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RESOLUTION INVITING PLO TO ADDRESS GENERAL ASSEMBLY CIRCULATED IN UN By Yitzhak Rabi

UNITED NATIONS, Oct. 9 (JTA)--A draft resolution on the "Palestine Question," sponsored by 67 nations which invites the Palestine Liberation Organization (PLO) to participate in the General Assembly discussions of the issue. was officially circulated today and is expected to be debated next Monday in the Assembly.

The resolution reads: "The General Assembly, considering that the Palestinian people is the principal party to the question of Palestine, invites the Palestine Liberation Organization, the representative of the Palestinian people, to participate in the deliberations of the General Assembly on the question of Palestine in plenary meetings." The sponsors of the resolution did not include Jordan or any Western countries. Observers here said that the resolution does not grant observer status to the PLO.

Tekoah Terms Proposal A Travesty

Israeli Ambassador Yosef Tekoah denounce "the proposal to invite PLO terrorists to participate in the proceedings of the General Assembly" as a "travesty of the United Nations Charter and the Assembly's rules of procedure. It makes mockery of the UN in the eyes of all who still respect international law and morality. The proposal is obviously directed against peace-making efforts in the Middle East. It is regrettable that the parliamentary situation in the UN is such that proposals of this nature can be made and adopted."

Meanwhile, the American and British spokesmen here declined to say whether they will support the resolution. Both spokesmen said that they are not aware of any discussions between their countries and PLO representatives. Answering a question whether the PLO representatives will be granted visas to enter the United States, Courtney Sheldon, the American spokesman, replied that if they will be legitimately invited they will receive visas.

SENATE APPROVES CONTINUING AID TO ISRAEL AT CURRENT LEVEL Will Receive \$300 M In Military Sales Credit And \$50 M In Economic Aid By Joseph Polakoff

WASHINGTON, Oct. 9 (JTA)--The Senate today adopted the House version of the resolution to continue the U.S. foreign aid program and sent the measure to President Ford for signing into law. Under the resolution, U.S. governmental spending on foreign aid is held to the levels of the 1973-74 program that ended last June 30 and extended since then in the absence of new legislation that is still pending.

Israel, therefore, will receive an economic assistance grant at the annual rate of \$50 million and military sales credit of \$300 million. (See P.3 for special analysis on future of U.S. aid to Israel.)

The amendment by Sen. Walter Mondale (D.Minn.) to the continuing resolution, which . would have given Israel \$250 million in economic grants and \$100 million in military grants

and an additional \$200 million in military credits was killed in the Senate-House Conference discussions of the aid bill. The Senate had passed the Mondale amendment by a vote of 62-25, but Administration lobbyists succeeded in convincing the conferees that if Israel received more money. Egypt, Syria and Jordan should also get the funds requested by the Administration. In no mood to prolong the resolution debate with governmental agencies, the Conference rejected all amendments to the continuing resolution itself.

New Program Pending In House Committee

The new foreign aid program for 1974-75 that will continue the program to next June 30 has been authorized by the Senate and is still pending in the House Foreign Affairs Committee. Besides authorization by both Houses, the program will require appropriations approval. Authorization sets policy for the program and appropriation sets forth the dollars to be spent.

The new program that is pending provides \$250 million in grant economic aid to Egypt, and earmarks conditionally \$100 million for Syria. It also has those amounts specified by Mondale in his amendment to the continuing resolution for Israel alone. Mondale was reported by an aide as willing to forego revival of his measure on the Senate floor in view of confidence conveyed to him that the new program with the additional financing for Israel would be adopted by the current Congress before it adjourns in Jan.

GOVERNMENT THWARTS MASSIVE EFFORT BY ISRAELIS TO SETTLE ON WEST BANK By Yitzhak Shargil

TEL AVIV. Oct. 9 (JTA)--The most massive effort to date by Israelis to plant settlements in the administered Arab territories on the West Bank in defiance of government policy and regulations appeared to have ended tonight, some 24 hours after it began at the conclusion of the Succoth holidays. Israeli security forces were reported tonight to be still evacuating would-be settlers from scattered sites on the West Bank.

In some cases the settlers offered passive resistance but skirmishes broke out at several points and a number of persons were injured. The number of injuries and number of arrests, if any. were not reported. The armed forces did not use firearms in routing the squatters.

