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## BEDEVILLED GOVERNMENT

WHEN THE Soviets sent their first Sputnik into space, they launched a countrywide campaign of public education to help the people grasp the magnitude of the achievement. Thus a lecturer in the workers' education programme told his audience that the day was coming that a Soviet citizen would be able to visit the moon. After the lecture, when questions were invited, one of the listeners said:

"It is wonderful news that you have brought us, dear comrade. How thrilling to know that Soviet science will yet bring us to the moon. Can you tell us meantime, comrade, when you think we shall be able to visit Paris?"

In an interview in Tuesday's *Ha'aretz*, buoyantly optimistic Prime Minister Shimon Peres declared that in four years, Israel will attain an export figure of \$19 billion, and that in ten years' time we shall reach a gross national product of \$40-50 billion, of which the defence budget will take only five per cent.

To foretell 10 years ahead the size of Israel's defence budget or, for that matter, to venture any forecast at all about a defence budget whose size will be determined partly by factors beyond Israel's control, seems foolhardy. Indeed, it tends to mar the credibility of the rest of Mr. Peres' forecast.

Yet the rest of his forecasts is in fact rational. A period of economic growth of the order prophesied by the premier can be envisaged: the ingredients are available or attainable. Unfortunately, on recalling what was going on around us that very Tuesday morning, it surely is not rude or irrelevant to say to him: "Your forecast is heartening, but meantime tell us, how are you solving the Shas problem?"

The "Shas problem" was indeed material: it reflected the ugly flaws in Israel's internal politics. Three decades ago then minister of finance Eliezer Kaplan foretold that in a few years (three, five, seven – I cannot remember and it makes no difference now), Israel would achieve economic independence. Maybe he was over-optimistic about the period required; but the fact is that the hoped-for progress towards economic independence did not come to pass – mainly because of Shas-like issues – secondary problems and conflicts that could be solved only by an unbending resistance to partisan demands, by refusing to pander to special interests, by enforcing the supremacy of the national interest. Time and again the national interest lost.

FOR ALL those 30 years and more, while Israel has had to sustain a war-economy, with a heavy slice of its income going to defence, successive governments encouraged the population to behave as though Israel was a thriving mini-America-at-peace. It is very well to say, as Mr. Peres did in his interview, that our economic plight is due to "Likud mismanagement." That is only part of the truth. It was largely because of economic mismanagement that the Labour Alignment was forced out of office in 1977. That mismanagement had continued in some degree for many years.

Boiled down to specifics, its essence was simple: the people of Israel lived beyond their means with the government's blessing; and that blessing was given because

the party in power did not want to be seen preventing the standard of living rising beyond the nation's earnings.

Even the most sensible children will be spoiled by being pampered. The most understanding, the most patriotically oriented nation will sink into wasteful exhibitionism and even to slothful acceptance of economic dependence if encouraged to do so by a government presumed to know what it is doing and invested with the power of economic control.

This in a sense is what happened in Israel. When the Likud was brought to power by an electorate which, having at last awakened to the consequences of Labour mismanagement, grasped the need for greater effort, for belt-tightening, for some sacrifice – the new government simply took up where the Labour Alignment had left off. Only it went on to improve upon its predecessor's bad habits – until it reached the previously unscaled heights of pre-election fiscal irresponsibility in Yoram Aridor's 1981 largesse.

NOW THREE MONTHS have passed since the two major parties, forced by the inconclusive results of the July election, joined together in a concerted effort to halt the dangerous economic crisis. They have stood their first test only partially, still plagued by a traditional incapacity to hold their national ground against "special interests."

Succumbing to pressure to maintain subsidies, for example – thus forgoing a saving of hundreds of millions of dollars of government expenditure – has weakened the effect of the price-wage-tax freeze, which is in itself only a first step in the healing process. (The poor, after all, can be recompensed by other means; there is no need for a nation to subsidize the petrol or the bread of the well-off and the rich.)

This and other anomalies, however, could, it is hoped, be eliminated if and as the government gains in confidence. Precisely at this point the nation was treated to a display by both parties of exactly that malady that has bedeviled national policy in the past – an aberration, a digression, the concentration of thought and effort in order to satisfy some "special interest" with an eye to electoral advantage.

One gets the impression that suddenly some primitive instinct made both Likud and Labour forget that they had been granted a historic opportunity to cure Israel of some of the most severe maladies besetting its democracy. Those maladies were exposed at the highest level of their malignancy during the cliff-hanging tenure of the late Likud government. The outrageous tolls – in money and patronage – extorted from that government by the small Agudat Yisrael and Tami parties were understandable (if not excusable) because of the certainty that if the Likud did not give in to their demands, they could obtain the same or better terms from a visibly panting Alignment.

BUT NOW? Now each party knows it cannot govern by itself. Both were believed to understand that they are engaged in a joint venture whose success is vital to the integrity, perhaps the very future of the State; and that the success requires the fullest concentration of single-minded effort in promoting drastic revision of encrusted economic practices. How could the thought possibly enter their minds of breaking up this government?

Whatever the rights and wrongs of the dispute between Shas and the National Religious Party (and it was not over the different perceptions of the national interest: it was over money and patronage), it is sheer cant to claim, as some Likud leaders claimed,

that their promise to Shas had to be kept *at all costs*. There is a list as long as their arms of promises made to the people that they have not kept without blinking an eyelid. Moreover, Shas itself urged them not to break up the government because of its overriding importance.

Indeed the coincidence of a government with an overwhelming Knesset majority facing the particularly sensitive problems of the funds and function of the Interior and Religious Ministries, offered a golden opportunity to effect a salutary reform, long overdue.

Peres and Shamir should have announced that in consideration of the national interest in good government, it has been decided that the Interior and Religious Ministries will not be headed by a member of any religious party – precisely because of the conflict of a variety of interests; and that Shas and the NRP would each be offered some other government office.

THAT IS not all. The Shas crisis points up all the more urgently the need to speed the process of electoral reform. The Labour and Likud leaders should now proceed resolutely toward introduction of a system of constituency elections calculated to ensure stable government, freed from the exacting pressures of small parties.

If Peres and Shamir will, by mutual encouragement, summon up the resolution to resist partisan and “special” interests and pressures, postpone divisive foreign policy issues which they cannot solve anyhow, and keep their gaze fixed unwaveringly on the national interest alone, then – and only then – will Israel be able to emerge from its economic morass. Then the way will be opened and the conditions created to make feasible the fulfillment of Mr. Peres’ vision of the future.