

international donor of humanitarian aid and technical assistance to North Korea. Since Washington's Oct. 16 announcement, the EU has "called into question" its engagement policy with the D.P.R.K., one high-level policymaker stated in Berlin. This is a mistake, he said: Europe should move forward with this policy, as South Korea and Japan have been doing since Oct. 16.

Although participants in Berlin, who also came from China and South Korea, were very hesitant in making any predictions at all about the future course of developments in the D.P.R.K., they were generally emphatic that the economic situation there is extremely dire, and this was an urgent motivation for the delegation to Brussels. Since 1995-96, the old system for procurement and distribution of food and other basic needs in North Korea, has totally collapsed. Now, people get 40-50% of their daily needs on the black market, which is, in effect, a national barter system. Those who could not adapt to this system, have starved.

Pyongyang did embark on economic reforms during 2001, modelled on the Chinese system. However, as a Beijing participant noted, China launched its reforms in reaction to the vast Cultural Revolution upheavals, when the whole population wanted to change the system. China also had, in Deng Xiaoping, a powerful and dynamic leader of the revolutionary "first generation." Now, in China, reform and rapid economic development, have "become a way of life." Change has become a fundamental way of life—as long as national stability and real economic progress in China are also realized. D.P.R.K. leader Kim Jong-il, however, does not have this historical situation. He must develop—if he can—a basis for drastically changing the system of his father, Kim Il-sung.

The process could be a very difficult one, but the view at the Berlin seminar, from both the European and Asian participants, was that the very important developments of the past two years, in both Koreas, and between the Koreas and Europe, cannot be reversed. The D.P.R.K. must have a peaceful and stable external environment, if the economic and other changes desperately needed, are to be accomplished. South Korean President Kim Dae-jung's Sunshine Policy has been a real strategic shift in the dynamic on the peninsula, from confrontation towards peace.

Any North Korean nuclear capability—in whatever stage of development it might be—cannot meet its most urgent national security need, which is to procure the economic basis for the survival of its population, as one policymaker from Seoul emphasized in Berlin. Weapons cannot force anyone to give the economic aid the D.P.R.K. so urgently needs, but can be a basis for negotiations.

Whatever the Bush Administration wants to unleash against Iraq, war is *not* an option in Northeast Asia, the Seoul participant emphasized. South Korea totally opposes war against the North, and, with China, Japan, and Russia, wants to bring the United States to the negotiating table. That is Washington's only real option. Europe is challenged to continue to foster that process.

Israel: Sharon's Unity Government Splits

by Dean Andromidas

The collapse of the national unity government of Prime Minister Ariel Sharon on Oct. 30 brings the question of early Israeli elections and the very real possibility of the return of Benjamin Netanyahu back into the office of Prime Minister. With Netanyahu back in the saddle, seamless Israeli cooperation with the Utopian war party in Washington would be certain. As of this writing the situation continues to be fluid.

The reasons for the decision by Labor Party Chairman Binyamin Ben-Eliezer, to no longer serve as wilted fig-leaf for the ultra-hardline policies of the Sharon government, are twofold. First, it had become clear that Sharon's policies, implemented by Ben-Eliezer as defense minister, have totally failed to crush the Intifada—leaving the next step in their logic, that the only way to crush Palestinian resistance would be through "transfer," or ethnic cleansing. Directly related to this failure, is the collapse of the Israeli economy, for the first time in its history experiencing negative growth, and with the highest unemployment rate since the founding of the state. Second, is the political fight within the Labor Party. On Nov. 19, the party will elect a new chairman; that choice becomes more important now that the prospect of general elections has been moved forward to as early as February. According to the latest polls, Ben-Eliezer trails last in a three-way intra-party race which includes Knesset Member Haim Ramon and Haifa Mayor Amram Mitzner. The last, committed to reviving the policies of slain Prime Minister Yitzhak Rabin, continues to be a poll favorite.

Despite Ben-Eliezer's break with Sharon on the issue of the "killer" austerity budget, and his demand that funds be cut to the settlements, his credibility—or lack of it—has not improved, and he is expected not to remain party chairman long. Although leaders of the peace camp fear Sharon may go even further to the right, they nonetheless express relief that a very vocal opposition will be heard for the first time. One leading Labor Party peace activist expressed relief that at least the Nobel Peace Prize laureate Shimon Peres, as foreign minister, will no longer be defending Sharon's brutal policies.

On the eve of the government's collapse, the Oct. 30 issue of the Israeli liberal daily *Ha'aretz* wrote, "Labor would do best to pull itself together, go back to the political and economic agenda it formulated in 1992 under Yitzhak Rabin's leadership, and present it boldly to the voters as a forgotten but sorely missed alternative. If it doesn't do so, it could find itself pushed to the outer edge of the political map, having entirely lost its way and its identity."

For Sharon, the choice was clear: Either sink the unity government, or cut the hundreds of millions of dollars that are poured into the settlements every year. He was coming under international diplomatic pressure to support a settlement freeze. Before his resignation, Ben-Eliezer had been open to a compromise agreement that would simply declare that the funding for the settlements, and for development towns within Israel, would be assessed in an “egalitarian” way. But Sharon refused to consider even mentioning the settlements in an agreement. So the government fell.

