expressed sympathy for the Arab cause. The British presence had rankled many Egyptians for years, for even after granting Egypt independence, Britain had retained control over the Suez Canal to protect its route to the Indian Ocean. In 1956, Nasser suddenly nationalized the Suez Canal Company, which had been under British and French administration. Seeing a threat to their route to the Indian Ocean, the British and the French launched a joint attack on Egypt to protect their investment. They were joined by Israel, whose leaders had grown exasperated at sporadic Arab commando raids on Israeli territory and now decided to strike back. But the Eisenhower administration in the United States, concerned that the attack smacked of a revival of colonialism, supported Nasser and brought about the withdrawal of foreign forces from Egypt and of Israeli troops from the Sinai peninsula.

The United Arab Republic Nasser now turned to pan-Arabism. In 1958, Egypt united with Syria in the United Arab Republic (UAR). The union had been proposed by members of the Ba'ath Party, which advocated the unity of all Arab states in a new socialist society. In 1957, the Ba'ath Party assumed power in Syria and opened talks with Egypt on a union between the two countries, which took place in March 1958 following a plebiscite. Nasser, despite his reported ambivalence about the union, was named president of the new state.

Egypt and Syria hoped that the union would eventually include all Arab states, but other Arab leaders, including young King Hussein of Jordan and the kings of Iraq and Saudi Arabia, were suspicious. The latter two in particular feared pan-Arabism on the assumption that they would be asked to share their vast oil revenues with the poorer states of the Middle East. Such fears were understandable.

Nasser opposed the existing situation, in which much of the wealth of the Middle East flowed into the treasuries of a handful of wealthy feudal states or, even worse, the pockets of foreign oil interests. In Nasser's view, through Arab unity, this wealth could be put to better use to improve the standard of living in the area. To achieve a more equitable division of the wealth of the region, natural resources and major industries would be nationalized; central planning would ensure that resources were exploited efficiently, but private enterprise would continue at the local level.

In the end, however, Nasser's determination to extend state control over the economy brought an end to the UAR. When the government announced the nationalization of a large number of industries and utilities in 1961, a military coup overthrew the Ba'ath leaders in Damascus, and the new authorities declared that Syria would end its relationship with Egypt.

The breakup of the UAR did not end Nasser's dream of pan-Arabism. In 1962, Algeria finally received its independence from France and, under its new president, Ahmad Ben Bella, established close relations with Egypt, as did a new republic in Yemen. During the mid-1960s, Egypt took the lead in promoting Arab unity against Israel. At a meeting of Arab leaders held in Jerusalem in 1964, the Palestine Liberation Organization (PLO) was set up under Egyptian sponsorship to represent the interests of the Palestinians. According to the charter of the PLO, only the Palestinian people (and thus not Jewish immigrants from abroad) had the right to form a state in the old British mandate. A guerrilla movement called al-Fatah, led by the dissident PLO figure Yasir Arafat (1929-2004), began to launch terrorist attacks on Israeli territory, prompting Israel to raid PLO bases in Jordan in 1966.

The Arab-Israeli Dispute

The growing Arab hostility was a constant threat to the security of Israel. In the years after independence, Israeli leaders dedicated themselves to creating a Jewish homeland. Aided by reparations paid by the postwar German government and private funds provided by Jews living abroad, notably in the United States, the government attempted to build a democratic and modern state that would be a magnet for Jews throughout the world and a symbol of Jewish achievement.

Ensuring the survival of the tiny state surrounded by antagonistic Arab neighbors was a considerable challenge, made more difficult by divisions within the Israeli population. Some were immigrants from Europe, while others came from countries of the Middle East. Some were secular and even socialist in their views, while others were politically conservative and stressed religious orthodoxy. There were also Christians as well as many Muslim Palestinians who had not fled to other countries. To balance these diverse interests, Israel established a parliament, called the Knesset, on the European model, with proportional representation based on the number of votes each party received in the general election. The parties were so numerous that none ever received a majority of votes, and all governments had to be formed from a coalition of several parties. As a result, moderate secular leaders such as longtime prime minister David Ben Gurion had to cater to more marginal parties composed of conservative religious groups.

