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March 2, 1993

DEAR MR. LAMB,

Mona Charen delivered an address on February 9th at the Duquesne Club in Pittsburgh. The event was planned to honor the memory of Kandy Reidbord Ehrenwerth, a Vice President of the Pittsburgh Zionist District, who died at age 42 in a car accident last August. The function was the launch of a special Memorial Fund to seed projects that will perpetuate her memory.

Everyone there was extremely disappointed that Ms. Charen did not address the topic for which she was hired: "Is The New Clinton Administration Good For Israel?" She chose instead, to excoriate the current Israeli economy for the bulk of her address using fabricated statistics and out-of date data. The inordinate number of distortions and the malevolent tone of her delivery seared the ears of nearly two hundred Jewish and Christian attendees.

Ms. Charen displayed at the very least, insensitivity by agreeing to appear at a memorial tribute to a Zionist leader, with a presentation that diminished the value of the deceased woman's activism and contributions to the organization. Her baseless indictment infuriated those who were aware of the tremendous upsurge of the Israeli economy since 1990, disappointed those who came to hear an inciteful address about the new Clinton Administration, mystified those who came to honor the memory of a young and vibrant leader, and victimized the bereaved family sponsoring the event.

Mona Charen recalled the event in her nationally-syndicated column which runs in 100 newspapers, echoing the reprehensible misinformation she disgorged in Pittsburgh: "Israel's fiscal props: 2-15-93." In it she arrogantly discloses that the "theme" of her address was indeed not as agreed upon, while she exacts shame on her Pittsburgh audience for its disappointment.

Because it is the unanimous view by the highest government and economic authorities from the United States and Israel that Mona Charen falsified an overwhelming number of statistics in her February 9th speech and subsequently in her February 15th nationally-syndicated newspaper column, Mona Charen has established a shameful reputation with those who value truth in journalism.

I enclose materials that I have referenced, along with documented research which dispute the most blatant of Ms. Charen's abundant mistruths.

Sincerely,
[REDACTED]

MONA CHAREN,

SYNDICATED NEWSPAPER COLUMNIST, and
WEEKLY COMMENTATOR on CNN's "THE CAPITAL GANG"

MY TOPIC TONIGHT IS, "IS THE CLINTON ADMINISTRATION GOING TO BE GOOD FOR ISRAEL," AND MY TENTATIVE ANSWER IS: PROBABLY NOT. BUT BEFORE EXPLAINING HOW I COME TO THAT SOMEWHAT GLOOMY ASSESSMENT, I WANT TO BACK UP A LITTLE BIT AND ASK ONE BASIC QUESTION: WHAT WOULD BE GOOD FOR ISRAEL?...AND I'M GOING TO GIVE A RESPONSE THAT'S A LITTLE OFFBEAT AND MAYBE A LITTLE UNEXPECTED.

WHEN I WAS 23 YEARS OLD, I LEFT MY JOB AT NATIONAL REVIEW MAGAZINE IN NEW YORK, AND WENT TO LIVE IN ISRAEL FOR 6 MONTHS. MY ORIGINAL INTENTION WAS TO GO AND LIVE ON A RELIGIOUS KIBBUTZ FOR 6 MONTHS. WHEN I ACTUALLY ARRIVED AT THE RELIGIOUS KIBBUTZ I CHANGED MY PLANS, BUT THAT'S ANOTHER STORY FOR ANOTHER TIME.

BUT THE POINT IS, ON THE WAY OVER THERE, ON EL AL, OF COURSE, I WAS SEATED NEXT TO AN ISRAELI MAN WHO SMOKED NON-STOP, AND FILLED MY EARS WITH COMPLAINTS ABOUT ISRAEL. THE COMPLAINTS WERE UNSETTLING ENOUGH, SINCE AT THAT YOUNG AGE, MY IMAGES OF ISRAEL WERE ALL INCREDIBLY POSITIVE, AND THIS IS A LITTLE BIT SHOCKING, BUT BEYOND THAT, THERE WAS ONE THING HE SAID THAT SHOCKED ME COMPLETELY. HE SAID "YOU AMERICANS HAVE GOT TO STOP SENDING MONEY...IT'S RUINING THE COUNTRY. WELL, AT THE WISE AGE OF 23, I CONCLUDED THAT THIS GUY IS A CRANK. EVERY COUNTRY HAS ITS CRANKS, AND MAYBE ISRAEL HAS MORE THAN ITS SHARE. BUT TODAY, 12 YEARS LATER, I THINK THAT HE WAS EXACTLY CORRECT- FOREIGN AID IS RUINING ISRAEL'S ECONOMY.

NOW, I RECOGNIZE THAT TO SAY THIS TO A JEWISH AUDIENCE IS LIKE SPEAKING TO A BUNCH OF ROMAN CATHOLICS AND SAYING THAT IF THEY WOULD ONLY GET RID OF THE POPE, EVERYTHING WOULD BE FINE. I TOO GREW UP PUTTING NICKELS AND DIMES IN LITTLE BLUE AND WHITE BOXES LABELED JNF. I TOO WAS RAISED TO BELIEVE THAT SENDING MONEY TO ISRAEL WAS THE GREATEST MITZVAH A JEW CAN PERFORM. THAT ELEVATION OF ISRAEL BY THE WAY TO CENTRALITY IN JEWISH LIFE, SOMETIMES EVEN REPLACING GOD IS A COMPLICATED SUBJECT WORTHY OF A DIFFERENT SPEECH BY A DIFFERENT SPEAKER.

