

[REDACTED]
Whittier, California 90603

001927 NS 191

October 29, 1991

Brian Lamb
C-Span
400 North Capitol N.W. #650
Washington, D.C. 20001

Dear Mr. Lamb,

Your interview show last night with Seth Lipsky and Joseph Sobran left me with very mixed emotions.

It was embarrassing to listen to some of Mr. Lipsky's remarks because he was either lying or ignorant. It seems that supporters and apologists for Israel, often forced to lie, are more and more uncomfortable with their roles. Some of them seem unable to admit even to themselves what the realities are in Israel and the occupied territories. They resort to the same old devices over and over again but one has the feeling that even they are not convinced. Some even use what I call the "Can I get away with this again?" expression.

It was also frustrating because some listeners will probably believe the lies and they will only reinforce their own false beliefs and assumptions. This to me is sad.

I could sympathize with Mr. Sobran as he discussed the labeling of him as anti-Semitic. It seems that anyone who criticizes Israel for anything is labeled anti-Semitic or called a self-hating Jew. Tortures, massacres, the use of napalm or cluster bombs, Pollard, the closing of Palestinian schools, the brutal policies of Sharon, the terrorist past of Shamir, Begin and other Israeli leaders, the incarceration of thousands without fair trials, the night raids by masked Israelis pretending to be Palestinians and all the other questionable activities by some Israelis are not to be mentioned for the risks are too great. It takes courage to speak truths when some people are more comfortable with lies, with ignorance, with delusions, with denials.

My emotions included guilt, shame, anger, irritation, disbelief, disgust, others. Out-and-out lies I believe should have been challenged and the truths revealed. The issues involved are too important, the suffering too great and the future too perilous for lies to be allowed in discussions being listened to by millions of people.

Enclosed are a few items that I hope you will find helpful.

Sincerely
[REDACTED]

NEWS ANALYSIS

Israeli Economic Woes Cast Doubt on Wisdom of Underwriting Loans

■ **Settlements:** If funds were put to poor use, the program could cost U.S. taxpayers hundreds of millions, experts say.

By DANIEL WILLIAMS
TIMES STAFF WRITER

JERUSALEM—For the past month, the debate over Israel's request for new foreign help to absorb tens of thousands of Soviet immigrants focused chiefly on the heated political issues: whether Israel will get the money and still continue to colonize the West Bank and Gaza Strip, or whether President Bush, leaning on vast financial leverage, can stop the settlement campaign.

Hovering in the background, however, are basic questions of economics. A blight of helter-skelter projects meant to house and employ Soviet immigrants during the past two years is giving rise to doubts about the wisdom of granting new aid. Will the money be used to back sound policies of long-term growth or merely to bail out an undisciplined administration and keep an ailing economy afloat?

Israel wants Washington to underwrite \$10 billion in loans, in effect picking up fees and setting aside funds that will make it cheap for Israel to borrow the vast amount of money on the international market.

Put to poor use, the program could cost U.S. taxpayers hundreds of millions of dollars down the road, experts say. Past Israeli economic problems have induced Washington to make grants out of aid that began as loans, with Americans picking up the bill.

Currently, Israel's landscape is dotted with new projects to integrate tens of thousands of Soviet Jews who have come here. Tens of thousands more immigrants are expected in the next three years. Signs of inflation and growing unemployment are also cause for worry about the state of Israel's economy.

In the immigration absorption program, as it is called here, folly is sometimes the most visible result. Thousands of mobile homes in

Beersheba, the main city in Israel's arid south, stand empty because immigrants don't want to move into the distant quarters for fear they will be stuck there.

Nearby, in the remote and underdeveloped outpost of Arad, new prefabricated houses are awaiting unwilling immigrants. Local officials fear that immigrants, who come may not stay. "There are just no jobs for them," said Town Hall spokesman Ranaan Peltz.

On television recently, government ministers helped celebrate the inauguration of a new hotel in the West Bank settlement of Ariel, and the mayor announced construction of 1,500 housing units. On hills all around, right-wing settlements are dotted with empty trailers, and square, quick-built cottages are waiting for Israelis to be squeezed out of established cities by crowding and high prices.

By way of contrast, the mayor of Haifa, a favored destination of Soviet immigrants, complained that no housing is being built, and he has refused to provide water and electricity hookups for an emergency shipment of mobile homes, arguing that they would create an instant slum.

About half of the new immigrants have settled in Tel Aviv and its suburbs, but only a fifth of Israel's new housing is under construction there.

Behind the imbalances, economic and political observers say, is the strict ideological bent of the government of Prime Minister Yitzhak Shamir and of his housing minister, Ariel Sharon. When the government began its drive to house the immigrants, plans were laid down to ensure Jewish demographic dominance of the "whole land of Israel," as the right-wing lexicon puts it. Never mind that the immigrants preferred Tel Aviv and Haifa to remote regions.

"Sharon's construction drive... has become a plaything of his megalomania and his vision of eternal war against the Arabs," wrote economics columnist Ariel Caspi in the Jerusalem Report magazine.

"He decided for the immigrants where they should live," Caspi went on. "Sharon decided to send people from Leningrad and Moscow to the far ends of the country. Most of them want to live in the

center of the country; the billions invested in building elsewhere will go down the tube."

Aryeh Gurel, the mayor of Haifa, complained flatly that "Mr. Sharon has not yet started to build any single house in Haifa. He didn't start a single one."

The unwillingness of immigrants to follow Sharon's blueprint has resulted in soaring rents and house prices, which in turn feed the highest rate of inflation since the chaotic early 1980s. For the last two months, prices rose at an annual rate of 4%, double the rate for the previous 12 months.

At the same time, the lack of an employment plan for the new arrivals has left jobless rates at above 10%. The economy, growing at 6% a year, is not keeping pace with the increase in population; economists had been forecasting a 10% boost.

Beyond the particular goals of Shamir and Sharon lies the problem of economic reform, economists in and out of government say. While governments ranging from Mongolia to Poland are moving toward free-market economies, Israel is taking only reluctant steps to liberalize.

High tariffs continue to block many imports, investment efforts get wrapped in a tangle of red tape, a monopoly trade union movement mandates wages across the labor market and the government continues to own many industries and subsidize others, keeping even the most inefficient ones afloat.

Some economists blame two decades of American aid, always at the ready, for having postponed a day of reckoning. Moshe Syrquin, a professor of economics at Bar-Ilan University, said increased U.S. aid has begun to "do more harm than good" for Israel's economy.

"Massive aid may well be needed for immigration," he concluded in an interview. "But it could also permit continued inefficiencies and delayed reforms. Then more aid will be needed."

In Washington, a report by the Export-Import Bank said that "more borrowing by Israel means a 'higher probability' of default down the road, even if new credits and gifts are figured in."

"The expected buildup of external debts gives rise to concerns

Please see LOANS, A7

★ MONDAY, OCTOBER 14, 1991 A7

LOANS: Risk Seen for U.S.

Continued from A6

about Israel's ability to meet its future debt-service obligations on a timely basis," said the report.

"Israel has shown a pattern of large fiscal and external deficits to finance high defense expenditures, an extensive social welfare system and a relatively high standard of living," the analysis continued.

"The experience of the past two decades indicates the government has put off free-market reforms and has been willing to adopt emergency economic measures only when confronted with a crisis."

Government officials argue that such a pattern will not repeat itself, as long as reform goes into effect right away. "There is no better time for reform," said Jacob Frenkel, the new governor of the Bank of Israel, the central bank.

Frenkel described his goal as ensuring progress on three economic fronts: control of inflation, liberalizing trade and accelerated privatization.

The government should avoid make-work projects to increase employment, said Frenkel, who before taking the bank job was chief economist for the International Monetary Fund. He warned that political pressures—elections are scheduled for next year—could tempt politicians to take shortcuts that in the long run will prove costly.

Inflation is higher than he would

like, Frenkel admitted, but it is not out of control. "I view inflation seriously and intend to stop it before there are problems."

Growth is lagging, Frenkel advised, and the answer is in "dramatic steps to privatize." The government provides jobs for 39% of the labor force and has "dragged its feet" in selling them off, he added. Frenkel predicted that the Shamir government will take major steps to sell off state-owned enterprises in the coming months.

The aggressive spending by Housing Minister Sharon has caught Frenkel's attention, but he believes that it has been remedied by a sharp slice from the housing budget. He cautioned however, that closer oversight is needed to ensure that neither Sharon nor any other minister overspends and presents the government with a fait accompli.

Frenkel emphasized the importance of the loan guarantees not only for getting \$10 billion at low rates but also in giving international bankers and other governments confidence to grant Israel another \$15 billion it may need to borrow in order to finally settle the Soviet Jews.

Frenkel shied away from the political question of whether a settlement freeze should be imposed in order to get the loan guarantees.

He also dismisses defiant comments by Israeli politicians to the effect that Israel itself can finance projects for absorption without outside help.

"This is nonsense," he said.

Israel's Fateful Hour

**YEHOSHAFAT
HARKABI**

Translated by Lenn Schramm



HARPER & ROW, PUBLISHERS, New York
Cambridge, Philadelphia, San Francisco, London

1817

Mexico City, São Paulo, Singapore, Tokyo

as justification of anti-Israelism, is likely to be transformed into an empirical proof of the validity of anti-Semitism. This is a general repetition of the Arab transition from anti-Israelism to anti-Semitism, which is presented as empirically justified. For this reason discrimination against Christians living in Israel threatens not only Israel but Jews throughout the world. These actions weaken the Jews' ability to defend themselves against anti-Semitism. It would be a tragic irony if the Jewish state, which was intended to solve the problem of anti-Semitism, was to become a factor in the rise of anti-Semitism. Israelis must be aware that the price of their misconduct is paid not only by them but also by Jews throughout the world. In the struggle against anti-Semitism, the front line begins in Israel.

