

White House losing patience with Israel

Never mind East Europe or Azerbaijan. For many New Yorkers the two really earth-shaking events this week were the unthinkable bankruptcy of Bloomingdale and Sen. Bob Dole's even more unthinkable suggestion that aid to Israel be cut. Is nothing sacred?

The Bloomies' bankruptcy has made Canadians public enemies No. 1 in the Big Apple. Robert Campeau, Olympia and York, and Canucks in general have been held up to public outrage and scorn. Even the usually prissy New York Times lambasted Campeau as an idiot. What the Canucks did to poor Bloomies is like the Visigoths sacking Rome.

Outrage No. 2 occurred when Dole, the Republican minority leader in the Senate, suggested there were so many new demands on U.S. foreign aid — notably from East Europe — that handouts to old pals might have to be cut. Alarm bells went off: Aid to Israel is the most sacred of American political sacred cows.

Congress dispenses US\$15 billion annually in foreign aid. Two-thirds of this sum goes to only five nations: Israel, Egypt, Turkey, the Philippines and Pakistan. This means there's only a paltry US\$5 billion left for the rest of the world.

Israel is the largest recipient with over \$3 billion each year, and some hundreds of millions more in secret aid and services. As a bribe not to fight Israel, Egypt gets about US\$2.2 billion annually. In other words, funding Israel and keeping Egypt neutralized costs more than 33% of all U.S. foreign aid.

Backers of Israel insist this huge sum is necessary because Israel is an old friend and an important "strategic asset" for the U.S. Until recently, there was no



Eric MARGOLIS
in New York

debate on this point. The powerful pro-Israel lobby silenced any doubters. But now, private criticism of massive aid to Israel has broken into the open — and by no coincidence.

The administration is furious at Israel's Prime Minister Yitzhak Shamir, his right-wing Likud bloc and its allies on the loony far-right. Shamir has artfully blocked every effort by the U.S. to start real peace talks between the Palestinians and Israel. Secretary of State James Baker, I am told, is mad as a hornet at Shamir.

This past week, Shamir stated openly what his backers had long been saying in private. A "big Israel," Shamir said, would be needed to house the current heavy influx of Soviet Jews. The West Bank and Gaza, where Palestinians want to form their own state, is needed for Jewish settlement.

By these blunt words, Shamir kicked sand in Washington's face and ended the long charade about Palestinian "autonomy" in the occupied territories.

Two days later, the Bush administration struck back. Bob Dole is a canny, experienced politician. His suggestion that aid to Israel, Egypt and the other three major recipients be trimmed would not have been casually

made. The last senator who dared suggest cutting aid to Israel, Charles Percy, lost his job. Dole was obviously speaking for the administration and putting a shot across Shamir's bow.

Dole observed quite rightly that money would have to be found for East Europe and America's newest ward, Panama. Unsaid was the obvious fact that in this age of benign Soviet behavior, there was no longer any need for an Israeli Sparta to defend the Eastern Mediterranean. While there are many good arguments for retaining the full measure of aid to the big five, it's also plain their stipends will eventually be cut.

What makes all this so worrisome from Israel's viewpoint is that Dole's proposal to trim aid by 5% is just an opening gambit. There is a good deal of pent-up resentment in Congress against the bullying of the Israel lobby. Many legislators, say sources on Capital Hill, are just waiting for someone to take the lead on this issue and for allies to provide safety in numbers. If this happens, the U.S. aid that keeps Israel a military superpower could be halved.

The blame for this important — perhaps even decisive — shift in attitude is squarely on the shoulders of Shamir and his Likudniks. Their stubbornness and arrogance has snapped even Washington's seemingly infinite patience. This would never have happened under Israel's moderate and sensible Labor party. President George Bush and Baker are fed up dealing with Israeli rightists who see all Arabs as a combination of Assyrians and Nazis. The PLO is also fed up and about to abandon U.S.-brokered peace plans.

Washington is hoping a sharp blow to the wallet may bring Shamir and his Likud zealots back to reality.