BUT OUR LOVE FOR ISRAEL SHOULD NOT BLIND US TO WHAT IS GOOD FOR HER. ON THE CONTRARY, IT SHOULD PROPEL US TOWARD THE TRUTH WHEREVER THAT MIGHT LEAD. THE TRUTH AS I SEE IT IS THAT THE GREATEST THREAT TO ISRAEL'S SURVIVAL IS NOT THE ARABS, IT IS HER ECONOMY. THE GREAT DECISION THAT MUST BE MADE BY ISRAELI SOCIETY IS NOT WHAT TO DO ABOUT THE WEST BANK OR THE GOLAN HEIGHTS, THOUGH THOSE ARE OBVIOUSLY CRITICAL, BUT WHETHER THE COUNTRY CAN MOVE FROM A STAGNANT, DECLINING SOCIALIST SYSTEM TO A GROWING FREE MARKET CAPITALIST ONE. THERE WAS A TIME WHEN ISRAEL WAS SOMETHING OF AN ECONOMIC MIRACLE.

IN THE YEARS IMMEDIATELY FOLLOWING INDEPENDENCE, BRIDGES WERE BUILT, ROADS, HOSPITALS WERE BUILT AND STAFFED, MALARIAL SWAMPS WERE TURNED INTO RICH FARMLAND, AND CREATIVE IRRIGATION MADE THE DESERT BLOOM, AS WE ALL KNOW. BUT, VERY SOON THEREAFTER THE ISRAELI GOVERNMENT BEGAN TO PLAY A LARGER AND LARGER ROLE IN ISRAELI SOCIETY AND IN THE ISRAELI ECONOMY.

ACCORDING TO FIGURES FROM THE JOURNAL POLICY REVIEW, BETWEEN 1965 AND 1985, ISRAEL GOVERNMENT SPENDING DOUBLED, GOING FROM 36-74% OF ISRAEL'S GNP, AND IT IS CONTINUING TO RISE. FOR PURPOSES OF COMPARISON, THE SPENDING BY THE UNITED STATES GOVERNMENT AMOUNTS TO 25% OF GNP, AND WE ARE ALL VERY CONCERNED ABOUT OUR DEFICIT, AND SO ON.

NOW, SOME WILL SAY, AND IT'S AN OBVIOUS OBJECTION, LOOK, ISRAEL DOESN'T HAVE THE LUXURY OF HAVING A GOOD ECONOMY, THEY HAVE SO MUCH, HAVE SO MANY DEFENSE BURDENS, AND SUCH A SECURITY PROBLEM, THAT IT'S ABSOLUTELY NECESSARY THAT THEY HAVE A GOVERNMENT OF THIS SIZE. BUT THAT'S NOT AN ADEQUATE EXPLANATION, BECAUSE SINCE 1975, DEFENSE SPENDING HAS BEEN FALLING, NOT RISING, AS A SHARE OF GNP. IT IS NOW LESS THAN 10%. NOW, THE BIG RISE IN GOVERNMENT SPENDING IN ISRAEL HAS BEEN ON DOMESTIC SPENDING, MOSTLY ON TRANSFER PAYMENTS, NOT ON DEFENSE. A COMPARISON IS HELPFUL. SOUTH KOREA AND TAIWAN HAVE BOTH BEEN ABLE TO DECREASE THEIR DEPENDENCE ON FOREIGN AID DESPITE HUGE DEFENSE COMMITMENTS THROUGH GROWING ECONOMIES. IF ISRAEL'S ECONOMY WERE GROWING INSTEAD OF STAGNATING, HER DEFENSE BURDENS WOULD BECOME AN EVER SMALLER PERCENTAGE OF HER ENTIRE ECONOMY. NATURALLY, WHEN THIS SPENDING BETWEEN THE YEARS 1965 AND 1985 WAS GROWING, TAXES WERE RAISED AS WELL TO HELP PAY FOR ALL OF THIS. THE TAX BITE ON THE AVERAGE ISRAELI WENT FROM 25% OF GNP IN 1960 TO OVER 50% IN 1985.

IN THE LAST SEVERAL YEARS TOP MARGINAL RATES HAVE BEEN CUT, BUT ISRAEL STILL HAS ONE OF THE HIGHEST TAX RATES IN THE INDUSTRIALIZED WORLD. AND THAT OTHER TAX, INFLATION, WHICH HURTS THE WORKING POOR, MORE THAN ANYONE ELSE, IS RUNNING NOW AT ABOUT 20% PER YEAR.

THE HEAVY HAND OF THE ISRAELI GOVERNMENT CAN BE FELT IN EVERY AREA OF ISRAELI LIFE. THE GOVERNMENT OWNS MORE THAN 90% OF ALL LAND IN THE COUNTRY. WELL, WHAT DOES THAT MEAN CONCRETELY? WELL, MEANS THAT THE LAND IS NOT BEING USED IN ITS MOST PRODUCTIVE WAY. A FARMER WHO TILLS LAND NEAR JERUSALEM, CAN'T DECIDE TO SELL THE PROPERTY TO SOMEONE WHO WOULD USE IT MORE EFFICIENTLY, BECAUSE HE DOESN'T OWN IT. THE OWNERSHIP OF LAND BY THE GOVERNMENT ALSO MAKES THE HOUSING CRISIS MUCH MORE ACUTE. ONE OF THE REASONS THAT HOUSING COULD NOT BE RAPIDLY BUILT TO ACCOMMODATE THE RUSSIAN IMMIGRANTS IS THAT THE MINISTRY OF THE INTERIOR WOULD NOT RELEASE THE LAND ON WHICH TO BUILD. AND EVEN WHERE LAND WAS AVAILABLE, LICENSING AND OTHER RED TAPE MAKES THE PROCESS OF BUILDING A HOME IN ISRAEL A 3 YEAR AFFAIR.

AND SO, WE'VE SEEN THE SPECTACLE OF RUSSIAN IMMIGRANTS HOPING TO FIND FREEDOM AND PROSPERITY IN ISRAEL CAMPED OUT IN TENTS INDEFINITELY. AS FOR JOBS, ENGINEERS, PHYSICISTS, AND LAWYERS FROM RUSSIA ARE SWEEPING STREETS AND SELLING FALAFEL FOR A LIVING.