Furthermore, Israel's standing in the world will have a great influence on Jewish immigration. In the not too distant past, Jews frequently chose to make their homes in Israel more because their milieu rejected them than because of the attraction of Zion. In the future, if there is no radical change in the situation in their countries of residence, Jews will choose to come and live in Israel only to the extent that Israel attracts them. Many Jews have an emotional identification with Israel, but this is not strong enough to overcome the interests that promote their remaining in their own countries. Sentiment and interests clash. The less the emotional identification with Israel, the easier it will be for self-interest to keep them in the Diaspora. Moreover, the less Jewish and more Arabic, in terms of population, Israel becomes, the less likely are Diaspora Jews to identify with and emigrate to Israel.

There will always be pockets of ultra-Orthodoxy outside Israel for whom the state is at best irrelevant. The birth rate of this group is high, but it is doubtful whether they can ever become a large and significant community. The modern world is gnawing away at them too, and there is no guarantee that the current "return to Judaism" movement can offset the number leaving the fold. The difficulties of intermarriage between the Orthodox and other Jews will increase the former's introversion and isolation. Another problem whose full destructive impact has yet to be grasped is that a large proportion of the Jewish people are becoming "nominal" Jews who cannot marry within the faith because of halakhic problems concerning the religious validity of their parents' marriages. This rejection is apt to drive such Jews to discard their Jewishness altogether. The danger of a devastating decrease looms over the Jewish people, and if the rabbis do not find a path of compromise they

will have to bear the responsibility for part of it. If this is the price for the survival of the Orthodox minority, it is too high.

The hope that the entire Jewish people would respond to the call of Zionism and immigrate to Israel has been disappointed. Zionists have a tendency to claim that Jews in the Diaspora are living precariously because of the lurking menace of their gentile environment. But the real problem today is their survival as *Jews*; the problem is not to preserve their lives but to preserve their Jewish identity. The question cannot be avoided: what makes the contemporary Jew a Jew? What is the content of his Jewishness? Today many Jews are Jews because of no more compelling reason than that they were born to Jewish parents. There is no guarantee that their children and grandchildren will even feel this way.

Many Israeli Jews are not Jewish by religious belief; but their Jewish identity is guaranteed, even though its content may have changed, by the fact that they are living in a Jewish state where Jewishness has become the national mark of identity. In Israel the problem is not protecting Jews against assimilation, but rather preventing their Jewishness from being impoverished and safeguarding that religious extremism will not take over.

Rejection of the Diaspora is an essential part of Zionism—indeed, its justification. Nevertheless, the idea has slowly gathered force that this is impractical; most Jews will continue to live in the Diaspora. The very use of the term *Diaspora* rather than *Exile* is at least implicit recognition that it is not a temporary residence in an inferior domicile.

The relationship between Israelis and the Diaspora remains an open question. Israel can demand recognition of its centrality or primacy, but it will not sustain this recognition merely by virtue of its own declarations. Such centrality was achieved not by the fact of its existence but by its achievements. Israel's reputation is not as high in various areas of economic, social, and intellectual achievement as it was only a decade ago.

America, indeed, is becoming a second center of Judaism and of modern Jewish culture. This can help American Jews preserve their identity; for their relationship to Israel, a major source of group loyalty and pride, has become more problematic. Israel must see to it that the relationship evolving with the Diaspora is mutually supportive. Israel will gain nothing by rejecting the Diaspora. It may even be that positive innovations in Judaism and the resuscitation of halakha will take place more easily in the United States than in Israel.

THE PALESTINIAN UPRISING—
ISRAEL'S THIRD FRONT

I NTIFADA

ZE'EV SCHIFF

&

EHUD YA'ARI

EDITED AND TRANSLATED BY INA FRIEDMAN

SIMON AND SCHUSTER
NEW YORK • LONDON • TORONTO
SYDNEY • TOKYO

ment, and under continued pressure from the Military Government, further radicalization of the population in the territories was inevitable. "The time will come," read the minutes of one of these staff meetings, "when they'll be fed up with stones . . . and to keep from losing ground they'll have to move on to the use of rifles."

On the Israeli side, the chronology and pace of developments differed, but the general sway of the mood was dismayingly similar. It cannot be said that any palpable difference could be felt in Israel on November 15, 1988, the day that it awoke to the news of the Palestinian declaration of independence. Yet it was equally true that the country had been in the throes of a change since the start of the uprising over eleven months earlier. The *intifada* had sent a sharp jolt through Israeli society, forcing it to re-examine propositions that had long been taken for granted. Thoughts and feelings that most Israelis had repressed for years now came welling up to the surface. Fears that were associated with another time, often another place, suddenly had countless Israelis in their grip again. As the uprising stretched on from month to month, Israelis came increasingly to realize that their country was slipping back to the starting line in its conflict with the Palestinians, to the stage of visceral hatred and unbridled violence that predated even the 1948 War of Independence and centered on the most basic of issues. Does the country that Israelis call the Land of Israel and Arabs call Palestine belong to only one or to both the peoples that inhabit it? Can either of those peoples ignore the needs and aspirations of the other? These and similar questions were made all the more irksome by the realization that the threat to the Jewish state was not posed exclusively from the surrounding countries, as Israel's leaders had been claiming for two generations. It also existed within: on the average Israeli's doorstep, on the streets, on the buses, on the way to work and school. The war had come to the "home front" even though it wasn't raging on the borders.

After months of unrelenting violence, it had become obvious that Israel was losing its composure along with much of its self-confidence, despite its military might. Israelis looked around them and saw that thousands of tanks and hundreds of planes were not enough to ensure their safety; that even nonconventional weapons could not solve a security problem that had seemed marginal for so long but now touched upon their lives every day. One Israeli psychologist ventured that Israel found itself in the paradoxical position of the victor feeling like the

vanquished, an oppressor feeling itself oppressed. The *intifada* also raised a stream of questions about the kind of country the next generation of Israelis will inherit. Can Israel remain a democracy if it is caught in the vise of a civil war with the Palestinians in the territories and a struggle with its own Arab minority, which increasingly displays identification with the Palestinian people? In this condition, can it attract immigration from the Diaspora, even from communities in distress? Can it remain a Jewish state? And can the dreams of the Jewish national movement—of security, freedom, and creativity—come true under these circumstances, or will they necessarily collapse under the weight of an endlessly ugly reality?

If nothing else, the *intifada* has caused the Israelis great vexation and anxiety because it has defied the means used to suppress it, illustrating beyond question that this complex problem can only be solved by surgical means. For societies no less than individuals, the prospect of surgery is understandably frightening, and the tendency today is still to avoid reality by taking pain-killers or trying to discredit the diagnosis. Frustration also stems from the fact that many Israelis, of all political persuasions, have come to feel that where the conflict with the Palestinians is concerned, their country has been living a lie. They now believe that their leaders deceived them in pronouncing that the Palestinian people did not exist; that the Arabs in the territories did not want their leaders; that the PLO forced itself on the Palestinians by violence and intimidation; that the status quo of occupation could be maintained indefinitely; that Israel could control the inhabitants of the territories by punitive actions and never face revolt; and that only Israel wanted peace, while all the proposals coming out of the Palestinian camp were merely cynical ruses.

The resulting confusion and stress, together with the rage at the Palestinians for waking the country out of its delusion, have led to a wave of extremism in Israel. The most pronounced sociopolitical trend since the start of the uprising has been a sharp turn toward the right and the spread of fanatic behavior that at times is reminiscent of the frenzy of the Palestinians during the opening days of the revolt. Signs of this slide rightward had been evident long before the *intifada*, but the uprising accelerated the process considerably—so much so that it sometimes seems as if Prime Minister Shamir and his Likud Party occupy the center of the country's political spectrum! Contrasted with the line of the small but strident parties further to the right—Tehiyah, Tzomet, Moledet, and Meir Kahane's Kach Party, which has been

The Spare-the-Rod Days Are Done



Spoiled by years of U.S. forbearance, a greedy government finally got its knuckles rapped on the housing-loan issue.

By YOSSEI SARID

TEL AVIV—Never has there been such a chapter in the history of relations between nations. A world power nourishes and supports a small, faraway country, which instead of being understanding and grateful mocks its benefactor. For many years, the tail not only wagged the dog; it also barked while keeping the dog muzzled. The United States has held positions, even clear ones, on several substantial matters concerning Israel. The United States was, however, permitted to express these positions only on the condition that Israel could reject and negate them completely. This has been the strange arrangement between the two countries since 1967.

Israel should have understood that this was not a normal situation, and, like all abnormal situations, could not prevail forever. A superpower would not always agree that a "client" country, no matter how important or nice, could profit at its expense and simultaneously kick it. Even the patience of a long-forgiving and indulgent lord must expire if the arrogant beggar continues sitting at his table while smoking, spitting, breaking dishes and otherwise ignoring etiquette. Out of habit and destructive self-indulgence, Israel became used to a free meal and succumbed to the belief that the benefactor was actually half-serious—generous, but stupid. It was possible to make endless demands because the response of the benefactor was constant submission. Thus, Ariel Sharon chose to wave his fork in front of a scandalized James A. Baker III and others gathered at the dinner table.

