The Oslo process failed to bring peace between Israelis and Palestinians. That much is clear. The bloody years that ensued following the collapse of the Camp David II summit in the summer of 2000 have reminded everyone of what the costs of failure are. . . . But the dramatic failure of the summit also demonstrated just how close it is possible to get to a workable compromise between the demands of the Israeli state and Palestinian nationalism. . . . It is our hope that this volume will make a significant contribution to the work of all those seeking to achieve a lasting, stable, and just peace between two peoples who, loving one land, have wrestled too long with one another.
Exile and Return

Predicaments of Palestinians and Jews

Edited by Ann M. Lesch and Ian S. Lustick
Chapter 11
Arab Jews, Population Exchange, and the Palestinian Right of Return

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In July 2000, U.S. president Bill Clinton announced that an agreement had been reached at the Camp David summit to recognize the Jews from the Arab countries as "refugees" and that an international fund would provide compensation for the property they left behind when they immigrated to Israel during the 1960s. The immediate political significance of this declaration was to help Israel's prime minister at the time, Ehud Barak, to mobilize Shas's voters (the majority of whom are of Arab descent) in support of the peace process. However, the underlying logic—defining the Jews from Arab countries as refugees—responded to a deeper political theory that was developed in Israel in the 1950s to counterbalance the collective rights of the Palestinian refugees. It is not surprising, therefore, that Palestinians around the world reacted with dismay and rage to this announcement. In its contemporary garb, this "population exchange" theory was proposed to abridge Israel's responsibility for the expulsion of Palestinians in 1948 and 1967, alleviate demands to compensate the Palestinian refugees, and serve as a bargaining chip against their right of return. For all practical purposes, the population exchange initiative was used to legitimize Israel's wrongdoing with regard to the transfer of the Palestinian refugees in 1948.

In this chapter, I lay out the political history of the population exchange theory, focus on the alleged nexus between the Palestinian refugees and the Jews from Arab countries, and challenge the validity of the theory by examining its logic, historical ramifications, and moral standing in contemporary Israeli political culture. I do not analyze the causes and political ramifications of the Palestinians' flight, since other chapters in this volume address that crucial issue. I do, however, note that most Jewish Israelis treat the right of return as a black box, as a sealed-off package, unwilling to consider the many ways in which this can be discussed, interpreted, negotiated, and solved. This was manifested in Barak's negotiating strategy in Camp
David, where he and his underlings refused to conduct any serious discussions about return or repatriation of refugees.

However, Jewish refusal to engage in political dialogue regarding the right of return is not uniform and can be roughly separated into three categories. These categories are neither exhaustive nor mutually exclusive but capture most discursive strategies used in Israel today. First, there is the mainstream response that denies any Israeli responsibility for the refugee problem, notably canonical Zionist historiography that attributes the Palestinians' mass exodus to orders that were ostensibly issued by Arab leaders, asking the Palestinians to flee their homes and villages. Second, there are those (mainly on the Zionist Left) who acknowledge Israel's partial moral and political responsibility for the refugee problem but reject the right of return, arguing that it would end Israel's existence as a Jewish state. Third, there are those who brush off Israel's responsibility and invoke the population exchange argument, suggesting that the Middle East has witnessed a de facto population transfer in which the Palestinian refugees "fled" from Palestine and Jews "fled" from Arab countries.

I focus on this third discursive strategy, first examining practices of the Israeli government and the World Organization of Jews from Arab Countries (WOJAC). Based on these analyses, I show the fallacies associated with the usage of this population exchange theory and draw theoretical conclusions about the modus operandi of the state and its apparatuses.

**Population Exchange as a Policy of Constructed Ambiguity**

Prior to the immigration of Arab Jews, the Israeli government agreed to take back a limited number of Palestinian refugees. The government avoided the term "population exchange" to avoid any explicit discourse about the refugee problem. During the 1950s, however, the government realized that it could use the Arab Jews as a bargaining chip against the Palestinians, first to relinquish responsibility to compensate the 1948 refugees for their property and then to block the demands for return.

Mention of transfer and the exchange of Palestinians and Arab Jews existed in the Zionist lexicon as early as the 1930s. Whereas Zionist discourse used the "transfer" idea with regard to the Palestinians, it used "population exchange" in relation to the Arab Jews. For example, in 1937, at the World Congress of Poalei Zion, a senior Mapamnik, Aharon Zisling, urged that efforts be made to effect a population exchange between Palestine and the Arab states. David Ben-Gurion did not reject the idea out of hand. Similar proposals were voiced by American Zionists and by local leaders of the Labor movement.

In 1938 and 1939, wealthy Dutch capitalists corresponded with Zionist officials concerning a possible transfer of Palestinians to Iraq and Iraqi Jews to Palestine. Jewish capital would develop ports of Iraq so that the deal could go through. The initiative came ostensibly from non-Jewish circles in Holland, but the correspondence shows clearly that Zionist officials were involved, among them Dov Hoz (head of the political department of the Histadrut federation of labor until 1941) and Abel Hertzberg (president of the Zionist organization in Amsterdam). The Jews in Iraq were not consulted. It is not clear what became of the plan, although one can infer from the correspondence that at a certain stage the highest officials—Ben-Gurion, Moshe Sharett, and Pinhas Rutenberg—reacted coldly and with a pronounced lack of interest.

