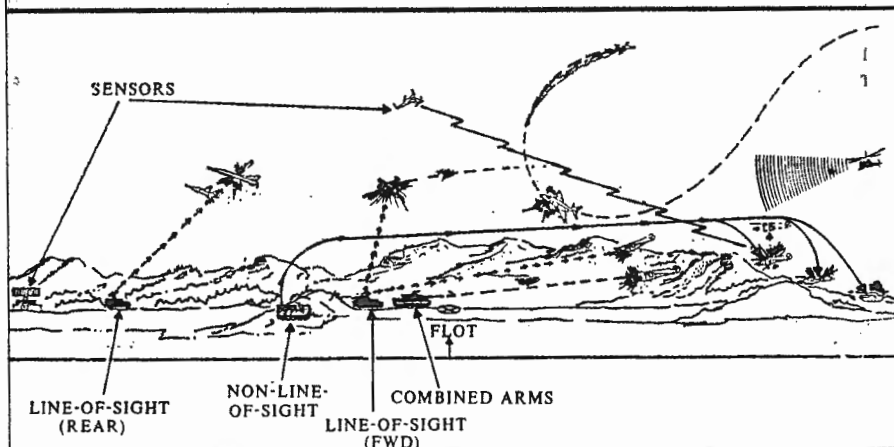
Administration officials, who requested anonymity, said Israeli Embassy officials told Trott they would claim diplomatic immunity for the Israeli citizens subpoenaed in the case. "They didn't want a long, litigious battle over immunity," one source said.

The Israeli Embassy press office declined comment because the matter is a "judicial proceeding."

The confrontation began July 8 when the U.S. Customs Service served subpoenas and search warrants on employees of the Israel Military Industries office in New York. Subpoenas and search warrants were also served on three U.S. companies in connection with the investigation. They were Vector Corp. of Marion, Iowa; Bexco International in Cedar Rapids, Iowa, and Assembly Machines Inc. of Erie, Pa.

A source familiar with the investigation said at the time that Israel Military Industries officials approached Vector Corp., which makes high-speed machinery that can be used for products ranging from medical capsules to munitions, ISRAELIS...Pg. 12

FORWARD AREA AIR DEFENSE SYSTEM



The Pentagon's conception of how the new air-defense system is supposed to work

Consultant Steven Canby: "The Army simply doesn't have the people who know something about technology. They put some infantry officer in charge of this program, when they need a technology expert."

There is no doubt that the Army needs a new battlefield air-defense system. The problem with FAAD, however, is that it could collapse under its own

weight, leaving this critical need unmet. Army officials conceded to a House subcommittee early this year that the final price tag could be as high as \$22 billion. Warns Oregon Republican Congressman Denny Smith: "The Army is going into a \$20 billion swamp. The chances are good that it can spend billions and lose another decade, and still not have an effective air-defense weapon."

—By John S. DeMott.
Reported by Bruce van Voorst/Washington

ISRAELIS...
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early last year. The Israelis allegedly suggested that the description of the machinery they wanted to export be changed so it would not appear to be related to making cluster bombs.

Grand juries in Cedar Rapids and Erie are hearing evidence in the case, and the Justice Department hoped to bring the Israelis before the grand juries later this week.

Federal officials said representatives of the subpoenaed Israelis met Trott last week to discuss the investigation and suggested that the Israelis are protected by diplomatic immunity. The representatives asked that the Israelis be allowed to submit affidavits rather than being questioned before a grand jury.

Meanwhile, Israeli news outlets have reported that Israeli representatives urged the State Department to take over the case from the Justice Department so it could be handled as a diplomatic issue.

The Israeli Defense Forces Radio reported July 22 that "Israel and the United States are examining the possibility of transferring the discussion on the cluster bombs affair from U.S. courts to diplomatic channels. The intention is that the subpoenas... delivered to members of the Defense Ministry mission in New York be canceled."

The broadcast also reported "talks with the Americans about the question of whether to give members of the Defense Ministry mission a consular status."

Another broadcast by the Jerusalem Domestic Service July 24 said that Israel "insists on a cancellation of the subpoenas."

One prosecutor said discussions had been under way about whether the Israelis are protected by diplomatic immunity and whether the New York office is technically sovereign Israeli territory.

He said that the property is heavily protected by Israeli guards carrying Uzi submachine guns, so that the execution of a search warrant there presented a problem if the Israelis did not cooperate.

A State Department official, who requested anonymity, confirmed that the question of diplomatic immunity is a central one. He said the Israelis were likely to file a lawsuit if the United States ruled negatively on the immunity question.

The Israel Military Industries New York office has about 200 employees who negotiate thousands of contracts each year with U.S. companies, spending about \$1.8 billion in funds from military aid grants,

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Panel okays contra aid funds but final Senate vote delayed

By Christopher Simpson
and Jeremiah O'Leary
THE WASHINGTON TIMES

The Senate Appropriations Committee yesterday approved the administration-backed \$100 million aid request for the Nicaraguan resistance, but a partisan stalemate has delayed final Senate action indefinitely.

The Contra aid package, which narrowly passed the House June 25, was approved by the full-Senate committee on a voice vote. But the key test came late in the afternoon when a motion that would have killed the aid package was defeated 15-14.

Although the committee action was an important administration victory, threats of a floor filibuster by Democrats have left the pending measure in limbo.

A spokesman for Senate Majority Leader Robert Dole said the package could reach the floor by early next week, but the filibuster threat led by Sen. Edward Kennedy, Massachusetts Democrat, probably would have to be resolved before debate begins.

Mr. Kennedy and other Democrats have threatened to filibuster the aid package for the anti-Sandinista rebels, while Mr. Dole has sought time constraints on the debate in return for allowing South African sanction measures to come to the floor.

Without assurances that the aid bill will not be filibustered, the Kansas Republican said, he will not let the sanctions measures — long sought by Democratic leaders — to come up for a vote.

Meanwhile, President Reagan yesterday urged the Senate to resolve its parliamentary gridlock and "take action" by voting the measure up or down before a scheduled Aug.

15 recess.

"For Congress to go home without providing the necessary support for the Contras would be to risk the permanent loss of Nicaragua to the Soviet bloc," the president said in a speech beamed by satellite to the Knights of Columbus convention in Chicago. "So far, the communists have been intransigent because they believed they could afford to be."

The 15-14 committee vote that defeated the motion by Sen. Jim Sasser, Tennessee Democrat, to strike the aid package from the military construction bill came when four Democrats joined 11 Republicans in supporting the aid proposal. The administration proposal also includes \$300 million in economic development funds for Guatemala, Honduras, El Salvador and Costa Rica.

"You folks are whistling Dixie on negotiated settlements and military solutions," said Sen. Ernest F. Hollings of South Carolina, one of the Democrats who voted for the aid request. "I want to get rid of [Nicaraguan President Daniel] Ortega and his Marxist government. This is worth a try and it's only \$100 million."

But Mr. Sasser, who has pushed for diplomatic solutions instead of the aid package, said that "men will perish who otherwise would not. Non-combatants, women and children, I think, will perish. They will be caught up in the fog" of the escalated strife triggered by renewed U.S. military funds.

Under the measure approved yesterday, the Nicaraguan resistance would receive \$70 million in military aid and \$30 million in humanitarian assistance. Upon enactment of the measure, \$40 million in "light" military and non-lethal aid would be re-

leased immediately, with \$20 million more in October and the remaining \$40 million in February.

The legislation allows Congress to vote against the last two installments if efforts at reaching a peaceful settlement with Managua succeed, but the president would have the final say over disbursement.

At the White House yesterday, spokesman Larry Speakes said the Nicaraguan rebels have used up the \$27 million in non-lethal support Congress approved last summer. Mr. Speakes said the resistance forces are no longer able to buy food and medicine.

"We can no longer delay in giving these brave fighters what they need to continue the struggle," Mr. Speakes said. "The friends of the Sandinistas have not forgotten them with the recent arrival of Soviet assault helicopters, patrol boats and other aid."

As the congressional stalemate entered its second week with no compromise in sight, Senate Foreign Relations Committee Chairman Richard Lugar said GOP leaders will not allow the South African sanctions bill to reach the floor unless Democrats agree not to filibuster the rebel aid request.

Republican leaders have maintained it would be difficult to garner the 60 votes needed to break a filibuster.

"The Contra aid bill has to pass first but we are going to try to pass the South African bill before we leave" for the Labor Day recess, said Sen. Lugar, Indiana Republican.

The Republican attempt to outflank Democrats drew sharp rebuffs yesterday from vocal critics of South Africa's white-minority government.

"That's an inexcusable position for Sen. Dole to take," Randall Robinson, head of the anti-apartheid group TransAfrica, told a Capitol Hill news conference yesterday.

AVIATION WEEK & SPACE TECHNOLOGY 4 AUG 1986 (6) Pg. 25

House Armed Services Committee version of the Fiscal 1987 Defense budget bill would require a physical inspection of military charter aircraft within 72 hr. before takeoff. The bill also requires suspension by the Defense Dept. of a charter carrier when any one of its aircraft is involved in a fatal accident. The requirements stemmed from the committee's investigation of last December's Arrow Airways McDonnell Douglas DC-8-63 charter crash at Gander, Newfoundland, that killed 250 members of the 101st Airborne Div. and a crew of eight (AW&ST Dec. 16, 1985, p. 31).

Defense Logistics Agency survey of 400 prime contractors found 75% were not managing their subcontractors at normally accepted business standards. DLA will continue to press prime manufacturers to promote efficient subcontractor work since between 50-75% of defense contract value is spent at the subcontractor level, with the primes increasingly reverting to an assembly role. Air Force and Navy situation is similar. An Air Force survey of 26 prime contractors found the defense-related work they subcontracted out in 1985, the last full year for which figures are available, totaled \$16.2 billion, or 39% of aggregate contract values.

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HEADLINE: How U.S. Came to Underwrite Israel's Lavi Fighter Project

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Second of Four Articles

BYLINE: By Charles R. Babcock, Washington Post Staff Writer

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It was like the unveiling of a monument, a tribute to the growing closeness between Israel and the United States that has evolved during the Reagan administration. The moment -- 8:15 p.m. on July 21 -- was celebrated with military music, sweeping spotlights and stirring speeches.

Then, from a special hangar where engineers and technicians had hustled round the clock for months preparing for this evening, the new Lavi jet fighter was wheeled onto the tarmac at Ben Gurion International Airport near Tel Aviv and introduced to the world.

To the applause of American and Israeli dignitaries, the sleek plane's virtues were recited: speed, agility, range, the most modern electronic equipment -- virtually all of it, every rivet, every microchip, paid out of nearly \$2 billion in U.S. aid money earmarked for the plane's development. Although no mention of it was made that night, Israel is operating on the assumption that the United States will spend billions more on the fighter's production costs.

This is the story of how the U.S. government came to underwrite a foreign fighter, which could compete with U.S.-built jets for sales in the Third World, and how Congress came to pay for the fighter with such alacrity that it initially provided \$150 million more than Israel could spend.

The tale of the Lavi -- pronounced lah-VEE, the Hebrew word for "lion" -- illustrates many of the ties that bind the United States to Israel. Like much of the history of U.S.-Israeli relations, it is a tale of weapons and money and politics, of personal relationships and persistence.

It also is a tale, one former State Department official said, like the old "story of the stone soup:" Once there was a man with a stone. He offered to provide his stone to cook some soup for a guileless stranger, if the stranger would provide a pot of water. And some carrots to flavor the stone. And some potatoes. And some onions. And some meat. And seasoning. Before long, the stone had become a beef stew at the stranger's expense.

The official said he was reminded of the stone soup story as he listened to the Israeli team that first briefed the State Department in late 1981 on its

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ambitions for the Lavi. As the Israelis laid out their plans, the official said he sensed "general incredulity" among the Americans at the meeting.

"They were going to build this airplane," he said. "All they needed was American technology and American money."

Israel's defense strategy is based on air superiority, on the belief that it must control the skies in a geographic region where flying time from Arab capitals is measured in minutes.

Planning for a new plane to replace the aging Israeli fleet of U.S.-built A4 Skyhawks and Kfirs, the first generation of Israeli-built fighters, began soon after the 1973 Yom Kippur War, when Israel lost a quarter of its aircraft to Soviet-made surface-to-air missiles (SAMs).

Israeli air force planners vowed it would not happen again. They went to work on a new plane, whose main role would be in attacking ground targets. It would incorporate the nation's unique battle experience and the latest electronic gadgetry to help elude a new generation of SAMs. Realizing the country could not afford to build the new fighter without help, the Israelis in late 1977 added the project to Matmon B, their five-year wish list of requests sent to the United States, according to one former U.S. official. Matmon means "treasure" in Hebrew.

Israeli officials said they saw other benefits to the project, too: a way to provide needed jobs, a way to prevent Israel's aerospace talent from leaving the country for more challenging opportunities abroad and a catalyst for developing "high-tech" products suitable for export.

Such logic didn't carry much weight in Washington, however, and the Lavi idea foundered for several years, bereft of powerful patrons. In 1979, the Pentagon officials did give Israel permission to approach a U.S. company about buying an engine, but they blocked other requests for U.S. technology, arguing that Israel would be better off buying more American-made fighters, such as F15 interceptors and F16 fighter-bombers. The Defense Department also denied requests for U.S. aid money for the Lavi, saying that the aid was intended to buy American products only.

But the Israelis persisted.

"They were asking for everything," one Pentagon official recalled. "Fly-by-wire technology, the latest electronic countermeasure pods and radar-warning receivers and their logarithms, graphite composite and single-crystal turbine technology."

It was not until the spring of 1983 that the roadblocks in Washington began to crumble, in part because of changes in Israel's government. Moshe Arens, an aeronautical engineer, had just replaced Ariel Sharon as Israel's defense minister and had been one of the original champions of the Lavi project.