The United States finally reached the conclusion that Sharon was not only behaving wildly at the table; he might overturn it completely. It was no longer a matter of manners but of business. And it is impossible to conduct business while Sharon mocks the entire world and the world submits to his ridicule. Having broken Saddam Hussein, and with the Soviet Union in a state of collapse, the United States has decided to put Sharon in his place—to stop the housing minister's policies, which have enslaved us Israelis in the role of overlords.

During the past 24 years, the government in Washington seemed to be mute. The United States did not recognize—

and in fact opposed—the Israeli occupation of the West Bank, Gaza Strip and Golan Heights. But, in practice, the American government funded the policy of occupation with huge sums given to both Labor and Likud governments. Without outside sources of funding, the settlements in the territories could not have been built.

In theory, the Israeli government was obligated not to channel American aid into construction in the occupied territories. In practice, however, even if the building funds did not come from the same pocket, they were from the same pair of pants. Without the belt provided by the United States, these pants would have fallen long ago and we would have been exposed. Through a simple circular movement, dollars flowed to security, education and welfare, while shekels



Israeli Housing Minister Ariel Sharon

'The U. S. has decided . . . to stop [Sharon's] policies, which have enslaved us Israelis in the role of overlords.'

freed from these budgets flowed into the construction of at least 200 settlements. Thus, the Israeli government "deceived" the American government, which agreeably played dumb.

Especially since the onslaught of the immigration from the Soviet Union, one of the momentous events for the state of Israel since its founding, deceit has been added to deceit. Yitzhak Shamir prom-

ised George Bush unequivocally that new immigrants would not settle beyond Israel's pre-1967 borders. And Shamir is an honorable man. From the very moment of this commitment, he launched a massive construction effort in the territories—only for established citizens, of course; who else has the money to buy a new home? And once the immigrants get their bearings, who can tell them where to live? After all, this is a democracy!

Shamir also hid from the United States how much money he was spending on settlements. Evidence uncovered by the Peace Now movement demonstrates that more than \$500 million has been budgeted on settlement activity this year. This is more than twice the amount Israel told the United States it was spending.

Washington would have swallowed this deception if Sharon had not taken his fork and waved it each time Baker arrived in Israel to revive the peace process. Just when Sharon was ready for the main course, a \$10-billion loan guarantee to build even more housing, the White House called an intermission: No more favors until the peace process has a chance to start.

Now that the Israeli government's ruse has been revealed, it raises a hue and cry. What is the connection between immigrant absorption and the peace process? They are distinct. Absorption, says Shamir, is a humanitarian cause. Therefore, it should be considered apart from the peace process, which is not only non-humanitarian in his view, but inhuman. Bringing Jewish immigrants to Israel is humanitarian. Bringing peace upon them and upon all Israelis is not. The task of absorption is sacred; peace efforts are idolatrous.

The United States has regained its voice; speaking with the confidence of a world leader, it dares to insult its client with the observation that the peace process and the settlement process are connected by their diametrically opposed effects: If the settlements continue, there will not be peace; and if there is peace, there will not be settlements. Peace talks cannot progress as long as new settlements are being established or existing settlements enlarged. Negotiation is impossible when the object of the negotiating keeps changing shape.

And so the moment of truth has arrived. When the calendar turns to the next New Year, to the next Day of Atonement, we will know whether the construction of settlements was nothing but destruction.

Yossi Sarid is a member of the Israeli Knesset from the Ratz (Civil Rights and Peace Movement), an opposition party.

Will the Real Anti-Semite Please Shut Up!

■ Israel: The loose-lipped Cabinet minister who insulted Bush has a record of nastiness.

By RANAN R. LURIE

Rehavam Zeevi, a minister of the Israeli Cabinet, has dared to call President Bush an anti-Semite and a liar.

I had the pleasure of meeting George Bush a few times, and that gentleman doesn't need me to endorse his decency; I must, however, emphasize his warmth and admiration for Israeli causes, volunteered by him on each occasion.

I also met with Minister Zeevi, at a time when he was Gen. Zeevi. I was then a very young journalist/cartoonist, and a second lieutenant in the reserves, when I received his call summoning me to "a cup of coffee." I went. He was waiting for me in full general's uniform and opened fire: "If you do not change these cartoons immediately, I will see to it that you are called to reserve duty on a nonstop basis."

He was cool and composed and his eyes had the cynical look of a person who knows his powers only too well. I refused the change, but then he had "coffee" with my editor. My editor returned quite miserable and apologetic while changing the cartoons.

Years later, in 1967, I commanded a spearhead of a few hundred Israeli soldiers into the West Bank. After my unit captured the Arab city of Tulkarm, I was instructed to put the city's Arab inhabitants on buses that would deport them to the East Bank of Jordan.

I refused to obey the order and another officer dealt with it, to my shame. (Fortunately, Israel's leadership later reversed the order almost immediately and the inhabitants were returned to their homes.)

That night my phone rang and I heard a familiar voice say, "Major, for this I will not forgive you."

Years passed, and Zeevi was challenged in the courts and the Israeli press as being involved with the criminal underworld of Israel. Later, he declared himself as the politician contemplating

Israel's future being built on the personal tragedies of Israeli Arabs' mass deportation to other foreign countries. He is officially planning to uproot many hundreds of thousands of people—men, women and children—and exile them from their homeland just because of one heinous crime: being Semites of Arab ancestry.

Therefore, I take the position that Minister Zeevi is a genuine, established anti-Semite and thus report him to the Anti-Defamation League, where the same action should be taken against him as against any person accused of proven anti-Semitism.

It is high time for Jews (and Israelis, in particular) to use the term *anti-Semite* appropriately (reserving it for Hitler, the Ku Klux Klan, and so on) and not use it loosely. Otherwise, we will be doing to anti-Semitism what Minister Zeevi did to it: trivializing it.

Ranan R. Lurie is an internationally syndicated political cartoonist.

Paul Conrad is on vacation.

From the Hebrew Press

Monthly Translations and Commentaries from Israel

By Dr. Israel Shahak

JUNE 1991

TABLE OF CONTENTS

Volume III, No. 6

	page
✓ You Are Killing Us Without Guns Oded Lifshitz - HA'ARETZ	1
Israel Lies Between Washington and Riyadh Yoav Karni - HA'ARETZ	8
Apartheid in the Occupied Territories Taxes - Another Source of Income for the Territories Gideon Eshet - YEDIOT AHRONOT	13
Segregation Leads to Apartheid Meron Benvenisti - HA'ARETZ	16
The Stars of Sharon Meron Benvenisti - HA'ARETZ	24
Sharon's Followers on a Tour Nahum Barnea - YEDIOT AHRONOT	26
Some Basic Features of the Situation The Place From Which Shouts Are Not Heard Yizhar Be'er - HA'ARETZ	29
A Workers' Union with Tied Hands Amira Hess - HA'ARETZ	32
Looking for the Article Lilli Gallili - HA'ARETZ	37
The Angel of Death of the West Bank Yosef Cohen - KOL HA'IR	41
Gaza: Whoever Assumes Responsibility Michal Sela - DAVAR	44
Discussions of Basic Issues No Autonomy Without Civil Rights A.B. Yehoshua - YEDIOT AHRONOT	49
Captives of [Israeli] Immigration Boaz Evron - YEDIOT AHRONOT	52
The Cunning of History Aharon Barnea - HA'ARETZ	54
The Paradox of Nafah: Who is a Druze? Yaron London - YEDIOT AHRONOT	56
And Those Who Are Less Equal Ron Kisler - HA'ARETZ	57
God Favors the Tolerant Shmuel Toledano - HA'ARETZ	60
Sephardi Jews are Returning to the Era of Fanaticism Israel Shahak - HA'ARETZ	62

Dr. Shahak, a concentration camp survivor, is a veteran Israeli peace activist. Currently, he is the director of the Israeli League for Human and Civil Rights, based in Jerusalem.

This issue was prepared by Christopher Bell.

Hunger in the Gaza Strip

(Translator's Note: While the diplomats, including the Palestinian notables and the PLO bureaucracy, are negotiating about meaningless formulas, hunger rapidly spreads among the Palestinians, as a result of Israeli policies tacitly supported by the U.S. and its allies. The grim picture depicted in this single article could be supported by many other sources. It should be added that by now (end of May) there are also pockets of famine in the West Bank and grave symptoms of a lack of vitamins. All emphases mine. Israel Shahak.)

HOTAM, AL HAMISHMAR FRIDAY SUPPLEMENT 26 April 1991
by Oded Lifshitz

You Are Killing Us Without Guns

Massive unemployment is rapidly transforming the Gaza Strip from a crisis area into a disaster area, both on and over the brink of hunger. Only 25,000 workers, about one third of the number of workers prior to the Gulf War, have returned to work in Israel. They bring home a lower salary than they had, and when the harvest season is over the situation will only be worse. There is no evil for its own sake or acts of cruelty in this article. Only compulsions and dictates and procedures, which turn Gaza into a closed off and starved ghetto. Ahmad: "Do you know what it means, a man without bread for his children?"

The worst thing that could happen to this article is that it will not succeed in bringing the message; that the reader, already at the beginning, will yawn with boredom and say to himself, that once again he is being told about barefoot children in the Gaza Strip, once again about the sewage flowing in the alleys. This article is written in order to warn, to ring the alarm bells, to forcefully penetrate the consciousness of every decent person with the terrible facts from which there is no escape: massive unemployment is rapidly turning the Gaza Strip from a crisis area, severe yet bearable, into a disaster area, on the brink of hunger and beyond it.

