

# Israel's Labour Party missing its chance for counterattack

by Mark Burdman

The leadership of the Israeli Labour Party is playing with fire, by stonewalling on a counterattack against the *New York Times's* recent assaults against the party.

On Nov. 16 *Times* senior editor Max Frankel wrote a feature story claiming that leaders of "the opposition" in Israel were trying to enlist the United States in a plan to reduce American aid to Israel and to "topple" Prime Minister Menachem Begin. This blatant effort to discredit Labour within Israel, *EIR* investigators have learned, was a critical component of a plan by British intelligence to hand Israel over to the international Mafia and to the pro-Nazi "Friedmanite" economics crowd around the University of Chicago, and to open a new era of fundamentalist religious warfare in the Middle East (see *EIR*, Nov. 30).

*EIR's* ongoing findings, based on investigations in the Middle East, Europe, and the United States, have been made available to a wide spectrum of Labour leaders. Nonetheless, Labour's leaders think they can still play by the old rules. Events are proving them wrong. Certain influential figures in the Labour machine are aware of this fact, and may intervene to save the party from suicide.

On Nov. 24, Labour initiated a "no-confidence" vote against the Likud government, claiming that Likud Justice Minister Moshe Missim had "slandered" the party by exploiting the Frankel slur maliciously. The lead Labour speaker was parliamentary whip Moshe Shahal. One day earlier, Shahal had taken under advisement the evaluation that only a public blast at the *Times* in the Knesset (Israel's parliament), and not a show of partisan politics, could save the situation. Despite this, Shahal took the floor to deliver a lachrymose speech defending the "patriotism" of the Labour Party and its mass base, and quoting from an earlier Frankel piece attacking the Likud! As one Labour official stated defensively in a private discussion, "We need the *New York Times* for our own purposes as well." This is more or less like needing arsenic to cure influenza.

In the same vein, the Labour leadership has refused to give support to two Labour parliamentarians, Avraham Katz-Oz and Rafi Suissa, who had the courage to call for the initiation of legal action against the *New York Times* and Max Frankel for libel and defamation. This lack of support could abort the parliamentarians' initiative.

What makes things more unnerving is that certain Labour leaders, like former foreign minister Abba Eban, have been kept informed for years about the policy directions of the crowd who runs the *New York Times*.

Max Frankel and the *Times's* editorial board are wholly owned assets of the British Royal Family and the British intelligence crowd centered around Morgan Grenfell Bank. This explains why the *Times* editorially backed Adolf Hitler and Benito Mussolini in the 1930s, and why the *Times* wants to smash the Israeli Labour Party as an institution at this time.

The Church of England, which owns *Times* editorial guru Cyrus Vance, has a plan to create "Northern Irelands" throughout the Middle East, according to information passed to *EIR* by a top Church source. Using cut-outs like top Freemason member of the British parliament Julian Amery, and sections of the American "evangelical" Christian movement, the Church of England is aiming to bring about an internal transformation of Israel, to install a new more fundamentalist Israeli government, at least temporarily under the direction of current housing minister David Levy. This is the immediate purpose of the "Israel task force" of the New York Council on Foreign Relations, the American branch of the anti-Semitic London Royal Institute of International Affairs.

Morgan Grenfell, which directs the *Times's* economic policy views, is sponsoring the installation of Schachtian austerity regimes across the globe, as the world enters a new phase of depression. This project requires the elimination of mass-based political constituency forces. In Israeli terms, this means the Labour Party and its Histadrut national labor confederation component.

Morgan Grenfell's policy is channeled into Israel through the Friedmanites at the University of Chicago. According to official Israeli sources, the "Chicago School" is now hegemonic in Israeli economic policy making. The top Chicago agent is Treasury Ministry Director-General Ezra Sedan, described by one Israeli source as "a close friend of Milton Friedman." Sedan is the architect of the current treasury strategy of wage negotiations with the unions, which are so provocative that a wave of strikes has been breaking out across the country.

Another "Chicago boy," Hebrew University of Jerusalem economics department head Dan Patinkin, is the featured

speaker at a Nov. 23-24 conference at the Van Leer Jerusalem Foundation on the British intelligence-authored theme, 'The unseen revolution: where is Israel heading as a post-industrial society?' This conference is regarded as a major planning session for implementing the fascist reorganization of Israel dictated by the Morgan Grenfell/*New York Times* mafia. A second featured speaker is Gen. Dan Tolkovsky, the only Israeli member of the genocidalist Club of Rome International. Tolkovsky is currently director of the Israeli branch of Israel Discount Bank, the bank of the crime-connected Re-canati family.

Intense interest has also been aroused in Israel over the possibility that the sudden Nov. 24 liquidation of the nationally-owned El Al Airlines presages a British intelligence-assisted Mafia takeover of Israel's airline industry.

Israeli sources report that at least two top Israeli mafiosi, hotel chain owner Haim Schiff, and Mexico-based gun-runner David Marcus Katz, are preparing financial bids for control of the new airline that is to be created.

An Israeli source in Europe reports that the "privatization" of the Israeli airline industry is being intensely opposed by top echelons of the Histadrut Labor Confederation and by various factional blocs associated with traditional military and intelligence networks across country. "If these people were to get wind that the reason for the unprecedented decision to de-nationalize El Al is to turn the airlines over to the Mafia, this would have enormous internal and worldwide repercussions," the source asserted. "Minimally, the government would collapse as a result of the scandal involved in this. And probably, the process of de-nationalization could then be reversed."

El Al was softened up for liquidation by a "reorganization" scheme devised by the McKinsey Consulting Corporation, a top arm of the British royal family's intelligence apparatus. McKinsey, whose directorship interfaces the leadership of the World Wildlife Fund, is famous for doing all over the world what Robert McNamara did at Ford Motors: ruin productive industries and constituency coalitions. In West Germany, McKinsey has been responsible for coordinating the de-industrialization of large segments of the industry-rich Ruhr region, and the Neue Heimat homebuilding-company scandal that targeted old power blocs in the West German Social Democratic Party and trade unions.

El Al was also softened up by the ayatollahs of Israel's Agudat Yisrael Party, who maintain longstanding ties with U.S. mobster Meyer Lansky. These bearded cultists blackmailed the Begin government months ago into mandating that El Al would not be allowed to fly on Saturday. This went a long way toward bankrupting the airline and preparing the way for the in-process Mafia takeover.

British intelligence and its Israeli Mafia friends are also believed to be responsible for a cheap-shot slander of *EIR* founder Lyndon LaRouche in the Nov. 18 *Jerusalem Post*. This grouping is apoplectic that LaRouche's influence in Israel has zoomed, particularly as a result of the ongoing *EIR* exposures of the real-estate scams going on in the West Bank.

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