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## Israeli Economists Offer Mixed Reactions To Nixon's New Economic Policy

JERUSALEM, Aug. 16 (JTA)--Israeli economists who have long demanded devaluation of the Israeli pound renewed that proposal today with added emphasis after consideration of President Nixon's announcement of sweeping changes in United States wage, price and international trade policies. Professors Chaim Barkai and Michael Michaeli of the Hebrew University were among such experts queried by newsmen seeking information on possible effects of the new United States policy on Israel's economy, particularly its international trade. Prof. Barkai, head of the university's economics department, and Prof. Michaeli, social sciences dean and an expert on international fiscal policies, both said that the Israeli pound should have been devalued long ago. In concert with expert opinion elsewhere, the two scholars called Nixon's announced measures a de facto devaluation of the dollar. This time, they said, Israel should not react only by adjustment to the new dollar-gold rate but instead should "take the opportunity for courageous and decisive action" by devaluation, which would have at least a temporary effect of lowering Israel's prices on exported products relative to exports of other countries.

They cited as an example of merely adjusting, Israel's act of devaluing the pound three years ago to its present three-and-a-half to the dollar when it followed the pound sterling and other European currencies in a 12 percent devaluation. The two experts also urged imposition of wage and price controls, linked to the proposed devaluation, so that the value of the devaluation would not be lost. Most observers here, however, expressed doubts that the government would follow the advice of the two experts. Finance Minister Pinhas Sapir, a strong foe of devaluation, is on record as believing that in an economy in which unions and trade groups are as strong as they are in Israel, devaluation would be quickly nullified in effect by wage and price inflation. But other experts pointed out that Israel's money managers plan to keep the pound steady relative to the dollar, which means that the Israeli pound will in fact be devalued in relation to the West German mark and other strong or gold-based currencies. In an examination of the impact of one specific trade measure in the new Nixon program--the imposition of a 10 percent import surcharge--the experts indicated they expected little harm to Israel's economy. Israel's sales to the American market constitute 20 percent of its total annual exports. Diamonds, Israel's number one export item, may be affected by the surcharge. Other Israeli exports to the United States include such specialty items as wines, bathing suits, fashions and textiles.

All of these, the authorities said, are purchased by Americans because of their origin or design and are considered quality items. Short of a severe recession in the United States, Americans were expected to continue buying such Israeli specialty items even if they do cost more. A large part of the other 80 percent of Israel's exports go to countries with strong currencies. If the Israeli pound continues to be pegged to the dollar, the exports will be comparatively cheaper to buy in those countries. On the other side of the trade picture, a weakening of the dollar should not affect Israel's ability to buy products in other countries because much of Israel's foreign currency reserves is in West German marks, one of the strongest free world currencies. However, the experts said, the cutting of United States foreign aid announced by Nixon may affect some of the grants and loans Israel has been expecting. But the way in which the foreign aid program will be cut has not yet been made clear and its impact on Israel accordingly cannot be measured. Moshe Rivlin, executive director of the Jewish Agency in Jerusalem told the Jewish Telegraphic Agency that he did not expect the new U.S. policy to bring a decrease in income from overseas contributors. He said that experience over the past years had proved that economic crises do not damage the commitment of the Jewish people to Israel's cause. Officials in the Finance Ministry declined comment pending careful study of Nixon's new policy.

## ADL Charges Publisher Used Biased Headline To Promote Sale Of Book

NEW YORK, Aug. 16 (JTA)--The president of G.P. Putnam's Sons, the publishers, has twice rejected claims by the Anti-Defamation League of B'nai B'rith that its advertising for a book on Meyer Lansky is anti-Semitic, the ADL reported today. ADL national chairman Seymour Graubard made public a written exchange between ADL fact-finding director Justin J. Finger and Putnam's president Walter J. Minton. In his first letter to Minton, Finger referred to an advertisement for "Lansky," by Hank Messick, in the New York Times of April 22 and 24 and June 2, with the headline: "Jews Control Crime in the United States." Finger called the ad "structured upon a blatant appeal to anti-Semitism," and added that "since Putnam's considered the Messick book worth publishing, it likely has merits on which it could be advertised without dipping into the murky waters of anti-Semitism." Minton replied: "There are crooked Jews in America, and if you read Hank Messick's 'Lansky' you will learn something about them...I am sorry to see the Anti-Defamation League of B'nai B'rith leaping to the defense of people such as Meyer Lansky."