The Gaza Strip, as of spring 1991, was completely different from the Strip at any other springtime. Anything could happen here, from severe riots and bloodshed of a scope we have not known before, to massive epidemics, even cholera, such as those that are wreaking havoc among the population suffering from malnutrition in Peru. Half hungry children are already crying in the street at night because of hunger. Desperate parents, with empty pockets, watch them helplessly, counting pennies for a pita and vegetables, not knowing how to buy milk the next day, and all along nourishing feelings of revenge and hatred.

Only 25,000 of the Strip workers have returned to work in Israel after the Gulf War and the lengthy curfew, about one third the number of workers who worked in Israel previously. The few who do work bring home much less money than in the past, because the prohibition on sleeping in Israel and the new transportation arrangements have led to tens and sometimes hundreds of shekels to be taken from their low wages for transportation each day. This dry data has one meaning: a crisis, the likes of which has not been seen since 1967. For the first time since 1967, the conditions of the Strip residents are harsher than they were during the Egyptian occupation. The Israeli government does not lift a finger in order to prevent the unprecedented deterioration, and even makes it worse by hounding the population with tax collectors, who harass unfortunate people whose pockets are empty.

This article is written in an atmosphere of helplessness, because in order to bring this message home powerfully, a poet and a man of conscience is required. We have become an unfeeling and rigid people. However, the issue must be raised time and again, with the hope that someone will perhaps listen and try to halt the disaster at its beginning, and put out the fire before it burns everything down. The pressure cooker of the hungry Strip is already giving off steam. Smoke is already rising from the bomb's fuse. In the fields of my kibbutz, bordering on the Strip, the number of acts of sabotage and arson of agricultural equipment is rising rapidly, on a scope we have not known before. No one knows when the sabotaging of property will escalate to harming people. Desperate parents and brothers of hungry children are capable of anything in order to get bread for their children, and even in order to get revenge.

We have abandoned the Gazans. For 24 years they worked at hard labor for us. Today we are telling them that the nigger has done his job and can go to sleep, hungry, in Jabaliya and Rafah. The day will come when the Israeli government, and each of us, will be asked to answer where we were and what we did when the Strip became a ghetto, starved and fenced off, with only a few of its 700,000 residents working, and with many fighting for a piece of bread for themselves and their children.

A new and terrible era has begun in the Gaza Strip. The columns of smoke from the burning oil wells in Kuwait have turned the yellow time of the decades of occupation into a black time. What is happening in the Strip is making tens, perhaps hundreds of thousands of people completely helpless. Such a disaster requires immediate assistance of all kinds, as in Armenia, as in Kurdistan.

In the course of the next few weeks and months only further deterioration is expected: the assistance from relatives working in Kuwait and Saudi Arabia has ceased and will not be renewed. In another month, the citrus picking season will be over and thousands more Gazans will be fired. The growing unemployment inside Israel will increase the number of Gazans being fired--Gazans who will be replaced by new immigrants and by Israelis. When an immigrant from

Russia or Ethiopia fights over a job with a worker from Gaza or Rafah, then not only the terrible Israeli right wing, but also the humane, stuttering Zionist left, will in the end prefer the immigrant and Israeli unemployed over the Gazan. Your own poor are closer to you.

This is not an article about the intentional torture of demonstrators by soldiers, or detainees by Shin Bet interrogators. It is not evil for its own sake which dictates the new security arrangements: exit permits, prohibition on sleeping in Israel, prohibition on travelling in a local private vehicle, setting a minimum of ten workers from the territories at each work place in Israel. Each is busy with his own.

The security forces dictate the restrictive conditions in response to the Intifada and the knifings. The employment service distributes to the best of its ability the leftovers from the bottom of the Israeli work pot, i.e. whatever even an unemployed Jew or a new immigrant do not want to do. The tax collectors are effective, too effective, conditioning the issue of a work permit on paying debts of thousands of shekels, while the workers' pockets are empty. The transporters - busses, taxis and vans - a large part of them Israelis, collect the high transportation fee from the low wages. Reserve duty soldiers at Erez checkpoint do everything they can to allow fast passage during the rush hours.

Everyone is doing their job, everyone is obeying instructions, in most cases without hatred, without hostility and without racism. Everyone is obeying orders. The thousand arms of the government perform a thousand actions, innocent or less innocent, with impenetrable indifference resulting in a terrible catastrophe, the methodical starvation of the residents of the Strip. "You are killing us without guns," said a Gazan worker who was quoted in the headline of this article. Killing with regulations, forms, instructions.

Do Not Cut Off the Bread

"Sit next to me. Sit in front of my eyes, head to head. Let's talk. Do anything to me, but do not cut my bread," says Ahmad, a false name for a real person and a general name for all the Gazans.

"You have deported me," he continues. "You have also taken the money from my pocket, you have sold me in the flea market, but I tell myself: it will be alright, it will be alright, wait, wait, wait. But do not cut the bread! Do not cut the bread! You killed one of my children? I have three left. Give me their bread! You took four from the neighbor to prison? He is left with three. At least give the three food to live. We are three brothers. One has a past and is forbidden to enter Israel? O.K. Let the others work so they can bring bread for his children as well. Everyone here has a lot of children at home, and you can not tell them, you will get milk tomorrow, bread tomorrow. Do you know what bread is?"

Someone in the surrounding crowd gets excited: "Do you know what it means, a man without bread for his children? He will do anything, steal, commit crimes. He will take a knife and kill someone!" Ahmad silences him, "Do not say things like that."

God knows if Ahmad thinks it is wrong to stick knives into people, or perhaps he thinks that such talk does not make a good impression in the newspaper. We are in the long line of those waiting in vain in front of the employment service of the military government, in the industrial area next to Erez checkpoint. Two Israelis, in the heart of a crowded circle of unemployed, desperate Gazans, are closing in on us. They receive us pleasantly, with friendship and warmth. A warm morning sun is shining but our backs are cold. Instinct? Fear of the knife?

One man blurts from the side, "We saw the television broadcasts on Holocaust day. That Hitler, I wish he had never been born...How can a person do such things? But still, you learned something from him..."

Until the war Ahmad had worked for ten years in Tel Aviv's HaCarmel market, chopping meat at a butcher's. Again the association of sharp knives. Along the years he adopted the style of an Israeli butcher interviewed for television on election day eve, releasing a lot of despair and rage. For four months, since the war and the curfew, he has been unemployed. "I came here to the employment service and spoke with K. (a senior official, the name is held at the paper - O.L.). I told him, sir, do this, this, I have problems. In the middle, a soldier came and hit me with his leg, boom, boom, shouting 'Out!' In what country is there such a thing?"

"The Negroes (Ethiopians) who came to Israel two months ago, who do not know what is underwear, what is an undershirt, what is a shirt, who would wear things backwards, you gave them houses to live in, you gave them factories to work in, you drafted them into the army. They became human beings. I am your cousin! At your first border you threw me into the garbage. Not even into the garbage, you threw me on the floor and did not put me in the garbage. Why? Why?"

Ahmad doesn't want to be identified or photographed. He has already once paid the fee for appearing on the Israeli television, an exorbitant fee. In the first month of the Intifada he was interviewed for TV, and spilled his heart out. They put him in Administrative Detention for eight months and tried to make him tell who had asked him to appear on television. Today he does not believe anyone, not even the peace camp in Israel.

"Look at the Knesset on television," he says. "This one says they deserve a law, they deserve a law, they say that party wants to do something for us in Gaza . . . Wait another day, another month, two months, and see that when that party succeeds, it is against us. There is no justice! Where is justice?"

He is here every morning. The boss at HaCarmel market wants him. He also has a lesson in Zionism, building the country and people's solidarity for us. "We built this state on our backs. How was Holon when we came in the 70's to work in construction? Everything was sand! How was Tel Aviv? Half of what it is now! Bat Yam? They were all small, small. A Jewish worker got 100 shekels, we got 20. A Jew who only then started to be a contractor is driving a Mercedes with a car phone today, and we do not have food."

"Is this our gift," he continues. "Is this what we deserve? Why? What for? Because we said Allahu Akbar? Do you know what it means? God is great! We want to live! Do you know what it is when a small child takes a small piece of gravel and throws it?...How far can he throw, you tell me? What would you do to him because he says I want a state like you, to live like you, I want peace? He did not come to you with weapons!"

He walks here on foot every day, he does not have money for a taxi. "I have half a shekel in my pocket," he takes out the coin and then pulls out the evidence - two empty pockets. In a characteristic gesture of hospitality, Ahmad wants to buy us a small bag of toasted watermelon seeds. We decline the offer, in a similar Polish gesture.

The talk about the Intifada children reminds Ahmad of the education fee for his own children, 100 Shekels. He does not have the fee for each of them, and the threat that they will be thrown out of school if he does not pay is great. "For them to take my son out of school? Is not it enough that I turned out to be a mule, a worker? My son should also be a mule? Why?"

On the main road, the passengers in the public transportation are checked. Busses and taxis, vans and mini busses, come and load up quickly and the endless line of passengers does not diminish. To the east, there is the bosses' yard, the place where Jewish employers gather, those who prefer to come and collect their workers themselves. This is a new detention center, fenced in barbed wire and well guarded, the size of a football field, paved with well-packed limestone. A dirt path on the south - for workers and unemployed seeking work, a northern dirt path for the employers' cars.

