



By Hillel Schenker

THE CRUCIAL MEETING THAT LED TO THE downfall of the current Israeli government in mid-March resembled a scene from a medieval passion play. The meeting was held in the ultra-orthodox suburban town of Bnei-Brak, not far from Tel Aviv, at the home of Rabbi Ovadiah Yosef. A former chief rabbi of Israel, Yosef is the spiritual leader of the ultra-orthodox Shas Party that represents the orthodox Sephardic (Eastern or Oriental) Jews in the Knesset, or parliament.

The Shas Party's six votes would have given Israeli Prime Minister Yitzhak Shamir the crucial support needed to survive the no-confidence motion made against his Likud-led government by the Labor Party and its left-wing allies March 15.

But Yosef and the rising young star of the party, 34-year-old Arie D'eri, who has served as minister of the interior for the past two years, are both known as political doves. Yosef has frequently stated that human life is more important than land, and he and D'eri have called for territorial compromise and talks with representative Palestinians to resolve the Israeli-Palestinian conflict. Shamir has not been so inspired.

At the root of Shamir's muddle is his inability to move forward with a proposed first step toward eventual Israeli-Palestinian negotiations: plans for elections of Palestinian representatives in the West Bank and Gaza Strip. In fact, Shamir and his foreign minister, Moshe Arens, were adamantly opposed to the election idea—nominally known as the Shamir Plan—only two years ago.

In the spring of 1989, however, as the Palestinian *intifada* entered its second year, the Palestine Liberation Organization (PLO) declared its recognition of the state of Israel, renounced terrorism and claimed its readiness to enter into negotiations with the Israeli government. In the wake of the revised

Israeli Labor Party gets another shot at peace

PLO stance, President George Bush recommended that Shamir come forward with his own peace initiative if he wanted his next visit to Washington to be a productive one.

Shamir got the message. When he next visited the U.S. in the spring of 1989, he arrived with an election proposal in his briefcase. Some say the plan was hatched at the Washington Institute for Near East Policy, while others say Labor's Defense Minister Yitzhak Rabin deserves the credit.

Initially some government officials wondered whether Shamir genuinely believed in his plan or whether he was merely proposing a delaying tactic. Encouraging the latter view was the fact that the details of the plan—the election modalities—were left to be "fleshed out" in future discussions between the parties concerned. Presumably Shamir believed the plan would shatter on the bedrock of disagreement over details.

A plethora of pundits: A parade of election formulas soon materialized: (Egyptian President Hosni) "Mubarak's Ten Points," "The Labor Party Conditions" and "Minister Sharon and Company's Constraints." The last plan to be placed on the political table—known as (U.S. Secretary of State James) "Baker's Five Points"—suggests that one or two exiled Palestinians and one or two Palestinians with homes in both East Jerusalem and the West Bank be allowed to participate in a proposed Palestinian delegation. The group will meet with an Israeli delegation in Cairo to discuss the modalities of elections in the Occupied Territories as soon as an election plan is agreed upon. This formula was proposed as a compromise to satisfy the Palestin-

ian desire for a delegation representative of all Palestinians—not only those living in the Occupied Territories—as well as the Israeli desire to avoid direct communication with official PLO representatives.

The Labor Party, the Egyptians and the PLO all accepted these conditions—the only missing link was Prime Minister Shamir. While it was rumored that he was ready to accept the Baker formula, Minister Sharon, leader of the Likud-hawks, resigned from the government and declared that he would do everything possible—including challenging Shamir for the Likud Party leadership—to prevent the Cairo meeting. Although Shamir didn't flinch when confronted by Sharon at

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the Likud Central Committee meeting showdown, he did hesitate when it came to accepting the Baker plan.

He who hesitates: Shamir's hesitation may have cost him the prime ministership, as well as his political career. Some of his closest associates, including Foreign Minister Arens and junior ministers Den Meridor and Ehud Olmert, reportedly urged him to accept the plan. They apparently would like to see Likud converted into the pragmatist-centrist party of Israel—an Israeli version of the U.S. Bush-Baker Republican Party. They appreciate Israel's need to maintain its "special relationship" with the U.S., which requires responsiveness to American ideas, and understand the inevitability that Israel will eventually have to negotiate with Palestinian representatives.