Although these events are of historical interest, they are, finally, episodes that contrast sharply with the interest that Zionism took in the Jews of Iraq, beginning in 1941-42. That is, the population exchange theory was deemed less relevant as long as there was no interest in the immigration of Arab Jews to Palestine/Israel. During World War II, as the mass murder of Jews in Europe was increasingly confirmed, the Zionist movement turned its gaze upon the Arab Jews as candidates for immigration. In 1942, Ben-Gurion described at a meeting of Jewish experts and leaders a demographic plan to bring a million Jews to Palestine, known as *Tehanot Hamilchim*. He singled out the Middle Eastern Jews: "Our Zionist policy must now pay special attention to the Jewish groups in the Arab countries." In July 1943, Eliahu Dobkin, head of the Jewish Agency's immigration department, presented a map of the Arab Jews, explaining their importance for the demographic question in Palestine, Dobkin emphasized that "many of the Jews in Europe will perish in the Holocaust and the Jews of Russia are locked in. Therefore, the quantitative value of these three-quarters of a million [Arab] Jews has risen to the level of a highly valuable political factor within the framework of world Jewry.... The primary task we face is to rescue this Jewry, [and] the time has come to mount an assault on this Jewry for a Zionist conquest." These statements marked the beginning of a discourse on the Arab Jews as potential immigrants to Palestine. In 1948, Joseph Schechtman, a member of the Jewish Agency's actions committee in the United States, published a proposal to solve the refugee problem on the basis of the Greek-Turkish model in the Treaty of Lausanne of 1925, including a trade-off exchange with the Arab Jews. The model conceptualized the 1948 war as an event in the vantages of world history; its adoption would abet the return of Jews from any responsibility regarding the Palestinian refugees.

However, only in the early 1950s did a great number of Arab Jews arrive in Israel. The Iraqi immigration in 1950-51 was pivotal to the reemergence of the population exchange theory. In March 1950, Iraq enacted a denaturalization law—valid for one year—that enabled Jews to leave after renouncing their citizenship. Approximately 120,000 Jews were brought by air to Israel from Iraq between May 1950 and June 1951. In this context,
the population exchange theory became entangled with another state theory to be labeled as the "property exchange" theory.  

Police Minister Behor Shitrit was the first to raise the question of the "situation of Iraq's Jews" in the Israeli cabinet, in March 1949. He was worried about the condition of the Jews in Iraq after Zionism had been outlawed; at one stage, he proposed that the property of Israeli Arabs be held hostage for the Jewish property in Iraq, but this idea was rejected by the foreign ministry. At the end of that month, the Knesset debated the situation of the Jews in the Arab countries. Eliahu Eliachar, from the Sephardi list, asserted that in addressing the refugee issue, the government must take into account the transfer to Israel of Jews who would want to make that move: "This bargaining chip was given to our government by Divine Providence so that we can take preventive measures."  

In July 1949, the British government, fearing the decline of its influence in the Middle East, proposed a population exchange and tried to persuade the Iraqi prime minister Nuri Sa'id to settle 100,000 Palestinian refugees in Iraq. The British Foreign Office wrote to its legations in the Middle East about an "arrangement whereby Iraqi Jews would move into Israel, received compensation for their property from the Israeli government, while the Arab refugees were installed with the property in Iraq." The British Foreign Office believed that "the Israeli government would find it hard to resist an opportunity of bringing a substantial number of Jews to Israel." In return, Sa'id demanded that half the Palestinian refugees he settled in Palestine and the rest in the Arab states. If the refugee arrangement were fair, he said, the Iraqi government would permit a voluntary move by Iraqi Jews to Palestine. Under the terms of the plan, an international committee was to assess the value of the property left behind by the Palestinian refugees who would be settled in Iraq, and they would receive restitution drawn from the property of the Iraqi Jews who would be sent to Palestine. Although Zionist circles at the time accepted transfer or population exchange as solutions to the conflict, the proposal did not generate an Israeli response.  

In September 1949, Shitrit again raised in the cabinet "the problem of the Jews in the Arab countries." He asked whether the foreign ministry had taken steps to assist them: "I would like to know if... it is possible to arrive at some agreement on a transfer [emphasis added] in terms of both property and people, and to take up the matter with the UN institutions and inform the world. ... They are our brothers, and it is our duty to rescue them." This question exasperated Foreign Minister Sharett, who retorted brusquely: "This is actually a query and not a subject being put forward for discussion. ... If Mr. Shitrit takes an interest in matters of immigration—he need not bother the cabinet with this—there is a special institution for it, and there they would inform him of the difficulties being encountered in getting the people here. ... They will explain to you why it is impossible to bring Jews from Iraq at this time." Sharett's response exposes two facets of the relationship between the state and its institutions. First, he tells Shitrit that there are other institutions, rather than the government, that deal with immigration. By delegating the responsibility to the Jewish Agency, which can deal with the immigrants without determining their status, the government blurs the boundaries between state and society. At the same time, Sharett says that the state property (that is, the foreign ministry) will deal with the matter if a peace treaty is achieved (in relation to negotiation between sovereign states).  