The workers have no problem entering the detention center, but not every unemployed can enter. There is a military checkpoint and only those with a red card, a monthly work permit, can enter. There are few such unemployed. These are people who had worked and were laid off and whose permit is still valid. This is dangerous for whomever is laid off, the employer must take his permit from him; if he does not, he and the worker are heavily fined. But it is a fact - there are unemployed here with permits. Employers who had pity and took a risk left them their permits.

South of here on the road, at the gas station and at the car park where the Gazan Peugeot cars are detained, are the rest of the unemployed who have not yet despaired of seeking work - hundreds, thousands - and even they are a minority. The majority, tens of thousands, have despaired and they fill the streets and the coffee houses in the cities and refugee camps. For those here, outside of the detention center, there is almost no chance of actually seeing an employer, but they come every day, week after week, month after month. They pay for transportation with money they do not have, and say "God will help."

In contrast to the past, before the war, they now come empty handed. They do not have big plastic bags with food and work clothes. There is one man here who up to five months ago worked at a sewing workshop in Tel Aviv, and another who was a welder in Ashdod and was replaced during the war by a Russian immigrant. There is an unemployed builder, who begs for contractors to take him and gets negative replies. There is a person who worked for a contractor for 17 days last month, and has a permit, but he has not yet received a cent. There is one who shows us five checks, his and those of four friends who worked for a contractor last December, before the curfew and the war, before they were fired. The checks bounced and today, unemployed and lacking a work permit, he cannot even get to the contractor to demand his wages.

We met another one, a maintenance man in Nes Tziona, formerly in charge of the plumbing at Nes Tziona hospital. "There were four of us in maintenance, and our places were taken by 17 Russians who don't know how plumbing works. They say there will be a law forbidding Arabs from dealing with patients. There were 24 of us from Gaza at the hospital. None are left. We would sleep there, at the hospital, and at one, two o'clock in the morning they'd call us to open up a clogged pipe. Then they threw us out. You start thinking, reach the end of the world, and don't know what to do. I used to get help from my brothers in Saudi Arabia and Kuwait. Now I don't even know where they are. I only know that my brother was in Egypt and went back to Kuwait during the war. Now there is no help, no work, the war destroyed everything. There are many like this in Gaza, too many. You see a person like that walking in the street and shouting, like a drunk, like an addict who needs his drug as soon as he wakes. That is from despair. Today everyone works at picking fruit. Wait till May, when the harvest is over."

"You can play and do anything until you start fighting for the children's food," the maintenance man continues. "People have already reached that stage. You go to ask for a work permit, they send you to income tax, and he tells you to fill out a form for income since 1984. What is this from 1984? Why didn't you ask until now? At first he demands the whole world, 40,000 shekels, 20,000, and he knows that even if you sell yourself, your wife and children, you would not get a thousand shekels. In the end you agree on some 1,500 shekels. The problem is that they do not want people to work in Israel, they do not want your 1,500. Here people are flat on their faces."

"Since 1967 and to this day there was never such a thing. The car insurance agents are offering 45% discounts, but they do not have anyone to sell to. Who will go get insurance for NIS 1,500, a test for 1,000? All the cars are standing, on blocks and planks. They will raise chickens in them. The cars are not worth the insurance.

"Today a person who works for UNWRA in the Strip works three, four hours, sweeps here and there, gets 600 dollars a month, no physical work, no transportation, nothing. Sits and drinks coffee on the job. But there is work for 15% of the Gazans and more than 80% are out of work. I have a neighbor, 19 years old, his father died and left him with 13 people at home. He used to work transporting refrigerators in Tel Aviv. He doesn't know any other kind of work. Starts at 11:00 in the morning, finishes at 8:00 in the evening, sometimes even later. Two weeks ago they caught him on a day when there was a curfew in Gaza. They asked him how he had come. Gaza is closed. You must have slept here. They detained him at Abu Kabir prison, held a trial, NIS 500 fine and took away his permit.

"Now with God as my witness, he sits at home and lives off charity. For the entire month of Ramadan this one would give something, that one would give something. If he starts to think, that 19 year old boy, where will he get to? We do not have National Insurance or unemployment payments. Sometimes I think, why was not I born a Jew? Why do you have rights and I do not? What do I care, in any case I do not pray or anything. I do not need to be an American, what's bad about being a Jew? Sign up and get unemployment payments. Now I am willing to convert..."

The days before the war, before December 1990, seem like a faraway dream, almost paradise. The children suffer most. Soon more children will be suffering, because there is nothing better than unemployment and distress to raise the birth rate, which is already high. Ben Gurion once said that if the establishment of the Jewish state entails injustice for one Arab child, he was willing to give it up. To this day people argue whether Ben Gurion was innocent, feigning innocence, or both at the same time. It is interesting what he would have said in the starved Gaza, 1991.

On the way back, 3 kilometers from the checkpoint, a group of children from kibbutz Yad Mordechai is crossing the street with their nannies, on the way to a nature trip in the fields. Another world. Tel Aviv, forty minutes later, is another planet. But the Gaza Strip is not another world or another planet, nor is it a black hole which swallows all energy and does not let anything out.

How long will we remain indifferent in the face of hungry Gaza? What will happen in the Strip when all of the energy accumulating in it, from rage, despair and hunger, will try to break loose?

by Andrew & Leslie Cockburn

war, the support of both sides in that war, and the invasion of Lebanon. As a former U.S. intelligence official once remarked to the authors, "The problem with covert actions is that they come back to bite you." U.S. foreign policy in the 1980s became increasingly subsumed in clandestine activities and objectives. It was only fitting that the partner in these affairs should be Israel, the long-standing covert ally.

In such a world anything was possible, which was why Robert McFarlane, Oliver North, Amiram Nir, Howard Teicher (an NSC official who later went to work for Shaul Eisenberg), and George Cave of the CIA arrived in Tehran in May 1986 bearing a chocolate cake from a Tel Aviv kosher bakery as a present for the Ayatollah.

The American participation in the Iranian arms business had not been overly blessed with good fortune. The Israeli middlemen had been unable to resist the temptation to substitute older and cheaper models of the Hawk and TOW missiles than the ones on order from Tehran. Hostage releases, with the midterm U.S. elections only six months away, had been sparse.

Nor did the trip to the Ayatollah's capital help matters much. The Revolutionary Guards at the airport ate the cake, the delegation members failed to meet the high-ranking Iranians they had expected to, and no hostages were released. On the other hand, some on the American end of the operation had taken an educated interest in the financial possibilities of the operation. The "Enterprise" run by retired General Richard Secord garnered a total of some \$30 million in gross income from the Iran deals. After expenses there remained about \$15 million in profits, which was variously expended on arming the contras, paying the contra leadership, and handsomely rewarding Secord and his associates.

Terry Anderson remained a hostage when the Iran-Contra affair exploded just after the fall 1986 elections and, tragically, he remains a hostage at the time of this writing. Before being snatched to pay the penalty for American involvement in Lebanon, he had formulated a succinct answer to Israeli complaints of unfair press coverage: "When you do bad things, people are going to say bad things about you."¹⁵

In reality, not that many bad things get said about Israel in the U.S. Israelis are rougher on themselves. In November 1986, Boaz Evron, a columnist for *Yediot Aharanot* (the largest paper in the country), reflected on the implications of the Iran arms-dealing revelations:

"Since countries want to have things done which a gentleman would

not touch, they turn to one who gives services, who is prepared to serve his master and dance for him; he is not only willing to fulfill any wishes, but also enjoys the fact he is serving and is proud of it . . . He even makes an ideology out of his servitude and calls it 'realpolitik.' Moreover, as befitting a corrupt servant, he even drags his master into dirty adventures, like a pimp winking at a hesitant client in order to tempt him.

"Yes, the famous lobby will get us out of this mess as well, but we shall remain dirty. Of course, we shall be used again, but we shall find ourselves more often standing at the servants' entrance and less in the living room, and the day will come when it will be a shame to have us seen even at the servants' entrance. Then the meetings shall be held in the small hours of the night in some small pub near the port while in the nearby water the bodies of servants whose services are no longer required float by."

Official investigations of the illegal U.S. government machinations that came to be labeled "Iran-Contra" paid as little attention as possible to the part played by Israel. The majority report of the congressional committees, for example, devotes precisely 5 out of 423 paragraphs to Israel. In Oliver North's testimony before the committees, however, there was a revealing exchange with Chief Counsel Arthur Liman that serves as an apt summary of how American policymakers view their ally:

"Was one of the reasons for wanting to have Israel involved," Liman asked North, "so that we could say it was Israel that was selling, and Israel, everyone knows, sells arms?"

"Well," replied North, "Israel was already involved . . . we did not want the U.S. government's hand, or role in this activity, exposed, and thus, . . . as I said earlier, we tried to mirror the Israeli model."¹⁶

t They Said

a Plebiscite Kashmir

Senator Gordon J. Humphrey
(The Senate, March 9, 1990)

change that are sweeping the subcontinent. Every day of violence in the disputed As the people of Kashmir for self-determination, effort that movement grow ever The time has come for to press for the implemen- tated Nations-supervised mir.