About 1000 supporters of the settlement movement, known as "Gush Emunim," massed in a downtown Jerusalem park late this afternoon to protest the government's policy of restricting Jewish settlement in the administered territories. They vowed that they would establish permanent homes in those areas, the government's objections not with standing.

Will Not Tolerate Unauthorized Settlements

Premier Yitzhak Rabin warned, meanwhile, that unauthorized settlements would not be tolerated. Addressing a transportation forum,he said that the government had settlement priorities and that extension of settlement around Jerusalem was on top of the list. "There is the Galil and other places and I know that there is a lack of people to settle in these places. It would be better if those trying to settle in unauthorized places would direct their efforts to where they are needed," Rabin said.

Defense Minister Shimon Peres said it was regrettable that the army had to be occupied rounding up illegal settlers when it had more important duties of defense and training to perform Timed To Coincide With Kissinger's Visit

The mass trek into the West Bank regions of Judaea and Samaria in which, according to estimates, between 1000-5000 persons participated was obviously a well-planned, well-coordinated movement. Its timing was believed deliberately to coincide with the trip of Secretary of State Henry A. Kissinger who arrived in Cairo today on his eighth visit to the Mideast and is due here Saturday night.

The "Gush Emunim" is made up primarily of Orthodox religious militants who insist that all territory west of the Jordan belongs to Israel by Divine right and right-wing nationalist groups such as the "Greater Israel Movement" that refuse to countenance withdrawals from any of the Arab territory captured by Israel in the 1967 war. The settlement effort is also supported by others, neither in the Orthodox or right-wing category, who regard territorial concessions as dangerous to security.

Apparently on pre-arranged plans, hundreds of settlers gathered at more than a score of departure sites last night where trucks and other vehicles waited. One such site was the campus of Bar Ilan University, the Orthodox-sponsored university near Tel Aviv where several thousand people gathered with warm clothing, sleeping bags and water tanks. The group never moved off, however, as the campus was surrounded by police who had been tipped off to the plans.

Road Blocks Evaded

Police and army units, alerted along the "Green Line," the boundary between Israel and the administered territories, set up road blocks on all highways, secondary roads, and even in wadis and cow paths. All vehicles were stopped and their occupants questioned. Groups whose camping gear and other equipment gave away their intentions were turned back. But large numbers--possibly hundreds--managed to evade the road blocks and entered the territories under cover of night.

By morning, squatters were established on at least three points on the West Bank--Nebi Salah, Hirbata and Maaleh Edumim--near Jericho. The Israeli Radio reported clashes between security forces and squatters at Tel Gavir, near the Arabi town of Ramallah north of Jerusalem. Air Force planes and helicopters ranged over the West Bank to spot other concentrations of squatters.

Rallies Called To Support Government

Meanwhile, groups opposed to the intentions of the settlers movement called rallies to support the government's policy. The League for the Defense of Democracy composed of representatives of Mapam, the Independent Liberal Party, the Civil Rights Movement, Moked and the Labor Party's youth circles held a joint press. conference in Tel Aviv.

They warned the militant settlers not to confuse the Israeli government with the late British Mandate. Settlement, they said, must be carried out legally without undermining the government's authority. A group representing the left-wing Moked and Hashomer Hatzair movements occupied an apartment building in downtown Jerusalem this evening to protest the settlement movement. \Police dispersed them and 15 persons were detained. Another group of anti-settlement demonstrators sat down outside the Prime Minister's Office to guard it, they said, against a take-over attempt by militants of the "Greater Israel" movement. No clashes were reported between the pro-settler elements and their opponents.

In the Jerusalem park this afternoon, however. Yuval Neeman, president of Tel Aviv University, lauded the settlers movement as the spiritual heirs of the Bilu, the young Russian-Jewish intellectuals who came to settle in Palestine in the

19th century. Also present at the pro-settlement rally were Rahel Yannait Ben Zvi. widow of the late President Yitzhak Ben Zvi; Rabbi Zvi Yehuda Kook. religious mentor of the National Religious Party: and NRP Knesset members Zevulun Hammer and Yehuda Ben Meir. They said that the effort to establish a permanent Jewish population in the Samaria-Judaea region was "only the beginning."