Arens, a graduate of the Massachusetts Institute of Technology and the California Institute of Technology, had just finished a tour as Israel's ambassador here, and he had made friends, including Secretary of State George P. Shultz. Arens knew he would need allies in the Lavi fight, and one of his first became Rep. Charles Wilson (D-Tex.), a key member of the subcommittee

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responsible for appropriating foreign aid.

In early April, Wilson went to Tel Aviv on a congressional trip and met with Arens, whom he knew from Washington. Also present at the meeting was Zvi Rafiah, a former embassy official here, Wilson recalled.

They talked about the Lavi project and Arens asked Wilson, an admirer of Israel and its fighting prowess, to sponsor legislation that would permit U.S. aid money to be spent in Israel on the Lavi. Wilson agreed. "I feel the only chance Israel's got to be economically viable is through military and high-tech sales," Wilson said. "They have no natural resources. They have lots of brains, but you can't support the economy exporting cello players."

A few days later, on April 13, 1983, Arens held an important seven-hour meeting with about 20 members of the Lavi project team, according to Marvin Klemow, Washington representative for the Lavi's builder, Israel Aircraft Industries (IAI). Klemow flew to Tel Aviv with Dan Halperin, the economics minister at the Israeli embassy in Washington.

Eight months earlier, Klemow had written a memo pointing out the need to make a concerted effort to sell the Lavi to the midlevel Pentagon and State Department officials responsible for drafting U.S. policy papers. But at the time, Israel was mired in a war in Lebanon and the memo went unanswered, Klemow said.

Now, Klemow advised Arens to go over the heads of Defense Department officials. "Our strategy should be that the Pentagon doesn't exist. This is a political decision. We should go to State and the White House," Klemow recalled saying at the meeting.

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Rep. Wilson Makes Good on Pledge

Halperin said he then suggested that the time was right to call Shultz, Arens' friend, and ask him to expedite three crucial licenses, which the Pentagon was holding up and which American companies needed to transfer their technological secrets to Israel.

The Americans "hold you in high esteem and want you to succeed," Halperin recalled telling Arens, as a way of healing the rift in the U.S.-Israel relationship caused by Israel's invasion of Lebanon and Sharon's prickly style. Arens made the call and in a few days the first licenses were approved, Halperin said.

By autumn, attention shifted to Congress where Rep. Wilson of Texas was making good on his pledge to Arens. One night at Charley's Crab restaurant on Connecticut Avenue, Wilson bumped into Rafiah, the Israeli business lobbyist, and James D. Bond, a staff member of the key Senate Appropriations subcommittee controlling foreign aid. They sat together and worked out a plan for an amendment allowing U.S. aid money to be spent in Israel for the development of the Lavi.

By Wilson's account, he then asked the American Israel Public Affairs Committee (AIPAC), the influential pro-Israel lobbying group in Washington, to draft the language for the amendment. AIPAC's lobbyists were surprised by the request and asked Klemow how much money was needed.

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There was confusion. "As far as I can remember," said Oded Eran, who was the Israeli Embassy's congressional liaison at the time, "the figure came right out of thin air." But another knowledgeable official said Wilson misunderstood and asked for \$150 million more than IAI needed that year.

The amendment earmarked \$550 million of that year's \$1.7 billion military aid package for Israel for the Lavi project. Of that, \$300 million was to be spent in the United States and \$250 million in Israel. "We couldn't spend it all," Klemow says.

Nevertheless, a Congress whose members appeared eager to respond positively to Israel's aid request approved the appropriation with virtually no questions. The only controversy was over who would get credit for it when it passed in November. "It was like a reverse paternity suit," Wilson said. "Everyone wanted to be the father of that amendment."

The next year -- 1984 -- Klemow and IAI asked for \$400 million for the Lavi. Rep. Nick J. Rahall II (D-W.Va.) offered an amendment to kill all U.S. funding for the Lavi on the grounds that the program was taking away Americans' jobs, but his amendment attracted just 40 supporters in the 435-seat House. In 1985, Rep. Robert E. Badham (R-Calif.) introduced and then withdrew an amendment calling for a study of the economic impact of Lavi in Israel and the United States. "I knew I didn't have the votes," he said. "I didn't want to be a goy kamikaze."

In contrast to the overwhelming support for the Lavi in Congress, some Reagan administration officials are concerned about where the project is headed.

One senior State Department official said Congress hasn't addressed the basic question of the Lavi, which is "the appropriateness of developing a foreign fighter offshore." He said Congress focuses on "the aggregate numbers of how much aid Israel gets and hasn't studied the details," and thus is largely ignorant about the Lavi. Some members of Congress said they have not scrutinized the Lavi because they consider it Israel's prerogative to determine how its foreign aid allocation is spent.

Said a Pentagon official who is skeptical of the Lavi program: "It boggles the imagination to think that we helped them finance a plane we'll never use."

Other countries might use it, however. An IAI marketing document put together in the early 1980s, entitled "Lavi: the Affordable Fighter," outlined ambitious plans to sell 407 of the jets to countries such as Argentina, Chile, South Africa and Taiwan.

The 56-page document listed the numbers of aging jet fighters around the world and estimated that the Lavi could capture 17 percent of the market between the years 1988 and 2000. It noted, for example, that Argentina's "political situation" included a dispute with Chile over the Beagle Channel Islands, and concluded that Israel had a 50 percent probability of selling 100 Lavis to Argentina.

The Lavi's export potential doesn't sit well with some U.S. aerospace companies, which covet the same dwindling market for high-performance fighters. As early as 1983, the Northrop Corp., which has invested roughly \$1 billion in the F20 fighter without any U.S. government aid and has yet to sell a single

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plane, began complaining about the potential competition from the American-subsidized Israelis. The marketing document listed four potential fighters likely to match up against the Lavi, three of which were made by U.S. companies.

In initial meetings, U.S. officials said, the Israelis assured them that the Lavi was not intended for export. Klemow, the IAI Washington representative, said he was unaware of these assurances. He said Israel does hope to export to the plane, but not until the Israeli air force gets its 300, sometime in the late 1990s.

Israel realizes that the Lavi could be a sizable addition to its \$1 billion defense export business, an important source of foreign trade earnings. In the past Israel has sold weapons to Taiwan, Iran, South Africa, Argentina and others. Still, Klemow pointed out, the United States could veto any Lavi export because so many of the plane's systems -- including the engine, wing and tail -- are made in America.

Moshe Keret, president of IAI, said in an interview at IAI headquarters near Tel Aviv that U.S. industry is benefiting from the Lavi because more than 100 U.S. companies have received \$800 million in subcontracts.

Keret sees the project as Israel's version of the Apollo moon rocket program, boosting the Israeli economy and providing high-tech spinoffs. If Israel can't provide jobs for its best technicians and engineers, they will head for California, he said, and "that's the biggest danger."

Anxiety about the Lavi's cost has provoked more public debate in Washington and Israel in the past five months than occurred in the preceding five years.

Israel originally estimated the plane would cost \$7 million per copy; it has since revised that figure to \$15 million. The Pentagon, in a 300-page secret study, has concluded the price will be \$22 million each. Thomas Pickering, the U.S. ambassador to Israel, has suggested to Israeli officials that production be delayed until the cost dispute is resolved.

Some Israeli military strategists also are concerned that the Lavi will gobble up so much of the \$1.8 billion annual U.S. military aid package that little will remain for other defense needs.

Even Israeli Defense Minister Yitzhak Rabin opposed the Lavi project until learning, as he said 18 months ago, that the United States will provide "99 percent of the development and production costs for more than 10 years."

The Israeli government so far has resisted U.S. offers of alternatives to the current Lavi plan. Although a U.S. Air Force spokesman said the comparable cost for a U.S.-built F16 is \$13.4 million, Israeli officials contend the Lavi is better suited to Israel's defense needs and is more survivable against today's lethal air defenses. They also vigorously dispute the Pentagon cost estimates for the Lavi, saying they are based on the higher labor costs of American aerospace companies. To cancel the Lavi, Israeli officials added, would mean firing thousands of engineers and technicians at 100 Israeli plants.

Lavi Could Impinge on Aid Package

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"The real issue isn't just the cost of the plane, but whether the Israelis are going to face up to difficult choices on funding constraints," said one American official, who is an enthusiastic supporter of close U.S.-Israeli ties. "We've always bailed them out before. They could always go to Congress and get more money."

The new constraints of the Gramm-Rudman-Hollings deficit reduction law now mean "the cornucopia ain't there anymore," he said.

Amnon Neubach, economics adviser to Prime Minister Shimon Peres, said in an interview in Jerusalem that the current \$3 billion annual U.S. aid package to Israel could shrink to \$2 billion by 1990 under Gramm-Rudman-Hollings restraints. During the same period, Israel's debt payment to the United States will swell to \$1.35 billion a year, meaning that \$650 million might be left for military procurement, of which, by Israeli estimates, \$550 million will be needed each year for the Lavi.

Another concern -- expressed by Dr. Dov S. Zakheim, deputy undersecretary of defense for planning and resources -- is that Israel lacks the administrative infrastructure "to support the spawning of a major military-industrial complex." In a recent interview, Zakheim added that the Lavi program raises important questions about what role the defense sector should play in the Israeli economy.

When the first Lavi prototype rolled out from its hangar two weeks ago, some speakers mentioned the cost debate. But on that night, as the bands played and the 1,500 guests applauded, such concerns were muted.

Rep. Jack Kemp (R-N.Y.), one of five members of Congress who flew to Israel for the event, told the crowd that the Lavi was "a real and visible expression of the partnership of our two democracies."

Then, noting the American role in developing the plane, he pointed toward the Star of David painted on the fuselage and said: "Save a little room for the Stars and Stripes"

NEXT: The war over Arab arms sales

GRAPHIC: Picture 1, Prototype of Lavi jet fighter being rolled out by Israel Aircraft Industries in ceremony last month. ASSOCIATED PRESS; Picture 2, Rep. Jack Kemp, in cockpit, with IAI President Moshe Keret at July rollout of the Lavi fighter, ISRAEL AIRCRAFT INDUSTRIES; Picture 3, Dan Halperin of the Israeli Embassy, who suggested that Secretary of State Shultz be asked to expedite three crucial licenses at the Pentagon. BY JEFFREY MARKOWITZ -- THE WASHINGTON POST; Illustration, MAJOR CONTRACTS FOR ISRAEL'S FIGHTER, BY JOHNSTON QUINAN -- THE WASHINGTON POST

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LENGTH: 2648 words

HEADLINE: A SKIRMISH OVER ISRAEL'S NEW JET

BYLINE: By THOMAS L. FRIEDMAN

DATELINE: BEN GURION AIRPORT, Israel

BODY:

ISRAEL and the United States are locked in what could be the biggest air battle ever in the Middle East. Armed with calculators and cost estimates, the Pentagon is quietly trying to shoot down the 300 Lavi advanced fighter jets that Israel is proposing to build.

Using some \$1 billion in American aid money, Israel is rushing the Lavi off the drawing board, onto the production lines and into the air in hopes that once it is a reality not even the ablest Pentagon cost-cutters will be able to quash Israel's multi-role, state-of-the art fighter-bomber for the 1990's.

Israel has taken the lead in this bizarre arms race by virtue of the fact that tomorrow the first two Lavi prototypes will have their official 'rollout' for public viewing. Test flights should follow by October.

Israeli officials speak of the Lavi, which means lion in Hebrew, in tones reserved for the most revered national projects. It has become more than a plane. It has become Israel's equivalent of the American space program - a project that Israeli officials believe could raise the whole technological level of the country in software, computers and defense.

If the Lavi is scrapped, as the Pentagon wants, its Israeli supporters argue that thousands of Israeli engineers and high-tech subcontractors will be out of work, national pride will diminish, scientific development will be curtailed, the brain drain will increase and the air force might be less effective. Put simply, they say: the sky will fall.

'When you Americans went to the moon it was not just the moon that was your goal,' Prime Minister Shimon Peres said in defense of the Lavi project. 'The goal was all that was happening between you and the moon - the scientific and technological development along the way. Maybe if we just produced chocolates it would be a lot cheaper - and sweeter. But it would not bring any real scientific achievements. For that you must take real risks.'

But for the Pentagon, and some Israeli critics of the plane, the Lavi, roughly comparable to America's F-16, is a bit of high technology that Israel simply cannot afford out of its \$1.8 billion in American military aid in the current fiscal year. The Lavi, they argue, could possibly consume as much as half that amount for several years, leaving the rest of the armed forces scrimping, since the United States finances a large portion of the total

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Israeli defense budget. 'The Lavi may fly,' quipped one Israeli general, 'but if it does, the rest of the army will be grounded.'

Israeli officials are convinced that the Pentagon opposition to the Lavi is not purely for Israel's own good. Because of the outstanding reputation of the Israeli Air Force, every aerospace company in the world wants it to use their planes. Israel is to fighter aircraft what Jack Nicklaus is to golf balls. France sold 1,200 Mirages after Israel used them to devastating effect in the 1967 war. If the Lavi does fly, and delivers even half of what it promises, say Israeli officials, it will at minimum represent several billion dollars in lost sales for American aircraft companies - particularly General Dynamics, which supplies Israel with F-16's, or Northrop, which has been trying, unsuccessfully, to sell Israel its F-20. At worst, the Lavi would become a potential competitor in world markets.

To counter the American aerospace lobby and the Pentagon cost analysts, Israel Aircraft Industries, the state-owned manufacturer of the Lavi, recently opened discussions with McDonnell Douglas and the Grumman Aerospace Corporation to see whether they would like to be partners in the plane. Grumman, already making the wings for the Lavi, is said to be considering the proposal.

