

## **EIR** Special Report

# *EIR* in Israel: Can the 'great projects' vision return?

by Muriel Mirak

"If God exists (and I believe He does), and if He loves Israel (which I also believe He does), then He will let the current government maintain power by winning the upcoming elections." The person speaking these words is not a fanatical spokesman for Israel's fringe religious parties, nor a staunch supporter of Ariel Sharon, as one might be led to presume. Rather, he is a former Knesset member whose deep-rooted dislike of the ruling Likud coalition is no secret in Tel Aviv or Jerusalem.

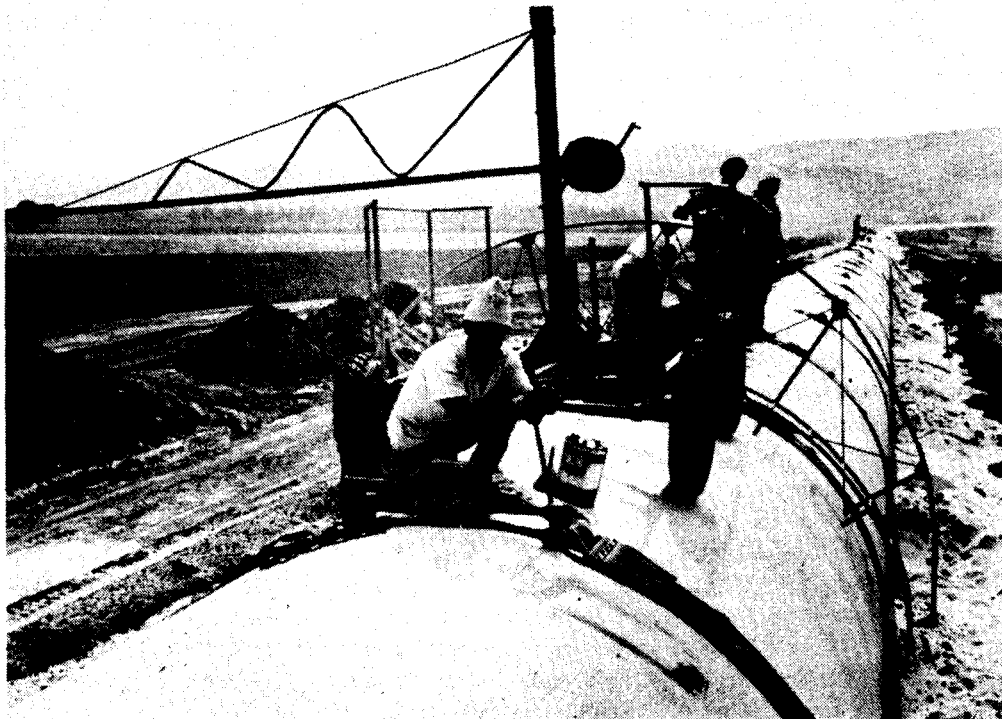
Why, then, does he appear to be supporting them?

His analysis proceeds from the standpoint of the relative imbalance of power that a Labor-led Alignment government would face if brought to power on election day July 23.

Since both leading Labor spokesmen, Shimon Peres and Yitzhak Rabin, are perceived as "cowards," the thinking goes, Labor would not be able to take the energetic steps necessary in key policy decisions to put the country back on the right track. Failing to provide adequate leadership, they would be overwhelmed by a boisterous and powerful opposition, led by strongman Ariel Sharon. And that would paralyze the political process. It would be better, this politician concludes, to let the Likud continue ruling, such that it, and not Labor, would bear the brunt of public displeasure triggered by the imminent economic and political crises.

Viewed in its own terms, our source's analysis may have a certain plausibility. But the real test Israel is facing is not who can win a game of parliamentary cretinism, but who can lead the nation successfully to overcome the challenge posed by economic collapse, Palestinian pressures for statehood, and relentless Soviet-backed fundamentalist irrationalism throughout the Mideast region.