40 years the state of Kash- trated to the status of "dis- following the British with- sian subcontinent in 1947, ashmir state chose to join or India. That situation led sions between the newly ents of India and Pakistan. 1947, the situation had bloody war. India alleged s arming "Muslim mil- liberate Kashmir. And, in Pakistani forces lent their liberation movement in ans responded by deploy- ange for an agreement by haraja to accede to India.

the government of India the newly formed United ouncil. A series of resolu- alling on both sides to halt ly in April 1948, the Se- opted a resolution that rawal of forces from both blishment of an interim n effort by the United Na- on India and Pakistan to and lay the groundwork the people of Kashmir.

1949, the United Nations assed a resolution adopt- on India and Pakistan's biscite. Both India and the proposals, but no ac- ie issue has been stalled ith each side blaming the rogress.

pose at this juncture to ssess the tragic events of e bottom line is that no held, three costly and ave been fought since le of Kashmir to this day

are still seeking an opportunity to choose their own state. In the absence of any progress, lives are being lost, violence is escalating, and tensions between Pakistan and India are boiling to a dangerous level.

In recent months, the state of Kashmir has appeared more like an occupied territory than a disputed state locked between two democracies. Last December, the Indian government deployed several thousand military police, and imposed a curfew in the capital city, Srinagar. The *Economist* magazine reported on Jan. 27, 1990, "In the curfew-bound streets of Srinagar, military vehicles, soldiers and policemen stand at every big crossroads. The houses and shops are shuttered, but ducking down a side street in the medieval warren of the old town, any journalist is mobbed by crowds of men, women and children shouting slogans against the Indians."

Since then, the situation has only deteriorated. The Indian government expelled all foreign journalists from Kashmir in late January, and in early February, Pakistani protesters surged across the border where they were fired upon by Indian security forces. On February 19, Amnesty International called for an investigation into reports of indiscriminate killing of demonstrators including a nine-year-old boy. And on March 2, a US State Department spokesperson called on the government of India to "restrain its security forces from using deadly force against unarmed people." The State Department has also called for "political dialogue" between India and Pakistan.

Our government has sought for decades to sweep this matter under the rug. The time has come for democratic nations to play a much more active role in justly resolving the conflict in Kashmir. . . Perhaps the State Department has decided that the conflict is too complex, and the emotions are too heated, for the United States to play a constructive role. I hope that is not the case, but there has certainly been no leadership, and, consequently, the crisis is spiraling.

The groundwork laid by the United Nations four decades ago is sound. Unfortunately, it was never implemented. But history has caught up with Kashmir. Efforts to suppress the Kashmir movement will only delay the inevitable at a cost of human lives and perhaps international conflict. It is time that the United States asserted leadership in this issue and acknowledged once again the validity of the UN resolution which calls for a plebiscite by which the people of Kashmir might achieve the same self-determination we have sought for the peoples in every part of the world. Therefore, I urge President Bush to consider naming a special envoy for

Kashmir to initiate a political dialogue to implement the United Nations plebiscite promised 40 years ago.

Housing Guarantees for Soviet Jews in Israel

(Excerpts from a statement of Senator Bob Dole (R-KS) in the Senate, May 1, 1990)

I want to take a few moments to discuss one important provision in the bill, dealing with housing and infrastructure guarantees for Soviet Jews resettling in Israel. . .

I was in Israel two weeks ago. My visit there, and my talks with Israel's leaders, reflect the very special relationship we have with Israel. We provide a great deal of support to Israel—as we should.

It is in our interest—by fostering stability in the vital Middle East region. It is in our interest, too—because Israel remains the region's principal democracy. As leader of the free world, America must always stand clearly and unequivocally beside any free nation threatened, as Israel is, by outside hostile forces.

Key Questions

Nonetheless, there are serious questions that should be raised about our overall aid relationship with Israel. . .

One key question is whether Israel has in place the right kind of market-based economic policies to make the most effective use of our aid—whether that aid is direct, or, like these housing guarantees, indirect.

Around the world we are pushing nations that receive our aid to practice austerity, to rely on free market mechanisms, to do away with practices such as irrational subsidies of industry and wage indexing.

It is reasonable to ask whether Israel is moving in the directions that we would like to see it move in economic policy. . .

Hoover Study "Report Card"

I think it is worthwhile putting in the record—and I ask unanimous consent to do so—the executive summary of a study done at the Hoover Institution at Stanford University. It was done by a prominent economist named Alvin Rabushka. This study was brought to my attention by Senator Symms.

The study represents a "Report Card" on Israeli economic policies, from a free market perspective. As senators who read this summary, or get the original study, will see—Israel doesn't get very high grades from Professor Rabushka: Budget, D-; Taxation, D; Price Controls, D-; Labor, F; and so forth.

I commend this study to the attention of all senators, as we consider this and all other aid

to Israel.

In any case provide Israel billion usual includes dir Some of those understood perhaps not e gress. So I a cord two stu Research Se give a good Israel, direc

That is the of housing g will expand fits." During the issue of th length with learned of th volved, and housing and a total of one

Ultimately contribution Right now, t support—and

Immigration

Jews around ously to the that America variety of pri to provide \$5 several hund already prov humanitarian

Basically, v tions, the So emigrate. Hu lined up to d Israel.

We have w and we have a very positive

So, in sum, I support the c

On this bill dealing with

Raise Questions

I do want to program as it and raise a few careful consid the Congress American taxp program.

As has been portant area o and to many A policy, as it re occupied territo

The admini

to Israel.

In any case, for very good reason, we do provide Israel nearly \$4 billion—not the \$3 billion usually cited—in aid every year. That includes direct aid and “side benefits.” Some of those “side benefits” are not widely understood by the American public—perhaps not even by some members of Congress. So I ask consent to include in the record two studies done by the Congressional Research Service (CRS) on this issue. They give a good rundown on our total aid to Israel, direct and indirect. . .

That is the back-drop for our consideration of housing guarantees—which, if enacted, will expand one of the present “side benefits.” During my visit to Israel, I did discuss the issue of the influx of Soviet Jews at some length with Israeli officials. . . There I learned of the enormous monetary costs involved, and of the challenge of providing housing and jobs for what most expect to be a total of one million or more immigrants. . .

Ultimately, they will make an enormous contribution to their adopted country, Israel. Right now, though, they do require a lot of support—and it costs a lot of money.

Immigration: Responding to Need

Jews around the world are responding generously to the enormous need. I understand that American Jews, operating through a variety of private organizations, are pledged to provide \$500 million. That is on top of the several hundreds of millions of dollars they already provide in voluntary support for humanitarian projects in Israel. . .

Basically, with some still important exceptions, the Soviets are permitting Jews to emigrate. Hundreds of thousands of them are lined up to do so, and most will end up in Israel.

We have worked hard to achieve this end, and we have a responsibility to assist in this very positive “end game” operation.

So, in sum, I support US involvement, and I support the concept of housing guarantees.

On this bill, I will offer no amendments dealing with this matter.

Raise Questions

I do want to make some comments on the program as it has been structured, though, and raise a few questions that I think deserve careful consideration by the administration, the Congress and—most important—the American taxpayer, who will underwrite this program.

As has been obvious in the media, one important area of concern to the administration and to many Americans is Israeli settlement policy, as it relates to Jerusalem and the occupied territories.

The administration has made absolutely

clear that it will seek commitments from the Israeli government that US-provided guarantees will not support housing in the occupied territories. At the same time, the administration strongly hopes that the issue is not specifically addressed through legislative language. It feels, rightly, that it should have maximum freedom of action in negotiating the required commitments from the Israeli government. . .

Jerusalem Building Occupation

The recent revelation that the Shamir government underwrote the cost of acquiring property in Old Town Jerusalem—property which appears to actually be owned by the Greek Orthodox Church—has focused new attention on the sensitivity of the whole issue of new settlers and settlements.

That incident happened to explode while I was in Israel, so I saw first-hand how volatile the whole matter was, to all of the ethnic and religious groups represented in Jerusalem. I note that even the American Israel Public Affairs committee (AIPAC), certainly the foremost lobbying organization on issues involving Israel, has issued a rare criticism of the Shamir government on that particular issue. . .

So, obviously, the broader issue of where and under what circumstances the Israeli government provides housing for any new settlers—whether they are long-time residents of Israel, or new arrivals—is something that deserves careful attention. . . I think the American public will strongly back the administration’s insistence that our guarantees not be used to underwrite settlements in the occupied territories, or such provocative resettlement cases as we have just seen in Jerusalem.

But let me turn from the broader question of resettlement policy, to the specifics of the housing guarantee program. . .

Some have asserted that this program—since it is a loan guarantee, and not a direct appropriation—is free; no cost to the taxpayer.

That is just not the case. Clearly there will be administrative costs. . . Those costs will not be enormous—but it is just not accurate to pretend they don’t exist.

Fees, Waivers and Taxpayers

A more important consideration is that of fees. Under the existing program of guarantees for foreign nations—which is being vastly expanded for Israel—countries benefiting from the guarantees are required to pay fees to us for services provided in the process of making the guarantees.

The Senate Appropriations Committee has reduced the standard fees for Israel. In other words, Israel will pay a lesser fee than would

any other country utilizing the program.

The first questions I would ask then. . . are these:

What is the justification for a partial waiver of the fee for Israel?

In comparison to other similar programs, dollar for dollar, what monetary benefit will Israel derive from a partial waiver? . . . How much will a partial waiver cost the American taxpayer? . . .

A very informal estimate I have received from an AID official indicates the cost to the taxpayer will be in the neighborhood of \$25-30 million dollars, over the life of these loans.

A second cost issue is the so-called “subsidy cost” to the American taxpayer of our guarantees. . .

I will just say this: The US guarantee represents a subsidy—a cost of placing and servicing the loan. . .

