

# IN THE WORLD

## Israel seeks a special deal from U.S.

By Gidion Eshet

JERUSALEM

**T**HE ISRAELI GOVERNMENT IS in a dilemma. A few years ago Prof. Shlomo Avineri, the Israeli Marxistologist and director general of the foreign ministry in the Labour government, posed the question: should Israel favor a pro-American or pro-Soviet regime in the Arab countries with which it is at war.

Most Israelis, without thinking, would favor a pro-American regime in Egypt, Jordan and Saudi Arabia. This has also been the official line. But, although supporting the official line, Avineri made a good case for the opposite view. Assuming that the Arab states wish to destroy Israel and assuming also that Israel can choose the political affiliation of its enemies, it is better that the Russians rather than the Americans be entrenched in Egypt. In this case, Israel is the only U.S. ally in the Middle East, and the U.S. will have to blindly support Israel against the growing influence of the Soviet Union.

This in fact was the cozy situation from 1967 to 1971. Sadat's decision in 1971 to send Russian military advisers back home culminated last week when President Carter asked Congress to approve arms sales to that country.

Israeli's are now wondering if the official line was sensible. For many years Israel helped the American cause in the Mid-

dle East. Well known is the Israeli threat against Syria and the PLO in "Black September" in 1970 when the Hashemite Kingdom of Jordan was threatened by revolution. Later, Israel gave much support to the Phalangist rightists in Lebanon, helped Ethiopia in its war against the Eritreans and helped the Barazani struggle against the Baathist regime in Iraq. It received an important political bonus for these services. King Hussein did not join the 1973 war and there was one less front to worry about.

As long as the major Arab state—Egypt—was not safely in American hands all went well. Israel could play the role of Communist fighter in this region and demand and receive American aid and backing. The problems began when this policy succeeded and Egypt threw out the Russians.

It was only a question of time before Egypt requested and was granted American military aid. From the American stand-point President Anwar el-Sadat has been doing a wonderful job, far better than Israel could ever achieve. He helped destroy the Sudanese left some years ago. He is helping the Somali fight Ethiopia. He might next use his muscle against Libya.

Israel is thus worried, but it has no choice. Israeli Minister of Defense Ezer Weizman, who is to visit the U.S. shortly, said the other day, in not so many words, that he will not ask the U.S. to



Menachem Begin visited President Jimmy Carter in Washington last December after his talks with Egyptian President Anwar el-Sadat had become snagged over the issue of the occupied territories.

reconsider its arms sale to Egypt. He will ask that the Israeli arms deal be separated from that with Egypt and Saudi Arabia. This is necessary to prove that Israel, in American eyes, is a different and special case and deserves a special treatment. Israel is unlikely to make a fuss if its deal is separated and the number of aircrafts granted to it is increased to 150 from the present 90.

But Weizman is considered a moderate. Others, though no one said so publicly, are calling on the government to strain relations with the U.S. by requesting that Assist. Sec. of State Alfred Atherton be asked to refrain from his planned shuttle between Jerusalem and Cairo. Others still are asking the government to show its hand by initiating more settlements in the occupied territories. ■

## PLO holds out for Arab realignment



PLO leader Yasir Arafat, Libyan Prime Minister Mu'ammarr Qadhafi, PLO LEADER Nayef Hawatmeh, and Palestinian "rejectionist" leader Dr. George Habash.

By Geoffrey Aronson

The PLO developed a strategy aimed at obstructing if not defeating any Egyptian-Israeli agreement that does not satisfy minimum PLO demands.

PLO is concerned that it as well as the principles of settlement that it supports will be ignored by Sadat, who, the PLO believes, is anxious, together with Iran, Israel, the U.S., and other pro-Western Arab states, to lay the foundations for an updated Baghdad Pact. (The Baghdad Pact was a Mideast version of NATO formed in February 1955.) Members of the PLO see current Egyptian diplomacy as a desperate attempt by Sadat to rescue himself from the diplomatic impasse that followed the publication of the U.S.-Soviet declaration and the subsequent U.S.-Israeli working paper this

autumn—an impasse that centered upon the nature and scope of Palestinian representation at a reconvened Geneva Conference.