Even in its present shape, 55 percent of the Israeli-designed Lavi will be manufactured in the United States. Already, 150 American subcontractors - especially Grumman, Pratt & Whitney, which is making the Lavi's 1120 engine and Lear-Siegler Inc., which is producing some of the avionics - are working on the Lavi undercontracts worth \$800 million.

'The Pentagon understands that some American jobs are also at stake with the Lavi,' said an IAI official. 'We think one reason they oppose the plane is that they are frightened to death that we can build the Lavi for what we say. The Pentagon knows that Congress is tracking our program and is going to be asking the Pentagon why it needs so much money to build a frontline fighter when Israel can do it so cheaply.'

American military officials in Israel scoff at this suggestion. Said a senior American official involved in the debate: 'There is clearly a head of steam building in the Pentagon against this project. We see it as a program that could easily suffer from elephantiasis. We are not trying to pressure the Israelis into stopping the project. We do, however, want them to have the most information possible to make the right decision. I don't think anyone should talk as though the Lavi has reached the point of no return. That would not be helpful.'

Of course, the point of no return is precisely what IAI hopes to roll through at tomorrow's unveiling. As IAI president Moshe Keret puts it: 'I'll tell you something very simply. I find it very difficult to believe - today - that there is any power that could kill the Lavi.'

The Lavi may have been born and raised in Israel, but it was definitely conceived in Paris in June 1967, after France, Israel's primary arms' supplier, suddenly embargoed all weapons sales to Israel. 'From that point on,' said Benjamin Peled, a former air force commander, 'it was decided that Israel, for its own survivability, must be able to produce on its own at least one tank, one naval vessel, one missile from each family, and one fighter plane.'

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As a result of this policy, Israel built the Merkava tank, its own Saar patrol boats, an array of missiles and, in 1974, the Kfir fighter-bomber, a knockoff of the Dassault-built Mirage IIIS with an American engine.

Every major world air force strives for a 'high-low mix' in aircraft. This means a combination of 'Cadillac' air superiority fighters, such as the McDonnell Douglas F-15, and cheaper workhorse fighter-bombers for air support of troops fighting on the ground, such as the A4 Skyhawk and the Kfir. All three planes are flown by the Israeli Air Force.

In the late 1970's, Israel decided that while it could never afford to build a replacement for the F-15, it would, and could, do something about replacing its low-end aircraft as they became outdated. In 1978, then Defense Minister Ezer Weizman instructed engineers at IAI to plan a relatively small, cheap, single-engine plane that would replace the Kfirs and Skyhawks. Mr. Weizman acted on his own initiative, without substantive approval from the Cabinet. This pattern would be repeated throughout the history of the Lavi. WORKING under these guidelines, the IAI engineers presented the Cabinet in 1980 with plans for the Lavi, and the Cabinet approved them. However, in 1981, then air force commander Maj. Gen. David Ivri told then Prime Minister Menachem Begin that if the Lavi was going to be of use to the air force in the 1990's, it would need to be a larger aircraft with a much stronger engine.

Mr. Begin, in a decision that would add several billion dollars to the total cost of the Lavi, decided: 'The air force commander is the expert, and if he says a larger plane is needed we have to abide by his decision.'

Even American critics of the Lavi concede that if it turns out as designed it will be equal to or almost as good as the latest F-16 in many air-to-air capabilities, while clearly an advance on the F-16 in air-to-ground warfare. The comparison is important, since some Pentagon officials have suggested that Israel fulfill its needs for a low-mix fighter-bomber with the multi-purpose model F-16C, rather than build a Lavi.

To begin with, argues Nisan Ebel, IAI's deputy project manager for the Lavi, 'the Lavi will be able to carry more bombs, at a higher speed for a longer range than the F-16.'

Second, argued Mr. Ebel, aircraft historically have been designed to survive primarily an air-to-air threat. However, after the Israeli Air Force lost more than 25 percent of its attack aircraft in the first three days of the 1973 war as a result of Soviet-made surface-to-air missiles, it realized that the most severe environment for which a multi-mission aircraft should be designed was not air-to-air missiles but the ground-based threat. The F-16, which was designed before the 1973 war, was really a lightweight air-to-air fighter, only later adapted for bombing missions.

In contrast, Mr. Ebel explained, the Lavi, embodies a combination of technologies for survivability in the theater of conflict Israel faces - that is, a dense field of SAM batteries packed into small areas - such as the Golan Heights - which almost always must be penetrated, rather than gone around, to reach targets.

Among many unique features, the Lavi will have built into it a state-of-the-art system of electronic warning sensors and counter-measures

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that will enable the pilot to program his plane to identify certain threats - radar and surface-to-air missiles - and to automatically take countermeasures, such as jamming.

The pilot will not have in front of him the usual bank of dials, but instead a high-tech screen on which he will have a tactical map of the entire battle area, with all the intelligence data superimposed so that "what he is doing, if you'll forgive me, is playing an Atari game," said Mr. Ebel.

Third, the Lavi will have a highly advanced set of computers, with uniform software, whose memory capacity and speed of communications will be far beyond that of the F-16. "The F-16 is a Commodore 64," said Mr. Ebel. "The Lavi is an I.B.M. PC with 500,000 bytes and a hard disk."

Finally - and most controversially - the Lavi will be cheaper, argued Mr. Ebel. "We are projecting a \$15.2 million-per-copy flyaway cost," he said. "Add another 50 percent per plane for spare parts and servicing and another 50 percent for development spread out over 300 planes and you come up with a roughly \$31 million aircraft."

Israel is about to receive 75 F-16's, purchased at a cost of roughly \$3 billion, or about \$40 million per plane.

But are the Israeli cost estimates correct? Enter Dov S. Zackheim, Deputy Under Secretary of Defense for Planning and Resources at the Pentagon. As it became clear that Congress intended to fix a ceiling on the American deficit, and, in effect, foreign aid, the Pentagon examined the implications for Israel's defense spending on the Lavi project. LAST February Mr. Zackheim, after a lengthy study in Israel and the United States, informed the Israelis that the Pentagon believed Israel had "seriously underestimated" costs for the Lavi. He predicted that each flyaway copy of the Lavi would cost \$22.1 million, not the \$15.2 million estimated by Israel. Adding servicing and all other costs over the life of the program, the Zackheim report concluded that the 300 Lavis would cost Israel at least \$20.6 billion, rather than the \$14.7 billion estimate of Israel's Ministry of Defense. The drain on Israel's defense budget of such a cost overrun would be enough to curtail Israel's procurement and development of almost any other weapons systems.

Mr. Keret, the president of IAI, contends that Mr. Zackheim's figures are simply wrong and that he applied techniques and management and production costs typical to American manufacturers that do not apply in Israel, where things are done on shoestring budgets. The debate over costs has clearly left bad blood between the Pentagon and IAI. For now, both sides have called a truce while they explore other options and while Congress awaits its own cost estimate from the General Accounting Office.

At this stage in the Lavi's life, on the eve of its rollout, one thing seems certain: Israel and the Pentagon have been engaged in a dialogue of the deaf.

For its part, the Pentagon has underestimated the fact that the present Israeli Government is far too weak to stop the Lavi, particularly given the role that the plane has assumed as a high-tech national challenge. IAI, which is wholly owned by the Government, is the biggest company in Israel, employing 22,000 workers. With their families, IAI employees alone elect three or four

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Knesset members. IAI says an estimated 4,000 engineers would be out of work immediately if the Lavi were canceled, and the present shaky coalition cabinet is not going to bite that bullet as long as it is convinced that IAI's estimates are in the ball park and Congress will continue earmarking the money.

As for the Israelis, they appear to have been far too insensitive to the Pentagon's advice. They often imputed nefarious motives to everything that came out of the American Defense Department regarding the Lavi, when in fact some legitimate economic questions were raised, questions that Israel itself had not fully examined when it embarked on the Lavi.

Maybe the Pentagon is reflecting the competitive concerns of American aircraft manufacturers, say United States officials, but is that so unusual given the fact that the money for the Lavi comes from American taxpayers?

Fortunately, both sides now seem to be learning from their mistakes: The Pentagon has promised to provide Israel with alternatives for the Lavi by mid-October that would not cost many jobs. One idea being considered would be an Israeli-American co-production of the F-16 or F-18, with many Lavi-like components and some assembly in Israel. For its part, Israel has begun searching for an American partner for the Lavi.

"Looking into a partner is a very serious consideration," said Mr. Keret. "If we do that, I think we can enhance our ability to convince some policy makers in the United States that the Lavi was not a big mistake. But it is not a condition for the future of the Lavi. I think we will go on with this program one way or another."

THE UZI BOWS OUT

TEL AVIV - In contrast to the Lavi, which has taken some 4,000 Israeli engineers to bring to life, Israel's first home-grown weapon was forged by a lone inventor trying to build a submachine gun that would not break.

Uzi Gal, who had served a prison term for developing weaponry during the British mandate, didn't want a replay of the accidents caused by the "Sten" gun, assembled during pre-state days in the makeshift workshops of the Israeli underground movement. So in 1954 the first Uzi automatic submachine gun was produced, with a special safety grip feature still rare in submachine guns, and the capacity to withstand the sand, dirt and rough handling of battle conditions.

The Uzi proved itself in the Sinai campaign of 1956, and by the late 50's, Israel had exported 300,000 Uzis to the Dutch Army and the German Air Force. By 1960 the Belgian F.N. Company, which had a technology exchange agreement with Israel, was also manufacturing the gun.

But the biggest market for the Uzi today is neither a nation at war nor a military dictatorship. It is the American civilian market, where a modified version of the Uzi, a semi-automatic, closed-bolt model, suited to American import statutes, is sold. American sharpshooters, gun collectors and hunters buy up almost all of the 15,000 to 20,000 Uzis produced annually, paying a retail price of up to \$600 for the popular weapon.

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'A lot of the popularity is because of the name, and the association with the Israeli Army,' the engineer said. 'And people know it is a safe and credible weapon.'

Ironically, Israel has curtailed its use of the Uzi, finding the new Galil gun more suitable for long-distance combat. Only one of ten Israeli soldiers is armed with an Uzi, compared with one in four during the Uzi's golden age of the Six Day War. - Roni C. Rabin

GRAPHIC: Photos of a mockup of the Lavi fighter plane, the prototype of the jet and two workmen (NYT/Micha Bar-Am)

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NAME: FRIEDMAN, THOMAS L

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HEADLINE: The Lavi aircraft milestone - flying high

BYLINE: By C. Robert Zelnick; C. Robert Zelnick is chief correspondent for ABC News in Tel Aviv.

DATELINE: Tel Aviv

BODY:

IN a large hangar at the Israeli aircraft industry facility at Ben-Gurion Airport, a substantial assortment of engineers, technicians, and other skilled personnel work busily about the bodies of two sleek, deceptively small prototype aircraft, preparing the first one for a July rollout and a September test flight.

The planes are Lavi jet fighters, designed by the Israelis to provide close combat, interdiction, and strike support for their ground forces well past the year 2000.

From the president of Iai-Moshe Keret on down, the Lavi is discussed with awe as a genuine milestone in the history of Israeli aviation.

To begin with, unlike its Kfir predecessor - copied from Mirage blueprints pilfered from the French - the Lavi was tailored to meet the specific needs of Israeli pilots operating in the most toxic environment on earth. It can befuddle all known SAM missile defenses, fight its way through the most advanced MIG interceptors, deliver a large payload on an assortment of targets, and return safely to base, outrunning or outmaneuvering all plausible threats on the way home.

Even more important to the Israelis is the positive impact of the Lavi project on the country's technological infrastructure. Already Israel's largest employer, Iai has allocated 4,000 people to work on the Lavi, a number likely to increase if, as planned, production of the 250 to 300 aircraft begins in the year 1990 at the rate of 24 planes a year. In addition, about 1,000 Israelis work for other companies on Lavi-related systems.

To a nation that in 1985 had a net surplus of emigrants over immigrants for the first time in its history and which, for years, has been lamenting a "brain drain" of engineers, scientists, and technicians to the United States, the Lavi project is something very special.

Yet it is possible - many Israelis say even likely - that before long the Lavi will be viewed as a milestone of quite a different variety. In this view Israel should never have attempted to build a machine of the sort that has proved beyond the means of far larger, wealthier nations. It should never have undertaken a project totally dependent upon American aid. It should not

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proceed further with an effort that will force it to neglect all other new weapons systems both on land and sea. And it should today seek to bolster its economy through participation in US high-tech projects rather than by competing with the US on one hand while holding the beggar's cup with the other.

What has concentrated Israeli attention on the subject is a sudden turnabout in the US attitude toward the Lavi. Thus far, some \$1.2 billion - 100 percent of it in US military assistance - has gone into the two prototypes and related Lavi research and development.

Recently, however, a Pentagon study team concluded that the Israelis' 'flyaway' cost estimates of \$15 million per plane were low by more than 40 percent. If the Pentagon is right, or even close to right, then virtually every military aid dollar to Israel through the year 2000 not devoted to the maintenance of existing systems will go to the Lavi.

In separate letters to Israeli leaders, Caspar W. Weinberger and George P. Shultz implied that in this era of Gramm-Rudman constraints on US largess, cancellation of the project was in the best interest of Israel. A Pentagon working group headed by Deputy Assistant Secretary Dov Zakheim argued that Israel would find it far more cost-effective to scrap the Lavi and rely instead on such American-produced systems as modified F-16s or the soon-to-be-offered F-20. The latter is presumably more able to survive combat than air shows.

The Israelis take these admonitions seriously. True, Mr. Weinberger had not been initially for the Lavi, his views reflecting those of the US aircraft industry that American military aid ought to be used to purchase American planes. But Mr. Shultz had backed the Lavi, and his conversion rested solely on economic grounds, while many of those at working-group levels were genuinely concerned about the impact of the Lavi project on the Israeli force structure.

