

---

## INTERVIEW

---



# Philip Klutznick talks to EIR about dangers in the Mideast

*Philip Klutznick, Secretary of Commerce under Jimmy Carter, is a prominent American Jewish leader. The Chicago businessman has served as President of the World Jewish Congress, and as Chairman of the executive committee of the B'nai B'rith Anti-Defamation League. He was interviewed by EIR's Middle East Editor Robert Dreyfuss on Jan. 15, immediately upon returning from a trip to Israel, where he met with Foreign Minister Shamir and other top Israeli officials.*

**Dreyfuss:** I understand that you just returned from Israel. When I spoke to you a few weeks back. . . .

**Klutznick:** That's right. I came back about a week ago.

**Dreyfuss:** I want want to know what you thought about the situation in Israel. . . .

**Klutznick:** In what respect? I went to Israel because I had commitments with the President of Israel in connection with an education program, and because the annual meeting of the Museum of the Diaspora was held, and I'm an officer of that Museum. While I was there I spent time with the Foreign Minister, I spent considerable time with other important personalities in the government, including some aides to Mr. Begin. Mr. Begin was still in the recovery stage, so I did not ask to see him. And we discussed at considerable length my views, and on facts we were in general agreement; on assumptions, there were some differences between us, but that's not unusual. That's happened before. By and large it was a very satisfactory meeting. I found no public criticism or charges of any kind, which somewhat surprised me.

**Dreyfuss:** A number of people in the United States are obviously quite upset about recent Israeli actions. . . .

**Klutznick:** Well, I was there when the Golan Heights took place, and the interaction between our government and the Israeli government, and they were also very much upset over there, and there was some criticism by Israelis of their own government. I stayed away from that issue. I pursued the rule right along that the government of Israel is the government of an independent state, and if it wants to act and my government wants to react—well, if

I can be helpful in bringing them together, fine; but I'm not going to exacerbate the situation that this turned out to be. On top of that, my Senator and the chairman of the Foreign Relations committee of the Senate was there at the same time, Charles Percy, and he was keeping busy on that, so I left it to him.

**Dreyfuss:** I heard that Senator Percy gave a strong warning to Mr. Begin that if the Israelis do not leave the Sinai as per schedule, then there would be no U.S. Ambassador in Israel. . . .

**Klutznick:** Well, I think that's an exaggeration. I spent an evening with the Senator, and talked to him several times while he was there. He lived right above me. He was quite firm, in connection with the recent exchange, and he came away with the hope that it was behind us and Israel, and he said so publicly. He also said publicly that the United States does not want to be surprised by these things, and that if we are friends and partners we ought not to be surprised, and he did say that, as I recall, there was not a single Israeli official that could be found that did not say that they were going through with the withdrawal. Quite the contrary.

On the other hand, it would be inaccurate to say that there were not quite a few people who were worried about what would happen after the withdrawal, and they were somewhat concerned that once they had withdrawn from the last of the Sinai that they would be faced with a different situation. Former Ambassador Dinitz even said publicly that the United States ought to make some pledges before the final withdrawal. There is concern generally about what will happen after April. But the government itself is quite sturdy; when I say the government, Begin—my last talk with him which was before this trip, he assured that they were going to go through with this; Shamir—assured me that they were going to go through with this; all of the other lesser lights in the foreign office, the same way. Most responsible journalists there assume that.

**Dreyfuss:** Everyone here is quite aware that the pro-Israeli lobby put a lot of its chips on their effort to defeat

the AWACS vote, and suffered a defeat there. Some of my friends in the intelligence community were indicating to me that Ambassador Arens would be arriving in Washington with a mandate from the Israeli administration to try to disrupt or sour U.S.-Saudi relations, and there are some people who think that the Israelis might go so far as to hold on to Sinai or to hit Lebanon precisely in order to put pressure on the Arabs and because Reagan seems to support the Fahd plan which some Israeli officials call . . .