KNESSET UNIT TO DISCUSS BANK CRISIS By David Landau

JERUSALEM, Oct. 9 (JTA)--The Knesset Finance Committee is to conduct a thorough debate on the affairs of the Israel Corporation and on its heavy involvement in the International Credit Bank of Geneva whose chairman is Jewish financier Tibor Rosenbaum. Government and opposition Knesseters agreed at a special plenary session today to pass the issue on to committee without a full debate in the House.

As the Knesset discussed the issue, reports continued to flow in from Switzerland about the crisis enveloping the bank. The Hessische Landesbank Girozentrale pulled out yesterday returning its 36 percent holding in the International Credit Bank, claiming it was entitled to do so under the contract between them, and alleging that the Credit Bank's dealings under Rosenbaum had not been "in accordance with the usual norms of international banking."

The Hessische Landesbank, reportedly together with Israel's Histadrut-owned Bank Hapoalim and other Jewish banking interests abroad, had been making efforts over the past two weeks to help the Credit Bank. The Credit Bank is now expected to be put into receivership by the Swiss central banking authorities, although there were still reported last-minute frantic efforts by European Jewish financiers to help Rosenbaum and his bank.

Last week, in a statement received by the JTA in New York from Hans Harry, chairman of the executive committee of the Credit Bank, it was stated: "We are working normally. Our liquidity is quite in order. We have no financial problems. Our bank is open and always has been."

Complaint Filed Against Tsur

Meanwhile, in Israel the interim management of the Israel Corporation has filed a complaint with the police against the corporation's deposed manager, Michael Tsur. The charge is that Tsur transferred \$8.5 million of the corporation's funds for investment in Rosenbaum's Liechtensteinredistered companies without the knowledge or consent of the IC board. Tsur is alleged to have acted knowingly against IC's interests.

In his immediate reaction, Tsur declared that everything which he had done had been intended in the best interests of the corporation. A police spokesman said police investigators were already checking the IC files at the request of the Attorney General, and that Tsur had been asked not to leave

the country for the time being.

BEHIND THE HEADLINES
IS AID TO ISRAEL NEXT ON THE
CONGRESSIONAL CHOPPING BLOCK?
By Murray Zuckoff

NEW YORK, Oct. 9 (JTA)--A rebellious and generally anti-Administration Congress has succeeded in pruning, slashing and in some cases eliminating foreign aid grants ranging from fertilizers to military hardware to several countries in the past three weeks.

The action by members in both the Senate and House came after their anger was aroused by the disclosure that the CIA had played a nefarious role in helping to topple the Chilean government of President Salvador Allende Gossens in Sept. 1973. Some of this anger turned to fury with disclosures that Turkey's invasion of Cyprus last July was made possible with arms purchased under U.S. military aid.

Despite warnings from President Ford and Secretary of State Henry A. Kissinger that foreign aid slashes would undermine America's foreign relations, and especially endanger U.S. efforts to help work out a settlement between Turkey and Cyprus, many Congressmen from both major parties wielded their legislative grappling hooks to mutilate foreign aid credits and grants to Turkey, Chile and South Vietnam.

All Foreign Aid At Stake

The Congressional objections to U.S. aid, particularly to Turkey, has forced Kissinger to cancel his plans to visit Ankara in the first stage of an attempt to mediate the Turkish-Cypriote dispute. It also has drawn fire from Ford who threatened to veto pending legislation cutting off U.S. military aid to Turkey. If he does so, it could escalate a foreign policy fight that could tie up the entire foreign aid program.

The defiant Congressmen have contended, until now, that the cuts are aimed at those nations which have violated the civil rights of their own citizens and those countries which have used military hardware purchased with U.S. foreign aid credits and grants against neighboring states. In the case of Turkey, some Congressmen have rejected warnings from the White House and other Congressmen that cutting aid would force Turkey to turn to the Arab states and give the Soviet Union a chance to fill the breach.

Elements Of Concern

But the chopping spree is beginning to concern many supporters of Israel. Their concern is focused on a number of elements. Just how far will this spree go? Can the Congressional-Administration conflict bottle up all foreign aid programs for an indefinite time, thereby holding back additional aid to Israel while the Soviet Union continues to arm Syria? Can the arguments raised by some Congressmen against giving aid to those countries who violate the territorial integrity of their neighbors be applied against Israel in its defensive actions against terrorist strongholds in Lebanon? Can the anti-Israel Congressional bloc muster sufficient support to turn the tide against Israel?

Supporters of Israel also point to several developments on the domestic and international fronts that give cause of concern and which, they say, bear careful consideration.