The issue is not black and white. Even under current arrangements, about 40 percent of the Lavi project will be farmed out to American contractors, including those responsible for the engine, tail, wings, and main navigation systems. And should Israel scuttle the Lavi, many of its engineers and technicians will find work modifying the American-made platforms once they reach this country.

So while continuing their public support for the Lavi, Prime Minister Shimon Peres and Defense Minister Yitzhak Rabin are waiting for a specific counterproposal from the Pentagon. One very possible result: acceptance by Israel of F-16s along with generous subcontracting arrangements, not only on that plane, but on the next-generation American project - the advanced tactical fighter - together with work on other developing American systems.

Thus the Lavi may yet prove a milestone, not as originally intended, but for changing the relationship between the US and Israel from one where the Israelis were primarily recipients of US aid to one where they earn US dollars through participation in US defense programs, in the process refurbishing their own technological base. This will not satisfy those who feel Israel must design its own defense systems to cope with its special needs, but it could go a long way toward meeting those needs while ensuring adequate future resources.

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GRAPHIC: Illustration, no caption, JEFF DANZIGER -- STAFF

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HEADLINE: NEW ISRAELI JET FIGHTER UNDER FIRE BY CRITICS;
DEBATE CENTERING ON WHETHER HIGH COST OF LAVI PLANE IS JUSTIFIED

BYLINE: By DAN FISHER, Times Staff Writer

DATELINE: LOD, Israel

BODY:

In a specially guarded hangar at the headquarters of Israel's largest industrial company, engineers and technicians fitted a metal box about the size of a small filing cabinet into the rear seat of what will soon be the first flyable Lavi jet fighter-bomber.

Bright orange wires wound like veins beneath the partially completed greenish-yellow skin of the aircraft, linking the box -- a flight-test instrument package -- to sensors throughout the plane.

"So, you're supposed to test-fly it in September?" a visitor asked his guide, the project's chief test pilot, whose name may not be divulged under military censorship rules. "Not 'supposed to test!' " the flyer responded sharply. "I will test-fly it."

Such sensitivity reflects the controversy over what is by far the biggest and most expensive industrial project in Israel's history. The debate has intensified even as the first full-scale development prototype of the Lavi, which means lion in Hebrew, nears completion.

Already, the project has consumed more than \$1 billion in development costs over four years, a bill that has been paid almost totally by the American taxpayer as part of the annual \$1.8-billion U.S. military aid package. And promoters of the project are counting on the United States to underwrite several billion dollars more to produce 300 aircraft.

U.S. Pays Most of Cost

Even with Washington picking up the lion's share of the tab, however, critics say the Lavi is a luxury that Israel cannot afford at a time when almost every other military and civilian government program is being scaled back because of the country's severe economic crisis.

"There is a definite risk that the Lavi may ultimately be not so much a lion as a huge white elephant," the English-language Jerusalem Post said in an editorial not long ago.

Despite its critics, the project recently escaped some last-minute swipes of the budget cutter's ax before the beginning of Israel's new fiscal year April

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"It survived," Menachem Meron, director general of the Defense Ministry, said in an interview. "The Lavi is alive and kicking."

Meron acknowledged, however, that "the battle is never over until the end of the program." And he said the next six to 12 months, when critical decisions regarding the Lavi's production are expected, will be particularly fateful for the plane.

The object of the controversy is a surprisingly small and sleek-looking multipurpose fighter that officials here at Israel Aircraft Industries (IAI) say is designed to carry the country's air force into the 21st Century.

Measuring only about 50 feet long, with a 28-foot wingspan, the Lavi will fly at about 1,300 miles an hour and will be a veritable laboratory of the latest computer and avionics technology, the project test pilot said. Its small size is "one of the biggest advantages," helping to make the aircraft difficult to detect by enemy radar, he added. By comparison, the U.S.-built F-4 Phantom, a fighter of an earlier generation that the Israeli air force still uses, is about 63 feet long and has a 38-foot wingspan.

The prototype currently being loaded with instrumentation in IAI's special hangar here is known as "B-1" and is scheduled for its first test flight in five months. If all goes according to plan, the first production aircraft are to be built in late 1990 or early 1991, with output quickly reaching a targeted 24 to 30 planes per year.

When operational, the Lavi is expected first to replace the U.S.-made A-4 attack bombers now being flown by the Israeli air force and then the Israeli-made Kfir fighter-bombers. The Kfir, modeled roughly after France's Mirage III, has been in production since the mid-1970s.

IAI President Moshe Keret said in an interview that, including development and so-called initial procurement items such as spare parts and training, each Lavi will cost about \$30 million.

He added that he believes the Lavi will cost less -- "but, if not, it is in the same ballpark" -- than the American-made F-16, which is often cited as a comparable aircraft, Keret said.

Enormous Cost

Even if his projections are correct -- and there is considerable argument that they are far too low -- the cost of the Lavi project is enormous in relation to the Israeli economy. By some estimates, the Lavi at its peak will devour as much as 5% of Israel's gross national product, the entire value of goods and services produced here each year.

It already represents "about one-quarter of our activity," said Shmuel Peretz, IAI's deputy vice president for finance. With more than 20,000 employees and annual sales of more than \$900 million, IAI is Israel's largest enterprise.

Relative to the size of the country, the economic impact of the Lavi program compares to that of the American race to land men on the moon during

(c) 1986 Los Angeles Times, April 28, 1986

the 1960s.

Backers of the project argue that it will bring Israel major benefits comparable to those that the United States derived from the space program. The scientific spinoff will help build a high-technology industrial base that will serve Israel decades into the future, they say.

Militarily, its proponents say, the Lavi is most important not as a tool that will help win a war but as a deterrent that could prevent one from happening.

"When we go and buy an F-16, the Arabs know we have an F-16," said Moshe Arens, former defense minister and now a minister without portfolio, in a recent interview with the Jerusalem Post. "When we build a Lavi, they don't know what we have. All they know is that this tiny nation here was able to put together the best plane in the world, crammed with locally designed and developed advanced technology. And then they have to ask themselves, 'What else have these people been able to do?' "

Ironically, the latest evidence of opposition to the project has come largely from the military.

The defense budget is under unprecedented pressure, these critics point out, with hundreds of career officers having been trimmed from the standing army and training activity slashed below what some consider a bare minimum. There is even some discussion of closing bases. While the critics agree that, in theory, the Lavi would be nice to have, they say that, given the economic realities, the money now being spent on the project is needed more elsewhere.

Fueling the economic debate are some new American estimates that the cost of Lavi production will exceed what IAI is forecasting by about 65%. A team of U.S. experts that has been monitoring the project tabled the new estimates during a visit in February, and they are now under study.

The Defense Ministry's Meron conceded: "It's important, because if the cost of the aircraft will turn out higher than we estimated, then we'll have to reassess our program."

However, IAI's Keret pointed out, original American estimates were that development costs for the fighter would be at least twice as high as Israeli forecasts. Now, however, the U.S. estimate has come down to within about 12% of Israel's, a difference that Meron called "negligible."

As the project's proponents put it, the fact that the Lavi has been financed so far almost exclusively with American money is only another reason not to cancel it. For Israel to write off \$1 billion of U.S. aid money in that way would embarrass its friends in the U.S. Congress and severely damage its chances for future U.S. help, they say.

The Pentagon and American defense contractors have consistently opposed the Lavi program, in part because if Israel did not build its own new fighter, it would almost certainly buy more American planes. But publicly, at least, the U.S. government has said the decision is completely up to Israel.

(c) 1986 Los Angeles Times, April 28, 1986

Here, five successive defense ministers have reviewed the program and wound up endorsing it. At the last Cabinet vote on the subject, late last summer, only two ministers were opposed.

"I haven't seen any erosion in the Israeli political Establishment" regarding its support for the program, Keret commented.

The government will undoubtedly review the program again this year, since, as Meron noted, "the major (production) decisions would have to be taken between six months and a year from now."

McDonnell Interested

Keret confirmed that there have also been discussions with American aerospace companies about possible joint production of the Lavi, a move that would help deflect criticism of the project. While he is always interested in joint ventures, he added that "I wouldn't go into a venture like this just to take away criticism."

The Jerusalem Post reported last week that McDonnell Douglas is interested in joining the Lavi project and that Keret is slated to visit St. Louis next month, together with Defense Ministry officials, to discuss a joint production deal.

Even as it stands, Keret said, about half the content of the airplane, including its engine and wings, will be American-made.

The IAI official said he can appreciate the concerns of critics, but "while I can understand the criticism, I absolutely can't accept it." He argued that because of the program's importance for the future of the entire Israeli economy, it would be disastrously short-sighted to sacrifice the Lavi to more immediate needs.

The project test pilot and his colleagues are also strong advocates of the Lavi, but for another reason. It was the first time, the test pilot said, that Israeli pilots have taken an active role in the design of a plane intended for their use.

"We never had a chance to sit with a project officer and give our ideas about how the aircraft should be designed. We had to buy whatever the U.S. designed and built," he said. Pointing out features of the instrumentation in a mock-up of the cockpit, the pilot boasted: "None of the engineers designed it. We designed it. It's for us."

GRAPHIC: Photo, Israel's first Lavi fighter nears completion in its special hangar in Lod. The 50-foot craft has a wingspan of 28 feet.

*Strategic Comp
J-2000*

WORLD

U.S. and Israel sign agreement to develop secret missile

By Martin Sieff
THE WASHINGTON TIMES

The United States and Israel will go ahead with joint development of Israel's Arrow anti-tactical ballistic missile (ATBM) after agreeing on a cost-splitting formula, military sources said yesterday.

They confirmed reports that Israeli Defense Minister Yitzhak Rabin reached an agreement on the issue during his visit here last week.

The Arrow ATBM's capabilities are still secret, but it is believed to be a revolutionary system that proponents say could change the military balance in the Middle East and protect Western Europe against very short range battlefield missiles.

Under the agreement, the United States will pay 80 percent of the development costs and Israel will pay 20 percent. Israel has the option of paying 10 percent of its share out of foreign military sales credits (FMS).

The U.S. military services have

previously opposed paying for ATBM research and development out of their own funds, but sources said the U.S. money would come out of Strategic Defense Initiative (SDI) research and development funds.

The U.S. share of the project will come from \$50 million Congress authorized earlier this year for cooperative research on defense against short-range missiles between the United States and its allies.

The U.S. decision to agree to the 80/20 cost-sharing formula was personally made by Defense Secretary Frank Carlucci, according to a report in the weekly Defense News. The United States had originally proposed that the development costs be split 50/50, while Israel sought a 90/10 split.

The Arrow — the key to Israeli participation in SDI — would deal with missiles below 300 miles in range, which were not covered by the intermediate-range nuclear forces (INF) treaty signed by President Reagan and Soviet leader Mi-

khail Gorbachev at the Washington summit.

That outlawed intermediate range missiles from 300 to 3,300 miles range, but the main Soviet tactical threat to West Germany and the allied forces in Europe lies in the shorter-range missiles. Some 90 percent of U.S. bases in Europe are within 300 miles of Soviet forces and are therefore vulnerable to short-range missiles.

The INF Pershing IIs were a powerful deterrent to Soviet use of short-range tactical nuclear missiles as they were mobile, highly accurate and low trajectory missiles capable of reaching Moscow. With them removed, the urgency of a defense against short-range missiles has grown.

Israel claims it can demonstrate the Arrow ATBM system within 24 to 36 months of a funding go-ahead. It claims the project will cost \$140 million a year until then, although U.S. experts believe it will cost \$200 million a year.

The system is designed to shoot down Soviet missiles of under 300 miles range with an anti-missile missile. First deployment of the Arrow could take place by the early 1990s.

The company that would do most of the work on the project is Israel Aircraft Industries, which developed the now canceled Lavi jet fighter. The same high-tech research and development workers who were involved in the Lavi project would work on the Arrow. Ironically, the scrapping of the Lavi made the more cost-effective ATBM project possible by freeing resources for it.

Senior Israeli military analysts are known to prefer the Arrow to the Lavi, and welcomed the latter's cancellation. They see the main physical threat to Israel as coming from Soviet tactical ballistic missiles supplied to Syria.

Syria's military doctrine, the Israelis believe, involves firing large numbers of these missiles at Israeli military bases and population cen-

ters within the first 48 hours of hostilities to disrupt the mobilization of the Israeli armed forces.

Thus, a defense against such weapons has the highest priority for national survival, the Israelis believe.

But West Germany and South Korea face the same immediate tactical threat should hostilities break out, and therefore U.S. support for ATBM research is also seen by military planners in these countries as a touchstone of the U.S. commitment to defend them.

The United States is also going ahead with upgrading of its Patriot anti-aircraft missile system to anti-missile status and is pursuing other ATBM projects. The Patriot is designed to have a longer range than the Arrow. Its prime contractor is Raytheon Corporation of Andover, Mass.

Then Undersecretary of Defense for Planning and Resources Dov Zakheim first raised the possibility of ATBM funding with the Israelis

last February. The following month, Republican Senator Dan Quayle of Indiana — the leading champion of ATBM development in the Senate — also urged it on a visit to Israel.

Republican Senators Malcolm Wallop of Wyoming and Orrin Hatch of Utah later wrote letters to the secretary of defense urging U.S. funding of the Arrow.

On his visit last week, Defense Minister Rabin also signed a memorandum of understanding for mutual co-operation in research and development, logistical support and military procurement. This agreement makes it easier for the U.S. military to buy Israeli products.

"As a result of the Lavi cancellation, Israel has now received from the U.S. a commitment to an additional \$500 million worth of jobs over the next two years as a result of directed offset and additional offshore funding arrangements," Mr. Zakheim said.