Whether or not Labor has the proven quality of statecraft in its current leadership should not prejudice the solution. What is required is a clear understanding of policy options that are available, workable, and necessary; then, it will be the task of an incoming Labor coalition to grow into the shoes capable of taking those steps. Its leaders can become "bigger men" if they are willing to take responsibility for leadership, in more than petty squabbles erupting in the Knesset.



*EIR's correspondents found openness to LaRouche's perspective of great development projects in the Labor Party and its prospective coalition partners. As the July 23 elections approach, can Israel's politicians look beyond short-term electoral calculations and put forward real solutions for the economic and strategic problems of the country? Shown are workers laying pipes for the national irrigation system, completed in 1961.*

## The legacy of Sharon

The Likud coalition has amply demonstrated that it lacks that quality of leadership or vision. The government of Prime Minister Yitzak Shamir, pulled down by a vote of no-confidence worked out jointly by the Tami and Labor parties, had made itself notorious for its intransigence and gross mismanagement of Israel's strategic and economic problems.

The legacy presented to the Shamir government was the 1982 Sharon-architected invasion of southern Lebanon, which led to a prolonged war, bleeding dry the financial resources of the depressed economy, and sacrificing youth in the Israeli Defense Force (IDF). Public outrage at a no-win war which had the aura of an Israeli Viet Nam about it culminated in the findings of the Kahane Commission, which blamed Sharon for unthinkable atrocities and which cost him his ministerial post. Although concern about Israel's defense against Palestinian terrorism was utilized to justify the continued war and *de facto* annexation of southern Lebanon, the Israeli population grew increasingly uncomfortable with a war which was turning the once-beautiful nation of Lebanon into an inferno of warring tribal units, while radicalizing the entire Middle East region to the advantage of the Soviet Union and its Nazi International allies.

The Shamir government continued pursuing the annexationist policy of former Prime Minister Menachem Begin, extending settlements throughout the West Bank. This thrust, led by Sharon's fanatical Gush Emunim allies, had the effect of further straining Israel's budget problems, while pouring oil on the flames of discord between the the Israeli occupying forces and the Palestinian people, who are often corralled

into refugee camps or subjected to local authorities' harassments in the occupied territories.

The Shamir government began to experience the bitter fruits of what increasingly resembled a colonial victory: It has consolidated militarily its control over those lands seized in the 1967 war, but has succeeded neither in quelling the colonial subject population's opposition, nor in finding political solutions to free that population. In the view of many of Israel's "founding fathers" who are agonizing over this situation, the Israeli government has been finding itself in the ironic position of aping that British colonial force which it overthrew in 1948.

The answer that Sharon is proposing is medicine far worse than the disease. Having jockeyed his way back into the fourth position on the Likud parliamentary slate and into the post of "special operations director" for the Likud's re-election campaign, thanks to public hysteria whipped up around partly manipulated terrorist incidents, Sharon is pushing for more settlements, even at the price of crushing austerity against the Israeli population to finance them.

Simultaneously, Sharon appears to be the man behind the less "respectable" part of the terrorist underground movement led by Rabbi Moshe Levinger, which has just been incriminated for plotting to blow up the Dome of the Rock on the Temple Mount in Jerusalem. With terrorist crazies running as his advance troops, and a well-heeled "political" formation supplying his flanks, Sharon is poised to exploit the turbulent election process on his road to power.

Were this new Goliath to succeed in his dream for a putsch, that would be the end of Israel. The economy of the

country, along with the Palestinian people, would be sacrificed wholesale to the fanatical pursuit of a "Greater Israel." In place of a nation famed for its advanced agricultural development and its educated workforce, the country would be a breeding ground for unemployment, alleviated only by "quick buck" enterprises in the service sector. As a Likud-sponsored economics conference in Jerusalem in late May showed, the economic policies of a Sharon ruling bloc would favor the same "post-industrial society" gimmicks, like computers, gambling casinos, and video games, that Wharton School economist Lawrence Klein (who keynoted the conference) has already used against American industrial centers such as Pittsburgh.