Whittling Away Of Foreign Aid

On Sept. 24, Defense Secretary James Schlesinger chastised Congress for reducing the Administration-requested \$1.4 billion to South Vietnam to \$700 million for the current fiscal year although, he noted, Congress had approved \$2.2 billion for Israel after the Yom Kippur War. Schlesinger made it clear that he did not begrudge Israel this aid but noted that cutting aid to South Vietnam placed a strain on the Administration's credit and resolve.

On Sept. 30, the Senate rejected legislation in the form of an amendment to the foreign aid bill that would have cut off aid to oil-producing nations that refused to cooperate in lowering oil prices. This action followed a sharp debate on the amendment offered by Frank Church (D.Idaho). Senate Democratic Leader Mike Mansfield (D. Mont.) and Hubert Humphrey (D.Minn.) warned that the amendment would accelerate economic war with the Arab states. The contention of some other Senators, including J. William Fulbright (D. Ark.) and James Abourezk (D.S.D.), was that the best way to lower oil prices was to exert more pressure on Israel to withdraw from occupied Arab territories.

On Oct. 3, the Senate-House Conference Committee rejected, through Administration maneuvering, an additional \$300 million in grant aid to Israel. The Committee did, however, approve legislation that extends funds for Israel at the current rate of \$50 million in economic aid and \$300 million in military sales. The additional grant proposal of \$200 million in economic aid and \$100 million in military aid was offered by Sen. Walter Mondale (D. Minn.) as an amendment to the resolution continuing the 1973-74 program that would give Israel Senate-backed funding.

Administration lobbyists under instructions from Ford and Kissinger were reported to have told key Conference Committee members that additional funds for Israel without the same treatment for Egypt and Syria would hamper Kissinger's efforts to make progress in negotiations during his current Mideast Trip.

In addition, on Oct. 3, the Defense Department confirmed a report by the U.S. National Security Council that an arms balance exists between Israel and her Arab neighbors, Egypt and Syria. Pentagon sources noted that the balance in the U.S. view was Israel's capability in relation to those two countries but not also in relation to Jordan and Iraq which participated with Egypt and Syria in the war against Israel last Oct. Moreover, it was reliably reported that Ford is to decide whether a military balance exists and to what extent Israel should be supplied with arms.

Logic Of Objective Developments

Despite assurances from White House and Capitol Hill sources that neither the Administration nor Congress is in an anti-Israel mood, one knowledgeable observer said: "The logic of objective developments in this country and abroad may push Congress and the Administration, despite its best intentions, to whittle down additional aid to Israel. How long can Congress cut aid to other countries, for whatever reasons, and blithely continue aid to Israel?"

How long, he continued, will it be before European countries, gripped in the crunch of continuing oil price hikes and the consequent disasters to their economies, begin to pressure the U.S. to ease off on its aid to Israel as the price for bailing the Western world's economies out of the inflationary spiral and production cutbacks due in part to the high oil prices?

Unquestionably, the high oil prices and threats of renewed embargoes by the Arab oil-producing states and the Organization of Petroleum Export-

ing Countries which include 13 Arab countries is a vital factor in the consideration of some sections of Congress and will, in all likelihood, condition further responses to additional aid to Israel.

Oil Crunch As Economic Fact

The oil crunch is no longer a problem of propaganda as such by the Arabs and their allies. It is an established economic fact. It is, as former Israeli Foreign Minister Abba Eban said, repeatedly, a design by the former colonized nations to colonize their former colonizers. The oil squeeze has been linked in Arab propaganda to the Arab-Israeli conflict. Some Congressmen have accepted this as valid. The fact is, however, that this squeeze would have occurred even without the conflict and even if there was no Israel. The unconscionable price hikes are basically due to economic greed by the oil producing nations and oil cartels.

In fact, Valentin Hernandez, Venezuela's Minister of Mines, said last week after the Venezuelan government announced that the U.S. and other foreign oil companies operating in the country would be subject to a substantial tax increase in the last quarter of this year, that this is in line with recent decisions of the Organization of Petroleum Exporting Countries (OPEC) of which Venezuela was a founder. The reason for the hike, he noted, is to cut down "excess profits" that the oil companies made in the first nine months.

