

tage' which President Reagan has promised to maintain for them. Without the economic subsidy Israel's credit would vanish and its economy would collapse. In other words, Israel can only do what Washington allows it to do.»

Israel's role and the logic of Zionism

What is the specific role assigned by imperialism to Israel within this struggle? Israel functions as the dominant local military power in the Middle East, responsible for frontline defense of U.S. regional domination. Its aggressive military provocations are aimed at smashing the Arab national liberation movement, particularly the PLO.

While functioning as the principal instrument of imperialism in the Middle East, the aggressive compulsions of Israeli Zionism also derives from its own aims and needs as a distinct capitalist entity. The central political drive of Zionism has always been and continues to be the establishment of an exclusivist, racialized Jewish settler state carved out of the Arab nation. This inherently requires the obliteration of the particular Arab people--the Palestinians--whose homeland was seized in order to realize Zionist ambitions.

In addition, the Zionist entity must expand in order to attain the land, water and cheap labor necessary to achieve a degree of economic viability, drive the vast majority of Palestinians into permanent exile and to disperse them as a nation. Such are the fascist underpinnings of Zionist policy vis-a-vis the Palestinians, underpinnings that do not vary from one Israeli administration to another, but are inherent in its nature and practical reality.

Zionism began in the late 1880's as one of several responses to the increasing wave of anti-Semitic pogroms terrorizing Jews across Europe. It is a classic kind of bourgeois nationalism, matching the aspirations of the Jewish bourgeoisie for a «nation» which it could rule by resorting to white settler colonialism.

From the beginning, Zionism as a political movement completely identified its cause with the emerging imperialist system in Europe. But it was not until after WWII that this effort was crowned with success. The horror of Hitler's Holocaust led many to see an exclusivist Jewish state as the only protection against genocide. But the key factor in the formation of Israel was the qualitatively increased importance of oil in the world imperialist economy which impelled the U.S. to step forward as the main guarantor of a separate Jewish state.

From the outset, terror and aggression have been unavoidable necessities for Zionist Israel. While all capitalist economies must incessantly grow to survive and prosper, this drive is grossly magnified in Israel by virtue of it being no more than a military garrison state that is unviable as an independent economic entity. Despite an annual infusion of some \$6 billion from the U.S. alone, the Israeli economy is in shambles, suffering from 400% inflation per year.

Thus, behind the absurd and inherently racist conception of a «Greater Israel» promised by God to the Jews are compelling material considerations. Access to the water of the Jordan and Litani Rivers, for example, is one of the reasons why Israel has seized and stubbornly holds on to the West Bank, the Golan Heights, and Southern Lebanon. The incessant seizure of land is key to clearing the way for capitalist expansion and preparing for a hoped for increase in Jewish population.

And, as the Christian Science Monitor noted, «The final exploitable resource in the occupied territories is the block of more than 75,000 laborers who migrate daily into Israel. Their wages are much less than Jewish workers and they do not

receive the same benefits, which further reduces their cost.» In short, any Zionist hope to stabilize the Israeli economy, is premised upon aggressive expansion to attain badly needed land, water, cheap labor, and military security.

It is Israel's avid pursuit of these economic necessities; its unshakable commitment to a religious state in which non Jews have no rights that Jews are bound to respect; as well as its role as a gendarme for imperialist interests; that Israel has carried out one atrocity after another against the Palestinian and other Arab peoples. The fascist terror that now reigns in southern Lebanon, the West Bank and Gaza is thus no recent aberration of the Begin-Sharon-Shamir regime, but a relentless compulsion of the inner logic and reality of Zionism.

The vulnerability of Israel

Yet this on-going Zionist terror policy toward the Palestinians and its Arab neighbors masks the inner weakness of the Israeli state. This weakness resides in the fact that Israel is a politically-imposed white settler state, which, according to the logic of Zionism, must attempt to disperse a real nation rooted in hundreds of years of development.

Immediate military security is not the main way this problem manifests itself today, as Israel is qualitatively superior militarily to its adversaries in the region. Rather, it is the gross instability of the Israeli economy that focuses all of the problems facing the Zionist settler state. The economy is totally dependent on massive and ongoing U.S. aid. Israel's huge military budget and the fact that Israel's largest industry is arms production (40%), means that huge sums of money are tied up in the defense area, where they are not producing goods for the market. This results in the capitalist world's highest inflation rate--400% per year. This high inflation is not just a temporary problem but endemic to the distorted nature of the Israeli capitalist economy.

The political impact of this economic distortion is profound. Jewish workers, concentrated in the most privileged and highly unionized jobs, are institutionally protected from the ravages of inflation by monthly cost of living allowances in their union contracts. Even so, their buying power has been steadily decreasing over the last several years. On the other hand, Palestinian workers, who make up the basic mass of the proletariat in Israel are concentrated in the least privileged, mostly non-unionized sectors, and are overwhelmingly unprotected from the inflation rate.

Political discontent among Jews over the high inflation rate is a strong pressure on Zionist leaders. This is because Zionism must be able to offer both security and prosperity in order to attract and keep its settlers. It must be able to offer to the average Jew a standard of living that is not only far superior to that enjoyed by the Palestinians and other Arabs in the region, but that is not inferior to what they enjoyed in the U.S., Western Europe and the Soviet Union before they immigrated to Israel.

Yet it is the grotesquely intense national, racial and class brutalization of the Palestinian people that produces the greatest political challenge to Israel. In response, a powerful national liberation movement has taken deep root among the Palestinians. This movement encompasses all classes, yet its backbone is a highly exploited, specially oppressed working class population. Herein lies the deep roots of the Palestinian Liberation Organization, especially its anti-imperialist forces, and the basis for the development of a highly conscious, well-organized populace. Their struggle against Zionism and for national democracy--i.e. for a democratic secular state in