

Mounting rage in reaction to the layoffs and threats of layoffs is their characteristic response. At a Bethlehem, Pennsylvania steel plant where layoff rumors have been incessant, a worker driving out of the plant yelled to a Labor Party organizer selling New Solidarity: "We ought to shoot Rockefeller, we have to shoot him." When the organizer yelled back, "That's not enough," the worker stopped his car on a green light. While 30 cars piled up behind his, this worker then ran back to the organizer to get a 30-second educational.

That hundreds of thousands of workers have already had that educational and have decided to build a revolutionary party was reflected in the massive vote for Labor Party candidates this fall. These workers are now intensively discussing the International Caucus of Labor Committees Strategic Studies series, selling New Solidarity subscriptions, organizing groups of other workers to meetings, deploying with the Labor Party, etc. Probably three times this number are active organizers for the Labor Party, in direct touch with the Party over the course of a month. Among this group of a thousand or so Labor Party worker-organizers are most of those whose organizing activities were by and large limited to buying the newspaper and making phone calls in late September.

ISRAEL ECONOMY HAS FOUR MONTHS TO GO, CHASE SAYS

Nov. 26 (IPS)--Burning up its foreign exchange reserves at the monthly rate of \$200-250 million, Israel will face bankruptcy within four months. No positive effects are to be expected from the recent 40 per cent devaluation of the Israeli pound.

This is Chase Manhattan Bank's estimation of the current economic crisis in Israel. According to a Chase economist: "The situation is pretty critical, as evidenced by their willingness to devalue the pound, something they fought against for a very long time." The economist added that the devaluation would not help Israeli imports, since their market position depended on special arrangements, and were not price-elastic. Instead, the devaluation was forced by "panic buying by consumers."

Normally, Israeli currency reserves have been maintained at about \$1.5 billion. But now, at less than \$900 million, the reserves face rapid exhaustion at a rate of \$200 to \$250 million per month.

In addition, the Chase economist said, "Israel is under additional pressure because the invisibles they normally get are not coming in, in particular the contributions from world Jewry." A financial scandal around the Israel Corporation last September has affected the willingness of Israel's supporters to shell out.

No funds, public or private, are coming in on the scale that Israel requires, the Chase source added, with no solution in sight.

Recently, the president of the oil multinational Atlantic Richfield said that one of the factors militating for a new Mid-east war was the "disintegration" of the Israeli economy.

FIRST PENN PREVENTS ISRAEL FINANCE PANIC

PHILADELPHIA, Nov. 26 (IPS)--The First Pennsylvania Corporation is negotiating the purchase of 13 per cent of the equity of the First International Bank of Israel, averting a possible new Israeli bank scandal, bank spokesmen confirmed today. But the bank refused to say who the purchaser of the equity will be.

The Israeli bank in question, in which First Pennsylvania has a 42 per cent equity share, was threatened by the bankruptcy Friday of Britain's Triumph Investment Trust, which held 13 per cent of the equity stake. The bank, Israel's fifth largest, was founded two years ago with participation by the Israeli government.

Trouble at First International Israel would have deepened the current financial crisis in Israel. Problems at the Israel Corporation, an investment bank whose stockholders included the French Rothschild family, rocked the Israeli financial scene in September and discouraged further contributions by Jewish supporters of Israel.

The Israel Corporation lost several tens of millions of dollars when a Swiss bank with whom it had heavy dealings, the Geneva-based Banque du Credit Internationale, applied for a debt moratorium under Swiss banking law. Previously, the Israel Corporation lost heavily when its deposits with the Swiss bank were placed with several failing real estate companies in Lichtenstein.

IPS reported in September that the bank problem in Switzerland showed evidence of sabotage by the Rockefeller financial group. Its director, Dr. Tibor Rosenbaum, was alleged by U.S. Treasury officials to have Mafia connections and was linked circumstantially to wartime Office of Strategic Services and post-war CIA activities.

In the case of the First International Bank of Israel, however, the same faction is taking steps to prevent further scandal, as the First Penn decision indicates.

An officer of a large New York bank which corresponds with the Israeli bank said that his dealings with the First International Bank of Israel, which include normal letter of credit and trade financing activities, are proceeding normally.