But the oil crunch is also a political and economic weapon used especially by the Arab oil-producing states against what they term American imperialism, and to prove that warnings by the U.S. on oil prices will not be accepted with equanimity. It is also a weapon which the Arabs hope they can use to bludgeon the U.S. into forcing Israel against the wall. Venezuela, one of the founders of OPEC, has not resorted to linking high oil prices to the Mideast conflict.

Theory And Practice Do Not Coincide

The U.S. also insists that it does not link the Arab-Israeli conflict to the Arab oil squeeze. Kissinger has time and again stated that the Arab-Israeli talks and the oil crisis are to be kept separate. To shore up this view the State Department originally said that Kissinger's current Mideast trip would include only Egypt, Jordan, Syria and Israel.

However, on the eve of his departure, the Secretary announced that he would also visit oil-rich Saudi Arabia and Morocco and Algeria. The last two countries have extensive gas and oil resources. Kissinger's trip to these countries and Saudi Arabia indicate, to some observers, that the U.S. Administration may be able in theory to separate negotiations for a Mideast settlement from the oil crisis, but it is not possible to separate them in practice.

In addition to these pressures and considerations, Congress also has other considerations, especially prior to the Nov. 5 elections, such as rampant inflation, a bleak industrial outlook, and mounting unemployment. There is a growing mood in Congress and in the labor movement that more attention must be paid to domestic needs than to foreign ones, if only in order to avert civil unrest.

These domestic and international developments are placing the U.S. in an untenable position of frustration in dealing with the demands of wage earners at home, the needs of its European and Arab market partners abroad, and set-

tling the Mideast conflict. The U.S. is walking a veritable tightrope trying to accommodate itself to these diverse elements.

RIFT HEALED BETWEEN KISSINGER,
SENATORS ON TRADE-EMIGRATION
By Joseph Polakoff

WASHINGTON, Oct. 9 (JTA)--A sudden threat of rupture between Secretary of State Henry A. Kissinger and three key Senators in their discussions on the Soviet emigration policy issue has been resolved by re-formulation of the agreed exchange of letters between President Ford and Sen. Henry M. Jackson (D. Wash.), according to Capitol Hill sources.

However, the "acid test" of whether the Administration or the Congress will be the final judge of Soviet compliance or non-compliance with its assurances remains undecided and continues to block Administration-Congressional agreement.

Under an agreement last night between Kissinger and Sens. Jackson, Abraham Ribicoff (D.Conn.) and Jacob K. Javits (R.NY), Ford's letter to Jackson will set forth Soviet assurances and he will agree with Jackson's interpretations of them. In his response to Ford, Jackson will state guidelines on Congressional expectations from the Soviet Union. Previously, a third letter was to have been in the exchange. This would have had Ford writing to Jackson in which the President would affirm Jackson's views of the President's first letter.

Regarding the contents of the letters that have yet to be written, a prime Capitol Hill source said "Nothing has changed and everything is the same" as before Kissinger's charge at his news conference late Monday. At that time the Secretary declared the Administration was being put in a position of "guaranteeing" Soviet assurances on free emigration of Jews and others and an end to its harassment of prospective emigrants.

Capitol Hill sources questioned by the Jewish Telegraphic Agency appeared satisfied that the re-formulation preserves intact Congressional intent, and the Administration remains committed to the objectives of the Jackson/Mills-Vanik Amendment to the Trade Reform Act still pending in the Senate Finance Committee.

DEBATE ON WEST BANK SCHEDULED

JERUSALEM, Oct. 9 (JTA)--Premier Yitzhak
Rabin opened the way today for a full-scale Knesset debate--probably next week--on his position regarding a settlement with Jordan on the West Bank. The matter was raised by Likud at a special recess session of the Knesset this morning. Rabin said he had no objections to a debate and was confident that his policies could stand the test of Knesset scrutiny.

Likud is seeking a debate on the Premier's recent statement that he would favor territorial concessions on the West Bank in exchange for a Jordanian declaration of non-belligerency. Rabin described his statement today as clear and forthright. He also recalled his government's pledge on taking office that it would call elections before signing any peace agreement with Jordan that involved an Israeli pull-back from the West Bank.

Rabin, who was heckled from the Knesset floor as he spoke today, stressed the government's responsibility to explore all possible avenues toward peace. "I want to be able to look straight into the eyes of the mothers and fathers whose sons might have to die in the next war and to say that the government did everything possible to move toward peace," Rabin said.

Reminder: No Bulletin Oct. 14.