Shamir either couldn't approve the formula for the Baker plan due to a lack of political courage or wouldn't approve it because a meeting between Israeli and Palestinian delegations could potentially lead to territorial compromise and, ultimately, to the establishment of a Palestinian state alongside the state of Israel. Both are anathema to Shamir, a staunch believer in a "Greater Israel."

Shamir's hesitation also gave Peres the opportunity to declare that Shamir was anti-peace, and that only a government led by the Labor Party could promote the election plan as a first step toward political resolution of the Israeli-Palestinian conflict.

Back to the Shas: Peres' declaration set the stage for the meetings that took place at Rabbi Yosef's house in Bnei-Brak. His Shas Party is the largest of the four religious parties that hold the balance of power between Likud and Labor. All major leaders of both parties were gathered in his parlor—a contemporary Israeli version of a Bedouin tent. "If you accept the Baker plan," said Yosef to Shamir, "we will support the Likud against the vote of no confidence."

But Shamir remained ambivalent, and the government fell by a vote of 60 to 55 with five abstentions—all from the Shas Party.

To the uninitiated, Israeli politics frequently resembles an exercise in byzantine incomprehensibility. Fifteen different parties have seats in the Knesset, and the so-called "national unity" government, which has functioned—many would say dysfunctioned—for the past six years, is flanked by eight opposition members of Knesset on the right and 16 opposition members on the left.

Israeli President Chaim Herzog, himself a member of the Labor Party, officially called upon Peres on March 20 to attempt to form an alternative coalition that includes a majority of at least 61 out of the 120 Knesset members within the 21 days allotted by Israeli law. Theoretically, Peres has the support of the left-wing secular parties—Citizens Rights, Mapam and Shinui—and the three moderate orthodox parties—Shas, Agudat Yisrael and Degel Ha'Torah.

This is probably Peres' last chance to return to the prime minister's office and also may be the last chance to instigate a peace process based upon the Baker plan. Meanwhile, as much of the rest of the world undergoes extraordinary transformation, the Israelis and the Palestinians remain locked in a dangerous impasse. □

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By Joel Bleifuss

Republican International, III

Imperialism now has a party name. In the past year the Republican Party has all but locked its hold on what are becoming the U.S. surrogate states of El Salvador, Honduras, Panama, Costa Rica, Guatemala and, most recently, Nicaragua. Last week "In Short" examined the key role the National Republican Institute for International Affairs played in undermining the democratic traditions of Costa Rica's 100-year-old democracy. Hundreds of thousands of Republican Institute dollars helped elect Rafael Calderón, a former institute employee, as the new president of Costa Rica. The Republican Institute is one of the National Endowment for Democracy's (NED) four "core grantees," the other three being the National Democratic Institute for International Affairs, the AFL-CIO's Free Trade Union Institute and the U.S. Chamber of Commerce's Center for International Private Enterprise. The NED, founded in 1983, is funded by Congress. Last year it received \$15.8 million. *Common Cause Magazine's* Vicki Kemper reports that since 1984 the NED president has been Carl Gershman, the former director of the right-wing Social Democrats USA and an aide to former U.N. Ambassador Jeane Kirkpatrick. Gershman told Kemper that although the Democratic Institute mainly supports non-partisan projects, the Republican Institute primarily gives money to conservative groups connected to like-minded political parties. (In the case of Nicaragua, the Republican and Democratic institutes both supported the National Opposition Union.) In 1988 the Republican Institute channeled 90 percent of its funding to right-wing groups in Latin America and the Caribbean.