The subject of the book, who calls himself a "retired businessman," is said by federal authorities to be a longtime underworld leader. He has been in Israel for more than a year on a tourist visa, seeking Israeli citizenship under the Law of Return and refusing to return to the United States to face racketeering charges. Finger, charging Minton with distorting his argument, wrote the publisher: "Certainly there are (crooked Jews in America)--if the religion of a crook is relevant, which it isn't. But your statement hardly answers our objection to the advertisement's headline...our position being that this is a slur against all Jewish people, since it says something quite different from the mere fact that there are some crooked Jews. In addition, the statement in the headline is a lie." Finger stressed that he was not defending Lansky but "all innocent Jews who were linked to Lansky in Putnam's insinuating ad," which he described as an "appeal to bigotry or the language of bigotry in order to sell something."

Minton's first reply, Finger concluded, was "surprisingly insensitive and hostile to our natural

concern about such matters." In his brief reply to Finger's second letter, Minton called the ADL argument "unfounded." In making the correspondence public, Graubard said he hoped "that intelligent and responsible Americans of every faith would point out to G. P. Putnam's Sons and its subsidiary, Berkley Publishing Corporation, that the ad and the jacket cover of the upcoming paperback are an outrageous affront." Be: key plans to use the ad's headline on the paperback's cover. Graubard concluded: "If the Anti-Defamation League has been unable to make Putnam's see the damage that will be done by the offensive cover, perhaps public opinion will make it clear...Indulgence in anti-Semitism from otherwise respectable quarters has seemingly become more acceptable these days (what with) the new, 'anything goes' attitude apparent in the widespread use and acceptance of pornography and obscenity." Neither Minton nor a spokesman was available for comment today.

### Doctors Laud Government Decision To Revoke Back-To-Work Order

JERUSALEM, Aug. 16 (JTA)--Spokesmen for doctors in government hospitals lauded today a decision by the Cabinet yesterday to revoke the emergency back-to-work orders which ended a week ago a strike by the doctors. The Cabinet acted after receiving an appeal from the Israel Medical Association, which represents all of the nation's doctors. The doctors said they would continue normal work routines in hospitals and public health clinics and expressed the hope that their talks with the Health Ministry on their demands could be resumed. A spokesman had said, after the emergency regulations were imposed, that there would be no negotiations while they were in force.

### General Protest Strike In Gaza Strip Fizzles After Second Day

TEL AVIV, Aug. 16 (JTA)--The general protest strike in the Gaza Strip which began Saturday on a call from Arab terrorist groups to protest evacuation of refugee camps in the Strip for security road construction, appeared today to have fizzled out completely. The terrorists had called for a week-long action. Officials said that even by the second day it had become apparent that the strike could not last. Residents of the Strip were unable to accumulate enough food for a week; workers had to be back on the job and merchants--some of whom closed their shops but quickly reopened them yesterday after Israeli engineering units sealed the doors of some shut-down shops--wanted to sell their products. Some 30 buses and 45 trucks collected Gaza Strip residents for work this morning as usual, shops opened on schedule and buses and taxis moved in town and between towns as usual. Even at the headquarters of the United Nations Relief and Works Agency, where workers did not appear Saturday and Sunday, work was resumed this morning with all workers reporting for duty. Even Strip army patrols were reduced to normal patrol routines, officials reported.

### 21,000 New Settlers Came To Israel In First Six Months Of 1971

JERUSALEM, Aug. 16 (JTA)--A report by the Jewish Agency indicated today that 21,000 new settlers had come to Israel during the first six months of this year. Immigration from the United States, the Soviet Union, Canada and East Europe was reported to have been larger than officials had expected while immigration from Western Europe and Africa was smaller than had been anticipated.

### More Than 1,000 Families Evacuated From Gaza Strip Camps

TEL AVIV, Aug. 16 (JTA)--Officials reported today that more than 1,000 families have been evacuated from the Jebailiya and Shati refugee camps in the Gaza Strip to clear the way for additional security roads and that most of them have found alternative housing by themselves. Some 250 families were provided with housing in El Arish in northern Sinai and about 150 received housing in other parts of the Strip. The officials said the evacuations would continue in two phases. One will be in accordance with housing space to be found in El Arish or in the Strip. The second will be when new housing has been completed for the evacuees who cannot find housing on their own. The entire operation will continue until the refugee camps have been revamped to satisfy Israeli authorities on security requirements. The new housing will be built near cities in the Strip, including Khan Yunis, Raffah and Dier El Balah. Meanwhile, the officials reported, there are still empty flats in El Arish that can house another 500 families. All evacuees have been assured continuation of food rations, schooling and medical treatment provided by the United Nations Relief and Works Agency in the Strip.