• Warren Strobel contributed to this report.

Step-up expected in U.S.-Israeli drive on terror

By WOLF BLITZER

WASHINGTON — The United States and Israel most likely will strengthen their cooperation in combatting international terrorism, according to U.S. Attorney General Edwin Meese III.

Meese, in an interview with The Jewish Week following his recent eight-day visit to Israel, pointed to the already-high degree of cooperation between the two countries in "the sharing of intelligence, doctrine and tactics." Given the apparently growing threat to the United States and Israel, however, this cooperation will get closer, the attorney general said.

"I think that one of the things that the American people have is a great admiration for Israel and for its willingness and ability to stand up for itself and its citizens," Meese said. "I don't know of any incident that has been as dramatic, probably, for our people as the Entebbe [rescue] raid [of July 4, 1976]. You only have to look at the television, books and everything else that are so popular in this country. I think that was a significant symbol of the kind of admiration that the American people have for Israel."

MEESE, SITTING in a huge Justice Department conference room just off his private office, said he returned to Washington impressed by what he saw of Israel's work in countering terrorism. Among other things, he had witnessed a mock Israeli rescue operation during his visit, complete with marksmen and commandos. "We had a complete briefing on their counterterrorism activities, and we visited with their special forces that are devoted to this responsibility," he said.

"I've learned a lot which is going to guide me," Meese, a member of the National Security Council and one of President Reagan's closest associates, added. "I've learned some new ideas that I already have talked with our people about — both in our legal and our investigative areas."

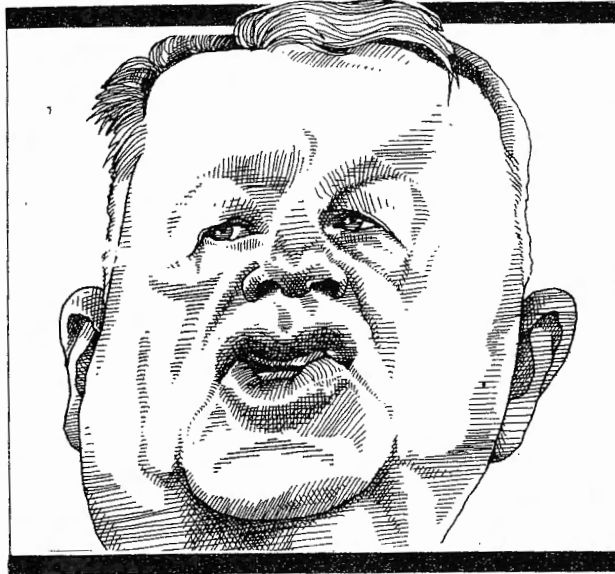
"But one of the things that struck me was the similarity of approach between our counterterrorist special forces in the United States and what they are doing [in Israel]. As a matter of fact, we look forward to specific exchanges of information between our counterterrorist units."

He confirmed that the two countries were currently in the process of "institutionalizing" these exchanges.

"These were already in the works before I got there," he said. "So it isn't something that came out specifically from my visit. I do think that my visit has helped to confirm our interest in doing that."

Meese also returned home convinced more than ever of Israel's overall strategic role in support of the United States, he said.

INSIDE Washington



Attorney General Edwin Meese

"Israel has a tremendous strategic importance," Meese said. "I saw maps that showed their situation in the region. We discussed the position of Israel vis-a-vis other countries. We talked about the Soviet threat. We really had a very complete overview."

By all accounts, Meese's first-ever trip to Israel was highly successful for the Jewish state. The attorney general has long been considered a friend of Israel's, but he returned here with his feelings strengthened. Israeli officials in Washington and U.S. Jewish political activists, sensitive to Meese's political clout, said Israel deserved high marks for the impressive manner in which the trip was organized. "It was really a textbook case in how best to receive a VIP," one of Meese's associates said.

The attorney general had been invited by Tel Aviv University to receive an award and deliver a lecture. He was accompanied by his wife and daughter. They planted a grove of trees at the American Independence Park in memory of Scott Meese, the attorney general's son who was killed in an auto accident. "That was the personal highlight of my visit," he said.

Meese met with Israel's top leadership, and there were visits to many parts of the country, including a helicopter flight over the Golan Heights. He also met with a group of U.S. immigrants to Israel, as well as a group of prominent East Jerusalem and west bank Palestinians.

Meese said the Israeli leadership had asked him to convey a specific message to Reagan — that Israel wanted the United States to remain actively involved in trying to promote the Arab-Israeli peace process. "This was a message that they felt that the president should have," he said.

Asked about his overall impressions, Meese replied: "I would say that in some ways, the trip confirmed ideas that I had before. In other ways, it intensified them and gave me new ideas. I was fortunate in being in Israel during the week that included both [Israeli] Memorial Day and Independence Day. The deepest impression that I received was the tremendous patriotism and allegiance to Israel that characterized the people."

"There was also a new experience for me. It was a kind of a surprise, in a way. I had never really thought about it much before. That was what had been done to make the country green. When people told me that 50 years ago there were none of the trees that I saw, none of the bushes had been planted — to realize that this had all been put together in my lifetime, or less than my lifetime, made a tremendous impression on me."

THIS WAS VIVIDLY driven home to him during a visit to the Ramon Air Force base in the Negev, he said. That base today looks like Israel did four decades ago, "where the trees are just getting started and to see the contrast of that and what has developed over the last 40 years was a highlight," the attorney general said.

Meese said he was also "very much impressed" by the "generosity and the gracious hospitality that were extended to us and the real sense of friendship that I found everywhere, without exception." He was especially delighted by "the overwhelming appreciation for and friendship toward the United States . . . It was more than just perfunctory."

Meese said he had been in other foreign countries "where that point was not as readily made."

He said he hoped his visit might encourage other U.S. nationals to visit Israel, despite the latest rash of international terrorism.

He did not sense any danger in traveling to Israel, the attorney general said. Israel is "safe and hospitable to tourists,"

"I found no reason why anyone should be any more apprehensive about being there than a lot of other places in the world," he said, adding that the danger of traffic accidents in the United States "is probably greater statistically than the danger to tourists in Israel."

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Stephen D. Solender

"I feel I'm going from one very sophisticated operation to another very sophisticated operation," he said. "Baltimore is a wonderful,

wonderful Jewish community. I've spent an absolutely superb 11 years here.

"I'm very impressed with the

quality of the [Jewish community] leadership in New York," he added.

Solender, who received his bachelor's and master's degrees from Columbia University, said he was influenced toward a Jewish communal career by volunteer work for several local federation agencies during his student years. He was a part-time group worker at the 92nd Street Y and a supervisor at the Bronx House Emanuel summer camps.

Those jobs "had a very profound affect on my life," he said.

Solender worked for the Jewish Community Centers of Chicago from 1962 to 1969, serving as teen worker, program director and branch director. From 1969 to 1975 he worked for the Joint Distribution Committee overseas, helping rebuild Jewish communities in Europe and organizing communal activities in northern Africa and Iran.

"I saw Jewish people in need, and I saw their dependence on American Jewry," he said.

As president of the Associated Jewish Charities in Baltimore, he headed an organization with a \$23 million annual budget, more than

(Continued on page 42)

Orthodox said to turn away many Israelis

TEL AVIV (JTA) — The Orthodox rabbinate in Israel is alienating scores of thousands of Israelis from Jewish observances and traditions by its arbitrary and authoritarian actions, a leader of Reform Judaism in the United States has charged here.

"Tens of thousands of Israelis, young and old, have been repelled from the Jewish tradition by the political manipulations and power plays of an Orthodox rabbinate that is interested not in the spirit and essence of our faith but in control of it," charged Charles Rothschild, chairman of the board of trustees of the Union of American Hebrew Congregations, the congregational arm of Reform Judaism in the United States.

Rothschild told a press conference that a delegation of Reform rabbis now visiting Israel has been meeting with Israeli leaders to protest the religious establishment's treatment of the Progressive Jewish movement here, especially its refusal to register Reform converts as Jews and denying Reform rabbis

(Continued on page 42)

Pro-Israel Community Pleased With Results...

BY LARRY COHLER

"We got it all."

That's how one official of the American Israel Public Affairs Committee (AIPAC) summed up the Israel-related legislation passed in the closing days of the 99th Congress.

As the session's frenetic final days came to a close last week, pro-Israel activists were ecstatic about what another of them labeled "the most pro-Israel Congress in history."

Lobbyists for Israel exulted especially over the Defense Authorization Bill, which moved the United States strongly towards according Israel many of the same privileges enjoyed by NATO countries. In addition, in the huge continuing resolution passed to keep the government running, Congress earmarked the full \$3 billion in foreign aid to Israel that pro-Israel activists had worked for.

Under the Defense Authorization Bill passed just last week, Congress recommends that Israel, along with Japan, Australia and South Korea, be designated a "major non-NATO ally" of the United States, a new category. The actual designations are to be made by the secretaries of state and defense by the end of the year.

Assuming these officials follow Congress' recommendation, these countries will become eligible for an array of programs that could mean hundreds of millions of dollars for the Jewish state just as foreign aid increases have come to an end.

Among the programs for which the new law provides funding or authorization are:

- \$40 million dollars for cooperative research and development projects with the United States;
- Joint production of weapons with the United States;
- \$50 million dollars for joint development of an anti-tactical ballistic missile—sought by the United States for use against Soviet short-range missiles in Europe and by Israel to counter the threat of Soviet non-nuclear missiles in Syria;
- Cross-servicing of weapons, planes and ships. This will give Israel the opportunity to bid for profitable contracts to service U.S. military equipment—a privilege until now restricted to NATO countries;
- A "conventional defense initiative" that encourages the Pentagon to consider meeting its arms needs by buying off-the-shelf items from allies where feasible, including Israel, rather than developing its own weapons from scratch.

Increased funding for a special weapons acquisition program in which arms are held available in the United States for U.S. allies in a crisis. As a major non-NATO ally, Israel would qualify for access to this stockpile in an emergency.

Opportunity, Not Guarantee

Many of these provisions will give Israel a chance to bid for lucrative Pentagon contracts. As one AIPAC official noted, "It provides no guarantee—but an opportunity—for Israel to compete with the best of them. There's no reason allies like Greece and France, which are not that supportive of the United States, should have better treatment than Israel."

The legislation, in fact, takes a significant first step towards the kind of relationship Israeli Defense Minister Yitzhak Rabin was pushing for during his visit here last month. Foreign aid increases to Israel have come to an end in the era of Gramm-Rudman austerity, and future reductions are more than likely. Rabin therefore sought to regain some of what will be lost in foreign aid by increasing Israel's ability to secure lucrative Defense Department contracts. This, however, required basic statutory changes restricting the right to bid for such contracts. Until now, only NATO allies and a few other countries such as Japan and Australia could do so. The new legislation expands that select list to include Israel and South Korea.

"When Rabin came here talking about equal treatment, he had only a vague idea of what it could mean," said the AIPAC official. "This puts flesh on the bones."

Amendments Defeated

As significant as what passed, however, is what was defeated during this session of Congress. Prime among these was an amendment to the Defense Authorization Bill that would have required the Pentagon to "buy American" unless a foreign firm could offer the same good or service for at least 5 percent less.

Inserted into the House version of the bill by Rep. James Traficant (D-Ohio), this provision would have undercut much of the benefit AIPAC officials expect the new legislation to offer Israel. The Traficant Amendment, however, was dropped during the House-Senate conference

committee negotiations over the bill.

Asked which congressmen stepped out front on this point in a Congress rife with protectionist sentiment, an AIPAC official replied, "I don't think anyone wants to talk about that right now; we'd be doing ourselves more damage than good."

Along the same lines, the conference committee also dropped an amendment that would have strictly limited foreign contracting in the controversial Strategic Defense Initiative (SDI) program.

Israel is one of four countries that have signed a memorandum of understanding with the United States permitting its participation in the SDI program. Israel has already negotiated five contracts worth \$10 million. But the amendment, inserted in the Senate version of the bill by Sen. John Glenn (D-Ohio), would have prohibited all future foreign contracting abroad that could be "reasonably" performed domestically. The only exception would have been for projects with primarily tactical, rather than strategic, applications.

Glenn has vowed to return to the Senate next session with some version of the same amendment.

Pro-Israel lobbyists, however, were unable to defeat an amendment to the South African sanctions bill that passed Congress this session and that could be harmful to Israel. Inserted by Sen. Charles Mathias (R-Md.), the amendment mandates a government investigation into any countries receiving U.S. aid that are rendering military aid to South Africa.

CONTINUED ON PAGE 47

But There Were Some Setbacks

BY LARRY COHLER

David Saperstein of the Reform movement's Religious Action Center summed up with stoic grace the legislative agenda pursued by his organization and other Jewish groups during this congressional session:

"It was exciting, but we got creamed," he said, referring to a number of broad-ranging domestic and foreign policy issues for which he'd lobbied intensely.

In contrast to the sense of weary triumph at the American Israel Public Affairs Committee (AIPAC), where officials got most of what they wanted for Israel by the close of Congress last week, other Jewish groups saw many of the issues for which they were fighting, go down.

Together with Conservative and Orthodox groups in the Synagogue Council of America, Saperstein's center had worked particularly hard to win passage of a so-called "yarmulke bill, designed to restore the right of observant Jews to wear *kipot* in the military.

That right was lost last March, when the Supreme Court ruled that the military's ban on such headgear did not violate the First Amendment's guarantee of religious freedom. The efforts of Jewish groups to regain legislatively what was lost judicially died in Congress' closing days.

The House had included a provision allowing military personnel to wear unobtrusive religious headgear in its version of the Defense Authorization Bill. But in a House-Senate conference committee to reconcile their differing versions of the bill, House members agreed to drop that provision under the pressures of negotiation.