Until mid-October, diplomatic efforts were aimed at reviving the Geneva Conference as a forum for reconciling opposing demands. The PLO was actively, if not directly, involved in this process, as Sabry Jiryis, the head of the Israeli Section of the PLO Research Center in Beirut, maintained. "Quiet talks, conducted among the Egyptians and Americans, and including indirect contacts with the PLO, the exact nature of which I cannot disclose, on how to reconvene the Geneva Conference including the PLO, were promising," he said.

"The U.S. statements calling for a Palestinian homeland, Palestinian representation at Geneva, and the U.S.-USSR joint declaration calling for recog-

nition of the legitimate rights of the Palestinians, were indicative that things were moving gradually in the right direction. The U.S.-Israeli working paper signalled that the U.S. administration had backed down because of Zionist action. The fact that the Palestinian question was unresolved led Sadat to launch his latest initiative."

### Ever-elusive Arab unity.

Sadat's decision to visit Jerusalem took the PLO, like all Arabs, by surprise. The PLO leadership, in the months preceding the issuance of the U.S.-Israeli working paper, had evidenced a willingness to accept the legitimacy and territorial integrity of Israel inherent in Security Council Resolution 242 if there was a reciprocal Israeli response accepting the legitimacy of Palestinian national rights. The Egyptian decision to conduct what amounted to separate talks with Israel, in contravention of numerous pan-Arab summit resolutions, by a visit that accorded Israel a qualitatively different *de facto* recognition than had existed previously, and that implicitly recognized Jerusalem as its capital, closed the door to any PLO participation.

The Israeli-Egyptian talks sounded the death knell to Arab attempts, spearheaded by the PLO, to organize a united Arab negotiating position vis-a-vis Israel. The PLO believes this ever-elusive Arab unity, combining the economic and resource power of OPEC, the potentially disruptive Arab states, and the PLO in a genuine alliance with the Confrontation states, to be a prerequisite to any successful negotiated settlement. Only after a front had been established, and only after negotiations had begun, would the kind of concessions that Sadat made "gratis" be entertained.

This position was explained by a PLO source: "Slowly and not without obstacles Arafat and the bulk of the PLO were willing to engage in a dialogue. All this has been sabotaged by Sadat's abandonment of the multilateral format, blocking the

road to Geneva and destroying the formula for Palestinian and Soviet participation. Sadat has said to us, 'If you want to follow Egypt, you can. If not, you can go to hell.' He is trying to get moderate opinion in the Arab world to support him by standing tough. But he must make greater concessions to please the Israelis.

"The only thing that will get us what we want is a strong Arab unified negotiating position. The Israelis won't make concessions out of charity. If Sadat had gone to Jerusalem as the head of a strong, unified Arab world, that would have been one thing. However, as long as Sadat pursues a separate path with the Israelis, nothing can be achieved."

### Realignment of Arab world.

The PLO, clearly upset at their exclusion from the core of diplomatic activity, is trying to shortcircuit what they believe to be Egyptian attempts to isolate the eastern Arab front, leaving Syria, Jordan, Lebanon, and the Palestinians alone to face Israel. Sadat is "like a snake that can't be trusted," in the words of one PLO source. He is viewed as willing to conclude a separate agreement, ignoring the Syrians as he did in the aftermath of the 1973 war.

PLO officials also take a healthy view of the current Syrian-PLO rapprochement. Highly sensitive to the unstable nature of inter-Arab alliances, they are cognizant of the transient nature of Syria's refusal to join Egypt in the negotiating process. "Syria would screw us if they could get something from Israel. They would, but they can't; so they won't," remarked a PLO source in a candid assessment of Syrian policy. "If they could, they'd be in front of Sadat. What keeps them in line is not love for the Palestinian people but the understanding that there is nothing in it for them. The Syrians are boxed in not by principles but by circumstances," the source stressed.