In this discussion, Sharett spoke for the first time about the Jewish property in the Arab countries. He cited the absence of a peace treaty with Iraq as the reason for his rejecting cooperation with the government in Baghdad: "To address at this time the question of transferring the property of the Jews to Israel—that would be naive. We are talking about an agreement, about establishing peace, and we are not judging—will we suddenly succeed in removing the question of the Jews from that framework and getting the Arab states to accept an agreement regarding the Jews who reside in those countries? I am not blessed with that kind of diplomatic skill! Such thinking is quixotic." For the sake of balance, Sharett pointed out that hundreds of families had arrived in Israel from Egypt and were being provided with housing by the government. It was apparently not by chance that Sharett linked these new arrivals with the Palestinian property in Israel: "I met one of these families that had already settled in one of the abandoned [Palestinian] villages—people who had come from Egypt just a day or two before." The discussion ended without the prime minister and foreign minister having to address Shitrit's question about a transfer. However, Sharett's linkage of Jewish property and Arab property was in time developed into a political practice of the government as well as of several Jewish organizations. It demonstrates that the practice of population exchange preceded explicit acknowledgment of it. The usage of Palestinian property for the partial housing of Arab Jews (although in very small numbers) shows that the state did not shy away from implementing this theory de facto.  

In October 1949, the world and Israeli press reported the Iraqi-British plan for a population exchange (for example, Davar, October 16, 1949). The publicity embarrassed the other Arab leaders and caused a stir in the Palestinian refugee camps. The British ambassador to Iraq informed the Foreign Office that Palestinian refugees would not agree to settle in Iraq. The Iraqi delegate to the United Nations also lost no time in denying that Iraq would take in 100,000 refugees; he claimed that Zionist sources were behind the reports. Even though internal documents show that the plan was known to various levels of the Israeli administration, Israel immediately rejected it. At a cabinet meeting, the ministers pressed the foreign minister and prime minister for information. Sharett replied: "What does
still seeking to reenter Israel. At this point, the concepts of population exchange and transfer (of Israeli Palestinians out of Israel) became associated, if not synonymous. Yet Israel kept its policy ambiguous despite these scattered, sometimes uncoordinated, efforts. In April 1958, following the enactment of the denationalization law, attempts were made on behalf of the State of Israel to extract the Jewish property in Iraq unilaterally. Ezra Dinur, an adviser to the foreign ministry, reported that the prime minister had asked him to trade the property of Israeli Palestinians listed as "present" and "non-absentees," who "will want to leave" because "they have not been able to adapt to the Jewish state," for the property of Iraqi Jews. Dinur wrote to the finance minister: "I have been asked by Messrs. Y. Palmon and Z. Lief, in the name of the Prime Minister and the Foreign Minister, to try to examine whether the possibility exists to exchange property of non-absentees [emphasis in the original] Israeli Arabs for property of Jews in Iraq. It was emphasized that the examination will be carried out with regard to Iraq and not the other Arab states, and that no attempt should be made to involve property of absentee Arabs in this matter." Dinur was a member of Ben-Gurion's transfer committee, which proposed to expel "present" Israeli Arabs. Ze'ev Lief, an adviser on land and borders in the prime minister's office and an ardent activist in the efforts to transfer Israel's Palestinians, had already moved to implement the proposal.

In late October 1949, the cabinet held a special meeting on the question of a population exchange, it was reported in the press, purportedly citing the spokesman of the Survey Group, that the Prime Minister of Iraq has allegedly made such an offer. We asked the Survey Group about the truth of this report. We received an official reply that in the course of a conversation Nurri Sa'id had 'thrown out' an idea along the lines of a possible exchange of Iraq's Jews for the Arab refugees. Agreeing to this would mean, in my opinion, our agreement to have the property of Iraq's Jews confiscated by the Iraqi Treasury in return for the Arab property we have confiscated here, and then we assume responsibility for compensating the Jews of Iraq on account of the Arabs' property, as against the Jews' property there. That would create a dangerous precedent with regard to Egypt and other countries. It could also be construed to mean that every Arab country undertakes to accept refugees only to the extent that it has Jews. [emphasis is mine]

Sharett's concern was over a possible future claim of compensation by Iraq's Jews, should the Israeli government agree to a transfer deal. The possibility of extricating the Iraqi Jews together with their property was lost in his accounting logic. "This would be a dangerous precedent vis-à-vis other countries. We will be confronted by tens of thousands of people who will arrive, naked and destitute, demanding that we give them property. This could entangle us in an inextricable impasse."

In the meantime, Moshe Sasson, vice-consul at the Israeli legation in Athens in the early 1950s, was busy working out a proposal for a population and property exchange involving Israeli Arabs and Libyan Jews. Sasson noted its importance as a "lesson" for the Palestinian refugees who were
exchange would create a "dangerous" precedent. In the government's estimate, there were three times as many Palestinian refugees as there were Jews in the Arab states, who totaled 200,000 Jews since the possibility of bringing the Maghrib Jews to Israel had not yet arisen. The Israeli government feared that a population exchange that rested on a numerical basis would obligate Israel to repatriate the "surplus refugees." Indeed, the United Nations' Moten plan called for the settlement of thousands of such "surplus" refugees in internationalized Jerusalem. This possibility, combined with information that Egypt refused to admit Palestinian refugees, deterred the Israeli government. The foreign ministry maintained that only if Iraq agreed to absorb 900,000 to 400,000 Palestinian refugees in return for the Israeli Jews could Israel contemplate accepting the transfer agreement. Thus, government officials were careful not to make explicit claims about population exchange and keep the state's position ambiguous.