The Six-Day War During the late 1950s and 1960s, the dispute between Israel and other states in the Middle East escalated in intensity. Essentially alone except for the sympathy of the United States and several Western European countries, Israel adopted a policy of determined

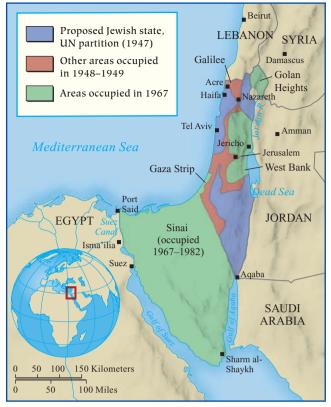
resistance to and immediate retaliation against PLO and Arab provocations. By the spring of 1967, relations between Israel and its Arab neighbors had deteriorated as Nasser attempted to improve his standing in the Arab world by intensifying military activities and imposing a blockade against Israeli commerce through the Gulf of Aqaba.

Concerned that it might be isolated, and lacking firm support from Western powers (which had originally guaranteed Israel the freedom to use the Gulf of Aqaba), in June 1967 Israel suddenly launched air strikes against Egypt and several of its Arab neighbors. Israeli armies then broke the blockade at the head of the Gulf of Aqaba and occupied the Sinai peninsula. Other Israeli forces attacked Jordanian territory on the West Bank of the Jordan River (Jordan's King Hussein had recently signed an alliance with Egypt and placed his army under Egyptian command), occupied the whole of Jerusalem, and seized Syrian military positions in the Golan Heights along the Israeli-Syrian border.

Despite limited Soviet support for Egypt and Syria, in a brief six-day war, Israel had mocked Nasser's pretensions of Arab unity and tripled the size of its territory, thus enhancing its precarious security (see Map 15.1). Yet Israel had also aroused more bitter hostility among the Arabs and included an additional million Palestinians inside its borders, most of them living on the West Bank.

During the next few years, the focus of the Arab-Israeli dispute shifted as Arab states demanded the return of the territories lost during the 1967 war. Meanwhile, many Israelis argued that the new lands improved the security of the beleaguered state and should be retained. Concerned that the dispute might lead to a confrontation between the superpowers, the Nixon administration tried to achieve a peace settlement. The peace effort received a mild stimulus when Nasser died of a heart attack in September 1970 and was succeeded by his vice president, ex-general Anwar al-Sadat (1918-1981). Sadat soon showed himself to be more pragmatic than his predecessor, dropping the now irrelevant name United Arab Republic in favor of the Arab Republic of Egypt and replacing Nasser's socialist policies with a new strategy based on free enterprise and encouragement of Western investment. He also agreed to sign a peace treaty with Israel on the condition that Israel retire to its pre-1967 frontiers. Concerned that other Arab countries would refuse to make peace and take advantage of its presumed weakness, Israel refused.

Rebuffed in his offer of peace, smarting from criticism of his moderate stand from other Arab leaders, and increasingly concerned over Israeli plans to build permanent Jewish settlements in the West Bank, Sadat attempted once again to renew Arab unity through a new confrontation with Israel. In 1973, on Yom Kippur (the Jewish Day of Atonement), an Israeli national holiday, Egyptian forces



MAP 15.1 Israel and Its Neighbors. This map shows the evolution of the state of Israel since its founding in 1948. Areas occupied by Israel after the Six-Day War in 1967 are indicated in green.

Q What is the significance of the West Bank?

suddenly launched an air and artillery attack on Israeli positions in the Sinai just east of the Suez Canal. Syrian armies attacked Israeli positions in the Golan Heights. After early Arab successes, the Israelis managed to recoup some of their losses on both fronts. As a superpower confrontation between the United States and the Soviet Union loomed, a cease-fire was finally reached.

In the next years, a fragile peace was maintained, marked by U.S. "shuttle diplomacy" (carried out by U.S. Secretary of State Henry Kissinger) and the rise to power in Israel of the militant Likud Party under Prime Minister Menachem Begin (1913–1992). The conflict now spread to Lebanon, where many Palestinians had found refuge and the PLO had set up its headquarters. Rising tension along the border was compounded by increasingly hostile disputes between Christians and Muslims over control of the capital, Beirut.

The Camp David Agreement After his election as U.S. president in 1976, Jimmy Carter began to press for a compromise peace based on Israel's return of territories