end up collapsing his government. He also knows that the big issue in the next election will not be saving the settlements, but the economic collapse.

Levy's warnings began to materialize the next day, when the Cabinet passed the budget with a slim majority of 14-12, with the ministers for both the Labor Party and the ultra-Orthodox religious Shas party voting against it. The Likud, the National Religious Party, the Center Party, and the ethnic Russian Yisrael B'Aliyah voted in favor. The Shas party was so enraged, that its spiritual leader, Rabbi Ovadia Yosef, told Israeli Radio, "We made him [Sharon]. He is ungrateful and has no path. Those who made him Prime Minister will make him chief of the garbage pails."

The vote has sparked debate over possible early elections. Histadrut labor federation head Amir Peretz, a Knesset member, blasted "these kinds of austerity measures," telling Israeli Radio, "The time has come to hold early elections."

Despite the loud noise being made by both Shas and the Labor Party about the budget, Sharon's government will not fall before November, since the Knesset does not debate the budget until they return in October. Furthermore, Labor Party Chairman and Defense Minister Benjamin Ben-Eliezer, who has been rubber-stamping Sharon's most brutal security policies, said that he will not pull Labor out of the government before his party holds its leadership convention in November.

The biggest reason why the government will not fall before November, is the upcoming war against Iraq. Sharon, as well as Ben-Eliezer and Labor Party Foreign Minister Shimon Peres, are committed to participating in it. Even if the government were to fall in November, Sharon would remain the head of a caretaker government during the three months allotted to electioneering.

The only hope in the next elections could come from attempts under way to form a new social democratic party. Meretz, along with the ethnic Russian Democratic Choice Party and a faction of the Labor Party led by Yossi Beilin, recently held discussions to establish such a party. They are expected to call for a national convention in the next months. With the demise of the Labor Party, such a party could become the second largest party in Israel.

The Cease-Fire Sharon Bombed

Instead of mass funerals for six-month-old Palestinian babies, American students studying at Hebrew University, and Israeli housewives, there could be peace negotiations under way. On July 23, a hard-fought month of initiatives for a cease-fire, by the European Union, Russia, and the United Nations, was drowned in blood, when Israeli Prime Minister Ariel Sharon's aerial bombing of a block of apartment buildings in the Gaza strip killed 17 people, including four infants and seven small children, and wounded more than 150 others. The ostensible purpose of the bombing was to kill a Hamas commander, Salah Shehadeh.

Hamas's inevitable revenge terrorist attack, laid at Sharon's door in advance by leading Israelis still pushing for peace, came on July 31 at Hebrew University. It killed five American citizens and two Israelis, wounding at least 97 others. Just ten days earlier, Hamas had been—according to its spiritual leader, Sheikh Ahmed Yassin—ready to negotiate a Fatah-proposed cease-fire and end of terrorist attacks. This had been widely reported in Israeli newspapers.

It is no secret that Hamas has been built up by Ariel Sharon. Radicals in Sharon's cabinet who want to assassinate Arafat, say that they *want* Hamas in power in Palestine. By the July 23 Gaza bombing, Sharon prevented the

organization from ceasing terrorism.

This week, Labor Party Knesset member Haim Ramon, Chairman of the Defense and Foreign Policy Committee, submitted into the Knesset record the proposal for a unilateral cease-fire by the Tanzim Palestinian militia of Fatah, received before the Gaza bombing. It said that Israel "must cease strangling our cities, killing our youths, taking our land for your settlements, ripping up our orchards, humiliating our women and children, detaining our young men in your squalid camps and demonizing those we choose to lead us. . . . Your occupation is illegitimate and we will resist it—your soldiers are occupiers and will be treated as such." But "Whether you stop these practices, or not, we will not shift our declaration. The rivers of blood that have so embittered our peoples will be stanched. The suicide bombings will be brought to an end. By us. Now."

The statement warned Israelis "there are those in our society who will attempt to undermine and deter our efforts." And pointing directly to Sharon: "So too, there are those in your society and even at the very top of your government who may attempt to provoke us. They will try to underestimate this declaration. . . . These people are our enemies, they must also be yours. They are the enemies of peace."

After the Hebrew University massacre clearly resulting from Sharon's 2,000-pound bomb escalation, his cohorts in the "Wolfowitz cabal" inside the Bush Administration are clamoring for the United States to wipe out Yasser Arafat and the Palestinian Authority.

-Michele Steinberg

46 International EIR August 9, 2002