The Congressional Budget Office (CBO) has estimated that the subsidy cost to the American taxpayer will be about \$75 million for this \$400 million dollar program. . .

Another and even more fundamental cost question is whether or not the United States ultimately will actually pay for the increased debt service costs that Israel will inevitably face, because it will have increased debt.

Israeli Debt

Israel will be borrowing \$400 million. That will be new debt; additional debt. Right now, Israel’s debt service payment to us is more than \$1.1 billion per year. We give Israel \$1.2 billion in cash assistance—Economic Support Fund (ESF) payments. The fact that the two numbers are identical is not a coincidence.

Under the so-called “Cranston Amendment,” we have more or less pledged to give Israel enough ESF to cover its annual debt service payment. . .

For good reason, we don’t want to just flat-out forgive Israel’s debt. That would set a very bad precedent. So we have devised this system, which amounts to de facto debt forgiveness. Israel owes us “X” dollars, so we give it “X” dollars in ESF to make the payment.

Sometime after it starts borrowing money under the Housing Guarantees, Israel will have to start repaying that money. It will be making higher loan repayments than it would if it hadn’t borrowed the money. . . Are we in fact setting in train a process that will lead to greater Israeli debt, hence greater annual debt service payments, and inevitably higher US ESF payments to Israel? . . .

The same CBO memo I have already included in the record estimates that from this perspective the so-called “Present Value”

cost to the American taxpayer—what would have to be shelled out this year to cover these “down the road” ESF payments—would be \$400 million. CBO then adds the cost of the interest differential between direct federal borrowing and utilizing guarantees—another \$18.4 million.

The bottom line: This \$400 million loan guarantee will cost the American taxpayer more than \$400 million; more than if we simply gave the \$400 million to Israel this year.

Loans for What?

And there are still other questions. One troublesome question is what Israel will do with the loans we are guaranteeing. The image is of a whole bunch of simple houses and apartments, to provide housing for some needy immigrants. But the reality may not be as simple as that.

In the first place, the guarantees cover not only housing, but the so-called “infrastructure” for building houses. That means the loans we guarantee could be used for roads, or utility systems, or parks, or perhaps even consulting services.

That may be OK—I’m not saying it is automatically bad. But we shouldn’t be laboring under the misimpression that we are just building houses for needy persons.

What Kind of Housing?

Another important question is what kind of housing is likely to be built as a result of these guarantees. The existing program requires that 90 percent of any guarantees be provided for housing for people with below-median income. This bill waives that requirement entirely.

As a result, this guarantee could be used to support luxury housing, at virtually any price range.

Lest anyone think this is an idle concern, I might point out that on my just-completed trip to Israel, I visited one new settlement near Bethlehem. I saw there new houses, being provided to settlers under Israeli government subsidies. There were probably a hundred or more houses already built, and another 30-40 under construction.

They weren’t shacks. They looked like they might fit in pretty well somewhere up off Embassy Row in the District. . . . An American official resident in Israel estimated that, if identical houses were built in an urban center in Israel, the likely cost would be in the range of \$300-\$400,000 per unit.

These homes were being built under the general subsidy program the Israeli government provides to housing in the occupied territories.

Now to be clear: the homes I saw were not specifically for new immigrants. Our new housing guarantees are to be restricted to

new immigrants. I don’t know what kind of homes they might end up in. I don’t know what kind of subsidies the Israeli government will provide them.

But that is just the point. No one does. And we have taken out any restrictions in our program, limiting the Israeli government in any way. If the Israeli government wants to build them luxury housing, it can.

If it wants to build them housing using only inefficient, state-owned enterprises—who, according to one estimate, produce housing twice as costly as that which could be provided by private companies—it can do that.

There are no restrictions—and, in fact, no US government management or oversight, period—in the law.

This is, in effect, a “blank check,” in terms of how the loans can be used in supporting a housing program. In fact, when you consider the matter of fungibility of money, it is a “blank check,” period. . . .

How do we justify this program, in light of the suggestion by some that we have not done enough to respond to the needs of our own homeless population?

Of course, I have not even raised the question of fungibility. Our guarantees will permit Israel to borrow \$400 million. That money will go into Israel’s treasury.

Our language requires that money—that particular pile of dollar bills—to be used only for housing new immigrants. But what keeps Israel from taking \$400 million of its own money, that it would otherwise use for its housing program, and now use it elsewhere? . . .

Freeing Up \$400 Million

. . . The \$400 million under the loan guarantee program will free up \$400 million to use elsewhere. Anywhere.

Weapons development. Subsidization of inefficient state enterprises. Providing unjustifiable wage increases in response to union pressure.

Anything, anywhere in the government’s budget.

Now the fact is: all of our aid is probably fungible, in that sense. But that doesn’t make it any less true that this aid is fungible, too. Let’s recognize that, and not kid ourselves that we really can somehow stop Israel from using this \$400 million for anything it wants.

US Companies Should Compete for Housing Dollars

And let me conclude with one final and important point. At least if we are providing these guarantees, we should have a right to expect that American companies in the housing field—that provide building materials, or pre-fab housing, or construction-related services—that they have a chance to compete

fairly for any related contracts that are let by the Israeli government.

The fact is that, right now, Western European firms very much have the inside track. . . . The EEC finalized its Free Trade Agreement with Israel several years before we did. As a result, all the provisions of the EEC Agreement are already in place, fully implemented—including those provisions covering the elimination of Israeli tariffs on the import of EEC house building materials.

Free Trade?

Our Free Trade Agreement—more recently signed—is still being phased in. . . . So US house building material entering Israel still is saddled with tariffs that can reach 40 percent.

The disadvantage to our industry is clear. . . .

In our negotiations with the Israeli government to implement the Housing Guarantee Program, shouldn’t we make it a requirement that the Israeli government immediately remove any tariffs on US-supplied house building material that would place American suppliers at a disadvantage in comparison to other suppliers? . . . I do think we in the Congress, and the American taxpayers—we all should have the answers. . . .

Press Israel for Answers

I do urge Senate and House conferees to include in the Conference Report an admonition to the administration to consider all of these questions, and provide the Congress relevant information. I also hope the Conference Report will urge the administration, in its negotiations with the Israelis, to press them on some of these same points—particularly on Israel’s intentions in utilizing the loans generated by this program. But I do hope that all the members of the Senate and the House—and especially the conferees on this bill from both bodies—will address these questions.

I hope the administration will, too, as it negotiates this matter with the Israeli government, and puts in place its own implementing policies and regulations.

Finally, I hope the American people—the American taxpayer—will think about the questions I have raised.

We have many important responsibilities around the world. There are many critical needs; many worthwhile causes. But we have limited resources, and we can’t do it all. . . .

We need to start subjecting all proposals for new spending or new commitments to more rigorous tests—of priority, of affordability, of common sense. . . .

It is time to face up to that reality. . . .

Washington Post Editorial Rewrites Israel's 1967 "Pre-emptive" Attack

By Kurt Holden

"The principle of the inadmissibility of the acquisition of territory by war applies to Iraq's acquisition of Kuwait, which came about by Iraqi aggression and must be ended by Iraqi withdrawal. Israel's acquisitions of 1967 came about in response to Arab aggression and must be ended by negotiations in which the Palestinians and Arab states sit down with Israel and make peace."

—The Washington Post, Dec. 23, 1990

A mid-January poll of Americans revealed that 66 percent would favor the holding of an international conference to deal with the Israeli-Palestinian dispute if doing so would bring about the peaceful withdrawal of Iraqi forces from Kuwait. Ever since the Aug. 2 Iraqi invasion, Israeli spin control artists have anticipated this development, the so-called "linkage" that would lead to pressure on Israel to withdraw from territory seized from its Arab neighbors in 1967.

That explains the extraordinary efforts by Israel-firsters in Congress, like Rep. Stephen Solarz (D-NY); in the think tanks, like former Assistant Secretary of Defense Richard Perle; and in the media, like *Washington Post* columnist Charles Krauthammer, to incite an early US military attack on Iraq. A US-Iraqi war would wipe off the slate the possibility of an international peace conference to deal with the Arab-Israeli dispute—by breaking the slate.

Seeking to Rewrite History

As a diplomatic deal linking Iraqi withdrawal to an international Middle East peace conference draws closer, however, Israel's US establishment seeks to rewrite the history of Israel's 1967 seizure of the West Bank, East Jerusalem, Gaza and the Golan Heights.

This is because the international conference will inevitably call for the return of those territories to Arab sovereignty, or to international or joint Arab-Israeli administration in the case of a united Jerusalem, as a part of any settlement based upon UN Security Council Resolution 242. The basis of US Middle East policy since it was adopted on Nov. 22, 1967, that resolution provides for "withdrawal of Israeli forces from territories occupied in the recent conflict" in return for acknowledgment by Arab

states of Israel's "right to live in peace within secure and recognized boundaries free from threats or acts of force."

The two sentences quoted at the top of this article are drawn from the lead editorial in the Dec. 23 *Washington Post*. The first sentence is true and the second is false. Both *Washington Post* editorial page editor Meg Greenfield and deputy editorial page editor Steven Rosenfeld are old enough to know that what they printed was, at best, a highly misleading statement on a critically important issue. Perhaps they both were off that day, a Sunday.

On Jan. 5, the *Post* printed without comment a letter (see box) from Prof. John Ruedy of Georgetown University's Center for Contemporary Arab Studies refuting the misrepresentation.