THE ISRAELI GOVERNMENT EMPLOYS A THIRD OF THE LABOR FORCE, CONTROLS THE COUNTRY'S 5 LARGEST BANKS, AND PERMITS THE LEGAL OPERATION OF 60 MONOPOLIES AND CARTELS. NATURALLY, WITH THE EXISTING BUSINESSES COMPLETELY SHIELDED FROM COMPETITION, QUALITY IS POOR AND PRICES ARE HIGH. FOR EXAMPLE, THE PAINT THAT IS USED TO MAKE THE ROAD MARKINGS IS SUPPLIED BY A CARTEL, AND IT FADES QUICKLY, CONTRIBUTING TO THE NUMBER OF CAR ACCIDENTS IN ISRAEL. MORE ISRAELIS HAVE BEEN KILLED IN CAR ACCIDENTS THAN IN ALL THE WARS AND TERRORIST INCIDENTS SINCE THE FOUNDING OF THE STATE. ITEMS LIKE COMPUTERS THAT WOULD SELL IN PITTSBURGH FOR \$1500 COST \$3,000 IN TEL AVIV. WALK INTO A STORE, YOU'LL FIND ONE BRAND OF MAYONAISE, ONE BRAND OF CEREAL, ONE BRAND OF BREAD... EVERYTHING HAS BEEN GIVEN TO MONOPOLIES BY THE GOVERNMENT. THE GOVERNMENT ALSO CONTROLS THE TELEPHONE COMPANIES AND THE UTILITIES. SERVICE LEAVES A GREAT DEAL TO BE DESIRED IN ALL THREE.

WHEN I WAS IN ISRAEL IN 1981, THE JOKE THAT WAS MAKING THE ROUNDS WAS ABOUT AN AMERICAN, SAM GOLDMAN, WHO MAKES ALIYAH AND GOES TO LIVE IN TEL AVIV, AND GETS HIMSELF AN APARTMENT AND PUTS IN FOR A TELEPHONE. A WEEK GOES BY, NO TELEPHONE, HE CALLS TO COMPLAIN.... "IT'S COMING". TWO MORE WEEKS GO BY, NO TELEPHONE, HE CALLS FROM THE NEIGHBOR'S PHONE, CALLS TO COMPLAIN..."OH, IT'S COMING." MONTHS GO BY--NO TELEPHONE...AH, IF YOU'RE GOING TO GET ANYTHING DONE, YOU 'GOTTA GO DOWN TO THE TELEPHONE MINISTRY AND COMPLAIN IN PERSON. SO HE DOES. HE GOES DOWN AND SPEAKS TO ABOUT 12 DIFFERENT BUREAUCRATS, AND FINALLY HE'S DIRECTED TO THE PERSON WHO INDEED HAS HIS FILE. AH, YES, MR. GOLDMAN- THAT'S RIGHT..I HAVE IT RIGHT HERE. YOU'RE SCHEDULED TO GET YOUR PHONE IN 2 YEARS. GOLDMAN SAYS, YOU'VE GOTTA BE KIDDING YOU MEAN THAT THERE'S NO HOPE OF GETTING A PHONE BEFORE THE END OF 2 YEARS? OH NO, A JEW NEVER SAYS THERE IS NO HOPE. THERE IS NO CHANCE OF GETTING A PHONE IN TWO YEARS.

IT'S A FUNNY STORY, BUT I'LL TELL YOU, IT DOESN'T BEGIN TO REFLECT THE UGLIER SIDE OF THE BUREAUCRATIC MAZE. THE REALITY IS THAT IN ORDER TO GET PHONES AND OTHER SERVICES THAT IN A MODERN INDUSTRIAL SOCIETY WE ALL OUGHT TO BE ABLE TO TAKE FOR GRANTED, ISRAELIS OFTEN RESORT TO BRIBERY. THIS IS PARTICULARLY THE CASE WHEN IT COMES TO CUTTING THROUGH THE THICKET OF GOVERNMENT REGULATIONS ON BUSINESS. (OTHER EXAMPLES) FORMER SOVIET REFUSENIK NATAN SHARANSKY HAS DESCRIBED ISRAEL AS "THE LAST COMMUNIST COUNTRY ON EARTH."

WHAT ARE THE EFFECTS OF THIS MASSIVE INTERFERENCE IN THE ECONOMY? WELL, ISRAEL'S ECONOMY WENT INTO A MAJOR TAILSPIN BETWEEN 1983-1985. INFLATION SOARED TO 400%, AND THE GOVERNMENT WAS OBLIGED TO CUT A BILLION DOLLARS FROM ITS BUDGET, WHICH IN ISRAELI TERMS WAS A HUGE AMOUNT, AND NEARLY 25% FROM DEFENSE SPENDING. IT WAS ONLY EMERGENCY ASSISTANCE IN THE FORM OF A \$1.5 BILLION GRANT FROM THE UNITED STATES THAT KEPT THEM AFLOAT. DESPITE U.S. LARGESSE, THE ISRAELI ECONOMY HAD SUFFERED SEVERE STAGNATION. BY 1950 TO 1973 ISRAELI REAL PER CAPITA GROWTH AND GNP 5.5% ANNUALLY, BUT SINCE 1973 WHEN THE GOVERNMENT BEGAN TO CONTROL MORE AND MORE, IT HAS AVERAGED LESS THAN 1% A YEAR AND SOME YEARS, GROWTH HAS BEEN NEGATIVE. PER CAPITA ECONOMIC GROWTH DEPENDS UPON PRIVATE SAVINGS AND DIRECT FOREIGN INVESTMENT BETWEEN 1982 AND 1990, NET DIRECT FOREIGN INVESTMENT WAS A PALTRY \$129 MILLION WHICH IS NOT SURPRISING, SINCE THE CLIMATE IN ISRAEL IS SO HOSTILE TO BUSINESS.

IN FACT, ISRAELIS THEMSELVES INVESTED TWICE AS MUCH ABROAD AS WAS INVESTED IN ISRAEL. FEW PEOPLE--ISRAELIS INCLUDED, ARE WILLING TO RISK THEIR MONEY ON BAD ECONOMY. IF YOU DON'T HAVE ECONOMIC GROWTH--AND ISRAEL DOESN'T-- YOU DON'T HAVE JOBS, AND ISRAEL'S UNEMPLOYMENT RATE NOW STANDS AT 12% AND 35% AMONG THE RUSSIAN IMMIGRANTS.