### Jordan Communist Party Leader Released By Israel After 33 Months In Prison

TEL AVIV, Aug. 16 (JTA)--A leader of the Jordanian Communist Party, Naim Al Ash'Hab, who had been detained for 33 months in an Israeli prison under administrative detention laws, has been released and allowed to leave Israel to go to the Soviet Union, officials reported here today. The 30-year-old teacher had been detained on suspicion of subversive activities. Communist Party members in Israel and abroad have been seeking to obtain his release. The officials said that it had been decided that he could get treatment in Russia for an eye ailment. He was released yesterday and boarded an El Al plane for Cyprus, proceeding from there to Russia. A delegation of Rakah, the Israeli pro-Moscow Communist Party saw him off at Lydda airport.

### Markish Family Appeals To World Jewry To Remember Stalin Purge

NEW YORK, Aug. 16 (JTA)--An appeal to Jews throughout the world to remember the 24 leading Soviet intellectuals murdered by Stalin in 1952 has been sent to Israel from Moscow by the widow and son of one of the victims, the American Jewish Conference on Soviet Jewry reported today. The appeal was contained in a cable to Israel's Deputy Prime Minister, Yigal Allon, from Esther Markish, widow of the Soviet poet, Peretz Markish, and her son, David, who have been refused exit visas to settle in Israel. Richard Maass, chairman of the Conference, said the cable was addressed by the Markish family to their "dear brothers and sisters" and pledged to stand "together with you" at the Western Wall in Jerusalem. The Markishes also said, "We are crying over the bitter fate of the innocent victims" but that "we continue to live with the hope of a good future." The cable added "we are convinced that the love for our people is the best monument to the memory of the victims of Aug. 12, 1952." Maass said that the cable was a poignant reminder of the murder of the Soviet intellectuals and that "among the foremost of the writers killed was the poet Peretz Markish."

He said the Conference called on the world, "and especially writers and poets, to keep the precious memory of these victims alive and to demand the immediate cessation of continuing discrimination and

of anti-Jewish policies" in the Soviet Union. Asserting that "Stalin and his heirs attempted to destroy the last fiber of organized Jewish cultural life in the Soviet Union," he added that 20 years later, Jewish culture in Russia "remains buried by official decisions and has not been rehabilitated, despite a few token concessions to critics of Soviet policy." Maass said the Conference was asking "all humanity to join with us and to demand the rectification of this great crime against Soviet Jews." He declared that while the dead could not be restored to life, "we can ask for the restoration of Jewish institutional life in all of its forms. We do demand the cessation of all instances of harassment against the thousands of Jews who have demanded their basic human rights, including the right to leave." In particular, he declared, "we now ask of Soviet authorities that the widow of the poet Peretz Markish, and her son, be granted permission to live in Israel. Her plea to man's conscience must not go unheeded."

### View From U.S.: Nixon's Economic Policy Not Likely To Affect Israel Over-All

WASHINGTON, Aug. 16 (JTA)--Economic experts, both here and in New York, said today that it was too early to judge the impact on Israeli imports of President Nixon's announcement last night that the United States would, among other things introduce a 10 percent surcharge on most imports. The Israel Government Investment Authority and Bank Leumi Le-Yisrael were among those declining comment, at least for now. However, a canvas by the Jewish Telegraphic Agency of official American sources here disclosed that the over-all effect on Israeli-American economic relations is not likely to be great. Israel's exports to the U.S. in 1970 totaled \$149.6 million, with diamonds leading the list at \$70 million. This year the rate has been somewhat higher--\$87 million in the first six months. (In 1969 it was \$128.6 million.) The imports from Israel do not seem to be among the exemptions indicated by Treasury Secretary John B. Connally. Therefore, the tariff charge under the new surcharge would amount to \$15 million, based on last year's trade level. (Exports from the U.S. to Israel last year totaled \$593 million, and were largely machinery and transport equipment, foodstuffs, chemicals and manufactured goods. In 1969 the total was \$456.9 million. In the first six months this year, the sum has skyrocketed to \$406.8 million.)

The foreign assistance program is being reduced by 10 percent under the President's program, but it has not yet been decided whether the cuts will be applied regionally or country-by-country. In either case, Israel is not yet affected by this cutback, since she has not received this kind of "foreign aid" from the U.S. in 10 years. The new Foreign Aid Bill before Congress, calling for \$3.2 billion in economic and military assistance, does include Israel, but knowledgeable observers said it was much too early to tell how it will be affected by the President's 90-day freeze on wages and prices. Economic aid in the form of commodity credits are not believed affected by the new controls, since they are not under the jurisdiction of the Agency for International Development (AID), an arm of the State Department. During fiscal year 1970, which ended June 30, Israel received \$50 million in commodity credits and \$30 million in credit from the Export-Import Bank.