The editorial page misstatement remains in the record, however, and no doubt will be quoted in future well-meaning and not-so-well-meaning statements by scholars and polemicists.

A similar misstatement appearing in *The New York Times* in the same time period is refuted by the record. In the 1947 UN partition resolution, 53 percent of the Mandate of Palestine was assigned to the Jewish state that became Israel, and 47 percent to the Palestinian state that still awaits US recognition 44 years later. The population at the time consisted of 1,300,000 Muslim and Christian Palestinian inhabitants and 600,000 Jewish inhabitants. Jerusalem was awarded to neither state but was to remain a "corpus separatum" under international administration.

During the fighting that broke out almost immediately and continued through most of 1948, Israelis occupied West Jerusalem and the Jordanian army occupied East Jerusalem. When the fighting ended, the Israelis had increased their portion to 77 percent of the Mandate, and it is this area that now is recognized as Israel within the "green line," or Israel proper. The remaining 23 percent was held by Jordanian forces on the West Bank and Egyptian forces in the Gaza Strip. In 1956, Israel conspired with France to attack Egypt and Jordan but, when the British were brought into the plot that became the Suez invasion, they warned the Israelis they would change sides if Israel sought to involve

Rewriting History:

A Letter to *The Washington Post*, Jan. 5, 1991

In your Dec. 23 editorial, you asserted that Israel's territorial acquisitions of 1967 came about in response to Arab aggression. This is not so.

A little before eight in the morning of June 5, 1967, Israel started the Six Day War with a massive air strike against Egypt, followed by an armored thrust into Gaza and the Sinai. Jordan, obligated by a mutual defense pact to come to Egypt's aid, came into the war later that morning only because Israel had started shooting at Egypt.

The 1967 war was the culmination of a period of escalating provocations and bellicose rhetoric on both sides. Israelis and their friends have argued for years that Israel's security requirements justified going to war, a judgment to which they are entitled. But moving from that conclusion to one that converts Arabs into the aggressors is either a rewriting of history or of the dictionary.

Editorials such as yours make life difficult for those of us who try to teach Middle East history more or less as it happened.

—John Ruedy

Jordan in the war in order to seize the West Bank. The tripartite attack, therefore, was confined to Egypt.

Under US pressure, French and British forces withdrew quickly from the Suez Canal areas they had seized. Israel withdrew from Sinai only after President Dwight D. Eisenhower threatened to abolish the tax exemption on US funds collected for Israel if it did not. UN peacekeeping troops went into the Egyptian areas from which Israel withdrew.

Israeli "Retaliations" and Provocations

In November 1966 Israel launched a massive "retaliatory" tank attack on the West Bank village of Sammu, under Jordanian occupation. In April, 1967, Israeli planes shot down six Syrian aircraft in one day, convincing the Syrians that Israel was seeking to provoke a war to seize Syria's Golan Heights, containing the headwaters of rivers which supply vitally needed water to Israel, Syria and Jordan.

The Soviet Union informed both Syria and Egypt that its radio intercepts of Israeli military communications indicated an attack on Syria was imminent. Both Syria and Jordan demanded that Egypt, which was separated from Israel by its screen of UN peacekeeping troops, come to their aid in case of further Israeli attacks.

Continued on page 84

between members of the two communities who stayed outside Kuwait may have widened into an unbridgeable chasm.

After his departure I remain as puzzled as before he arrived. He personally saw none of the atrocities I've read about, and had no opinion on their scale or frequency. I understood. In Lebanon, I spent a year and a half working in the US Embassy building situated in the Muslim front line during a period when 60,000 persons, including colleagues and close friends, died in the city around me. But I myself never saw anyone killed outright.

So have hundreds, or thousands, of Kuwaitis been killed since the initial day of fighting? Who knows?

I suffer for Kuwaitis I know, many of whom are unsure to this day which members of the families they've left behind are alive and which are not. But experience cautions that causes that need lawyers, lobbyists and public relations firms probably want things from Americans to which they're not entitled—like American treasure and American blood. They'll say what they have to get it.

All I know for sure, therefore, is that Fawzi Dalloul is a truthful man with no axe to grind, and that this is his story.

Richard H. Curtiss is executive editor of the Washington Report on Middle East Affairs.

Mythinformation...

Continued from page 51

Egypt asked Secretary-General U Thant to withdraw the UN troops on its border with Israel so that Egypt's pledge to come to Syria's support would have credibility. The UN secretary-general surprised the world by instead withdrawing UN troops from all of Sinai. This allowed Egyptian forces to reoccupy the Straits of Tiran, from which they had been ejected in the 1956 war, and through which Israeli ships passed en route to and from Israel's port of Eilat.

Egyptian President Gamal Abdel Nasser foolishly vowed to block any Israeli ships from passing through the straits. President Lyndon Johnson informed Israel the US would organize a flotilla of Western Naval ships, dubbed in the White House "the Red Sea regatta," to lift the blockade.

Faced with an escalating crisis, King Hussein of Jordan entered into a mutual defense pact with his Egyptian rival, and Egyptian and Jordanian forces were placed under a joint command.

On Monday, June 5, 1967, without waiting for the US to organize its flotilla, Israel launched a devastating surprise aerial attack on Egypt, destroying that country's entire air force on the ground by noon. Throughout the

afternoon, repeated Israeli aerial sorties devastated the Syrian air force as well, and destroyed the Damascus airport.

Under heavy land, sea and air attack, Egypt's Nasser called on King Hussein to honor their treaty and come to the aid of Egyptian forces under attack in Gaza and Sinai. Jordan began shelling Israeli forces on June 5, and that night Israel launched an attack from carefully prepared positions in Jerusalem that secured the city and the entire West Bank on Tuesday.

By Wednesday, after occupying Sinai and the West Bank, Israeli assault forces were returning from those areas to mass on Syria's borders. On Thursday, as Syria called for a cease-fire, Israeli forces attacked and nearly sank the *USS Liberty*, a "ferret" ship jointly manned by the US Navy and America's super-secret National Security Agency, killing 34 and wounding 171 US Navy and NSA personnel. The ship had been monitoring military communications from all sides of the war, and crew members charged the attack was to conceal the knowledge that as Syria offered on Thursday to lay down its arms, Israel was preparing to attack.

On Friday, with complete command of the air, Israel launched a frontal attack on Syrian positions in Golan and by the end of the day had occupied the Golan Heights, which it holds to this day. It then acceded to demands for a cease-fire.

It is a mystery why American media continue to reprint the patently false statement that "all of Israel's wars were forced upon it." Fighting in 1947 and 1948 was initiated repeatedly and by both sides.

The 1956 Suez War, the 1967 Six-Day war, and the 1982 Israeli invasion of Lebanon all were planned in advance and launched by Israel without warning. Only the war of October 1973 was indisputably launched by Egypt and Syria, and both proclaimed at the time that they would confine the action to reoccupation of their own territories seized in 1967, and not attack Israel proper.

Jordan fought in the 1967 war because it was obliged by treaty to do so because of Israel's attack on Egypt. All of the Arab territories seized in 1967, along with the territory in southern Lebanon occupied by Israel since its 1982 invasion, therefore, were seized in wars indisputably launched by Israel.

Newspapers that print without refutation claims and allegations to the contrary abuse freedom of the press, and break faith with their readers. *The Washington Post* should be ashamed.

Kurt Holden is a retired film writer from southern California who divides his time between the United States and the Middle East.

Ba'ath Party...

Continued from page 20

domain of politics. The Islamicists object to the Ba'athist insistence on defining the individual by nationality, regardless of religion, and to the party's efforts to minimize religious differences between Arabs. From the fundamentalists came the accusation that the Ba'athists, like the Communists, were importing their concepts from the West. Precisely because the Ba'ath constituted itself as a modern, secular, nationalist, socialist party, it represented, in the eyes of the fundamentalists, a perfect copy of the Western form of political organization, despite the fact that its ideological premises are so uniquely Arab that they would be irrelevant if imitated in any other part of the world.

A Stance of "Positive Neutrality"

In fact, the Ba'ath has always remained aloof from the West, suspicious of the motives of both superpowers—the Soviet Union for the reasons mentioned above, and the US for its affinity with Israel. The party adopted a stance of "positive neutrality" vis-a-vis the superpowers, asserting that the Arab nation constitutes an entity independent of both. This Arab nation, in turn, has national interests of its own and a national agenda of its own, which may or may not concur with those of a superpower at any given time.

Those most threatened by the Ba'ath are the Arab traditionalists, who have derived their status and power for centuries from their family names, clans, and towns of origin. It is precisely such traditional modes of thought which Aflaq sought to eliminate through inqilab, one Arab individual at a time. Symptoms of traditionalist backwardness in the eyes of the Ba'ath include, among other things, illiteracy, the inequality of women, tribalism, regionalism, and some ancient customs, all of which members say impede the progress of the Arab nation.

Despite their rivals, the Ba'athists in 1963 managed to come to power in both Iraq and Syria. In Iraq they lost power later in the same year to a group of Nasserists who had come to power with them, but the Ba'ath regained control in 1968, stronger than ever. In Syria, the unified Ba'ath ruled until 1966, at which time the military elements which had become predominant in the Ba'ath's Syrian Regional Command decided to separate the Command from the authority of the National (pan-Arab) Command. Thus occurred a split, vertical in nature, which resulted in two rival Ba'ath parties ruling two of the most powerful states in the Arab world. Such is the situation today.

As for the party founders, Salah Al-Din
Continued on next page