Nevertheless, Saperstein was not dejected, vowing to come back with the issue when the new Congress convenes.

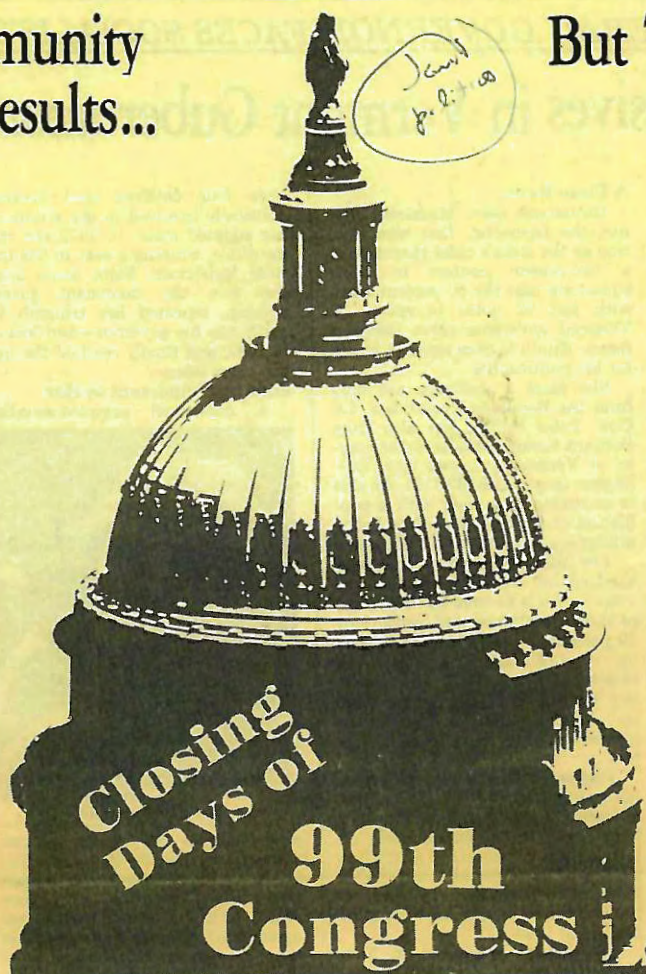
Defeat in Victory

Jewish groups also saw another minor defeat in the midst of a victory almost all had worked for ardently. All major Jewish organizations except for the Anti-Defamation League of B'nai B'rith backed the economic sanctions bill against South Africa, which passed Congress overwhelmingly this session over the president's veto. But these groups were unable to eliminate a provision in that bill mandating a government investigation into countries receiving U.S. aid that violate the UN's ban on military aid to South Africa—a measure seen as clearly aimed at Israel.

The sanctions bill amendment, sponsored by Sen. Charles Mathias (R-Md.), who is now retiring, mandates no penalty for countries found to be violating the ban, though it suggests the administration consider reductions in aid. Saperstein assessed its impact as being mostly on the level of public relations but cautioned, "We're going to have to try to keep people from turning the anti-apartheid movement into an anti-Israel movement."

On an issue farther afield from Jewish interests but seen by many as addressing Jewish values, Saperstein pointed to the defeat of

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PRESERVATION COPY

INCUMBENT LIBERAL GOVERNOR FACES SOCIALIST MAYOR

Jewish Progressives in Vermont Gubernatorial Race

BY SHOIME PEREL
AND
HENRY SREBRNIK

MONTPELIER, Vt.—There's a rather unusual gubernatorial race in Vermont this year. But then this small, thinly populated New England state is a somewhat odd place.

Tucked away in a remote corner of the country, hard by the French-speaking Canadian province of Quebec—the nearest major city is Montreal—isolated Vermont appears to be living in a time warp.

The Green Mountain State was once regarded as a solidly Republican bastion of rural conservatism—it was one of only two states that failed to vote Democratic in Franklin Roosevelt's 1936 landslide. But in the past two decades, the Northeast Kingdom, as people here call it, has been transformed into an eastern ecotopia, a California-in-the-snow, by an influx of younger people who came here in the 1960s to set up countercultural alternatives to big-city life.

Though native Yankee farmers still form a majority of the population, one-third of all Vermonters were born out of state. And while the rest of the U.S. has moved to the right since Ronald Reagan's victory in 1980, Vermont appears headed in the opposite direction.

Two of these newer Vermonters, both Jewish—one of them a Swiss-born liberal Democrat whose family escaped the Holocaust, the other a self-proclaimed socialist from Brooklyn—are now running for governor, along with a non-Jewish Republican. The resulting three-way race has made for an intriguing election campaign. Under Vermont law, a candidate for governor must obtain more than half the total vote—or the winner is chosen by the state legislature.

A Close Race

Incumbent Gov. Madeleine Kunin, the Democrat, first won election as the state's chief executive in a two-person contest in 1984, squeaking past the 50 percent mark with just 62 votes to spare. As Vermont governors serve two-year terms, Kunin is once again in a race for her political life.

She faces a challenge not only from the Republican candidate, Lt. Gov. Peter Smith, but also from Bernard Sanders, the socialist mayor of Vermont's largest city, Burlington (population 37,712). All this is occurring in a state with a population of slightly more than half a million—and fewer than 3,000 Jews.

The latest polls show Kunin in the lead, but with less than half the vote; Smith is favored by 33 percent of those questioned and Sanders by 10 percent. So the contest may end up being decided in the statehouse—something the governor wishes to avoid, for it would leave her politically indebted to the legislature, even if she came out on top.

Madeleine Kunin, the only Jewish governor in the U.S., is not one to back down from a fight. She was born in Zurich, Switzerland, 56 years ago, and her father died when she was three; as a child, along with her widowed mother and brother, she was forced to flee Nazi-occupied Europe in 1940.

The family first lived in New York, then moved to a small Massachusetts town, where Kunin attended high school. After graduating from the University of Massachusetts, she studied journalism at Columbia, and came to Vermont in the late 1950s as a staff writer with the *Burlington Free Press*.

Kunin got married—her husband teaches at the University of Vermont Medical School, and they

have four children—and became politically involved in the affairs of her adopted state. In 1972 she ran for office, winning a seat in the state legislature. Eight years later she won the lieutenant governorship, repeated her triumph in 1980, ran for governor—and lost—in 1982, and finally reached the top two years later.

Judaism Important to Her

A confirmed environmentalist



PHOTO BY SHOIME PEREL

Gov. Madeleine Kunin

and feminist—she is one of two women governors in the U.S.—Kunin says she has been shaped by her immigrant experiences as a Jew escaping the Holocaust. She was determined to make history, rather than become its victim. The Jews in Europe had been murdered because they were powerless, Kunin observed, hence her decision to influence and control her own destiny by becoming a political activist.

Kunin, whose family belongs to a Conservative synagogue, Ohavi Zedek, in Burlington, has also stated that "my religion is an important part of who I am." Earlier this year, while attending a conference on "Judaism, Social Justice and Responsibility" at Lyndon State College, she related her politics directly to Judaism. "It's important to have a moral framework," she said. "I've been inculcated with a Jewish consciousness. There is in Judaism the whole spirit of renewal, of forgiveness, of optimism. There is hope if you have some sense of faith."

It is now more possible than ever before to be openly Jewish and politically involved, said Kunin—and this is particularly true for Jewish women. "For us to be politically active is a double event, in a historical context," she declared. "Even in my own generation there was a nervousness about Jews speaking out."

"But we recognize that since the Holocaust, silence is inexcusable when it comes to one's own life, and to the lives of others. We have two choices: Whether to accept decisions passively or to be active in change."

The Socialist Challenger

Burlington mayor Bernard Sanders, who would like to replace Kunin in the state capitol in Montpelier, also attended the Lyndon State conference, which led to the formation of a New Jewish Agenda (NJA) chapter in Vermont this past August.

But he is very much a product of the 1960s New Left, and less interested in matters Jewish than is his

opponent. He told the *Washington Jewish Week* that "being Jewish is not of any great concern one way or the other." Nor was he particularly interested in the NJA.

The 45-year-old Sanders, originally from Brooklyn, N.Y., attended the University of Chicago and came to Vermont in 1968 "for the same reasons many others did. I was attracted by its beauty and openness."

A man whose political idol is turn-of-the-century socialist leader Eugene Victor Debs, who five times ran for the U.S. presidency, Sanders, too, became a radical activist. In 1981, he shocked Burlington's political establishment by winning the mayoralty—by ten votes. He has been re-elected to city hall twice, with more comfortable margins.

Garrison Nelson, a political scientist at the University of Vermont, has called Sanders "confrontational and abrasive"; his enemies have derided his socialist municipal administration, calling him "the mayor of Managua, Nicaragua." (Sanders visited the central American country as a guest of Sandinista leader Daniel Ortega.) He has also earned the ire of the state's small Jewish community with his statements supporting a Palestinian homeland.

One of his organizers, Ellen David-Friedman, who endorses Sanders' "progressive agenda" even though she is herself a Democrat, admitted that "he's not a conventional [gubernatorial] candidate."

A Spoiler?

But his followers are clearly enchanted with the charismatic Burlington mayor, who wants to roll back property taxes and increase business taxes. A supporter of Jesse Jackson's National Rainbow Coalition, Sanders said he is running because Vermont's government "is dominated by big money and wealthy individuals, more concerned with their own private greed than our public good."

He also asserted that despite Kunin's public speeches and achievements, including the passage of tough new environmental legislation and the retirement of the state's budget deficit, the governor's "impotent, wishy-washy politics" are indistinguishable from that of Republican Smith's. People, he claimed, are "tired of voting for the lesser of two evils."

Most analysts feel Sanders is playing the role of spoiler, since he may draw enough votes away from Kunin to throw the race into the state legislature—where a potentially Republican majority might well decide to elect Smith. Even some "progressives" who support Sanders' views feel his candidacy is a tactical mistake.

Nonetheless, it is hard to imagine anyplace else in the nation where a self-proclaimed socialist progressive would be taken seriously as a potential governor—or even where the front runner would be a liberal, immigrant Jewish woman. As one commentator put it, "there is a certain independence of spirit here." Vermont's two Jewish candidates, Madeleine Kunin and Bernard Sanders, certainly exemplify that tradition. ▲



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Pelton's Trial: Prosecution and Conviction Without Damaging Disclosure

By JOHN H. CUSHMAN JR.

Special to The New York Times

BALTIMORE, June 5 — The conviction of Ronald W. Pelton, a former National Security Agency employee, was achieved without the Government's ever disclosing precisely what secrets he was accused of handing the Soviet Union.

In fact, even the Government does not know the full extent of the damage; Mr. Pelton has been protected from interrogation since his arrest, and this situation will prevail while his conviction is being appealed.

While United States officials have disclosed some previously classified details about certain operations of the agency, which intercepts and analyzes foreign nations' military communications, the extent of harm those operations have suffered remains uncertain.

Evidently, however, the security agency believes the Russians obtained encyclopedic details of the signals the agency was collecting.

Former senior intelligence officials therefore characterize the damage in this case as "extraordinary" even as they assert that the agency has begun to recover. By and large, they say that having the information discussed in a public trial has not damaged the agency further because the Government was able to contain the extent of the revelations.

'Excellent Example,' Prosecutor Says

Assistant United States Attorney John D. Douglass, who prosecuted Mr. Pelton, called the case "an excellent example" of how to prosecute spies without revealing too many secrets.

Witnesses from the agency, which is usually the most discreet of espionage organizations, testified bluntly that Mr. Pelton had access to extremely sensitive information regarding many of the nation's most secret intelligence efforts. Mainly through testimony about Mr. Pelton's own admissions to Federal agents last year, the prosecution attempted to prove that he relayed much of what he knew to Russian agents in two extensive meetings in Vienna in 1980 and 1983.

But just what he told them and just how

harmful the disclosures were remain undetermined.

"We do not have to prove that any ships were sunk, or that any cities were bombed," a prosecuting attorney, Robert McDonald, said in closing arguments this week. But National Security Agency officials testified that even on the basis of partial disclosures, the Soviet Union would be able to thwart American efforts that had been developed at a cost of hundreds of millions of dollars.

The Opportunity for the Russians

The jury apparently decided it did not need to know which projects may have been compromised. Still, the prosecution's case emphasized that any meetings he held with Russian agents presented the Russians with with a golden opportunity to learn precise details of the most closely held United States intelligence methods.

The trial and related news reports offering additional details on the agency's intelligence efforts highlighted a single N.S.A. program to intercept a key communications link that carried details of the Soviet Union's military movements, plans and capabilities.

But Mr. Pelton dealt with this project in its infancy and lost his special permission he once held to work on the project years before he left the agency in 1979.

For the Soviet Union, far more valuable information might have been obtained through a 60-page document written by Mr. Pelton in 1978, the Signals Parameters File. William P. Crowell, the N.S.A. official in charge of interceptions, described the Pelton document as "a compendium or a collection of technical information about the signals, about, many of the Soviet signals that the U.S. collects."

Tracking and Analyzing

Mr. Crowell's description of the document revealed, without discussing particular signals, exactly how the N.S.A. tracks and analyzes the Soviet communications the agency deems most valuable for intelligence purposes. Mr. Pelton was described repeatedly at the trial as a man with an excellent memory.

The N.S.A. cannot rest easy believing that Mr. Pelton, the author of this report, twice

spent three or four days in Vienna providing written answers to questions written by a Soviet operative.

The document he wrote, Mr. Crowell testified, lists for each of about 60 Soviet signals the frequency range, the "manner in which the information is applied to the signal," whether the signal was sent by local conversations, computerized or pictures, the identity of the Russians who sent and received the signals, the "features of the signal that can be used to discriminate it from signals of the same type," and "a very general description of the form of encryption," if any, of the signal.