**Klutznick:** A plan for the destruction of Israel . . .

**Dreyfuss:** . . . a plan for a new holocaust.

**Klutznick:** Well, number one, no government, no responsible government, mandates its ambassador to stand in a straitjacket. Beyond which, the present government has great regard for the new ambassador, who is even more hardline than some of the members of the government itself. So, I think that is rumor, and not fact. Certainly, the ambassador is acquainted with the concern that the Israeli government has with the generally assumed leaning of the United States toward the Saudis. I think that concern is being exaggerated in the press. There is no question that the present Israel government would be happier if the AWACS contest had gone the other way, but to suggest that to enlarge the issue by saying that the government had a major defeat when all the strength of the President of the United States only produced a couple of votes in his favor indicates that there's not much consideration given to the intelligence of the Israel government. Now, I think that the AWACS defeat was a defeat for us, for the Israelis, and for the Saudis. It should never have taken place. But that issue is over. It leaves some very bad feelings. It will take some time to be dissipated.

**Dreyfuss:** So you yourself don't detect some note of dangerous irrationality on the part of the current Israeli government that could get everybody involved in a war? Isn't there something rather urgent about the next few months in this regard?

**Klutznick:** When you talk about irrationality—the latest talk, of course, is about the danger of a war over the Golan Heights between Syria and Israel. I don't believe that the Syrians will undertake that effort, even as much as they want to, because they're not prepared to defeat Israel in battle, and nobody commits suicide. With the absence of Egypt from any confrontation, I can only quote what one of the top generals of Jordan told me: that no combination of Arab states can defeat Israel. And therefore I don't think that what we're talking about is a war that could be started irrationally. The Israelis can't afford a war either, in light of all the problems that they are faced with. There may be skirmishes. Lebanon could present a problem, although more and more the

Israelis are saying, "We can solve this problem diplomatically, as far the missiles are concerned." I think that 7,000 miles away, we tend to get more irrational than the people that are there. I don't sense in Shamir's policies—I understand the fear of Sharon, and yet there is some evidence that his improvement of civilian administration on the West Bank has satisfied some Palestinians. The thought may be the father to the wish that too many people are expressing.

It would be the worst thing for American interests and for Israeli interests to have an irrational war. None of the Arabs are looking for that, and the least of the Arabs that are looking for that are the Saudis. If it happens, it'll be an accident, and we should quit listening to the loud talk and take a look at the realities and the complexities of the situation that is evolving in the Middle East. There is concern in Israel, among a lot of people, about April; April has become a deadline. Yet Secretary Haig is there, and was pushing for a solution of the autonomy issue before April. He admits that there is little chance of getting it, but if he does get it, it could ease the situation before April considerably, for Egypt, for Israel, and for us, as well as for some of the people on the West Bank. Instead of looking for a war, we should be looking for a solution to the autonomy impasse, and I think the Secretary's efforts in that regard are to be applauded.

**Dreyfuss:** On the autonomy issue, you do have your own views on that. You did suggest that the Fahd plan was worth negotiating . . .

**Klutznick:** I didn't say that. I said it ought to be discussed. You know, I don't know where people get that notion. I said it was a significant development, especially since several countries had joined in it, and that it ought not to be rejected out of hand without being looked at. I also said that it is inconceivable that Israel would accept it—just as it was inconceivable that the Egyptians and Israelis would have accepted the positions that became the basis of the Camp David talks on the basis of the speeches that were made when Sadat came to the Knesset in Jerusalem. What I said was that it was a new development, and one that we should listen to. And I believe that any gesture, no matter how inadequate it is, if it becomes public from a contestant, should never be rejected out of hand without being examined privately, because there might be a core of a thought there that can be pursued otherwise. Negotiations in public never solved as extensive a problem as we have in the Middle East, and even a whisper might mean the difference between peace and war.