Reagan legacy: The Republican Institute, which is controlled by the Reagan wing of the Republican Party, originally defined itself as "a conservative political organization." But in early 1989 it was redefined as "an educational foundation ... a moderate foundation." One board member of this moderate foundation is presidential son Jeb Bush. Last October he wrote a letter to the editor of the *Miami Herald* defending the Republican Institute's operation in Costa Rica from a well-deserved slam by a *Herald* editorial. Bush, who apparently inherited an ability to twist the truth, stated: "Our great program, while generally associated with the opposition Social Christian Party, does nothing to support the party's political operations. It supports legislative research, training programs and seminars on center-right philosophy and policy." The "center-right philosophy and policy" that the Republican Institute supports is embodied in Salvadoran President Alfredo Cristiani and other Central American oligarchs. Republican Institute President Keith Schuette elaborated on the Republican Party's plan for the Americas in an interview with a Washington journalist who asked not to be named. When questioned about the wisdom of supporting ARENA, the party that spawned the Salvadoran death squads, Schuette answered: "Well, I wouldn't go around calling D'Aubuisson a murderer, but there came a time when conservative businessmen got tired of seeing their party tied to death squads and decided to get off their duffs and do something about it. So we're working all over Latin America to help these men, to build a Cristiani generation." That generation is being cultivated by Central American Training Academies, Republican Institute schools that extend political training and indoctrination to right-wing political activists. To gauge the pedagogical standards of that education, one need only look at the National Republican Institute's Advisory Council members: former U.N. Ambassador Kirkpatrick, former National Security Adviser Richard Allen and former Bush campaign director and current Republican National Committee Chairman Lee Atwater.

Ailesing democracy: Where the National Republican Institute goes, Roger Ailes apparently follows. Rafael Calderón was elected with the help of Republican media wizard Ailes, the creator of the infamous Willie Horton anti-Dukakis campaign. A February 5 press release obtained by *In These Times* brags that "Ailes Communications, Inc., scored its first international presidential victory yesterday with the election of Rafael A. Calderón Jr. 'We are extremely proud to have been a part of this history-making election in Costa Rica,' said ACI President Roger Ailes." The press release goes on to quote Calderón campaign manager Rodolfo Mendez as saying "Roger and his top people provided us with invaluable guidance, helping devise a winning strategy and execute it." Costa Rica-based journalist Tony Avirgan had this to say about Ailes'

Chicago proposal would save jobs, oust plunderers

CHICAGO—What can a city do when a corporate plunderer milks a local company dry then plans to shut it down and move the work out of town? Usually not much except beg or bribe the owners to stay.

But Chicago Ald. Bernard Hansen, encouraged by a community-labor coalition against factory shutdowns, has proposed a measure that would allow the city to use its powers of eminent domain to buy and transfer viable businesses to a new private owner in cases of socially irresponsible takeovers.

The ordinance would authorize the city to act against an owner who within the past five years has acquired a viable business employing at least 100 workers, if that owner has failed to make significant new investment and intends to close the plant despite a serious offer to buy.

The proposal sprung from a fight to keep open the Stewart Warner manufacturing plant, bought in 1987 by the British conglomerate BTR (see *In These Times*, Jan. 24). Despite promises to keep the plant open, BTR failed to invest in its new acquisition and steadily cut employment from 1,700 to 700. Then last November BTR announced it was

shifting the remaining work to Mexico. The conglomerate has refused to consider a buyout offer by a local investor group.

Chicago Mayor Richard M. Daley and business establishment groups oppose the proposed ordinance, but it has strong support from the Chicago Association of Neighborhood Development Organizations (CANDO), a coalition of community-business groups that have fought, with some success, the forces that have cost Chicago one-third of its manufacturing jobs since 1979.

The city could probably use its power of eminent domain without the new law, says Douglass Cassel Jr., general counsel of Business and Professional People for the Public Interest, who drafted the ordinance. But, he says, passage of the measure is important because it would clarify the public purpose and procedures.

The U.S. Supreme Court has ruled in several cases that governments can use eminent domain to transfer private property from one owner to another when it serves a clear public purpose. In upholding Wisconsin and Indiana anti-takeover laws, Cassel adds, the Supreme Court made it clear that legislation like the Chicago proposal is not considered an unconstitutional regulation of interstate commerce.

By setting narrow conditions on when the powers could be used, the

measure should not "chill" the business climate for owners of existing or start-up businesses, or for any buyer who legitimately wants to strengthen a business. The city would not own or manage any business but would simply use its powers to transfer the property. Some business owners, however, fear it might mean they couldn't sell out for the maximum potential price.

