

# The Season Of The Generals In Israel

## ISRAEL

The government coalition which is now emerging in Israel two weeks after the surprising victory of the Likud, is a war cabinet. Assuming top cabinet posts will be ex-generals Moshe Dayan, Ariel Sharon and Yigal Yadin. The function of this warhawk triumvirate — all of whom have associations with the National Security Council — will be to take control of the war machine from under the official leadership of the Likud party, and run Israel along the breakaway ally scenario for a National Security Council controlled Israeli preemptive strike against its Arab neighbors.

*Foreign Minister, Moshe Dayan:* Likud leader Menachem Begin chose Moshe Dayan as Foreign Minister without prior consent from the other Likud leaders. Dayan was still nominally a member of the Labour Party and a Knesset member. Begin announced his choice after discussion with National Security Council shuttle operative Rabbi Alexander Schindler.

Dayan's nomination was met by intense opposition and shock not only from within Likud, but from the Israeli population in general. The number-two man in Likud,

Liberal faction leader Simcha Erlich, a long-time Sharon and Dayan antagonist, appealed to Dayan to reject the designation. Privately paid advertisements bordered in black were run in daily papers on the dangers of warhawk Moshe and protesting the growing war climate.

The Israeli population was horrified to hear of a political comeback of Dayan for legitimate reasons, Dayan's foreign policy has essentially mirrored the extreme right-wing "rejectionist" stand of Begin himself. Dayan has said that wherever Israelis settle they will be protected by the might of the Israeli army.

*Minister Without Portfolio, Ariel Sharon:* After receiving two seats in the election on a one-man ticket, Sharon has formally accepted to rejoin the Likud coalition. The founder of Likud after the 1973 war, Sharon was recently quoted as saying that if Israel wants to, it can conquer the Arab world from "Bagdad to Algeria to Khartoum." His views on the Arabs and the occupied territories are identical to Dayan's.

*Deputy Prime Minister, Yigal Yadin:* Ex-professor Yigal Yadin is heading the NSC's own party, the Democratic Movement for Change, which was spawned specially for the elections to wreck both the Labour Party and the Likud by taking votes and people from both parties. The party is composed of ex-military and civilian intelligence personnel like Meir Amit and former

## Schindler The Swindler

Within hours of the Likud victory in Israel May 17, National Security advisor Zbigniew Brzezinski dispatched Rabbi Schindler to Israel. With credentials as the head of the Conference of Presidents of Major Jewish American Organizations, Schindler has been installed as the mediating potentate between Israel and the Carter Administration. Schindler's mission this time was to orchestrate the maneuvers which would lead to Menachem Begin's choice of Moshe Dayan as the new foreign minister and Yigal Yadin's acceptance of negotiations with the Likud.

### *Brzezinski's Rabbi*

This isn't the first time Schindler has done dirty work for the Rockefellers. "Schindler has been up to his ears for the past ten years in the CFR (Council on Foreign Relations-ed.)," noted one American Jewish leader. During the 1976 Presidential election campaign, Schindler time and again broke his officially neutral position to inform contacts of his wholehearted support for the Carter forces.

Schindler became Chairman of the Conference — an umbrella organization for most American Jewish community and political groups — with the support and collusion of the Rockefeller-liberal wing of the Democratic Party.

In mid-1976, Schindler was contacted by the U.S. Labor Party, a spokesman said, to win from him a condemnation of Israel's official collaboration with the fascist Lebanese Falange Party, a formation that had evolved out of the Arab Legion forces set up by German Admiral Wilhelm Canaris during World War II. Schindler answered with a charge that the Labor Party was "supporting the genocide of 400,000 Lebanese Christians." Schindler repeated this slander to callers during 1976 and advised a reporter inquiring on the impact of USLP programmatic proposals on the American Jewish community to "watch them very closely."

Yehuda Hellman, Schindler's travelling companion during his recent Israeli visit and assistant to the rabbi at the Conference of Presidents, has voiced the opinion that outside forces not intervene in Israel with the rationale that "maybe the time has come any way for the world to end."

Leading forces in the American Jewish community are rapidly coming to the conclusion that the time has come for the end of Schindler's reign over the Conference of Presidents. Judah J. Shapiro, noted commentator on American Jewish affairs for WEVD radio, earlier this week condemned Schindler's interference into Israeli politics and asked, "Who says he is speaking for American Jewish community opinion?"