Settlements or Peace

The settlement issue goes to the heart of the budget and Israeli policy. Despite the harsh austerity being forced on the lower-income groups and middle classes of Israeli society, the settlers continue to benefit from hundreds of millions, if not billions of dollars in subsidies. While in the West Bank, settlements receive 10-14,000 shekels per capita in the budget, inside Israel proper, development towns, where poor Israelis live, receive less than 1,500 shekels per capita!

For Sharon the settlers are not only his political base, but the settlements are key to his vision of Greater Israel, and will ensure that a Palestinian state can never come into being.

Without the Labor Party’s diplomatic and political cover, Sharon will be home alone with coalition partners even more extreme than he. Commentator Yoel Marcus warned on Oct. 31 that Sharon will “be totally dependent on the religious and the right. From here on in he’ll be the servant of the people of the Greater Land of Israel. Israel moved substantially to the right Wednesday. A year and eight months into Sharon’s term, he found himself facing the reality of his failed leadership: There’s no peace, no security and no unity.”

Even before the national unity government collapsed, Sharon invited his former Israeli Defense Forces Chief of Staff, the brutal Gen. Shaul Mofaz, to become his new defense minister. Although Mofaz has accepted, the choice could be problematic. The same day the government fell, it was reported that Great Britain’s Scotland Yard is investigating Mofaz for committing war crimes under the Geneva Conventions. This was the result of a 17-page dossier presented by the well-known British lawyer Imran Khan to Britain’s public prosecutor, who turned it over to police. Khan, representing the families of victims, charges Mofaz with war crimes including targeted assassinations, destroying Palestinian homes, and killing innocent women, children and men.

Mofaz’s appointment could face a challenge by the opposition in the Knesset, because he left the military only a few months ago. This could be significant, since it is widely believed that Mofaz harbors strong ambitions to become prime minister. With a strong base in the hardline faction in the Israeli military, he could be seen as a rival not only to Sharon, but to Netanyahu as well. If Mofaz’s appointment is blocked, Sharon might have to use the common practice in Israeli politics, where the prime minister takes up the defense portfolio.

But Israel’s Kahan Commission ruled Sharon “unfit” ever to hold the defense post, as a result of his “indirect responsibility” while defense minister, for the 1982 massacre at the Sabra and Shatila Palestinian refugee camps in Lebanon.

Netanyahu and Jabotinskyism

Israeli political observers point out that the longer the U.S. attack on Iraq is postponed, the slimmer the chances that Sharon can cobble a government together. If elections are held, they could be held as soon as February or as late as May. Meanwhile, Sharon would rule unencumbered.

New elections will bring Benjamin Netanyahu back into the limelight of Israeli politics. He is not only the favorite of the nationalist camp, but that of the war party in Washington as well. “He is their agent,” was the comment of a senior Israeli source. Netanyahu will do their bidding, while at the same time leading a Jabotinsky fascist movement in Israel.

In the last months, the most extreme elements have been brought directly into the Likud party. The recent Likud Central Committee elections saw extremists like Moshe Feiglin and the Kahane Youth welcomed. Feiglin, an extreme Jabotinsky fascist, consolidated a powerful faction which could serve as a key swing factor in the internal Likud primaries, which would determine whether Sharon or Netanyahu becomes leader of the party.

Meanwhile, other extremist parties such as the National Religious Party, headed by Effie Eitam, who models himself after Benito Mussolini, expect to make gains. In addition, the National Union-Yisrael Beitenu is openly campaigning for Palestinian “transfer,” a policy which recent polls claim 46% of the Israeli population supports. The fascist spearhead for these parties are the extremist settlers, who are creating, with the support of Sharon and others, a climate where one can say a fascist takeover stalks Israel. This danger was flagged by Yossi Sarid, head of the Knesset opposition and chairman of the Meretz party, in a commentary, entitled “Before Jewish Fascism Takes Over,” published in *Ha’aretz*, Oct. 28.

Sarid came close to calling for armed resistance to the Jewish fascists of today: “If today’s zealots continue on the path of their ancestors, I’m not sure the opposing camp will continue the tradition of surrender and panic exhibited by the moderates of the Second Commonwealth. We have the right of self-defense from the likes of [new Infrastructure Minister] Effi Eitam, his rabbis and pupils, before they bring down the horrors upon us, before Jewish fascism runs over us all.” Sarid is disgusted by the use of the term “hilltop youth,” for the terrorists (and often snipers) who inhabit the illegal gypsy settlements, from which vantage point, Palestinians are sometimes shot and killed. These are not “wild weeds” or “wild growth” on the hilltops, but a menace *cultivated* by the Gush Emunin, he wrote. “The sanctimonious, self-righteous politicians who prepared the groundwork for the assassination of Yitzhak Rabin will continue using their saccharine rhetoric about ‘the unity of the nation.’ ”