Population Exchange and Property Exchange Juxtaposed

Even though Israel kept its position on population exchange vague, it formally adopted a property exchange theory. In March 1951, a year after Iraq's Jews had been given the opportunity to leave, about 105,000 Jews had registered to emigrate. However, only 35,000 had actually left. The rest, having renounced their citizenship, were waiting. On March 10, Prime Minister Sa'id submitted a bill to the parliament to impound and freeze the Jews' property. To prevent transactions from being carried out in the period between the bill's enactment into law and its implementation, the finance ministry shut down the country's banks for three days and the police sealed stores owned by Jews, confiscated their vehicles and other items, and searched the homes of merchants and jewelers. This law freezing Jewish assets relieved the Israeli government of the need to make a formal declaration of support for a population exchange; henceforth it could refer to any such exchange of property and people as a spontaneous occurrence. Sharett briefed the cabinet on the law and its implications: "The question that arises is what we can do. Approaches to England and France are possible, of course, but... they could say: You took the property of the Arabs who left Palestine and entrusted it to a custodian, they are doing the same." On March 19, Sharett apprized the Knesset of the government's reaction to Iraq's action. He officially and unequivocally fused the two accounts into a single equation:

The Government of Israel... views this episode of plunder in the spirit of the law as the continuation of the malicious regime of dispossession that has always prevailed in Iraq vis-a-vis defenseless and helpless minorities... By freezing the assets of tens of thousands of Jews who are immigrating to Israel—today stateless but citizens of Israel immediately upon their immigration—the Government of Iraq has opened an account between it and the Government of Israel. We already have an account with the Arab world, namely the account of the compensation that accrues to the Arabs who left the territory of Israel and abandoned their property... The act now committed by the Kingdom of Iraq... forces us to link the two accounts. We will take into account the value of the Jewish property that has been frozen in Iraq with respect to the compensation we have undertaken to pay the Arabs who abandoned property in Israel.

Now the foreign ministry was ready to inform the UN Conciliation Commission for Palestine (UNCCP) that the government was committed to contribute toward a resolution of the refugee problem, but added: "It will be unable to honor that commitment if in addition to its other commitments to absorb new immigrants it will find itself having to undertake the rehabilitation of 100,000 Iraqi Jews."

This was a crucial moment in the history of the population exchange theory. The State of Israel understood that the Arab Jews could serve as pawns in the demographic war if they could be linked to the Palestinian refugees in a formula of national accounting. Sharett's statement, which also seemed to hold out the promise of compensation for Iraqi Jews, was aimed at both the Iraqi Jews and the international community. It was necessary to send a message to the Iraqi Jews, as they had assailed the Zionist activists for doing nothing to salvage the community's property. The statement—whose implications Sharett would later disavow—had the intended effect of managing the concern of the Iraqi Jews, but also of generating high expectations among them. They were now convinced that they would receive restitution from the Israeli government for the property that they were leaving behind. Yitzhak Raphael, head of the Jewish Agency's aliyah department, who was also a recipient of the cable, noted with satisfaction in his diary that Sharett's statement had mitigated the sense of discrimination among the Iraqi Jews.

At the same time, the foreign ministry's Shamay Kahane cautioned Sharett that "we have to take into account that the registration of claims may generate illusions among the new immigrants, and they are likely to demand that the Government of Israel pay them compensation from the funds of the [Arabs'] abandoned property." The foreign ministry sent an internal memorandum to the director general of the prime minister's office explaining that the registration of property claims had the sole purpose of creating a bargaining chip on the Palestinian issue. The memorandum added that it was crucial to uphold the principle of group compensation and not individual payments, which many refugees demanded. "We will not, then," the document noted, "be able to take the opposite approach with the Iraqi Jewish immigrants without opening the gates to a flood of private claims from tens of thousands of Arab refugees who once owned any property in the Land of Israel."

In short, the foreign ministry's proposal—which was put into practice—was to make the Iraqi immigrants hostage of the Israeli government. The Palestinians' aban-
doned property remained in the hands of the state's custodian general, while Iraq's freeze of Jewish property was invoked as an excuse to justify the confiscation of Palestinian assets.

As noted, Sharett's Knesset statement was also intended as a message to the great powers. Although he had previously opposed the exchange option, the frozen property in Iraq afforded him a golden opportunity to look the skeleton of the Palestinians' rights into a closet. Even though Sharett knew that plundered Palestinian property was vastly more valuable than Jewish property in Iraq, he allowed the foreign ministry to "release" exaggerated appraisals of the respective worth of the two accounts. In a cable to the Israeli legation in Paris, Walter Eytan noted: "The mutual release of frozen deposits should include Iraq. . . . The value of the frozen deposits of Arabs in Israel is estimated at five and a half million pounds, whereas the value of the frozen deposits of the Jews in Iraq is at least twenty million and perhaps even thirty to forty million."44

On March 27, 1951, when Sharett met with U.S. undersecretary of state George McGhee, he reassured the government's promise and intimated that German reparations to Israel could facilitate that. On May 1, 1951, the United States announced that, if the Israeli government took positive action to accelerate the transfer of Palestinians' frozen property, it could approach Baghdad with a similar request.45 In its reply, Iraq rejected the comparison but reiterated its readiness to pay restitution for the "abandoned property" as part of a peace agreement.46 Britain, too, maintained that the Israeli government's impounding of Jewish property was not an original idea: Israel had set the precedent. No attempt to effect a settlement would be useful, the British believed, unless Israel either unfroze the refugees' property or paid compensation.47

