

'Our Crowd' Banks Move To Install Dayan In Power In Israel

The same New York investment houses that are planning the fascist reorganization of the U.S. economy — Lazard Freres, Lehman Brothers, Kuhn Loeb, etc., — have launched a drive to bring Israeli Foreign Minister Moshe Dayan to power and force an Arab-Israeli showdown. These New York banking institutions are aware that Israeli Prime Minister Menachem Begin has entered on a path of "war avoidance." Begin has therefore become an impediment to banking institution plans to use a Mideast war to create an oil crisis that would break Western Europe's political cohesion and jack oil prices up to \$25 a barrel; thereby rescuing the bankrupt dollar, and generating enough funds to finance Lazard man Felix Rohatyn's Schachtian "energy development" slave labor programs in the United States.

On the eve of Dayan's arrival in the United States to present his recently announced "plan" to the Carter Administration, the pro-Dayan drive was signaled by lead editorials Sept. 14 in both the *New York Times* and *Washington Post*. The editorials supported the plan, which calls for the Arabs to endorse permanent Israeli military occupation of the West Bank, and creation of an alternate leadership for the Palestinians against the Palestine Liberation Organization (PLO) as the price for an Israeli peace treaty — terms that the Arabs, Soviets, and many European press outlets have already rejected.

The pro-Dayan maneuvers were further evidenced in a State Department Mideast policy statement which was clearly intended to complement the Dayan proposals. While the State Department declared that the participation of the "Palestinians" was "indispensable" in Middle East peace talks, it avoided mentioning the PLO and insisted that the PLO recognize United Nations Resolution 242. This would be tantamount to self-obliteration, since the resolution refers to the Palestinian problem as a "refugee" problem.

The State Department declaration clears the path for U.S. dealings with West Bank puppet-Arabs, whom Dayan has cultivated for several years, and with whom Secretary of State Cyrus Vance met in the Middle East last month.

Admitting this, the leading Middle East expert for the Council on Foreign Relations, John C. Campbell, stated Sept. 13: "The U.S. is trying to play it in such a way as to appear not to back Israel's view of the PLO, but at the same time the U.S. does refuse to talk to the PLO unless they accept Resolution 242. The U.S. is not quite writing off the PLO," Campbell continued, "but is saying, 'We gave them a chance, and they refused, so now there must be another way to recognize the leadership of the Palestinians.'"

Along similar lines, the *Christian Science Monitor* Sept. 15 reported that "tantalizingly and with diplomatic astuteness, the U.S. is offering reassurance to the Palestinians while carefully refraining from any specific reference to the PLO as such."

On the same day, the *New York Times* carried a leak from "high-ranking officials" purporting to be a semifinal version of U.S. Mideast policy. It called for Israel to "drop its objections" to a unified Arab delegation at a Geneva conference that would include the Palestinians. The Times-leaked plan then propounds a "joint Israeli-Jordanian trusteeship" for several years for the West Bank. The Times notes that the Dayan plan is receiving great attention at State, which is exploring Dayan's ideas for giving West Bank "notables... autonomy."

Finally, on Sept. 15 syndicated columnist Joseph Kraft, an old mouthpiece for Henry Kissinger, labeled Dayan a "brilliant tactician" in the context of calling for U.S. diplomacy to "set lower sights" in the Mideast and to return to "step-by-step" moves, especially as the Carter Administration is under siege in the Lance affair.

PLO, European Strategy

While PLO leader Yasser Arafat welcomed the State Department policy statement as a "step forward," a slew of Palestinian leaders have pointedly noted that the statement ignored the PLO and supports Dayan's plan.

The PLO Central Council is holding meetings this weekend to discuss overall strategy in the face of the upcoming United Nations sessions on the Palestinian issue. Numerous sources expect Arafat and other centrists to push for a strategy of recognizing a United Nations resolution that would amend 242 by recognizing Palestinian "national rights." Such a strategy would be tantamount to a recognition of Israel's right to exist, and could open up numerous new possibilities for a Middle East settlement.

The PLO would receive widespread European backing for such a strategy, especially from France. According to one well-informed source, France would likely introduce into the United Nations Security Council the appropriate amendments to the resolution. Another source with solid European Economic Community connections estimated that the Europeans would want to "put the Carter Administration up against the wall" by developing a solid Euro-Arab bloc at the UN around this strategy, challenging the U.S. to either support the amendments or to veto them and stand dangerously exposed.