A typical signal discussed in the file, carried communications from the highest level of the Soviet command down to the next highest level, Government witnesses said.

What the N.S.A. needs to know, and what nobody but his attorney has been allowed to ask Mr. Pelton since the day he was arrested, is how much he told the Russians about this and the other signals he once monitored so closely.

Spy Telling of Israeli Operations Within U.S., Leading Aides Say

Continued From Page A1

ceived selective cooperation," he said in the interview. "I don't want to get into that because of more ahead." He described the lack of cooperation as "disappointing but, considering the nature of intelligence gathering, it's really not surprising."

A spokesman for the Israeli Embassy here, Yossi Gal, said he would not respond to Mr. Webster's comments. Instead, he repeated an embassy statement last week insisting that "full cooperation regarding the Pollard affair has been and is continuing."

"The Pollard affair was an unauthorized deviation from the Israeli policy of not conducting any espionage activities in the United States," he said.

Using words harsher than Mr. Webster's, Justice Department officials vowed today to conduct a widespread investigation of allegations that the espionage operation involving Mr. Pollard was much larger than originally reported.

A senior department official who asked not to be identified strongly indicated that information from Mr. Pollard might lead to criminal charges against Israeli officials. "Don't assume anything about this case," he said.

Lasting Impact Not Expected

Another Administration official said he believed the case, which has strained American-Israeli ties, would not have a lasting effect on the relationship between the two longtime allies.

"In the long run it shouldn't do harm," he said. "We need Israel as a strong force in the Middle East. We

have pledged to maintain their independence, their viability; we won't shirk on that or anything else."

Officials at the Justice Department said that no arrests were imminent in the espionage investigation. "We're in an investigative phase for a while," one said, explaining that prosecutors were still analyzing information provided by Mr. Pollard.

"His promise of cooperation was broad, not narrow," the official said. "To the extent he has knowledge of other activities, we will want to hear of it."

Pollard Role Puzzling

Law-enforcement agents say they are still puzzling over the decision by Israeli officials to recruit Mr. Pollard for espionage.

"I think a lot of people were surprised because it didn't fit the pattern of Israeli intelligence," Mr. Webster said. "The utilization of Pollard was unusual."

Mr. Pollard, who is Jewish, was described by some acquaintances as outspoken, occasionally zealous in his support of Israel, which could have made him an obvious suspect in an espionage investigation involving intelligence about the Middle East.

Under the agreement with prosecutors, Mr. Pollard pleaded guilty to one count of espionage. Although the crime can result in life imprisonment, the Justice Department waived its right to request the maximum punishment. Mrs. Pollard, 26, faces up to 10 years in prison.

It is not clear which Israelis might face criminal charges. Among those named as Mr. Pollard's co-conspirators was Rafael Eitan, described by Israeli sources as the leader of the spy ring.



William H. Webster, Director of the Federal Bureau of Investigation, at his office. He said Israeli assistance in espionage investigation was limited.

The Israeli Government reportedly removed Mr. Eitan from his post as leader of the Defense Ministry Liaison Bureau for Scientific Affairs after Mr. Pollard's arrest last November.

A Justice Department official who asked not to be identified said that Mr. Eitan was not protected by diplomatic immunity, although his extradition from Israel might be difficult if not impossible.

Also named as conspirators were an Israeli Air Force colonel, a science attaché in the Israeli consulate in New

York, and a secretary in the Israeli Embassy here, Joseph E. diGenova, the United States Attorney in Washington who is the chief prosecutor in the case, has not ruled out prosecution of the Israelis.

In court papers, prosecutors have said that Israeli officials asked Mr. Pollard to gather classified satellite photographs and other intelligence material related to Israel's defense. Beginning in 1984, Mr. Pollard said, he provided them with stacks of material gathered from a Navy facility in Maryland.

Israelis Accused in Case

Rafael Eitan

Rafael Eitan, a 58-year-old veteran of the shadowy world of Israel's secret services, is a former chief of operations of Mossad, Israel's equivalent of the Central Intelligence Agency. He also served as an adviser on terrorism to Prime Ministers Menachem Begin and Yitzhak Shamir.

Mr. Eitan, who was born in the kibbutz Ein Harod, first engaged in clandestine activities in what was then Palestine as a member of the Jewish underground force known as the Palmach, a forerunner of what became the Israel Defense Forces with the establishment of the Jewish state in 1948.

He served in the Israeli Army as an officer, rising to the rank of major, before leaving to join the Mossad in 1954. In 1960, as a Mossad agent, Mr. Eitan participated in the kidnapping of Adolf Eichmann in Buenos Aires and smuggling him to Israel where he was tried and hanged.

Mr. Eitan left Mossad in 1976 when Ariel Sharon, then security adviser to Prime Minister Yitzhak Rabin, invited him to serve as his deputy. Mr. Eitan joined the Herut Party and was elected to its central committee.

When the Likud bloc, which included Herut, won the parliamentary elections in 1977 and took over the Government, Mr. Eitan returned to his specialty of intelligence as an adviser on counterterrorism in Prime Minister Begin's office.

In 1981, Mr. Eitan was appointed as the head of the Bureau of Scientific Affairs, a small intelligence unit charged with gathering scientific information. It was in this post that he purportedly became involved in the Jonathan Jay Pollard spy case.

When the Pollard affair became exposed, the Israeli Government dismissed Mr. Eitan from the scientific

intelligence post and the bureau was broken up. The Government then appointed Mr. Eitan as chairman of the board of Israel Chemicals, one of the biggest state-owned industrial concerns in the country.

Irit Erb

Irit Erb was a secretary to the science attaché in the Israeli Embassy in Washington. She may have been an Israeli student who was working part time for the embassy. She returned to Israel immediately after Mr. Pollard's exposure as a spy.

Joseph Yagur

Joseph Yagur was the consul for scientific affairs at the Israeli consulate in New York City from 1980 until his return to Israel immediately after Mr. Pollard's exposure as a spy. He is an engineer by training and is in his early 40's. Before coming to New York, he held several unspecified jobs in the Israeli Defense Ministry and also worked at the Bureau of Scientific Affairs.

Aviem Sella

Aviem Sella was a colonel in the Israeli Air Force when he purportedly became involved with Mr. Pollard in 1984. A senior fighter pilot and considered one of Israel's leading younger officers, Colonel Sella was promoted to brigadier general and put in charge of one of the largest Air Force bases in Israel, in the Negev desert. General Sella was a graduate student at New York University in 1984 and earned a business degree that year from its School of Business Administration.

Israel's Spies: Who Controls Them?

By THOMAS L. FRIEDMAN

Special to The New York Times

JERUSALEM, June 5 — The guilty plea entered Wednesday by a United States Navy analyst to charges of spying for Israel, coupled with the latest domestic intelligence scandal inside Israel, has raised some questions among Israeli officials and political specialists about who is in control of Israel's intelligence services.

The specialists say it is difficult to decide which is worse: to believe the Israeli Government's explanations that what took place in both the American and Israeli spy scandals was done without the knowledge of the political echelon, or not to believe the explanations and to assume that in both cases the politicians have not been totally candid about their involvement.

"There is no doubt that there is a very basic problem here of control of the intelligence services," said Nahum Barnea, editor of Koteret Rasheet, Israel's leading political weekly.

Israeli officials had little reaction today to the guilty plea entered by the Navy intelligence analyst, Jonathan Jay Pollard, to a charge of selling classified documents to Israel. Mr. Pollard's wife, Anne Henderson Pollard, pleaded guilty to two lesser offenses. Four Israelis, including an Air Force officer, were named as co-conspirators but were not indicted.

Justice Department Criticized

Israeli officials said nothing disclosed in court Wednesday contradicted their statement, made after Mr. Pollard was arrested last November, that the Pollard affair involved an "unauthorized" operation mounted by a small group of intelligence officials.

A senior Israeli official said Israel believed that elements in the United States Justice Department "are trying to blow the whole business out of proportion."

"We cooperated fully with the American investigators in this matter and have nothing more to say," he added.

After an internal "investigation" mounted by Prime Minister Shimon Peres, Foreign Minister Yitzhak Shamir and Defense Minister Yitzhak Rabin, Israeli officials said last November that the Pollard espionage ring was a "rogue" operation run by Rafi Eitan, without the knowledge or approval of his superiors.

An Adviser on Terrorism

Mr. Eitan, a former chief of operations of the Mossad, Israel's foreign intelligence service, had served as an adviser on terrorism to Prime Minister Menachem Begin and to Mr. Shamir when he was Prime Minister. Mr. Eitan was also appointed in 1981 as the head of the Bureau of Scientific Af-

fairs, a small intelligence unit charged with gathering scientific information.

Israeli and American officials say it is not inconceivable that Mr. Eitan, who had a substantial budget and a reputation for independence, could have engaged in an unauthorized operation.

However, evidence produced in Wednesday's indictment suggests otherwise. The fact that Mr. Eitan was able to use an Israeli Air Force colonel, Aviem Sella, in his espionage operation in the United States suggests that the operation may not have been limited to Mr. Eitan's intelligence operation.

The Israeli Air Force is probably the most tightly controlled bureaucracy in Israel. While it is not inconceivable that Colonel Sella was enlisted by Mr. Eitan without telling his superiors, political specialists here said, it does not seem likely.

Denials by Defense Chiefs

Both Moshe Arens, who was Defense Minister when Mr. Pollard was recruited, and Mr. Rabin denied knowing that a senior air force pilot was being used in an unauthorized espionage operation, which would mean a serious breach in controls.

Moreover, since returning from his period of study in the United States, Colonel Sella was promoted to brigadier general and put in charge of one of the largest air force bases in Israel. The idea that the Israeli Air Force would hand over such responsibility to a man who was involved for more than a year in a purportedly unauthorized espionage operation strains believability, Israeli analysts said.

Also, although the Israeli Government dismissed Mr. Eitan and broke up his agency after the Pollard affair was exposed, it later gave Mr. Eitan the job of chairman of the board of Israel Chemicals, the nation's largest state-owned industrial organization.

How could Israel reward a spy who had, in the Government's own words, violated the basic rules of Israeli intelligence gathering?

Israeli Official Replaced

Officials here ascribe it to the fact that Mr. Eitan had some powerful supporters in the Israeli Cabinet, particularly Ariel Sharon, the Minister of Industry and Commerce, and the fact that Mr. Eitan had been a "loyal and courageous" intelligence officer for many years and no one wanted to "throw him to the dogs."

Mr. Pollard's guilty plea followed closely on the heels of the disclosure in Israel that its former Attorney General, Yitzhak Zamir, had amassed evidence suggesting that Avraham Shalom, the head of Israel's domestic intelligence service, the Shin Beth, might have ordered the killing of two

captured Palestinians bus hijackers in April 1984 and then covered up the murders before two different Government commissions of inquiry. Mr. Zamir, who went against the Israeli Cabinet's wishes in ordering a criminal investigation of Mr. Shalom, was replaced last Sunday by Yosef Harish.

Like the Pollard affair, the Shin Beth case raises questions about the politicians' judgement and control over the intelligence community. Israeli press reports say that while Mr. Shamir gave some kind of approval to the Shin Beth leadership to cover up their alleged involvement in the murder of the bus hijackers, Mr. Arens, the Defense Minister at the time, did not know anything about it. Mr. Shamir has denied any wrongdoing in the case.

Mr. Peres, who replaced Mr. Shamir as Prime Minister in September 1984, apparently found out about the purported cover-up last November, when three Shin Beth officials went to him with the story. Mr. Peres chose not to inform Mr. Zamir, the former Attorney General, but sided instead with Mr. Shalom because he apparently believed the three underlings were trying to mount what was in effect a coup against the Shin Beth chief.

"Shamir is in the mess up to his neck," said Mr. Barnea, the Koteret Rasheet editor. "Peres is only into it up to his knees."

Mr. Peres's ability to restrain the Shin Beth now that the affair has been exposed has come into question. According to political sources, the top 9 or 10 officials in the Shin Beth have notified the Prime Minister that if he goes ahead with an investigation of their organization they will resign, leaving Mr. Peres open to charges of having stripped Israel of its main shield against terrorism.

A Narrow Security Margin

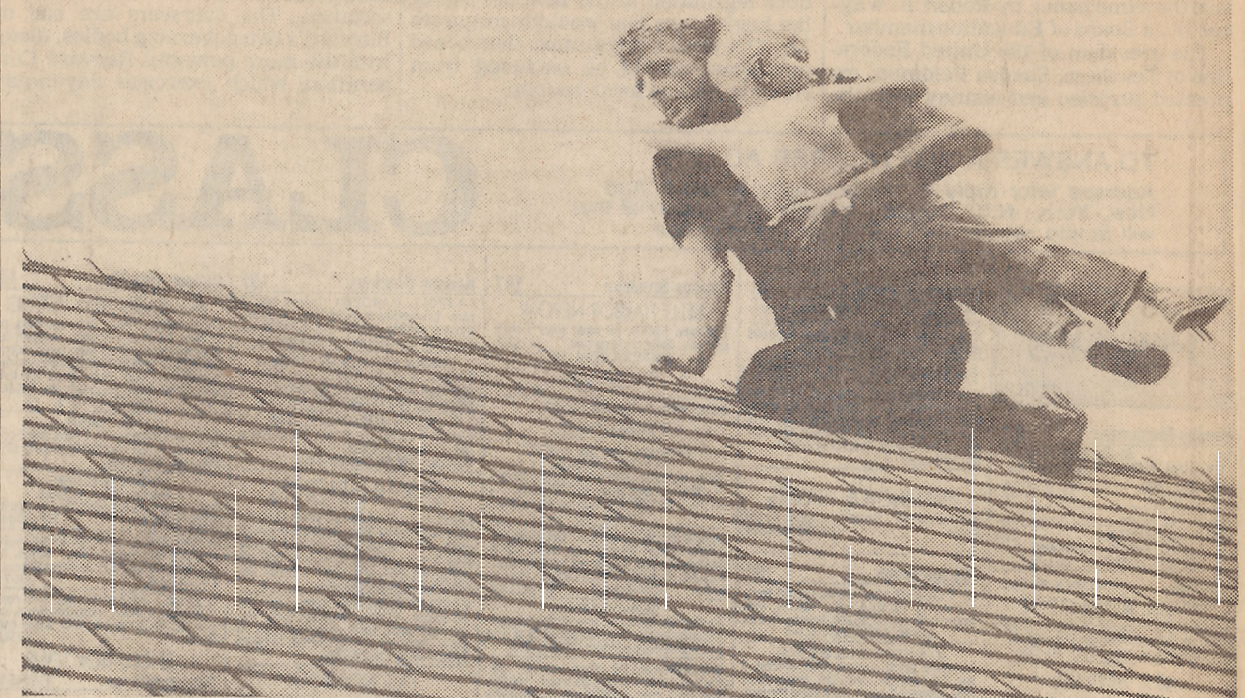
Every democratic government has found it difficult at times to control its intelligence services. But Israel seems to have suffered this problem more than most, particularly recently.