The Israeli government's creation of the linked property account was a singular act—something of a historic milestone—that converted a zero-sum equation between the Arab Jews and the Palestinian refugees. The political theory that underlay this equation rested on the robbery of the Palestinian property and on the nationalization of Jewish Iraqi property. The Israeli government "appropriated" the property of all Iraqi Jews in order to utilize it—rhetorically, symbolically, and judicially—as state property. Filing in the state archive containing the foreign ministry's correspondence on this property bear the telltale heading "Protection of Israeli Property."48

Sharett's declaration that the question of Jewish property would be taken into account in the future was put to an empirical test four times: in 1951, the mid-1950s, the 1970s during negotiations with Egypt, and the 1990s Oslo era. In 1951, a government commission began to document Jewish property in Iraq. Archival documents show that the commission was not created out of concern for that property; its report was intended to buffer the Israeli government in the face of future claims for compensation result-
between the establishment of WOJAC and activities of the Palestine Liberation Organization (PLO). As Dr. Jacques Barnes stated: "We are the Jewish answer to the PLO... to the right of return... [T]hat is why we exist." This was the root of President Clinton's statement in Camp David in July 2000.

The idea of defining Arab Jews as refugees was a major objective of WOJAC. Ostensibly, the description of the Arab Jews as refugees was not unreasonable in light of the fact that the term "refugee" became a central concept in historical and sociological discourse and in international law after World War II and was dominant in the Jewish world following the Holocaust. Thus, UN Security Council Resolution 242 of November 1967 referred to "a just settlement of the refugee problem" in the Middle East, although in the 1970s the Arab states sought explicit mention of "Arab refugees in the Middle East." Under Israeli pressure, a working paper drawn up by U.S. Secretary of State Cyrus Vance in 1977, ahead of the proposed Geneva conference, stated that a solution would be found for the "refugee problem" without specifying which refugees. However, WOJAC ultimately failed in its attempt to win acceptance of the term "Jewish refugees."

WOJAC mobilized some Israeli politicians to endorse this concept, notably Labor Party Shimon Peres, who wrote in 1983:

Even in 1948—in the midst of the War of Independence—we asked the Arabs living in the country not to leave, and not to pay heed to the incitement by the Mufti of Jerusalem... to flee for fear of the terrible Jews. These suffering people... could easily have been accommodated in their countries of residence—and not perpetuate their misery. Another aspect of the refugee problem in the Middle East is the Jewish aspect. The State of Israel saw it as its sacred, supreme duty to bring all the Jews of the Arab countries to Israel, and to allow them to share in building the land, in founding a dynamic and creative society, and in forming a new Jewish-Israeli man. To a great extent, we can see these two processes—the transfer of Arab residents from Israel to the Arab countries, and the ingathering of Arab Jews in Israel—as an informal population exchange.

It should be noticed that Peres's letter displays the contradictions endemic to the population exchange theory. Whereas he depicts the uprooting of the Palestinian refugees as a voluntary act, he is careful not to go so far as to argue that the Arab Jews were expelled from Arab countries. However, WOJAC's refugee exchange theory presupposed implicitly and explicitly that Arab Jews became refugees from their countries of origin. This was most radically presented by Yehoshua Blum, a justice ministry official and one of WOJAC's most articulate spokesmen. Blum took the unequivocal position not only that the model of Jewish-Muslim relations was distinctly antagonistic but that the Jews were expelled from the Arab countries. Blum took issue with the Zionist saga, which, he contended, was not subjected to a critical assessment until the removal of the Labor Party from power in 1977. That saga, he argued, gave rise to romantic labels such as Operation Magic Carpet and Operation Ezra and Nehemia, which underscored the positive aspect of Zionist immigration to Israel and overshadowed the fact that the Jews emigrated because of "an Arab policy of expulsion." Refuge status produced by a coordinated Arab expulsion diminished the importance of Zionist activity to remove the Jews from the Arab countries. Even the more moderate position, holding that the Jews in those countries were caught up in turbulent events and became refugees because of historical circumstances, contests the classic Zionist account by all but eliminating the role attributed to Zionist consciousness as a reason for Jews to move to Israel. For example, Moshe Sason, a Damascus-born foreign ministry official, said he wanted to set the record straight: "The fact is, and it must be stated, and stated frankly and simply, that the struggle between the Jewish national movement and the Arab national movement was a central factor that left its mark and influenced the relations of the regime or the Arab movement in one country or another toward the Jews... It was the conflict that was influential."

Meron's thesis also shed a problematic light on reports by Zionist activists in Arab countries and on the tremendous difficulty they encountered in their efforts to bring the Jews to Israel. Shlomo Hillel, for example, described the difficulties he and his colleagues faced in trying to remove the Jews from Iraq via illegal immigration in 1950. So does Yosef Meir, who writes about the distress of the Iraqi government at the movement of Jews to Iran and about its attempts to prevent the process. Likewise, Hillel and Ben-Porter describe their attempts to persuade Sa'ad and Suweidi to let them remove the country's Jews and take them to Israel. Some writers place (with exaggeration) the onset of Zionist activity in the Arab countries in the 1920s, long before Jewish-Muslim relations begin to be described as antagonistic. The genre of Zionist underground literature emphasized the elements of escape, of Jews being smuggled out, and of mystery—they did not hint at the possibility of expulsion.