A U.S. veto would be a virtual inevitability. According

to the *Christian Science Monitor*, in fact, a main impetus behind the State Department policy statement was to encourage the Arab states to "stay away from the U.N. basket" and to instead rely solely on U.S. diplomatic initiatives.

Dayan on the Move; Begin Resisting

In Israel, the Dayan forces' major immediate objective is to have Dayan replace Begin. Two weeks ago, Dayan organized a political "debating society" that brought together military and intelligence community backers of Dayan under his personal leadership. The *Jerusalem Post* Sept. 11 editorialized that the Dayan group is meant to be the core of an important new national political party.

According to West European diplomatic sources, there are widespread rumors that Dayan is on the verge of becoming prime minister.

But Begin, an extremely shrewd politician, is in a strong position and is fighting back. The key to Begin's strategy is the fact that during his recent visit to Romania, the only Communist country that has ties with Israel, Begin and President Ceaucescu reached a basic accord on avoiding war at all costs, a policy which Begin is committed to.

According to the *Christian Science Monitor*, Begin is

quietly exploring the idea of renewed diplomatic ties with the USSR, and is sending an Israeli government delegation to the USSR this week for the first time in ten years to attend a UN conference. Israeli businessmen are also touring the Soviet Union the *Monitor* reports, and a Bulgarian delegation is in Israel.

Internally, Begin is strengthening his position against the challenge from Dayan. The key was the appointment of Ahimlai Paglin as special advisor on terrorism two days ago. Paglin, an old associate of Begin, is a bitter opponent of the Dayan faction and, according to informed sources, intends to clean up Israeli-based terrorist networks -- run by Dayan and his West German accomplice, Willy Brandt.

In addition, Begin is maneuvering to isolate the fanatic Agriculture Minister Ariel Sharon on the issue of stepped-up Jewish settlements in the occupied West Bank. Begin announced in a press conference that Israel has not set up any new settlements except those already planned by the previous Rabin-Peres government, and he flatly contradicted Sharon on another issue by stating that Israel does not intend to help the PLO's Yasser Arafat overthrow King Hussein to set up a Palestinian state in Jordan -- a policy advocated by the lunatic Sharon.

— Mark Burdman

Dayan Plan For West Bank Draws Intl. Press Fire

The following is the response of domestic and international press to Israeli Foreign Minister Moshe Dayan's proposals for West Bank settlement.

The Guardian, Sept. 12, "An Offer With No Takers"

Israel's draft for a peace treaty with the Arabs, and an accompanying letter to the State Department, have been approved by the Cabinet but not yet published. They are reported to assume, if not assert, the continued occupation of the West Bank. It would have been an astonishing turnabout if they had made any other assumption, but the draft has been rejected in advance by Arab spokesmen as a contribution not to peace but to another round in the war.... (For), even if the occupation were demonstrably benign it could not begin to meet the aspiration of the Palestinian homeland -- and not "even if" but "because." Anything which compromises the aim of a homeland must be regarded by the Palestinian leadership as a dangerous siren call, and if existing Palestinian leaders do not so regard it, they will be replaced by those who do...

Mr. Vance's resourceful diplomacy has not so far been a match for the incompatibilities on the ground. It is based on the liberal supposition ... that for every problem there must somewhere exist a solution on which all right-thinking men can agree. It is the task of diplomacy, according to this school, to seek out the solution

wherever it may be found, even in the dictionary.... Linguistic paths are sometimes worth exploring but it is rare for them to lead to an acceptable destination in a dispute the size of this one.... If Mr. Vance is correctly reported, the choice of word (of a "Palestinian entity" as a solution to the Palestinian problem) is infelicitous because it clearly implies that the "entity" will be an administrative unit entirely distinct from anything else that exists in the world. That is not what the Palestinians want and they are unlikely to be persuaded into less than they want by verbal dexterity alone.

London Financial Times Sept. 12, "Israel's proposals lack realism":

The next phase of the Middle East peace negotiating process is about to take place in the unpromising environment of the UN General Assembly and in an air of dangerous unreality. Total deadlock is already apparent and continued assertions of optimism by the U.S. Administration are belied by the widening gulf between Israeli and Arab states directly involved....

These divisions appear even more clearly after the presentation by Mr. Moshe Dayan, Israeli Minister, of his country's draft peace proposals....

Although few of its details have been officially released, sufficient is known about them to draw