

Some sources have even been reporting that the Reagan executive is planning to purge a full 200 staffers from the State Department, and then make sure that Haig is surrounded by traditional Reagan appointees all the way down the line. Even Haig himself seems to have qualms about this, as reflected in a Dec. 18 op-ed in the *Baltimore Sun* lauding the "independence of spirit and judgment" that the President receives from a cabinet official who has "enough free rein to run his or her department effectively."

In fact, the functioning of any cabinet department is totally dependent upon the relationship between the secretary and his key undersecretaries, at least. It is known, for example, that Nixon's Attorney General John Mitchell never consolidated control over the Justice Department, which was still controlled by Kennedy loyalists. Other historical examples abound.

To conclude a judgment on the Reagan cabinet, therefore, it is indispensable to assess who the key undersecretaries are going to be in all areas.

One of Reagan's appointees breaks ranks totally with the recent trend toward establishing a government bureaucracy totally "independent" of responsibility to national constituency groupings: Richard Schweiker, the former Republican senator from Pennsylvania who ran for the Republican vice-presidential nomination with Reagan in 1976 and has been nominated for the Department of Health and Human Services. The fact that he is a politician makes him more likely to respond to the clamor of constituency pressure particularly on the economic issues.

In the final analysis, how *political* the Reagan administration dares to be will determine its stand on the Volcker issue, and thus its ability to govern. Vigorous efforts are already under way from the *Washington Post* and other liberal Democratic outposts to tie up all the cabinet nominations in a Nixonesque process of charges of special interests, corruption, and so forth. Such a process would paralyze the incoming administration, and deny it the ability to take aggressive action on the nation's crucial problems. That is its undisguised intent.

The effective solution to this problem, as well as to determining what this cabinet will do, lies squarely with Reagan's willingness to directly mobilize the nation against the Volcker measures of depression. The political constituencies who deserted Carter and the Democratic Party in record numbers because of the disastrous policies of Volcker on Nov. 4, want to see the government once more responsible to their needs on the economic issue above all.

Until the Volcker issue is resolved in the Reagan White House, the cabinet will remain an interesting but secondary enigma. In the next 30 days it is the Volcker fight that will set the agenda.



## 'Good news from Israel'

by Warren Hamerman

*Mr. Hamerman, chairman of the National Democratic Policy Committee, released the following statement on Dec. 19.*

I enthusiastically welcome yesterday's development in Israel, where Labour Party Chairman Shimon Peres overwhelmingly won the right to oppose Prime Minister Menachem Begin in next year's elections. My colleague Lyndon H. LaRouche, Jr. and I have worked for the last half-decade to support a proper "Israeli nationalist" policy. On Dec. 18, Peres's postelection statement to make Israel "great again" through "focus on developing a highly sophisticated, science-based industry to pull Israel out of its economic difficulties" embodies the germ of appropriate Israeli policy.

Potentially, Israel can now become the key to achieving an overall Middle East peace package. This potential has been brought to the fore by the recent stunning rejection of the Carter-Brzezinski policy of creating an "Arc of Crisis" from the Middle East through Asia. In fact, a not insignificant factor in electing Ronald Reagan President was the strong backing he received from normally Democratic Jewish-Americans.

The problem with Israeli policy over the past years has not been caused by Menachem Begin. It was caused from Washington, through the outrageous policies of Carter and Brzezinski. The United States backed the worst possible combination in the Arab world: wild man Qaddafi (remember Billygate?), the lunatic Khomeini, and bully Assad of Syria. This policy was packaged with special touches for Carter and Brzezinski by the British old hands who have been fighting against French and German influence in the area for over a century. In addition, Milton Friedman, the economist of dictator Pinochet in Chile, came into Israel and wrecked her economy, provoking triple-digit inflation and worse calamities.

The Carter policy of destabilizing the area, combined

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*Above: Warren Hamerman*

with the economic holocaust imposed on Israel, forced the Begin government to adopt more and more irrational and provocative policies.

Important new opportunities for overall Mideast peace may, in fact, soon be evident. The advent of the new Reagan administration will help foster a climate in which a real Arab-Israeli peace can be inaugurated. The combination of a stable and prosperous Israel and a stable and developing Arab world is the only one that can ensure a durable peace. Potentially, President-elect Reagan may in fact pursue a policy centered on that understanding.