Indeed, the expulsion-refugee thesis within WOJAC generated strong sentiments and reactions. In a discussion about what to name the new organization, Ben-Porter, then a deputy speaker of the Knesset, pondered: "The question here... [is] whether to introduce the word refugees, Jewish refugees, or not... There is some sensitivity here in Israel, as to why we call ourselves refugees. There is a second approach that says—it is not only an approach, it is the truth—we all arrived here as refugees [and] afterward we rehabilitated ourselves and became citizens of Israel." Ben-Porter admitted that the foreign ministry was not pleased with his references to Jewish refugees in the Middle East: "I will not say that I met with any great enthusiasm from the foreign ministry or from the government concerning the proposal. Their reply was: it is a two-edged sword." Ben-Porter outlined the dilemma in his search for a compromise formula:
We must not say that the Jews immigrated to Israel only on account of the suppression... But on the other hand we must also not say that it was only on account of the yearning for Israel... Both of those elements played a part in their immigration to Israel. We must ground it historically... that the Jews arrived in Israel as refugees... and went through the agonies of absorption... We want to ground it in documentation, how the Jews who arrived in Israel, how they lived in transit camps, but... in order to prove that it was not only the Arab refugees who lived in camps... that our Jews (also) suffered greatly.

Elsewhere Ben Porat pursues this line of confusion:

We want to be emissaries for the State of Israel, for Israel’s policy. That is our goal and that is where we have to direct our activity... to tell ourselves and the whole world that a movement of populations occurred here, or that it led to an exchange of populations, and not voluntarily or because of propaganda. Let us say, not because of Zionist propaganda... We have to find the right balance in this argument, between leaving due to distress and leaving due to yearning, and to find the right formula, because you have to take into account the ears of the Gentiles... So that obliges us to emphasize precisely the aspect of distress... The major dissenter from WOJAC’s refugee argument was the Tunisia-born Knesset member Mathilda Gez: “There are another twelve million Jews dispersed in the diaspora. If we appear as refugees, how can we go before them and talk about immigration based on the Zionist idea... Do I have to deny my Zionism today because of my rights to Tunisia? Absolutely not... So I do not want us to blur the issue.” Gez, then, declined to discard the Zionist, pan-Jewish interest and viewed the Jewish Diaspora through a proto-Zionist lens, that is, as potentially Zionist until the anticipated immigration to Israel. Yehuda Nini, professor of Jewish history, further stated: “I urge caution... The problem is very delicate, very complicated... I do not think that the question of an organization of Jews from Arab countries should be linked... to the matter of Palestinian refugees... We did not create the problem of the Palestinian refugees.” A lively discussion ensued, focusing on the dichotomy between their own definition as refugees and Zionist yearning, which provided a narrow conceptual space regarding the possibilities for getting to Israel. Ben-Porat contested the notion that Arab Jews were “proto-Zionists”: “No one will persuade me... that if I had given them the choice of coming with a proper passport, [and coming] whenever [they] wanted with their property, that 120,000 would have come from Iraq or that all the Jews of Egypt would have come... The persecutions played a part here. They definitely expanded the matter... and gave rise to the question of the yearning.”

But Shimon Avizemor argued: “We know that there was no Zionist movement in these countries. There was Zionism, there was Judaism, there was ideology, but there was no movement, no organization, no framework... as there was in Europe... The persecutions were a catalyst, a catalyzing force for the love, the Zionism, the Judaism that burned in them all the time... They came to the Land of Israel because no other country accepted them.”

Opposition to the definition of Arab Jews as refugees intensified. Shlomo Hillel, who was active in the Zionist underground in Iraq and was the architect of the mass escape known as Operation Meikelberg, said years later: “I do not regard the exodus of Jews from Arab countries as refugees. I do not accept that. The Jews in the Arab countries came because they wanted to come.” Similarly, Meretz’s Ran Cohen declared emotionally in the Knesset on July 29, 1987:

I proclaim: I am not a refugee. I did not come to this country as a refugee. I stole across borders. I underwent a great deal of torment. So did my family. So did my friends. And I have no need for anyone to define the Jews of the East as refugees, as Jews. For some reason, that definition is applied only to Eastern Jews... Can anyone say that we, the Jews from the Arab lands, came here only for negative reasons, and that the force of Zionism, the power of attraction of this land and the idea of redemption played no part among us? Why? Only because we have to be portrayed as wretched, so that this wretchedness will also be synonymous with what we lived through there and what we are living through today.”