**Dreyfuss:** How would you describe your views on the question of the West Bank?

**Klutznick:** I've been clear on that, if you've read what

I've written. I've said that I do not think you can solve the problem unless you solve the problem of the Palestinians, and in one instance I said that I would not exclude the possibility that there might have to be a limited independent state. I believe that some of my friends in Israel don't believe that; they'd rather live with what they call "autonomy." I think that a successful full autonomy conclusion as the first step between Egypt and Israel supported by the United States, if it is a full autonomy solution, will find a lot of people on the West Bank who will take it as a first step. Now it will take a considerable time to move from there to something that they would like better. But it's like any negotiation. Here are two elements that are in fear of one another; you have to have a cooling period when they get acquainted with one another. I have been very clear on that, and some of my friends have assailed me on this ground.

**Dreyfuss:** And have some of your friends in Israel supported you on that?

**Klutznick:** Oh, there are—you know, I have a lot of brave friends who support me privately. There are people in the Labor Alignment [the Labor Party-allied bloc in Knesset—ed.] who have long ago spoken that way, and I'll give you my best authority, with whom I've stuck since the beginning, because I loved him and supported him: Ben Gurion. In April of 1973 he said that "for a complete and genuine peace I would give up all the land that we gathered except East Jerusalem and the Golan Heights, and I'd even be willing to find a partial solution for the Golan Heights"—*Saturday Review*, April 1973.

**Dreyfuss:** But there's an incredible gap, isn't there, between that and the stand of the present government, which is not only not thinking along those lines but, as the *Jerusalem Post* reports, is thinking about annexing the Israeli settlements in the West Bank and Gaza.

**Klutznick:** Let's look at this thing. I'm not supporting *people*, unless they do the right thing. What they say, I tend to ignore. When Begin became Prime Minister, you know what people said—and he was the man who made possible the Camp David accords. I don't know what Begin will do under conditions that are not yet clear, and therefore I'm not predicting what he'll do. But even if he were to do what he did in the Golan, in connection with the settlements, that doesn't stop a settlement in which he would go back! I don't know what's in his mind. You seem to forget that when a peace is negotiated, then what has happened is less important than what is done. Who would have told you that he would have given up Yamit? Even the Golan: there is a debate as to whether he has annexed it or just applied the laws of Israel to it. But suppose Syria and Israel sat down tomorrow and worked out everything except the Golan—there's nothing to stop a sovereign government from reversing itself. The impor-

tant thing is to try to create an atmosphere in which governments sit down and start talking.

**Dreyfuss:** One last thing. I know that there has been a lot of controversy about our contributing editor and founder, Mr. LaRouche, and the *EIR* has for a long time been called anti-Semitic by people in the American Jewish community. This has become nasty at times, and . . .

**Klutznick:** What is Mr. LaRouche's background?

**Dreyfuss:** In what sense?

**Klutznick:** I mean, where does his family come from?

**Dreyfuss:** Well, he was born in New Hampshire. His family comes from a French-Canadian background, Quaker . . .

**Klutznick:** You know, the thing that I abhor most among some of my colleagues is when they use the words anti-Semitism too loosely. That's a very tough charge—and it includes Arabs as well. And there are a lot of people who get very sensitive. For example, I have a very good friend who's a Quaker, and he gets very upset about some of the things that are said about him; I'm sure you know him, I won't mention his name.

I had to sit recently with one of America's fine journalists and explain the Jewish community and its attitude toward Israel and the Middle East in terms of historical perspective. People forget. To the Jewish community that's alive today, it is a fact that they are one of the most privileged Jewish communities of all history. The last time there was a Jewish state was nearly 2,000 years ago, and it was destroyed and there hasn't been one since. This is a precious relationship that transcends the ability of a non-Jew to understand. And therefore there's a tendency to—look, they call me a traitor when I say you should deal with your enemies to make peace. After all, I'm a Jew, so they can't call me an anti-Semite, so they said, "This is terrible, with all of your background and so on."

Well, if you're going to stand for what you think is the right way to handle the problem, if people call you names, they call you names. . . . When you do these kinds of things, people are going to respond to an emotional relationship, which unless you're a Jew and know Jewish history you can forget—that is what inspires the kind of reaction you desire. An old friend is taking me to task because he didn't like my conclusions: "Why did you do this? You're highly respected." He asked me if I'm pro-Arab, and I said to him: "Maybe you are pro-Arab. I'm trying to solve this thing, and you are trying to keep it where it is."