Several weeks ago I accompanied Lyndon LaRouche, former Democratic presidential candidate, to Washington, D.C. where we met with numerous officials of the Reagan transition team, a score of congressmen and senators, and various people with policy influence in the areas of foreign and economic policy (see interview). We also met with several prominent Jewish-Americans who are influential in shaping various policies on the Middle East.

In Washington, Lyndon LaRouche proposed a policy for rapidly achieving a durable peace in the Middle East.

LaRouche proposes that the key to Israeli security and to the establishment of a lasting peace is creating a strong and viable Israeli economic and industrial system based upon a deep commitment to scientific research and application. The cornerstone of LaRouche's policy toward Israel is to organize the United States to support a general reorganization and rescheduling of the Israeli foreign debt in combination with offering her new credit facilities. This action will ease the burden on the Israeli economy and give her some "breathing room." In LaRouche's view, Israeli economic and security questions are thus interrelated.

Objectively, the possibilities for overall peace in the Middle East are greater than ever before. Obviously, great subjective problems still remain. Nonetheless, it is now possible that moderate Arab and Israeli forces can together isolate Colonel Qaddafi and Ayatollah Khomeini as well as split the Palestine Liberation Organization politically. *In exchange for the U.S. and her allies' rewriting of Israeli debt and full guarantee for Israel's 1967 borders, we can establish an independent Palestinian entity in the area.*

The key to the LaRouche policy is for the Europeans and the United States to jointly guarantee a "stability policy" for the region, thus reversing in all essential elements the fatally flawed "Arc of Crisis" policy of Brzezinski and Kissinger.

Among Arab nations, LaRouche proposes that the United States and Europe back a stable combination of four moderates: Saudi Arabia, Jordan, Egypt, and Iraq. Based upon delivering large-scale economic develop-

ment packages to these Arab nations and the creation of an independent Palestinian entity, they would function in a peaceful entente with Israel.

In addition, we would back the Arab combination of Saudi Arabia, Jordan, Egypt, and Iraq to accomplish two specific tasks within the Arab world: 1) rebuild Lebanon as a nation, which even on humanitarian grounds is urgent; 2) clean out the Muslim Brotherhood network that underlies Khomeini.

If Lyndon LaRouche, Jr. were now President of the United States, I am confident that he could rapidly bring about a true "community of principle" between Israel and the Arab moderates. LaRouche, after setting up the deal, would allow the European combination of France, Germany, and Italy (with input from Japan) to essentially manage the arrangement politically. Thus, he would mandate an immediate practical feature for moving ahead with Phase Two of the European Monetary System, the creation of a gold-backed new world monetary system designed around economic development packages for the so-called Third World. Such a package, of course, means the creation of a fantastically increased market for American exporters.

Under European management, the rescheduling of Israeli debt could inaugurate a coordinated regional economic development program that would include the reconstruction of Lebanon and the creation of an independent Palestinian entity. If that can be secured, even in principle, then the fall of the evil Khomeini regime is virtually guaranteed.

LaRouche's policy proposal is ultimately concerned with the introduction of very high-technology industrial and agricultural techniques in the Middle East. In particular for economic growth, the region needs nuclear energy capability in conjunction with advanced water (irrigation and desalination) projects. The Soviet Union would have much to contribute in introducing advanced technologies to the area.

Perhaps the key reason to insist that a European combination of Giscard of France, Andreotti of Italy, and Schmidt of West Germany politically manage the Mideast peace package is that they may more readily distinguish which Soviet political faction to cut into the peace program. Broadly speaking, it is the "British" faction of Philby and Averrell Harriman's friend Arbatov who have done more than their share to make Mideast peace impossible. Those who knew in 1948 that to kick the British out of the Mideast would achieve peace were right.

Bipartisan support from all Americans would flow to President Reagan were he to act on LaRouche's program. All Americans would welcome the replacement of Brzezinski's "Arc of Crisis" with an "Arc of Stability."

Let us now transform the possibilities into reality.