THE TERRIBLE FACT OF LIFE THAT WORRIES EVERY ISRAELI IS THE OUT MIGRATION OF ITS YOUNG PEOPLE. IT IS ESTIMATED THAT THERE ARE 100,000 EXPATRIATED ISRAELIS LIVING IN NEW YORK ALONE AND MORE THAN THAT IN LOS ANGELES. IN EVERY YEAR SINCE 1984, WITH THE EXCEPTION OF THE PAST TWO, WHEN THE HUGE INFLUX OF RUSSIAN IMMIGRANTS CAME FROM THE SOVIET UNION, FORMER SOVIET UNION, ISRAEL HAS LOST MORE PEOPLE THROUGH EMMIGRATION THAN SHE GAINED THROUGH IMMIGRATION. REPEAT: EVERY YEAR SINCE 1984 EXCEPT FOR THE PAST TWO ISRAEL WAS LOSING ITS JEWISH POPULATION.

I'VE TALKED WITH YOUNG AMERICANS WHO HAVE MARRIED ISRAELIS AND ARE ATTEMPTING TO MAKE A LIVING IN ISRAEL. THEY COMPLAINED BITTERLY ABOUT "THE SYSTEM", AND INSIST IT'S LIKE A COMMUNIST COUNTRY. THE ASSUMPTION THAT A SINGLE YOUNG AMERICAN TRAVELS TO ISRAEL AND FINDS A BOYFRIEND OR GIRLFRIEND, IS THAT THE ISRAELI IS LOOKING FOR A GREEN CARD TO GET INTO THE UNITED STATES.

ACTUALLY, EVEN THE EXPECTED INFLOW OF IMMIGRANTS FROM RUSSIA NEVER REALLY MATERIALIZED AS PREDICTED. IN ITS 1991 BUDGET, THE ISRAELI GOVERNMENT PROJECTED THAT 400,000 RUSSIAN IMMIGRANTS WOULD ARRIVE. IN FACT ONLY 150,000 ACTUALLY CAME. COULD IT BE THAT THESE JEWS CONCLUDED THAT THEY STOOD A BETTER CHANCE AT A DECENT LIFE UNDER BORIS YELTSIN THAN UNDER THE ISRAELI SYSTEM?

PRODUCTIVITY, A CLOSE RELATIVE OF ECONOMIC GROWTH IS TERRIBLE IN ISRAEL, AMONG THE LOWEST IN THE INDUSTRIALIZED WORLD. LIKE PEOPLE EVERYWHERE IN CENTRALLY-CONTROLLED ECONOMIES WITH PUNISHING TAXATION, ISRAELIS SEE VERY LITTLE REASON TO WORK HARD. WHEN I WAS THERE, I HAD SEVERAL EXPERIENCES WITH CO-WORKERS, DEMANDING THAT I TAKE IT EASY AND SLOW DOWN, WHAT'S THE RUSH?

ACCORDING TO THE AGENCY FOR INTERNATIONAL DEVELOPMENT, WHICH IS PART OF THE U.S. STATE DEPARTMENT, ISRAEL IMPORTED 64% MORE THAN SHE EXPORTED IN 1987, THE LATEST YEAR FOR WHICH FIGURES ARE AVAILABLE.* THE OTHER COUNTRIES WHO HAVE SIMILAR TRADE DEFICITS ARE:

BANGLADESH	EL SALVADOR	MOROCCO
BULGARIA	GREECE	SUDAN &
EGYPT	JORDAN	TANZANIA

THE ISRAELIS ARE NOT VERY GOOD AT CREATING WEALTH, THEY ARE EXTREMELY GOOD AT BEGGING FOR HANDOUTS. THE U.S. DONATES AN AVERAGE OF \$3 BILLION TO ISRAEL YEARLY, AND AMERICAN JEWS KICK IN ANOTHER 1 BILLION IN ANNUAL DONATIONS. GERMANY SENDS ANOTHER 1 BILLION IN REPARATIONS.

ACCORDING TO THAT SAME A.I.D. REPORT, ISRAEL'S DEPENDANCE ON FOREIGN AID AMOUNTS TO 1/4 OF ITS BUDGET. THIS IS EXCEEDED ONLY BY:

BURUNDI	RWANDA	TOGO
LESOTHU	SOMALIA	ZAIRE
THE CENTRAL AFRICAN REPUBLIC	TANZANIA	

THE ENTIRE GOVERNMENT SYSTEM IN ISRAEL, FROM LEFT TO RIGHT, AND, OF COURSE, WITHIN THE ISRAELI POLITICAL STRUCTURE, THERE REALLY ISN'T ANY RIGHT, IN TERMS OF ANY ECONOMICS, THE WHOLE SYSTEM IS GEARED TO GETTING MORE FOREIGN AID. NEITHER OF THE MAJOR POLITICAL PARTIES HAS ANY INTEREST IN FREE MARKET REFORMS, BECAUSE THEY EACH USE GOVERNMENT CONTROL OF THE ECONOMY TO DOLE OUT FAVORS AND PATRONAGE. THUS THEIR POWER AS THEY SEE IT RESTS UPON MAINTAINING THE CURRENT CORRUPT SYSTEM.

THAT FREE MARKET REFORMS, NOT MORE FOREIGN AID, ARE NOT THE ANSWER IS NOT IN DOUBT, BUT NEITHER IS THE IMPLACABLE OPPOSITION THAT THE ISRAELI "OPERAT" THE "OPERAT" IN TURN IS WIRED INTO AMERICAN JEWISH FUND RAISING-A POLITICAL MACHINE THAT KEEPS THE SPIGOT OF AID OPEN. WELL-MEANING AMERICANS WHO UNDERSTAND THAT ISRAEL BADLY NEEDS TO REFORM HER DECAYING ECONOMY, ARE NONETHELESS HESITANT TO OPPOSE AID, FEARING TO BE SEEN AS ISRAEL BASHERS. BUT IT'S IMPORTANT TO UNDERSTAND THAT THE ECONOMY IS NOT A SEPARATE ISSUE FROM THE MILITARY AND STRATEGIC ISSUES THAT ISRAEL FACES.