Despite the great potential for creative intervention in the local economy, few communities have used the historic powers of eminent domain—the right of governments to buy private property for public use—to fight irresponsible corporate owners. The city of New Bedford, Mass., successfully used the threat of eminent domain in the early '80s to force the conglomerate Gulf + Western to sell Morse Cutting Tool to a new owner rather than shut it down. The state of Pennsylvania has also granted the power of eminent domain to the Steel Valley Authority, a public agency established by several Pittsburgh-area communities over the past decade, to counter plant closings.

But the small opening provided by the new federal plant-closing notification act may encourage communities to use that window of opportunity for the kind of action proposed in Chicago.

—David Moberg



Bernie Sanders, the former four-term mayor of Burlington, Vt., is looking to become the first socialist in Congress in more than 50 years.

Bernie Sanders sets sights on a seat in the House

BURLINGTON, VT.—Socialists are on the defensive in a lot of places these days, but not in contrarian Vermont.

Here the morning line gives Bernie Sanders an even chance of capturing the state's lone seat in the U.S. House. At a packed press conference March

19, the socialist former mayor of Burlington announced his plans for a return engagement against first-term Republican Rep. Peter Smith.

In 1988, Sanders came quite close to winning a three-way race for the same office. He picked up nearly 38 percent of the statewide vote, trailing Smith by four points but besting the Democratic candidate by a 2-to-1 margin.

This time, Sanders could have a

virtually unobstructed shot at Smith. Acknowledging that they have no hope of outpolling the charismatic maverick, leading Vermont Democrats are refusing to make the race. Only a little-known professor at the University of Vermont is said to be mulling a petition drive to gain the Democratic nomination.

Many of the party's top liberals, including Sen. Patrick Leahy, meanwhile, say they might even endorse

Sanders, provided he stops dumping on Democrats.

But the 48-year-old Brooklyn-born radical shows no sign of abandoning his third-party advocacy, or of revising his anti-capitalist analysis.

Sanders' candidacy will instead serve to promote the plans of independent activists who are in the process of forming a new left-wing party in Vermont. About half a dozen members of the state's Rainbow Coalition and Burlington's Progressive Coalition will probably try to ride Sanders' coattails in state legislative races this year. Although these insurgents will be campaigning as independents, their clear intention is to replicate on a statewide basis the third-party movement that over the past decade regularly defeated Democrats and Republicans in Burlington.

Similarly, Sanders remains an unapologetic proponent of Debsian-style socialism. While continuing to defend the Sandinista revolution, he now points to Sweden as a model for the kind of society he hopes to build in the U.S. "You hear a lot about Sweden's imperfections," Sanders says. "But let's hear also about its achievements—like an unemploy-

ment rate that's close to zero and an education system that enables kids to go to college without paying. I'd be satisfied with a socialism in the U.S. that made those kinds of achievements, for starters."

In announcing his House bid last week, the former four-term mayor stressed the need for fundamental changes in the nation's priorities. He called for creation of a national health-insurance program, a 50 percent cut in Pentagon spending over the next five years and an end to all U.S. military intervention.

Local pundits are divided over Sanders' prospects of unseating Smith. Some say the advantage of incumbency will be impossible to overcome, especially since Smith has been careful to craft a moderately liberal voting record. The 42-year-old inheritor of a banking fortune has fought well-publicized battles against the gun lobby while also gaining the endorsement of the League of Conservation Voters.

Other analysts argue that Smith, who lagged 10 points behind George Bush on the 1988 Republican ticket in Vermont, is perhaps the single most vulnerable congressional incumbent. Due in part to his preppy

style, Smith has never been able to build a solid electoral base in this still-flinty state, despite having run for office several times. In addition, it is thought that Smith's patrician manner will play particularly poorly as Vermont slides into a recession.