You must understand, and I'm afraid that the general community doesn't understand how much Israel means to the Jewish community, to people who have no intention at all of living there, because of the historic fact that

after 2,000 years the dream has been realized. Now I'm trying to explain to you why these things happen. And immediately if someone says it, and he is the president of an organization, you begin to think that it's everyone saying it. It isn't everybody saying it.

**Dreyfuss:** No. Specifically, it's the ADL which put out a series of fact sheets . . .

**Klutznick:** I know, I know. I know only too well. I'm a honorary Vice-Chairman, and I don't agree with some of the things they send out, and I write them from time to time too. I didn't comment on this to them, because as a matter of fact I didn't consider it important. If I were to take action every time a Jew called someone an anti-Semite I'd be spending all my time at it. I think you are undersensitized—many people are—to the depth of the feeling on the Israel security and future, and you are oversensitized to the reaction of Jews who think that Israel is being harmed. So you'll have to solve that problem a different way. In a free country, there's no way to solve it but to live with it.

**Dreyfuss:** I don't think we're undersensitized to the feelings of the average Jew whether in the United States or in Israel who have all sorts of memories about the last 40 years . . .

**Klutznick:** And to young people, who don't have those memories, the issue of Israel itself is much more important.

**Dreyfuss:** But the question is that the political leadership of the ADL operates as a little gang, as a political faction. . . .

**Klutznick:** You said it, I didn't. The ADL is supposed to be an institution that seeks out and tries to avoid conflict between social groups, between Jews and other groups, and not only involving Jews. It looks for human rights and like any other organization it is not 100 percent perfect . . .

**Dreyfuss:** That's a kind way of putting it . . .

**Klutznick:** Look, I've been affiliated with it for over half a century. I know what that organization lived through. It was founded in 1913, I joined it in 1925. And I know what they were involved in, and I don't always agree with it. I've been an officer of it. I was Chairman of the Executive Committee 25 years ago. I know that they make their mistakes, and are prepared to correct them when they are made. If you have any information that what they've been saying is in error, I'd be delighted to make myself the messenger.

**Dreyfuss:** We felt it necessary to publish a point by point refutation of what the ADL has said against us . . .

**Klutznick:** . . . Why don't you send it to me?

---

## WEST GERMANY

---

# The Ruhr looks to creating real jobs

from our Dortmund correspondents

The Chamber of Industry and Commerce of the steel-producing city of Dortmund in West Germany has put forward a proposal for the creation of energy-generating capacity that would create 40,000 new industrial jobs in the industrial region along Germany's border with France. As with the American Midwest, the Ruhr, the industrial powerhouse of Europe, has been afflicted with economic collapse, with unemployment in cities like Dortmund reaching an official 10 percent, thanks to the effects of Federal Reserve Chairman Paul Volcker's policy of fiscal austerity to industry. But in contrast so far to the U.S. industrialists, the forces represented on the Dortmund Chamber of Industry and Commerce are countering Volcker's depression with a program that would bring new, high-technology jobs to the region.

The Dortmund proposal gives crucial political backing to West German Chancellor Helmut Schmidt, who informed President Ronald Reagan during his Jan. 5 visit to the United States, that Volcker's interest rate policy is dooming the world to depression and therefore represents the gravest security threat to the Atlantic Alliance. The proposal reflects the programmatic influence of the European Labor Party, led by Helga Zepp-LaRouche, that has been the most outspoken force in West Germany against the "greenie fascists" who are demanding the dismantling of West Germany's industrial and nuclear energy program.

### How to create jobs

Rejecting the notion that economic development is impossible because of "limited resources," the Dortmund industrial group begins with the premise that to revitalize the Ruhr's industrial strength requires a rapid *upgrading* of its energy resources. Taking stock of all the outstanding proposals for new energy-generating facilities which in recent years have been held up by greenie pressure on the regional government, the report proposes:

- construction of a light-water nuclear reactor in Hamm;
- more rapid completion of the Schmehausen high-temperature reactor;
- application of new coal technologies in combina-