AS IT IS, ISRAEL IS PAINFULLY HOLDING TO AMERICAN OPINION AND AMERICAN GOOD WILL FOR HER SURVIVAL. THAT IS AN UNHEALTHY AND UNNECESSARY SITUATION. IT'S UNHEALTHY IN MY VIEW BECAUSE OPINION IN THE UNITED STATES HAS BEEN UNDERGOING A CHANGE DURING THE PAST 15 YEARS OR SO. THE ONCE UNIQUE UNQUESTIONED SUPPORT FOR ISRAEL HAS SOURED. THE MEDIA HAS BECOME IF NOT QUITE HOSTILE, THEN AT LEAST SUSPICIOUS IN THEIR REPORTING FROM ISRAEL. AND THE ARABS HAVE VASTLY IMPROVED THEIR PUBLIC RELATIONS.

THERE'S A HUGE DIFFERENCE BETWEEN THE OLD IMAGE OF THE ARAB PALESTINIAN AS A MASKED TERRORIST AT THE MUNICH OLYMPICS, AND THE NEW IMAGE OF HANAN ASHWARI NEGOTIATING IN WASHINGTON. EVEN AMONG AMERICAN JEWS, SUPPORT FOR ISRAEL IS WANING. I'VE NOTICED THIS WHEN REPS OF UJA CALL ME TO SOLICIT MONEY AS THEY DO EVERY MONTH. I TELL THEM I NO LONGER DONATE MONEY TO ISRAEL, BUT PREFER TO GIVE TO OTHER JEWISH CHARITIES. AND THE YOUNG VOLUNTEER ON THE OTHER END OF THE PHONE IS ALWAYS PREPARED FOR THIS ANSWER, AND PRESSES ME TO TELL HIM WHAT I DISAPPROVE OF THAT ISRAEL IS CURRENTLY DOING. IS IT THE SETTLEMENT POLICY? IF SO, HE HAS A LITTLE SHPIEL THAT HE COULD GIVE ME ON THAT. AND IS IT THE INTIFADA? IS IT THE EXPULSION OF HAMAS TERRORISTS? I THEN SHOCK HIM BY SAYING: NOT THOSE THINGS, I ALMOST APPROVE OF ALL OF THEM. BUT RATHER I BELIEVE, THAT GIVING FOREIGN AID TO ISRAEL IS LIKE GIVING HEROIN TO AN ADDICT. THEY THINK THEY NEED IT, BUT THEY'D BE MUCH BETTER OFF IN THE LONG RUN IF THEY WENT COLD TURKEY. I TELL THIS STORY BECAUSE IT MAKES CLEAR THAT EVEN AMERICAN JEWS ARE FEELING QUEASY ABOUT GIVING MONEY WHEN ISRAEL DOES THINGS OF WHICH THEY DISAGREE. AND, HE THAT PAYS THE PIPER CALLS THE TUNE.

AS WE'VE SEEN WITH TWO OF THE LAST THREE PRESIDENCIES, CARTER AND BUSH, PRESSURING ISRAEL TO MAKE CONSESSIONS TO THE ARABS HAS BECOME A COMMON PRACTICE. THIS IS LIKELY TO CONTINUE UNDER PRESIDENT CLINTON. MOST OF HIS FOREIGN POLICY ADVISORS, STARTING AT THE TOP WITH WARREN CHRISTOPHER, ARE CARTER STATE DEPARTMENT RETREADS. THE UNDER SECRETARY OF STATE FOR POLITICAL AFFAIRS, PETER TARNOFF, ALSO A CARTER OFFICAL, IS NO FRIEND OF ISRAEL. IT WAS THE CARTER ADMINISTRATION WHICH LABELED JEWISH SETTLEMENTS AT THE WEST BANK AS ILLEGAL.

REJECTING THE AMOUNT OF FOREIGN AID THAT ISRAEL RECEIVES IS ALSO ON THE RISE AMONG ORDINARY AMERICANS WHO DO NOT SEE WHY THEY SHOULD SUBSIDIZE THE ISRAELIS, ITS AN OUTRAGE THAT ISRAEL SHOULD HAVE TO DEPEND ON HER SECURITY UPON ON THE GOOD GRACES OF AMERICANS, WHO ARE REMOTE FROM THE DANGERS ISRAELIS LIVE WITH DAY-TO-DAY, AND ARE EASILY INFLUENCED BY THE PUBLIC RELATIONS EFFORTS OF THE PLO AND OTHERS.

IF ISRAEL WERE ECONOMICALLY SELF-SUFFICIENT, SHE WOULDN'T HAVE TO WORRY ABOUT HOW EVERY MOVE WAS RECEIVED IN WASHINGTON D.C.. AND, FRANKLY, IT IS ALSO AN OUTRAGE THAT ISRAEL HAS NOT TRIED BEFORE NOW TO FREE HERSELF FROM THIS DEPENDENCE. IS HAS ONE OF THE MOST WELL-EDUCATED WORK FORCES IN THE INDUSTRIALIZED WORLD. FREE OF CURRENT CONSTRAINTS AT THE CURRENT SYSTEM, ISRAEL COULD BECOME THE SWITZERLAND OF THE MIDDLE EAST. I ONCE WROTE A COLUMN SAYING THAT JEWS ARE GREAT ENTREPRENEURS ALL OVER IN THE WORLD, EXCEPT IN ISRAEL. I GOT A LETTER FROM THE ANTI-DEFAMATION LEAGUE WARNING ME THAT SUCH SENTIMENTS BORDER ON ANTI-SEMITISM.

The tape stopped, although the speech lasted several minutes more.