For his part, Sanders has moved well beyond the stage of running symbolic or "educational" campaigns. Mainly on the strength of his eight-year record in Burlington's City Hall, Sanders was able to raise over \$300,000 for his 1988 House race. He also assembled an impressive grass-roots vote-pulling operation that enabled him to finish first in five of the state's 14 counties.

In fact, Sanders would have become the first independent socialist elected to Congress in more than 50 years had he merely run even with Smith in Vermont's southern tier. The overall outcome will once again hinge on the results from that part of the state, which lies outside the range of Burlington-based media. If Sanders is able to purchase large chunks of airtime in the comparatively expensive southern Vermont market, he could be laying siege to Capitol Hill this time next year.

—Kevin J. Kelley

Homeless seize some rooms of their own

Homeless people across the country want to make sure that U.S. Housing Secretary Jack Kemp is a man of his word. That's why they began occupying and rehabilitating vacant federally owned housing developments earlier this month in a number of major U.S. cities.

"This is not an action," said Nathaniel Thomas, vice president of the Detroit chapter of the Union of the Homeless, after taking over two U.S. Department of Housing and Urban Development (HUD) single-family homes in East Detroit. "This is an ongoing campaign which will continue until Jack Kemp keeps his promise to give 10 percent of [HUD's] single-family properties to the homeless." Kemp made that promise last October 6.

The occupations began on March 5 in Detroit, Philadelphia and Alexandria, Va., and a full-blown national campaign is scheduled to begin May 1. When New York's homeless tried to join the March 5 occupations, police blocked their entry. Alexandria police arrested homeless activists inside a HUD apartment building March 6, but no arrests or convictions have been made in Philadelphia or Detroit.

Detroit Mayor Coleman Young met with the union on March 9 and agreed to send a staff member to examine a model homeless housing project in Philadelphia. The mayor called the meeting a good basis for a continuing relationship with the union and pledged to begin a pilot homeless housing program in Detroit. Young said he would provide

the union with homes from the city's vacant single-family housing stock upon the successful rehabilitation and use of the buildings the homeless activists had already seized.

In Philadelphia, a spokesman for Mayor W. Wilson Goode said his administration supports Union of Homeless efforts. The administration also helped found the union's sister organization, Dignity Housing. Dignity, a non-profit organization run by and for the homeless, currently houses 300 homeless men, women and children in former HUD homes that were purchased with financing from the city.

For the past few years, the Goode administration has sought housing solutions other than those offered by HUD. "Under [Jimmy] Carter, HUD [tried to] make homes available based on need. But during the Republican administration, housing has been treated as a commodity," said Philadelphia Housing Commissioner Ed Schwartz. "We don't see public housing as an entrepreneurial opportunity."

The Philadelphia chapter of the Union of Homeless first occupied HUD buildings in the summer of 1988. In subsequent negotiations with HUD, the union agreed to vacate the premises in exchange for housing vouchers for 200 homes. To date, HUD has delivered only 63 of them.

Schwartz, who helped negotiate the 1988 agreement between the HUD regional office and the activists, said, "We absolutely expect the fulfillment of HUD's pledge."

On March 16, Philadelphia HUD officials complained that bureaucratic restraints have kept them from honoring the full commitment but said they would seek Kemp's ap-

proval to expedite the remaining vouchers.

Dignity Housing offers its formerly homeless clients "life skills" training—how to budget food, money, time, etc.—employment training and job-placement services as well as an opportunity to get off the street. Union organizers say the program can be emulated in urban areas all over the country.

The group has informed HUD field offices on the East Coast that they intend to defend their acquisitions until HUD meets their demands, as follows:

- HUD must honor its commitment to allocate 10 percent of its available inventory for the homeless;

- HUD must make special Section 8 housing vouchers available for homeless individuals and families. The vouchers are redeemable by landlords for 70 percent of the monthly rental charge;

- HUD must provide resources for rehabilitating the above-mentioned properties; and

- HUD must admit homeless people to positions on boards and committees involved in development and management of homeless programs and allow homeless people to manage their own residences.

HUD and Bush administration officials refuse to comment on the campaign or to say whether or not entering federal properties to avoid freezing to death is a justifiable action. But it is doubtful that Washington will continue its hands-off approach to the confrontation indefinitely.