Capital that Israel obtains from the U.S. through the sale of Israel Bonds and other fundraising campaigns sponsored by American citizens appear definitely outside Nixon's control program. At the State Department it was pointed out that no controls are envisaged on the flow of capital to foreign countries under the wage-price freeze. The 10 percent surcharge on imports, it was explained, is based on the value of the products and is added to the normal tariff now in effect. Thus, if a commodity is imported at a value of \$100 and the present tariff is 5 percent, the commodity would cost the importer \$105; but a 10 percent surcharge would raise his cost to \$115. Since the freeze blocks any increase in price to the consumer, it was not yet known here who will shoulder the new surcharge costs--the American importer or the Israeli exporter or both. Israel, it was recalled, put into effect a year ago a 20 percent surcharge on most of its imports. Both the Israeli and the American surcharges, a source added, are not intended primarily to raise revenue; rather, to effect an equilibrium in her balance of payments. Both are seen as temporary measures.

### UAHC Asks Mitchell To Investigate Deaths Of Kent State University Students

NEW YORK, Aug. 16 (JTA)--The Union of American Hebrew Congregations called today upon U.S. Attorney General John Mitchell to convene a federal grand jury to investigate the unsolved deaths of four Kent State University students in May, 1970. The UAHC, which represents Reform synagogues in the United States and Canada, urged the Attorney General to begin an immediate probe on the basis of allegations by the Methodist Church that the death of the four students resulted from a "conspiracy" by the Ohio National Guard to "punish" campus agitators. I. Cyrus Gordon, of New York City, chairman of the Commission on Social Action of Reform Judaism, wrote Mitchell that while the organization had no way of substantiating the Methodist report, "we commend them for their diligent efforts to keep alive a sense of national conscience with regard to one of the blackest days in American history."

Gordon added: "We cannot continue to sweep under the rug the unanswered questions of what and who caused the death of four young people more than a year ago." A 226 page document of the Kent State case, investigated by the Department of Law, Justice and Community Relations of the United Methodist Board of Christian Social Concern, alleged that a group of guardsmen determined ten minutes before the Kent State incident to shoot at student demonstrators. The full report was sent to the Department of Justice over a month ago. Gordon said that the Kent State killings remains as a "blight" on our sense of American justice. He said, "America cannot afford to convey the impression that the killing of young people is somehow a less urgent claim than the killing of policemen, public officials or any other American." The four students who were killed were Jewish.

### More Than 100,000 Arabs Visit Israel Under Summer Visit Program

TEL AVIV, Aug. 16 (JTA)--The number of nationals from Arab countries coming to occupied areas and Israel proper under Israel's summer visits program has topped the 100,000 mark, officials reported today. Almost all of the Arabs visited not only their relatives in the West Bank and the Gaza Strip but even went on to tour Israel. The officials said that the summer program had passed its peak and that some 30,000 Arabs have already returned to their homes in various Arab countries.

## JTA Urges Jewish Communal Work To Reexamine Jewish Identity, Existence

JERUSALEM, Aug. 16 (JTA)--Bertram H. Gold, executive vice president of the American Jewish Committee, challenged Jewish communal workers throughout the world today to reexamine the relationships between Jewish identity and Jewish education, between Israeli Jews and diaspora Jews, and between politico-sociological developments and Jewish survival. Gold was the keynote speaker at the opening session of the International Conference of Jewish Communal Service, held in the amphitheatre on Mt. Scopus. The Conference will continue through Friday, with other sessions at the Wise Auditorium of the Hebrew University here. The meeting brings together 500 Jewish community workers from 19 countries on five continents and Australia. The group last met in Israel four years ago. In presenting an overview of the mood of the world Jewish community today, Gold described it as "worried about the ultimate fate of Israel...about threats to the social order elsewhere...about the quality of Jewish life itself, its meaning today, its relevance to the needs of the young." This mood was in contrast, he said, to the "heady optimism" that prevailed at the Conference's last meeting in August, 1967, two months after the Israeli victory in the Six-Day War. The last four years, Gold pointed out, have been a time in which "the world's favorable opinion of Israel has steadily eroded; 'anti-Zionism' has become a code word for 'anti-Semitism,' and social, political and economic dislocations all over the world have severely shaken the position of Jews outside Israel." While noting that conditions of life vary in Jewish communities from one geographic area to another, Gold cited a number of "common factors" that, he stated, bear on the situation of Jews wherever they live:

The hostility of the New Left to Israel, and the shifting of the focus of their anti-Western agitation from Vietnam to the Middle East; the marked increase in Arab propaganda all over the globe, carried on by Arab students in the United States and Western Europe, and tied most effectively to the problems of developing countries in the Third World; the current threat to the social order in democratic countries, attacks on traditional moral values, and the rise of political violence; the rise of a new generation of non-Jews with no memory of the Holocaust and no feeling of guilt because of it; the absolute and relative weakening of the Western nations and Christianity, with the accompanying rise of non-European peoples, non-Western cultures, and non-Biblical religions; the growth of nationalism and a corresponding growth in isolationism, in Europe as well as in the United States, which affect the political support available to Israel as well as the relationships between Jews in different countries. The world Jewish community, Gold declared, has reacted to these developments with "feelings of uneasiness and anxiety." But in addition, he cited three specific reactions that, he said, are taking place throughout the Jewish world: A new mood, expressed by saying "in the end we can depend only on ourselves"; a new militancy and outspokenness, characterized by distrust of the Jewish establishment and by a widening of the gulf between the leaders and the led; a shift from the traditional left-of-center, liberal stance of most Jews, if not to a position on the right, at least closer to the center.

While he considered these reactions "understandable," Gold warned against attitudes that would lead Jews "away from seeking allies and into an isolationism of our own." He declared this would be "tragically self-defeating" and indicated that "long-established groups such as the American Jewish Committee will have to reexamine some of their dearly held convictions and possibly form new kinds of coalitions." Stating that "the internal condition of Jewish communities outside Israel seem to be pretty much the same everywhere," Gold summed it up in one sentence: "Virtually all of them live with the nagging fear that Jewish identity is becoming less and less clearly defined and that Jewish continuity is threatened." He pointed out that "everywhere one hears urgent appeals to improve methods of Jewish education as a matter of first priority" and to provide more financial support to that education in order to keep Jewish youth identified with and committed to Jewish life. Part of the problem, Gold indicated, is that, in the scientific, secular culture of today, the acquisition of Jewish identity, values and group loyalty is not part of the normal life experience of the Jewish child as it was in the time of the old-time European shtetl. Rather, he pointed out, "in the United States and Western Europe today, Jewish education has become a private Jewish communal task, and its purpose is to strengthen identity as well as transmit knowledge."

## Eban, Tekoah Say Israel May Face Difficult Days In Upcoming General Assembly

JERUSALEM, Aug. 16 (JTA)--Israel's desire to nullify a growing Arab-Soviet drive to isolate Israel and the United States at the United Nations General Assembly was reflected at yesterday's Cabinet meeting in a two-hour discussion of the relevant items on the Assembly's Provisional Agenda. The difficulty of Israel's attempt to block the drive was predicted by Foreign Minister Abba Eban and by Yosef Tekoah, the ambassador to the UN, who was to return there today after two weeks of consultations here. The Assembly opens Sept. 21.

## Soviet Embassy Accepts Plea For Exit Visa For Markish Family

WASHINGTON, Aug. 16 (JTA)--A Jewish delegation scored a first here last Friday when it presented two communications to the Soviet Embassy appealing for an exit visa for the wife and son of the Jewish poet Peretz Markish and for the rehabilitation of 24 Jewish writers and artists who were executed in 1952 during the Stalin regime. Moshe Brodetsky, chairman of the Washington Committee for Soviet Jewry, who led the delegation which included a mother and her four children to the Embassy, said that Anatoly P. Kotov, an Embassy press attache, conversed with them at some length and kept the communications after they were presented to him. In the past, Brodetsky said, after the group emerged from the Embassy, petitions on behalf of Soviet Jewry have been rejected and some Jewish groups who have gone to the Embassy to protest Soviet mistreatment of Jews have been refused admittance because they did not have prior appointments. One of the communications submitted by the delegation appealed for visas for Esther and David Markish whose applications for emigration visas have been refused by Soviet authorities. The other appeal asked the Soviet government to disclose the burial places of the 24 who were executed, punish those responsible for the executions, rehabilitate the writers and artists, and to allow publication of their works. The unpublished works include an account of Jewish heroism during World War II and the other is a history of Jewish suffering under the Nazis. The group's visit to the Embassy followed an hour-long memorial service at Lafayette Park to commemorate the 19th anniversary of the execution by the Stalin regime of 24 leading Jewish writers and cultural leaders which included Markish.