COMMENTARY

MONA CHAREN

Israel's
fiscal
props

Maybe you have to be a little crazy to address an American Zionist organization on the theme "Why it is counterproductive to donate money to Israel." So call me crazy, because that is what I did last week.

Discussions of American policy toward Israel tend to be conducted as follows: Those who dislike Israel's policies toward the Arabs, or who oppose foreign aid, or who disdain Jews in general tend to argue that the current American contribution to Israel of \$3 billion annually is immoral.

Those who see themselves as committed to Israel's welfare support the aid. No, it's more than that. For them, contributions of money to Israel, from the private sector and from the federal government, are synonymous with "support" for Israel. And a mighty engine of fund raising and lobbying exists to perpetuate that support.

For a Jew to recommend weaning Israel from its dependence on foreign aid is heresy — comparable to telling the National Association for the Advancement of Colored People that anti-black bias isn't so bad.

It's a hard sell to persuade American Jews that one is motivated by genuine love for Israel and concern about her welfare. But imagine that Israel, instead of a nation, were a poor cousin on welfare. Would American Jews stand up proudly at fund-raising dinners boasting of how much charity they were able to generate for Uncle Izzy this year? Wouldn't everyone agree that it

would be best for Izzy to get a job?

Shame doesn't take you very far with pro-Israel audiences. I cited figures from the Agency for International Development showing that in 1987, Israel imported 64 percent more than she exported. The only countries with comparable figures are Bangladesh, Bulgaria, Egypt (also a recipient of huge amounts of American aid), El Salvador, Greece, Jordan, Morocco, Sudan and Tanzania. According to the same report, foreign aid amounts to one-quarter of Israel's budget. This is exceeded only by Burundi, the Central African Republic, Lesotho, Rwanda, Somalia, Tanzania, Togo and Zaire.

That Israel keeps company with such undeveloped nations in economic statistic is doubly shocking when you consider that Israel has one of the most highly educated, highly skilled work forces in the world. Freed from the socialist chains that bind economic growth and productivity, Israel could be — would be — an economic dynamo.

I cited other data in my speech about the impossibility of doing business in Israel, the choking red tape, the punishing tax rates, the poor services and the high prices. I stressed that Israel's economy is a greater threat to her long-term welfare than the hatred of the Arabs because it is the economy that is driving Jews to leave the country. In every year since 1984, with the exception of the last two when a large immigrant pool arrived from Russia, Israel has lost more people by emigration than she has gained by immigration.

A questioner spoke for many when he rose to say, "Even if everything you say is true, what would it do to the peace process if the United States were to withdraw aid from Israel? Doesn't success in the peace process depend upon an Arab perception of strong U.S. backing for Israel?"

No. The Arabs will make genuine peace with Israel when they perceive that there is no alternative. Right now, the "peace process" is being skewed by the effort to play to American public opinion. The Palestinians have vastly improved their public relations in the years since 1973, when the image was of a masked terrorist in Munich, to today when Hanan Ashwari is the spokeswoman for the cause. Post-Holocaust Jews should believe in strength — military, economic and mental — not attractive weakness. Israel is weak so long as she is known to be a ward of the United States.

Moreover, the United States can provide strong military and diplomatic support for Israel without giving economic aid.

If Israel were strong economically, she would not have to be concerned about how Americans, who are remote from her security problems, perceive every move. A strong and growing economy in Israel, with a growing Jewish population, is a far better grounding for military security than the whims of American public opinion.

Mona Charen is a nationally syndicated columnist.

*Israel is weak so long
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MONA CHAREN STATEMENTS

1. "EVERY YEAR SINCE 1984, EXCEPT FOR THE PAST TWO, ISRAEL WAS LOSING ITS JEWISH POPULATION."

2. "ISRAEL DOESN'T HAVE ECONOMIC GROWTH."

3. "INFLATION, WHICH HURTS THE WORKING POOR, MORE THAN ANYONE ELSE, IS RUNNING NOW AT ABOUT 20% PER YEAR."

4. "RUSSIAN IMMIGRANTS HOPING TO FIND FREEDOM AND PROSPERITY IN ISRAEL NOW. EVEN ARE CAMPED OUT IN TENTS INDEFINITELY."

5. "WALK INTO A STORE, YOU'LL FIND ONE BRAND OF MAYONNAISE, ONE BRAND OF CEREAL, ONE BRAND OF BREAD--EVERYTHING HAS BEEN GIVEN TO MONOPOLIES BY THE GOVERNMENT."

ACCURATE STATEMENTS

1. "FROM 1951 TO 1992, ONLY IN 1954 DID WE HAVE A NEGATIVE NUMBER OF IMMIGRANTS."¹

JEWISH POPULATION

1984 =3,471,000	1989 =3,717,100
1985 =3,517,200	1990 =3,946,700
1986 =3,561,400	1991 =4,144,600
1987 =3,612,900	1992=5,235,000 ²
1988 =3,659,000	

2. "THE RATE OF GROWTH IN ISRAEL WAS HIGHER THAN ALL OTHER INDUSTRIAL COUNTRIES IN THE WORLD DURING 1991 AND 1992."¹

GDP

Israel=6.4%	Eng=0.4%
U.S.=2.1%	Japan=1.8%
Ger.=1.3%	France=2.6% ¹

ECONOMIC GROWTH

1990 = 5.4%
1991 = 5.9%
1992 = 6.4%

3. "INFLATION RATES "

1986 =19.7%	1989 =20.7%	1992 = 9.4% ²
1987 =16.1%	1990 =17.1%	
1988 =16.4%	1991 =18.0% ¹	

4. HER STATEMENT IS "NOT CORRECT"¹ "NOT TRUE"²
 "IMMIGRANTS LIVE IN HOUSES AND APARTMENTS, & CARAVAN HOUSES, WHICH ARE LIKE MOBILE HOMES IN THE U.S.. THEY'RE GOING TO GIVE BACK, 50,000 CARAVANS TO THE GOVERNMENT NOW, TO USE FOR THE ARMY."³