Professor Shlomo Ben-Ami, foreign minister in Ehud Barak’s government during the second Camp David meeting, speaking at a national conference of WOJAC, was unsparring in his description of the dilemma: “From the advent of Zionism, the Jews from Arab countries have been struggling for their place in the Zionist dream. As part of that struggle for a place in the Zionist dream, they contend that Zionism was not invented by the Jews of Central and Eastern Europe. If that is the case... there is a yearning of the Jews from the Arab lands since ancient times to leave those countries and come to the Land of Zion and Jerusalem to build a homeland.” Ben-Ami concluded: “Those who dream of going up to Israel since the days of the Babylonian Talmud have no case” to claim that they are refugees. The refugee issue discourse also generated reactions from the Palestinian and Arab world. A report compiled by the Research Division of Military Intelligence that was sent to WOJAC in June 1975 forecast (partially accurately) that at the forthcoming Arab summit meeting, the PLO would submit a proposal to allow Jews from Arab states to return to their home countries. The report stated: “There are many expressions of commiseration and solidarity with the [Arab] Jews. The accepted Arab viewpoint sees the Jews from Arab countries who are living in Israel as a population that suffers discrimination because of its Eastern origins and lives in harsh economic conditions. This, according to the Arabs, demonstrates concretely that Israel is racist not only outwardly but inwardly as well.” In January 1978, Radio Baghdad, in a Hebrew language broadcast, called on all Jews of Iraqi origin “to return home,” promising that they could live as citizens...
with equal rights in Iraq. The broadcast claimed that people of Iraqi origin suffered discrimination in Israel at the hands of the Ashkenazim and that this injustice would be rectified when they returned to Iraq. With these comments, Radio Baghdad broke the Zionist taboo and smoothly reflected on the contradiction in defining the Arab Jews as refugees.

Thus, even though WOJAC set out to bolster the Zionist position and assist Israel's battle against Palestinian nationalism, it accomplished the opposite by rendering the Zionist position fragile and fluid; challenging Israel's official historiography regarding the arrival of the Arab Jews to Israel; and keeping the Palestinian refugee problem on the negotiating table. The Israeli foreign office was fearful of a chain reaction in which Jews would take legal action against Arab countries and that in return would encourage Palestinians to file suits against the Israeli government for lost property. Furthermore, WOJAC's explicit discussion of the refugees (by invoking the population exchange theory) negated the government policy of maintaining ambiguity.

Thus, despite the seemingly productive dowry that WOJAC offered the State of Israel, the foreign ministry reacted with great dismay. Officials warned against a public endorsement of the theory. However, WOJAC ignored the ministry's demands even when their statement prompted Farouk Kaddoumi, head of the PLO's political department, to send greetings to WOJAC urging Arab Jews to return to their countries of origin. The foreign ministry's worst fears were thus realized, and it immediately reprimanded the WOJAC executive. An official, Max Varone, even reprimanded WOJAC in public for acting as "a separate entity parallel to the PLO." The foreign ministry, he concluded, would not permit WOJAC "to become a state within a state." This statement attests again to the practice of the state vis-à-vis its institutions. At first, the foreign ministry contracts out a certain "propaganda activity" to WOJAC precisely in order to blur the boundaries of the state, but when the state believes that it is losing control, it reasserts the power of the state. Indeed, WOJAC closed down in 1999 when the state discontinued its financial support.

**Conclusion**

The state of Israel, like any other state, is a conglomerate of entities, institutions, and decision makers who make political action multiple, contradictory, and often nebulous. In this particular case, the state was composed—in addition to the government—of two "outsourcing" organizations: the Jewish Agency and the World Organization of Jews from Arab Countries. The two quasi-governmental organizations enabled the government to blur its practices but at the same time made them explicit and unequivocal. This was more than the foreign ministry bargained for. In order to assert its sovereignty and mask its (often unintended) policies, the government had to reappropriate its control and redraw the boundaries between "inself" and those institutions. More concretely, the government, which kept its own policy vague, was threatened by WOJAC's explicit formulation and decided to end its support of the organization.

Despite the tension between WOJAC and the government, there was one a priori political strategy that was fairly consistent. This was the government's nondecision to maintain an ambiguous policy regarding the exchange of population, which I labeled "constructed ambiguity." The population exchange theory emerged out of political practice rather than the other way around. At the end of the 1948 war, the government faced international pressure to take back Palestinian refugees and compensate them for the property confiscated by the general custodian of Israel. From 1948 to 1950, Ben-Gurion and Sharett kept the official position rather vague. Constructed ambiguity kept all options open. It could be applied, and it could be denied, as opportunities rose. Only with the immigration of the Arab Jews to Israel were more vehement voices about transfer or exchange heard. Even with the establishment of WOJAC, government officials hesitated to talk about a population exchange, as opposed to a property exchange. They also worried about using the term "refugees" for Jewish immigrants from Arab countries. And they ultimately discontinued funding to WOJAC in order to reassert the state's control and reappropriate political action.

In the early 2000s, we have witnessed renewed efforts to define the Arab Jews as refugees. Bobby Brown, Diaspora affairs adviser to Prime Minister Barak, engineered this policy, along with such Jewish organizations as the World Jewish Congress and the World Federation of Sephardic Jews. Nonetheless, their organization, called Justice for Jews from Arab Countries, did not gain broad support. Israeli politicians understand that this argument is a double-edged sword and causes more risks to Israel than positive outcomes, although Jewish organizations have not yet internalized this lesson.

The Palestinian claim for the right of return is serious and, whatever its outcome, should not be brushed away. The definition of the Arab Jews as refugees and the discursive use of population exchange is a manipulative technique to avoid direct and courageous talks on the right of return. It is a strategy to abdicate moral and political responsibility. The reasons and motivations by which the Arab Jews immigrated to Israel are diverse. Some were coerced by the conditions in Arab countries and as a result of Zionism and Arab nationalism. Some came voluntarily and intentionally. Others were brought against their own will by the Zionist movement and Jewish organizations. Whatever the motivation, it should not be equated with the Palestinian inhabitants of Palestine prior to 1948. The linkage between those populations and their properties is a manipulative practice of the state and should be abandoned from the political discourse. As Jan Abu Shakrah argued, the (legitimate) Jewish claims for compensation for prop-
ity loss do not arise from the same occurrence as Palestinian refugee claims. Jewish losses were not at the hands of Palestinian refugees nor did Arab Jews cause Palestinian dispossession, although they benefited from it. 70

It is time that Israel adopts some version of a truth-and-reconciliation commission that will face its past and admit its own wrongdoings. I believe that this is an essential element of any agreement with the Palestinians. The depiction of Arab Jews as refugees, as Clinton did in Camp David, is an obstacle to the peace process.