"One reason," said Shlomo Avineri, a political theorist at Hebrew University, "is that because the security margin here is so narrow it sometimes pushes Israel, more than other democratic societies, into hard choices."

Moreover, Mr. Avineri said, Israel has a tradition of individualism and independence of action in military matters. "When it goes right you have national heroes," he said. "When it goes wrong, you have catastrophes."

Israeli political specialists also note that Israel has been plagued by weak governments over the last few years.

"The kind of governments we have had in the past few years do not produce a unity of command," Mr. Avineri said.



INDIANA CHILD IS RESCUED FROM ROOF: David Stout, a firefighter, edging across a roof toward safety yesterday after rescuing Michael J. Kuntz, a 6-year-

old, in Richmond. The youngster had crawled out of an upstairs window and became stranded on the ridge for 30 minutes before Mr. Stout reached him.

Drifter Is Found Guilty of Killing a Seattle Family

Special to The New York Times

SEATTLE, June 5 — Rejecting an insanity plea, jurors found David Morse Rice guilty of aggravated murder today in the killing of Charles Goldmark and his family, a murder the prosecutors said was based on a generation-old political smear.

After a seven-day trial in King County Superior Court, the jury took four hours to find Mr. Rice guilty in the fatal bludgeoning and stabbing Dec. 24 of Mr. Goldmark, 41 years old, a Seattle lawyer, his wife, Annie, 43, and their sons, Colin, 10, and Derek, 12.

Mr. Rice, in a tape-recorded confession that was played to the jury, said he killed them because he thought they were Communists. Mr. Goldmark was the attorney for the Washington state Democratic Party and a delegate to the 1984 Democratic convention for Senator Gary Hart of Colorado.

Mr. Rice, 27, is a drifter and unemployed steelworker. The jury will decide next whether he must be executed; the penalty phase of the trial opens Monday.

Charles Goldmark's father, John Goldmark, was a state legislator whose political career ended in 1963 after a newspaper accused him of being a Communist. John Goldmark sued for libel and won. The 23-year-old allegation, prosecutors say, was the basis of

Mr. Rice's belief that the younger Goldmarks were Communists.

William Downing, the King County Deputy Prosecutor, told the jury Mr. Rice was "an avowed racist, anti-Semite and anti-Communist who spoke of going to Nicaragua as a mercenary."

On the tape, recorded by the police Dec. 26, the day of his arrest, Mr. Rice said he had planned for six months to kill the Goldmarks: "I knew what I was doing. I knew I was going to kill the Goldmarks." On the tape, he told, among other things, of puncturing the victims' heads with a kitchen knife because they had yet died of his blows with a laundering iron.

On Killing the Children

He said he had not expected to find children at the home, but once he opened the door, he said he thought: "I'm in it now. I have to go through with it." Asked by detectives for his motive, he said he had financial and political reasons. "I was facing terminal unemployment," said Mr. Rice, who had been out of work about a year. He took \$14 and a bank card from the Goldmark household.

Mr. Rice was quoted by detectives as saying, "The children—I didn't expect them."

Mr. Rice's attorney, Anthony Savage, said in his closing remarks that "a mental disease, a defect is at the root of the problem."

A defense witness, Kenneth Muscatel, who is a psychologist, said Mr. Rice was sane at the time of the killings. Mr. Downing, the prosecutor, told the jury that Mr. Rice believed in "an international conspiracy" of Jewish bankers, the Federal Reserve Board and Communists, and that the Goldmarks "were the top Communists" in the area.

Pentagon to Buy Two 747's To Replace Reagan's Planes

WASHINGTON, June 5 (AP) — The Pentagon said today that it would buy two Boeing 747 jumbo jets to replace the aging Boeing 707's used as Air Force One, the Presidential aircraft. Congressional approval of the purchase is pending.

Acting Air Force Secretary Edward C. Aldridge Jr. selected the four-engine 747 in competition between Boeing and McDonnell Douglas, which had hoped its three-engine DC-10 would become the new White House jetliner.

New York University Reagan Faulted for Decision To Ignore Treaty on Weapons

Thomas P. O'Neill Jr., the speaker of the House of Representatives, denounced yesterday President Reagan's decision to cease to abide by the unratified 1979 strategic arms limitation treaty, calling it a prelude to an "expensive and threatening new chapter in U.S.-Soviet relations."

In a commencement speech at New York University, Mr. O'Neill said the Reagan Administration had "taken its foot off the brakes of nuclear arms production."

"Unless dramatic progress is soon realized at the arms talks in Geneva, we are about to witness an expensive and threatening new chapter in U.S.-Soviet relations," Mr. O'Neill, a Massachusetts Democrat, told a crowd of more than 12,000 gathered for the commencement in Washington Square Park.

He said the recent explosion at the Soviet nuclear plant at Chernobyl was "a stark and tragic reminder of the awful consequences of an overdose of radiation."

"And if an accident in one plant in one country can cause the contamination of this country," Mr. O'Neill said, "need we imagine what an exchange of 20,000 nuclear weapons would cause."

9,000 Degrees Awarded

The Administration announced a week ago that it no longer felt bound by provisions of the unratified 1979 arms treaty because of the lack of full Soviet adherence to the treaty.

The announcement, Mr. O'Neill said, "is bad from an arms control standpoint, it is bad from a budget standpoint and it is bad from the standpoint of world opinion."

Mr. O'Neill delivered the main address at the university's 146th commencement exercises and received an honorary degree.

Degrees were also awarded to more than 9,000 undergraduate and

Limits in School Races Are Urged

By JANE PERLEZ

Schools Chancellor Nathan Quinones said yesterday that elected officials and Board of Education employees, including teachers and principals, should be forbidden from serving on community school boards.

Mr. Quinones said the presence of such officials and employees—who by most estimates make up 30 percent of the 22 nine-member boards—represented a conflict of interest.

He said he had heard too many rumors about board members who serve on a district board trading favors with employees on another board. Mr. Quinones said he understood that it was not uncommon for a Board of Education employee serving on one school board to promise an assistant principal position to someone on another board.

The Chancellor's statement came in testimony at a hearing of the State Assembly Education Committee at the state office building at 270 Broadway.

His position was supported, before the same panel, by Robert F. Wagner Jr., a Board of Education member.

The president of the United Federation of Teachers, Sandra Feldman, expressed surprise and dismay with the



Thomas P. O'Neill Jr., right, speaker of the House, greeted graduates of New York University at commencement at Washington Square Park. Mr. O'Neill, who was awarded an honorary degree, gave commencement address.

Harvard Foe of South Africa Wins Key University Post

By FOX BUTTERFIELD

CAMBRIDGE, Mass., June 5—In a victory for dissident alumni, a graduate student who wants Harvard to divest itself of its holdings in American companies doing business in South Africa has been elected to the school's board of overseers. It was announced today.

The announcement, made at Harvard's 353rd commencement exercises this afternoon, brought cheers from some students who held up banners reading "Divest."

Harvard is officially opposed to selling off its portfolio of \$415 million in stock in concerns that do business in South Africa. The overseas election had touched off unusually large interest after the chairman of the board, Tom T. Rye, wrote a letter opposing the candidacy of three alumni who ran on a platform calling for divestment.

Normally, candidates for the board of overseers are nominated by a committee of the Harvard Alumni Association and bear the university's stamp of approval. But the three dissidents, all from Berkeley, Calif., got on the ballot by petition. The three dissidents and unnamed outspoken supporters of divestment at Harvard charged that the university had tried to rig the election.

Taught in Southern Africa

The pro-divestment candidate was Guy W. Seidman, a doctoral candidate in sociology at the University of California at Berkeley, who graduated from Harvard in 1975 and spent five years teaching and writing in southern Africa.

The four other winners were all nominated by the Harvard Alumni Association. The overseers are one of Harvard's two governing bodies, along with the more powerful Harvard Corporation, which exercises day-to-day management of the school. The overseers serve for six years.

In the morning portion of the commencement, the crowd of more than 25,000 graduates, alumni and guests appeared moved by a speech by Yami B. Kouri, a Cuban who left Harvard before he finished his undergraduate work in 1958 to join Fidel Castro's revolutionary army. Mr. Kouri, delivering his address in English, recalled how he became a doctor in Cuba and was made the first head of Cuba's National Center for Scientific Research, the country's leading scientific body.

But he also said that the freedom we had fought for began to diminish, and the Cuban revolution shifted to totalitarianism, this time of the left. For his opposition, he was thrown into prison where he spent 15 years, two and a half of them in solitary confinement.

'Harsh, but He Has No Regrets'

In prison, he recalled, he went to work as a doctor, though without any medicine or instruments. "The 15 years in captivity was a harsh punishment," he said, "but I regret none of it." It was in prison, he said, that he was able to put into practice "those principles of truth, decency, freedom and concern for others" he had learned at Harvard.

Mr. Kouri, who was allowed to leave Cuba in 1979, received a degree today from the Harvard School of Public Health. He is Dr. Emilio, graduated from Harvard in 1964.

Today's commencement speaker, Lord Carrington, the Secretary General of the North Atlantic Treaty Organization, warned against underestimating the danger of the Soviet Union.

"It strikes you as a little old-fashioned to talk in those terms," Lord Carrington, a former British Foreign Secretary, said, "but I would conclude these remarks by wishing you all to be a little old-fashioned."

Crime Stoppers Hits a Milestone In Robbery Case

Spurred by a tip from an anonymous caller, the police have arrested two men for the armed robbery of a Staten Island delicatessen, a case that had been at a standstill for months. The caller had seen a reconstruction of the crime on a television newscast.

The arrest, made last month, marked the 500th violent crime solved through the Crime Stoppers program, which makes temporary detectives out of ordinary citizens.

Police Commissioner Benjamin Ward said yesterday that detectives had solved more than 500 felonies and had recovered close to \$10 million in narcotics through the program. The program, he said, "emphasizes that the coordinated effort between the police and the news media, in conjunction with community participation, is a heavily on criminal investigations."

Programs in Many Cities

The program, which has operated with slight modifications in more than 60 cities in the United States and Canada, was begun in New York three years ago. Co-sponsored by WABC-TV and the New York City Corporation, it has together put up close to \$100,000 in reward money for tips leading to arrests. The project has been featured in a number of confounding investigations, including the rape of a Brooklyn College student and the murder of the son of the Dominican Republic's ambassador in New York, both in March.

For many years, the Police Department's "Crime Stoppers" unit, headed by Ellen Sulzberger Strauss, who heads the public safety committee for the New York City Corporation. "Now, unfortunately, the crime situation is so explosive that they need the help of everybody."

According to the police, 82.5 percent of all felonies in the city remained unsolved until the Crime Stoppers program was launched. The program has helped the police solve, through the program, detectives are able to solve, on the average, a murder or an attempted murder every week and a felony every other day.

A Special Phone Number

The police recommend "Crime Stoppers" to WABC-TV, WJMA radio and local newspapers, including the New York Post. The stations and newspapers reconstruct the crimes, and witnesses, assured anonymity, can call into a special police number—377-TIPS—with their information. They receive awards of up to \$500 if their information leads to an arrest.

The police have received more than 27,000 calls, though only seven percent of those calls have led to arrests.

"I'm always surprised at the accuracy of the leads," said Lieut. Timothy Byrnes, commanding officer of the Crime Stoppers unit. "The caller who not only told us who committed the crime, but told us what his address was, the address of the girlfriend and the escape route he used."

Nuclear Weapon Is Tested

LAS VEGAS, Nev., June 5 (AP)—A nuclear weapon was tested in a desert ducted today in the Nevada desert. The test, which had an explosive force equal to that of 20,000 tons of TNT, was the fifth announced blast at the Nevada Test Site this year and the 651st since testing began there in 1951. All tests are announced, for security reasons.

U.S. Shelter Funds Bring End To a Hunger Strike in Capital

WASHINGTON, June 4 (AP)—The White House issued a statement Wednesday saying that it would release emergency Federal funds to repair a shelter for the homeless, prompting an activist, Mitch Snyder, to end a four-day hunger strike.

Senator Mark O. Hatfield, Republican of Oregon, went to the shelter to give the news to Mr. Snyder, who was weak and pale after refusing food and water since Sunday.

Mr. Snyder started the hunger strike to pressure the Reagan Administration to release \$5 million, it promised March 16 for repairs to the crumbling federally owned building, which the White House said should be turned over to the District of Columbia.

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