Labour Party member and ex-head of military intelligence Aharon Yariv.

Rabbi Schindler advised Yadin to return to the negotiating table with the Likud after Yadin pulled out when Dayan was appointed.

Schindler's role as Brzezinski's go-between is complemented by the simultaneous presence in Israel of Sen. Stone (D-Fla.).

Throughout the maneuvers for a government coalition, the NSC has operated to contain any attempt at a comeback by the Labour Party. Yitzhak Rabin, the incumbent Prime Minister, has let it be known that he

intends to make a strong play to regroup the Labour Party and its left-wing allies to counteract plans of the Likud and its proposed economic advisor Milton Friedman to destroy the state enterprises of the Histadrut.

To head off such a Rabin move, Shimon Peres, incumbent Defense Minister, has decided to stay with the Labour Party rather than go with Dayan into Likud. Peres is not perturbed by Dayan's defection, as he feels that Labour will serve as "an honourable opposition — unless something very serious happens..." implying that if a war should break out, they will form a unity government.

## Persian Gulf Nations, Arbiters Of World Monetary System

The nations of the Arabian Gulf — by virtue of their over \$70 billion in annual oil revenue, the result of the 1973 Great Oil Hoax in which Rockefeller quintupled the price of crude — have now become the arbiters of the world monetary system. The Arab nations of the Organization of Petroleum Exporting Countries (OPEC), together with the Comecon sector, are the two principal potential sources of hard-commodity credit denominated in gold-backed currency — and, increasingly, both sectors are showing readiness to cooperate with the OECD countries on the outlines of a new monetary system.

The basis for such an arrangement is already being laid as the Arabs begin the ponderous shift from speculative ventures and dutiful bailouts of David Rockefeller's uncollectable debt to real, productive investment.

### *Carter Sends Saudis Into Shock*

Although the primary motion in that direction by the Arabs comes from Iraq and Libya, and although the tiny

sheikhdoms of Kuwait and the United Arab Emirates are also moving in the same direction, the most interesting phenomenon is the growing tendency of Saudi Arabia to stop serving as a trough for Rockefeller's pigs to grovel in. In part, the new indications of Saudi Arabia's developing an independent oil policy are the result of the trip to Washington last week by Crown Prince Fahd and Oil Minister Zaki Yamani, whose clashes with President Carter left the Saudis in a state of shock.

According to informed sources, in two days of talks with Carter Fahd and Yamani did not budge from their insistence that the U.S. move to ensure peace in the Middle East before approaching Saudi Arabia on cash assistance for the IMF and on institutionalizing the so-called U.S.-Saudi "special relationship."

Since the Saudi delegation returned home, a number of indications have emerged that the Saudis, as one observer overstated the case, "have been radicalized" by their confrontation with Carter. Most significant is the report in the *International Herald Tribune* that Saudi Arabia has successfully completed the nationalization of

## Kuwait Program Of International Joint Ventures

The Kuwaiti government is now considering a far-reaching proposal put forward by the Kuwaiti Oil Ministry to engage in a number of downstream joint ventures. In most cases the ventures will include third partner participation by Royal Dutch Shell, Gulf and British Petroleum. Both Shell and British Petroleum have recently begun to back the European nationalized companies in their efforts to delimit European market manipulation by Rockefeller-dominated multinational, Exxon.

According to the May 23 *OPEC Bulletin*, the Kuwaitis want to insure purchasers of their crude through setting up such ventures. Among the proposals before the government is one to expand local refinery capacity from 400,000 barrels a day to 600,000 b-d by 1980 and then 800,000 b-d by 1985. Among perspective partners for other possible joint venture in refining are South Yemen, where a British Petroleum refinery has just been

nationalized and is being prepared for expansion. Similarly the Kuwaitis have been taking an active role in the Eritrean conflict with an eye to setting up a strategic refinery there. Numerous Far East countries are perspective sites for new downstream Kuwaiti investment, where already Kuwaiti owned refineries in Singapore and Kuwait are supplying fuel to the Fuel Organization of Thailand.

One of the most crucial areas for downstream development, however, is the Eastern Mediterranean. Kuwait has been engaged in contacts with Greece, Cyprus and Spain and has already finalized an enormous deal with Rumania for a petrochemical plant to be located on the Black Sea which when completed will take 170,000 b-d of Kuwaiti oil. Rumania uses most of its approximately 300,000 barrels a day of locally produced crude for petrochemical production for which it is highly skilled.