Notes

1. I thank Gil Eyal, Adriana Kemp, Shoham Melamed, and Yossi Yehez for useful comments on an earlier draft of this chapter.


3. Shulamit Carmi and Henry Rosenfeld, “When Most Israeli Cabinet Members Have Decided Not to Block the Option of Return of Palestinian Refugees” (Hebrew), Medinas ve Hevas 2 (2002).


5. I received the relevant documents from Bracha Eshel, who found them in the Lavan Institute in an old file that had been catalogued under the heading “Hol- land, individuals.” Yehouda Shenhav, The Arab Jews: Nationalism, Religion, and Ethnicity (Hebrew) (Tel Aviv: Am Oved, 2003).


7. Ibid., 211.


11. Tzartouni, “Diplomatic Background.”


13. Ibid.


15. Minutes of cabinet meeting, 35, September 6, 1949.

16. Ibid.


19. For example, a document from R. Gordon, director of the Foreign Ministry’s International Institutions Division, to the ministry’s director-general states that the chairman of the Survey Group “reaffirmed to me that the Prime Minister of Iraq indeed said this” (Foreign Ministry 2384/4 from November 17, 1949).


23. Tzartouni, “Diplomatic Background.”


25. Ibid.


27. Foreign Ministry 2387/4, June 20, 1950.


29. In 1950, for example, Lief proposed moving the residents of the large village of Kana in Wadi Ara across the border and compensating them for their property. Such ideas were not an isolated phenomenon (Benziman and Mansour, Subsidents).


31. Benziman and Mansour, Subsidents.


33. See an article in this spirit in the Labor movement daily Davar, October 17, 1949: “Is There Any Substance to the Iraqi Proposal?”

34. See, for example, Yisrael Aharon, October 28, 1949. Only after the arrival in Israel of the Maghreb Jews did the number of Jews from Arab countries in Israel match the number of Palestinian refugees. Speaking to the 32nd UN General Assembly on October 17, 1977, Foreign Ministry Moshe Dayan put the number of
Arab refugees at 500,000 and the number of Jewish “refugees” at 600,000, including the North African Jews.

35. Morton (British Foreign Office) was the deputy chairman of the UN Economic Survey Mission, headed by Gordon Clapp. The Israeli press perceived Morton’s proposal for the refugees’ resettlement as a “trivial balloon of the Foreign Office” (Haaretz, October 19, 1949).

36. Memorandum of the director of the International Institutions Division (Foreign Ministry 2384/4, November 17, 1949).


41. (150) 2387/4, March 21, 1951.

42. (150) 2387/4, April 2, 1951.

43. (150) 1965, October 16, 1951.

44. Foreign Ministry. Document 388, 648 (September 16 1951). The foreign office knew that the value of the Palestinian property was much larger than Jewish property in Iraq (Shenhar, “Jews of Iraq”); idem, Arab Jews).


51. Gat, Jewish Community in Crisis, 221.


53. Shenhar, Arab Jews.

54. Shenhar, “Ethnicity and National Memory.”

55. The organization’s executive formulated three major political assertions, all of which were intended to offset the main three claims of the Palestinian national movement: (1) that of the historical nature of a Jewish national and religious presence in the Middle East (known as the primordiality thesis; Shenhar, “Ethnicity and National Memory”); (2) that the Middle East had witnessed a de facto mutual population exchange of Arab refugees and Jewish refugees (the population exchange thesis); and (3) that the property of these Arabs and Jews could be counterbalanced due to the population exchange (the property exchange thesis). These three theses gained additional attention after the peace treaty with Egypt and the resurgence of the debate regarding the Palestinian refugees in the 1990s.

56. Shenhar, “Ethnicity and National Memory.”


58. Shulewitz, The Forgotten Millions, appendix.


60. Meron criticized the Labor Zionists’ hegemonic position, which blocked Revisionist arguments. The result, he maintains, was that Israel’s political stand vis-à-vis the Arab world was weakened; only Menachem Begin’s election in 1977 enabled the overthrow of that division of memory.


67. Afterward, as a cabinet minister in the Begin government, Ben-Porat chaired the ministerial committee to resolve the problem of the refugees (by settling them in populated locales). That committee replaced the term “refugee camps” with the term “temples of distress” (minutes of WOJAC’s Content Committee, June 22, 1963).


69. June 8, 1975; Shenhar, Arab Jews, 180.

70. Shenhar, Arab Jews, 180.

71. Ibid.

72. Conference at Tel Aviv University, June 6, 1968.

73. Shenhar, Arab Jews, 182.

74. Tel Aviv, December 16, 1993; Shenhar, Arab Jews, 183.

75. Intelligence Branch/Research 660/0350, June 1, 1979; Shenhar, Arab Jews, 184.

76. January 29, 1979; Shenhar, Arab Jews, 184.

77. Shenhar, Arab Jews, 202.