Sharon may have the muscle of Goliath, but he is no more intellectually equipped than the giant whom David felled. If the Labor Party leadership is smart, it will use the brains it has in its ranks to outwit the brawny opposition.

### **'Great Projects' for the Mideast**

Although the opposition Alignment is a coalition with heterogeneous elements lobbying frantically for advantageous positions on the slate in the name of special interest group constituencies, it does have a number of principled differences with the Likud which could change the history of the nation and the entire conflict-ridden area.

First, some Labor spokesmen have taken a principled stand against maintaining occupying forces ad infinitum on the West Bank. Recognizing the striking historical parallels between the current Palestinian plight and the struggle of the Jews against British colonialism, many Labor Party spokesmen will readily concede that an arrangement to guarantee Palestinians full citizenship, either in a Jordanian federation or in an independent state as they so choose, must be negotiated with Jordan.

Discussion of such potentials was catalyzed when some Labor Members of the Knesset joined a delegation which went to Rabat in Morocco for a World Congress of Moroccan Jews; Labor MK Rafi Edri, who headed up the delegation, invited Moroccan King Hassan II to visit Israel, in a move perceived as an opening to Morocco to play a mediating role in the Israeli-Palestinian conflict.

Related to their relative political realism on this burning issue is the grasp that some Labor Party leaders have of the economics of a real peace policy. Unlike the technetronic ideologues of the Likud, Labor's leading economist Gad Ya'acobi, who is slated to be either economics or finance minister in a Labor government, knows that what counts in an economy is the production of real wealth, in terms of technologically-advanced agriculture and industry.

Adopting a perspective consistent with Israeli founding father David Ben-Gurion's passion for "making the deserts bloom" and for conquering the frontiers of science and technology, Ya'acobi's view is that Israel must embark on a series

of "Great Projects." These revolve around a national railway grid and an extensive canalization project, which would provide the country with the necessary infrastructure to vastly expand its role in international trade.

More important still is Ya'acobi's notion, shared by a number of enlightened Labor leaders, that such projects could form the blueprint for regional Middle East development projects, which, by involving neighboring Arab states in cooperation for financing and implementation, would sow the seeds of long-term collaborative efforts which uniquely can ensure a durable peace. In such an equation as that laid out by Ya'acobi; and further elaborated by former Knesset member Meir Pa'il of the Shelli Party, the highly qualified Palestinian labor force—which includes a high proportion of engineers, physicists, and other professionals—would find an organic, productive role.

This approach to solving the Palestinian problem, which is an approach outlined in the United States by Democratic presidential hopeful Lyndon H. LaRouche, represents the only viable concept for settling a dispute which is otherwise enmired in fanaticism, prejudice, and impotent position-mongering. The Labor Party is in a unique position to embark on such an historical undertaking, due to its good image in the eyes of Palestinian moderates and its apparent commitment to defending the standard of living of the Israeli population.

The powerful Histadrut labor confederation, which was responsible for building up what is Israel today, is largely Labor-controlled, as are many of the agricultural kibbutzim or moshavim cooperatives. Were Labor to embrace a Great Projects policy, as part of its drive for peace with the Palestinians, and were the Arafat moderates to seize the opportunity, despite the violent protestations of the minority terrorist wing around George Habash and Naif Hawatme, it is certain that a near majority of the Israeli population, especially its productive workforce, would rally to support it. This would mean turning the internal economic crisis around rapidly, by expanding productive employment generated by the Great Projects, at the same time that costly defense expenditures related to the occupation policy would be whittled down to a manageable size.

The challenge posed to Labor leaders in this election therefore is not to wage a flamboyant campaign around slogans or personalities. The challenge, dictated by the necessity of defusing the Middle East as a potential strategic flash-point, is to become great statesmen, thrusting the essential policy issues before the public, and laying out the economic alternatives.

To head off the strongman Sharon, all that is required is an intelligent, tenacious David, who has the ability to outflank the threat of brute force by using his God-given brains. And by telling the truth about who that giant, like his Philistine forebear, really is.