5. "I WILL TELL YOU BEYOND A SHADOW OF A DOUBT THAT, WHILE THAT WAS PROBABLY TRUE A NUMBER OF YEARS AGO, IT IS NOT TRUE TODAY "¹

(as per the availability of the following at stores)

"MAYONNAISE-at least 3-5 Brands, including

Osem, Telma, D.L., Mata, Hellmans

CEREAL- Telma, Elite, General Mills, entire line of Kelloggs "¹

BREAD-"There are at least 5 or 6 brands of bread in the stores today. And, bakeries are in supermarkets now."²

Sources:

1. Mr. Amnon Neubach, Economic Minister
Embassy of Israel, Washington D.C.
2. Statistical Abstract of Israel-1992
Central Bureau of Statistics-Tel Aviv

Sources:

1. Mr. David Newman, Spokesperson
Central Bureau of Statistics-Tel Aviv
2. Mr. Amnon Neubach, Economic Minister
Embassy of Israel, Washington D.C.

Sources:

1. United States Legal Exchange-Winter-1992
"Commercial Opportunities in Israel"
U.S. Department of Commerce
2. Ms. Etty Bar-Economics Desk
Government Press Office-Jerusalem

Sources:

1. Mr. Mark Levin, Executive Director
National Conference of Soviet Jewry
2. Mr. Dore Gold, Director, US-Middle East Policy Project
Jaffee Center for Strategic Studies
3. Mr. Yaacov Argman, Director, Bank Leumi-Ashkelon

Sources:

1. Mr. Boaz Falk, Director
Consumer Marketing Department
OSEM Company-Tel Aviv
2. Ms. Lillit Romem, President
Weight Watchers Israel
Division of Heinz, International

6. "ACCORDING TO THE AGENCY FOR INTERNATIONAL DEVELOPMENT, U.S. STATE DEPARTMENT, ISRAEL IMPORTED 64% MORE THAN SHE EXPORTED IN 1987.... THE LATEST YEAR FOR WHICH FIGURES ARE AVAILABLE."

7. "ACCORDING TO THAT SAME A.I.D. REPORT, ISRAEL'S DEPENDENCE ON FOREIGN AID AMOUNTS TO 1/4 OF ITS BUDGET. THIS IS EXCEEDED ONLY BY: BURUNDI, THE CENTRAL AFRICAN REPUBLIC, LESOTHU, RWANDA, SOMALIA, TANZANIA, TOGO, & ZAIRE."

8. "PRODUCTIVITY, A CLOSE RELATIVE OF ECONOMIC GROWTH IS TERRIBLE IN ISRAEL, AMONG THE LOWEST IN THE INDUSTRIALIZED WORLD."

6. "WE'RE UP-TO-DATE THROUGH '91-'92." ¹
(AS OF 2-10-93)

* TABLE 2-Foreign Trade of the State of Israel" ²
1988 = 23.1% 1991 = 33%
1989 = 18.1% 1992 = 33% (estimated)³
1990 = 23.4%

7. "ISRAEL'S DEPENDENCE ON FOREIGN AID CONSTITUTES ONLY 12%, OF ITS BUDGET OF \$36.07 BILLION." ¹

8. "IN 1992, THE PER CAPITA GROWTH RATE WAS 3%, HIGHER THAN IN MOST OF THE INDUSTRIALIZED WORLD." ¹

1. Mr. Jake Wallace, Middle East Desk
(Agency for International Development)
U.S. State Department
2. Manual For The Investor in Israel-1992
Igal Brightman & Company
Certified Public Accountants
3. Ministry of Finance

1. Mr. Moshe Nahum, Director
Foreign Trade & International Relations Dept.
Manufacturers Association of Israel.

1. Mr. Steven Liebes, Economic Analyst
Near East Report-AIPAC

SIGNIFICANT ECONOMIC FACTORS OMITTED IN CHAREN'S EVALUATION:

1. ABSORPTION OF ONE HALF MILLION NEW IMMIGRANTS

In the past three years, Israel has increased its population by 10%.¹

2. ARAB BOYCOTT OF THE ISRAELI ECONOMY

A recent internal report of the Anti-Boycott Compliance of the U.S. Department of Commerce reveals that the boycott on Israel has been intensified by the Arab states.²

3. HIGH COST OF DEFENSE

Israel pays a tremendous economic and human price to defend her borders.³

Army reservists must serve one month per year away from their work or profession.⁴

4. SCARCE NATURAL RESOURCES

The land of Israel has few natural resources, especially water.⁵

Israel must import even more of her basic needs in light of the rapid rise of population

1. Mr. Amnon Neubach, Economic Minister
Embassy of Israel, Washington D.C.
2. Mr. David Weinberg, Spokesman
Anti-Defamation League-Jerusalem
3. Mr. Nimrod Barkan, Minister of Information
Embassy of Israel, Washington D.C.
4. Encyclopedia Britannica, Inc.
1992 Edition Volume 22 Page 137

CURRENT POSITIVE ECONOMIC INDICATORS:

In 1992 exports increased by 11%.¹

In 1992 business production rose 7.3%.²

Over the past 3 years, business productivity increased by 25%.³

Standard & Poor has boosted Israel's rating-first quarter, 1993.⁴

The GDP is estimated to grow by 5% in 1993.⁵

1. Ms. Etty Bar-Economics Desk
Israel Government Press Office
2. Central Bureau of Statistics-Israel
3. Ms. Etty Bar-Economics Desk,
Israel Government Press Office
4. Gen. Meir Rosenne, CEO-State of Israel Bonds
5. Ms. Sharon Gefen, Bank Hapoalim-Tel Aviv

ed-

When a donkey moos . . .

Humans are more unpredictable than anything else in nature, including the weather. A song from "The Fantasticks" keeps coming to mind: "Plant a Radish; Get a Radish." Radish seeds always grow up to be what you expect, but, what about humans?