Together with Syria the PLO has led the movement to organize an anti-Sadat coalition.

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## ITALY

# PCI union chief will trade layoffs for union power

By Diana Johnstone

**W**ITH THE WITHDRAWAL early this month of the Italian Communist party's demand to be included in an emergency coalition cabinet, the "historic compromise" appears to be stalled in a dead end. At least for some time, and at least on the government level. If the power sharing sought by the PCI is to make any headway in the near future, it will apparently have to be on the level of industry rather than government administration. And its vehicle will have to be not the party as such, but the unions, especially the huge PCI-led General Confederation of Italian Labor (CGIL).

Political coalition in the labor movement has been achieved in recent years between the CGIL and the largely Christian Democratic or Socialist-connected CISL and UIL. On Feb. 13 and 14, one week after Enrico Berlinguer dropped demands for PCI cabinet posts, leaders and delegates of the three confederations met in a National Union Assembly to agree to a joint platform defining organized labor's policy towards the economic crisis.

In a now famous interview in *La Repubblica* on Jan. 24, CGIL secretary general Luciano Lama said the Assembly would be "a decisive moment in the history of the Italian labor movement, because the workers' representatives will be called upon to decide, before the eyes of public opinion, what role the working class means to play in getting the Italian ship back on course." The unions were asking workers to make sacrifices—"not marginal sacrifices, but substantial ones," he announced.

## Industry's right to lay-offs.

The interview was a bombshell. True, Lama, a great friend of Berlinguer, has long been associated with PCI advocacy of "sacrifices," which made him the favorite butt of mocking slogans in last year's student demonstrations. Indeed, the new Movimento's open break with the PCI occurred when Lama was driven off Rome University campus on Feb. 17, 1977.

But this time, Lama went farther than ever, notably in conceding industry's right to lay off workers. Specific concrete concessions were accompanied by an ideological concession certainly meant to be of major political significance: acceptance of the logic of the capitalist system. Since it was Lama who asked *La Repubblica* to interview him, the timing and impact were not accidental.

Unemployment was stressed as the factor requiring sacrifices not only of traditional demands such as higher wages and shorter hours, but even of employment itself in cases where industry judged workers "superfluous." Up to now, Italian labor has fought harder than its counterpart in any other country against dismissals. Lama's "historic turning-point" would change that and probably add about 300,000 (according to some current estimates) to the 1.7 million officially unemployed. Obliging factories to keep on excess employees was "a suicidal policy," Lama said, which had brought the Italian economy "to its knees."

Along with new job insecurity, the entire functioning of unemployment compensation "must be overhauled from top to bottom," Lama said. The new union platform would call for no more than one year of unemployment compensation, meaning "effective mobility of the work force." In short, rather than go on mak-

ing demands that could only ruin Italian industry, Italian labor must be undemanding so as to attract the investments that will eventually create new jobs. Thus he rejected shorter hours as a solution to unemployment since, he argued, Italians already have the shortest hours in the industrialized world, and "it is necessary for other countries to catch up with us before we can move another step in that direction."

## Abandon class struggle.

The key passage in the interview was Lama's theoretical justification for the policy switch:

"We have realized that an economic system does not tolerate independent variables. The capitalists maintain that profit is an independent variable. The workers and their unions, in recent years, have virtually retorted that wages are an independent variable and the work force another independent variable. To put it simply: a certain wage level and a certain employment level were set, and then the other economic dimensions were supposed to be fixed so as to make those levels of wages and employment possible. Well, we must be intellectually honest—that was nonsense, because in an open economy the variables are all dependent on each other."