"This is just the beginning of a nationwide takeover," said New York Union of the Homeless leader Ronald Casanova. "May Day is just part of something that will be going on all summer long." —Matthew Reiss

successful foray into Central America: "People on Calderon's staff say Ailes was a gift from the Republicans. They also claim that his input was minimal, but certain characteristics of Calderon's campaign had the mark of Ailes' influence. For instance, this was Calderon's third try at the presidency. In the past he used a lot of right-wing rhetoric, but this time he was more like Bush—avoidance of one-on-one interviews, big on image, short on content, well-planned photo opportunities, speeches with no content but slogans." Welcome to American democracy. Persistent rumors have linked Ailes with the 1989 campaign of Salvador's Cristiani and his ARENA party, but Ailes Communications denies any such connection. There are also rumors that Ailes left his mark on Violeta Chamorro's recent win in Nicaragua. Said the Washington journalist, "Mainly what Ailes is good at is coaching people on how to change their personalities. His forte is body language. He probably taught Violeta to do what he taught Bush not to do. She did very well in her wheel chair, waving her arms." Apparently, Ailes' lack of fluency in Spanish didn't hinder him. His craft has little to do with the rational mind; it's the stuff medicine shows were made of. He told the computer-based news service Political Hotline, "I can turn the sound down on the TV and tell whether somebody's a successful communicator or not. I don't have to necessarily listen to the language. I am not fluent in Spanish. The manager and press guy speak fluent English. I don't have to know the language where they're fluent."

Fanning fascist embers? With a bulkhead of Republican "democracies" established in Central America, the Republican Institute is shifting its focus to Eastern Europe, where the time is ripe for a right-wing resurgence. The institute's current Eastern European activities are described in a report titled "Summary of Program Operations 1983-1990." Consider Bulgaria, for example. The institute summary says, "Programming in Bulgaria began in early 1990 with the Union of Democratic Forces (UDF). The UDF is a 12-member coalition of independent organizations in opposition to the Bulgarian Communist Party. Primary activity will focus on the development of a technical infrastructure for the United Democratic Forces and a nationwide training program in the workings of democracy." Republican Institute Program Director Margaret Thompson says that she expects about \$1 million in NED funds to be spent in Bulgaria in preparation for the June election. In Hungary, according to the summary, the Republicans plan to provide "continued infrastructure support for several center-right political parties, and the development of a long-range program of support for the civic basis for democracy." According to Thompson, the center-right political parties receiving infrastructural and training support will be the Democratic Forum and the two Small Holders parties. As for Romania, this past January Republican Institute agents went there on a "study mission" to investigate "programming opportunities to encourage democratic development." Thompson says that in Romania, where elections are set for May 20, the Republican Institute will be supporting the National Liberal Party and the National Peasant Party Christian Democrats. And, according to the summary, in Poland the institute "will seek to develop the political dialogue and position of the center-right in Polish politics." Further, Thompson says, the Republican Institute has programs planned for Czechoslovakia and Yugoslavia.

Client states? Like Central America, it appears that all working parts of the Republican behemoth will be called up for action in Eastern Europe. *Washington Times* columnist John Elvin reports, "Roger Ailes appears to be wading deeper into international political waters. He said he has had feelers from potential candidates in budding democracies in Eastern Europe." Greg Stevens of Ailes Communications, Inc., told *In These Times* that Ailes has talked to people in Eastern Europe but that he was not currently working for an Eastern European client. He then explained that some clients don't want their association with Ailes Communications made public, in which case the company denies involvement.

Alive and Orwell: In the most recent *Covert Action*, William Robinson and David MacMichael analyze the NED's anti-Sandinista campaign. The journalist and former CIA agent conclude their eight-page report this way: "U.S. actions toward Nicaragua have a strange and disturbing Orwellian character. Intervention is defined as non-intervention. Non-partisan bodies are made up of highly partisan figures. Those who champion democracy in Nicaragua have shown contempt for democracy in the rest of the world. This is the new covert action. Kinder, gentler and open to view—if you only know where to look and what to look for."