Several years ago, The Chronicle was invited along with a dozen or so other news outfits to a press conference with noted scientist Dr. Alfred Sabin, who had just received a huge grant to study a possible connection between the herpes simplex virus and cancer.

The good doctor, however, an ardent Zionist, wanted to talk only about the danger facing Israel because of the Arabists in the State Department. Always a feisty, outspoken person, Sabin soon threatened to leave the podium if the gathered press asked him again about herpes simplex. All of this was okay with The Chronicle, for Israel is certainly our story.

That day, only this paper got a good story.

What all of this is apropos of is the visit by a syndicated conservative columnist and public tv personality who came to Pittsburgh to speak on the agreed-upon subject of the "New Clinton Administration and the Middle East Peace Process." Instead, the columnist used her Jewish community forum to blast Israel's economic policies, particularly its socialist leaning which she blamed for the "drag" on its economic progress.

The columnist also used the local forum to expound the need for a free market economy and lambasted Israelis for being lazy and spoiled by their socialist economy. She even said Israel must forego the foreign aid it receives from the US, for everyone's betterment.

When a cow brays instead of mooing, the result can be dismaying, particularly to the other livestock. Human guest speakers, even bought-and-paid-for speakers, still have freedom of speech in the US. What she did is certainly legal but was it ethical?

Often speakers (and writers) digress. Digression implies, however, that at least some attention was paid to the agreed-upon subject matter.

To do otherwise, to use someone else's podium to further your agenda while ignoring their feelings and expectations, is unfair. Certainly, calling for a cut-off in US aid to Israel at the platform of a Zionist organization which strongly supports such aid is at least rude.

The message about the need for a free market economy, however, is something that both the current Israeli government and its predecessor

openly seek. Israelis, some of them at least, also talk about the end to American foreign aid. It isn't that the subjects are taboo; it was just that the columnists' behavior was uncalled for. (The program was supposed to be a memorial for a devoted Zionist.) Another time, another forum, a frank discussion of what she perceived to be wrong with Israel's economy or the Clinton tax plan or General Motors or whatever, would be fair game.

One who purposefully betrays the known wishes of an audience to advance her own agenda -- an agenda that is at cross purpose with the audience -- is, at best, an unfeeling, selfish opportunist.

Let the buyer beware prevails in the speaker's marketplace just as it does elsewhere. Caveat emptor goes right along with the thinking of free market advocacy. Stung once, Jewish organizations buying speakers' services should be aware and beware of the smooth-tongued doublecross.

While the speaker is entitled to "digress" in any manner other than slander, the speaker should also bring facts to bear upon the topic of choice. In the local case in point, the speaker quoted statistics without sources about the state of Israel's economy. A thorough check of her data by both journalists and irate listeners showed that the columnist used hopelessly out-dated figures to prove her contentions. Current Israeli economic data -- even four years old -- apparently would not have served her free market theories well.

That, for a journalist-columnist, is an unforgiveable sin. Journalism 101 teaches: check your sources; then, check them again before you go public. Economic data is especially readily available and up-to-date. Using a decade-old statistic is like shouting down a well -- all you hear is an echo of your own thought.

Maybe it is the corrupting influence of television that fouls otherwise good print journalists. Look at NBC on GMC trucks or the television faked shots during the 1982 Lebanon invasion. Normally reliable newsmen seem to get trapped in ratings wars when they move to broadcast media and its demand for visual evidence and lose their devotion to objectivity.

Print media often misses the truth in publishing the news, too, but for sheer size of blind and/or bigoted blunders, the television news bureaus win all of the top prizes.

By Joel Roteman

Columnist stuns ZOA group

By HOLLY LEHMAN, Staff Writer

Mona Charen, nationally syndicated columnist and television and radio commentator featured on CNN's "Capital Gang" presented her views on Israel to a crowd of about 180 people gathered for a Pittsburgh ZOA event in memory of Kandy Ehrenwerth, a former member of the Pittsburgh Zionist District executive committee.

Charen, who had consented to address "Is the Clinton Administration Good for Israel?", instead spent the half-hour lambasting Israel, its policies and people, and offered her own solutions to Israel's "problems".

According to Nancy Rackoff, co-chairperson of the event, "We were extremely disappointed with Ms. Charen's inability to

address the topic for which we contracted. Most everyone was outraged that her speech was contrived to conclude that the Israeli economy was in grave stagnation, in order to promote and legitimize an Israeli-based think tank which she supports." (The Institute for Advanced Strategic and Political Studies.)

Most of her statistical and factual information was not attributed to any source and differed greatly from that regularly published by the government and printed all over the US, including here in The Jewish Chronicle.

Maion Ungar Davis, also co-chairman of the event, states, "Ms. Charen nearly doubled the official rate of Israeli inflation and dramatically slashed actual GNP figures, according to the

Economic Office of the Embassy of Israel in Washington, D.C."

She loaded her speech with scores of accusations and descriptions of Israeli life with statements that were apparently insulting to many in the audience.

"Many attendees of the program -- regular visitors to Israel, found ludicrous Ms. Charen's observation that Israeli stores are 'only stocked with 'one brand of mayonnaise, one brand of cereal, and one brand of bread,'" says Davis.

Charen offered these statements as "evidence" in her quest for proving Israel's socialist government needs a makeover to free market.

Charen proudly stated that she refuses money to any other Jewish organizations besides the Institute for Advanced Strategic and Political Studies. Her commitment to the revamping of Israeli politics towards free market economy is her overriding theme.

In addition, her defense of Pat Buchanan's anti-Semitic tendencies was no surprise. "He is just so aggressive, he doesn't see the effect. He didn't say those things because he hates Jews but because he searches for the most inflammatory way to say things," she explained, adding that she did suggest that he publicly apologize.

Charen's lack of accurate and current data may be attributed to her lapse of first-hand information since she has not visited Israel since 1981. Nevertheless, her indictment of Israel's economy, a topic she was not contracted to speak about, brought discomfort, if not disbelief, to those Zionists who know better and came to honor the memory of a young and vibrant leader."



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