Here Lama offered the capitalists a lesson in the logic of the capitalist system. Rather disingenuously, however: his logic of "dependent variables" is less the logic of raw capitalism (in which profit indeed rules) than an offer to abandon the class struggle for a complex co-management. Thus Guido Carli, president of the industrialists' association Confindustria, commented that Lama's remarks "imply eventual expansion of the area of union power in running companies."

And indeed, on the very eve of the Lama interview, the Paris daily *Le Monde* published a major interview of its own with FIAT president Gianni Agnelli in which the uncrowned prince of Italian industry mused that capitalists like himself might, regrettably, disappear, but that capitalism would go on as a system—run, perhaps, by the unions.

At any rate, the old "class struggle" approach of the labor movement, repudiated by Lama as the claim that wages and jobs were "independent variables," was not "nonsense" because it logically led to the ruin of the system. That was precisely its intention. Revolutionary Marxists, while pursuing short-range demands for more pay and better working conditions, have looked to the day when the accumulated demands of the militant working class could topple the system and open the way to socialism. In reality, no such thing has ever happened.

Rightly or wrongly, the PCI leadership clearly judges a continuation of the class struggle at this point dangerous to the Italian working class and its organizations. Thus the party and union leaders are offering urgently to call a truce and make a deal with capital.

## Class-conscious sacrifices.

The terms of the deal were clear enough in the Lama interview. Lama offered capital: an acceptance of the system, the right to fire "superfluous" workers, restraint on wage demands, reduction of social expenses such as unemployment compensation. In return, he demanded union control over management of the labor market, probably through a Labor Agency in charge of channeling the unemployed into new jobs. This would mean (he added in a clarification the next day)



Above: Bologna labor union demonstration demanding jobs for unemployed youth and women.



Left: Luciano Lama, secretary general of the Communist-led General Confederation of Italian Labor.

growth" in the industrialized world and a long period of widespread unemployment and diminishing real income. How can workers as combative as the Italians consent to all this without repression?

Lama's indirect answer came in a reply to businessmen's laments that in Italy they must confront Marxist, class-conscious unions out to wreck the system, instead of pragmatic northern European social democratic unions. "When," said Lama, "you have to give up your own particular interest in view of noble objectives that give no concrete benefits to those who are called upon to make the sacrifices, it takes a heavy dose of political and class consciousness. There has been a lot of talk on the part of the Italian bourgeoisie of the trouble caused by the fact that Italian unions are class-conscious. Well now, without a high degree of class-consciousness, we could not be making this sort of proposal."

## Investment controls crucial.

But to some of the PCI's critics, especially those of a libertarian bent, such proposals add up to "Germanization" of the Italian labor movement, through strengthening of the bureaucracy at the expense of rank-and-file "class struggle" initiatives.

Fears of a more authoritarian society under a coalition of Communists and Christian Democrats are by no means groundless. But the danger of authoritarianism comes with hard times, and the worst danger could be a period of troubles culminating in an Argentine-style "restoration of order."

Simple self-interest dictates that the unions do something about unemployment, since the shrinking of the employed working class can shrink their own influence, even with a "Labor Agency" with some hold over job-seekers. The long-standing demand to control investment cannot reasonably be dropped. Lama's silence on that point may simply indicate momentary discretion over who is to exercise that control and at what level.

In his *Repubblica* interview, Lama acknowledged that a "socially and politically representative government" (including the PCI, that is) would make it easier to gain rank-and-file approval for the historic change of policy proposed by the union leadership. But, he added, the joint CGIL-CISL-UIL federation "made its decisions in the dark as to political solutions and is committed to carrying them out, whatever the political outcome of the crisis."

But surely somebody in whom the workers have confidence must supervise investment policy—if not a coalition government including the PCI, then the unions themselves. The idea is not new; it has long been part of Bruno Trentin's approach.

All this suggests that with the "historic compromise" blocked at the government level, the time may be at hand for the Italian labor movement to try for a sort of roundabout historic compromise at the industrial level. ■