



ISRAELI OFFICIALS CONCERNED ABOUT CONSEQUENCES OF COLLAPSE OF TALKS By Yitzhak Shargil

TEL AVIV, March 24 (JTA)--Israeli officials were pondering three possible developments today in the aftermath of the collapse of Secretary of State Henry A. Kissinger's step-by-step peace efforts. They are the resumption of terrorist warfare, organized and supported mainly by Syria; a new war of attrition on the Syrian front and possibly the Egyptian as well; and a new outbreak of full-scale hostilities launched by Syria and involving Egypt and possibly other Arab states.

The last and most dangerous of the possibilities--though probably not the most likely to occur--is being given serious attention by Israel because of the heavy re-armament of Syria by the Soviet Union and the resumption of Soviet arms shipments to Egypt. Both countries are known to have emphasized their war option during the 15 days that Kissinger was conducting his "shuttle" diplomacy.

Large quantities of Russian weapons have reached Egypt in recent days, Israeli sources said. They include the highly sophisticated MIG-23 jet interceptors; the latest model MIG-21s which are the backbone of the Egyptian air force; the newest Soviet T-62 tanks and an arsenal of tank-destroying and anti-aircraft missiles.

Fear Terrorist Upsurge

Israeli sources say that military cooperation between Egypt and Syria has tightened in the past few weeks despite attempts by both countries to create the impression of a rift between them. For this and other reasons, Israeli officials are not dismissing the possibility of a fifth Middle East war launched by Syria and Egypt as a means of breaking the political impasse created by the failure of Kissinger's peace mission.

Israeli forces, while prepared for a full-scale war or a limited war of attrition, are considered more likely to have to contend with an upsurge of terrorist activity. The Syrians are expected to open the lines for terrorist incursions and sabotage against civilian and military targets in Israel. They are expected to furnish the necessary equipment for terrorist actions based in Lebanon and Jordan.

UN FOCUSES ATTENTION ON FUTURE OF MIDEAST PEACE-KEEPING FORCES By Yitzhak Rabi

UNITED NATIONS, March 24 (JTA)--The future of UN peace-keeping forces in the Middle East was the main focus of attention here today in the wake of Secretary of State Henry A. Kissinger's failure to achieve a second-stage Israeli-Egyptian agreement in Sinai. A UN spokesman said that Secretary General Kurt Waldheim so far has not been "informed" on reconvening the Geneva peace conference by either of its co-chairmen--the United States or the Soviet Union.

But the Secretary General is closely watching developments in the Middle East, espec-

ially with regard to renewal of the mandates of the United Nations Emergency Force (UNEF) on the Israeli-Egyptian front, which expires April 24 and of the United Nations Disengagement Observers Force (UNDOF) on the Israeli-Syrian front whose term expires May 30, the spokesman reported. The Secretary General issued a statement Saturday expressing concern over the collapse of the Israeli-Egyptian talks.

Waldheim is expected to have contacts with the parties soon. The UN spokesman said, however, that the Secretary General has not been in contact with Palestine Liberation Organization observers here since the Palestinian question was dealt with by the General Assembly last fall.

Although diplomats and observers at the UN do not expect an immediate outbreak of hostilities in the Middle East as a result of the failure of Kissinger's mission, there were widespread expressions of concern and disappointment over the turn of events in that region. The collapse of Kissinger's efforts in the Mideast is being viewed here in the context of other recent American foreign policy failures in Southeast Asia, Portugal and Cyprus.

FORD SAYS U.S. WILL RE-EXAMINE THE MIDEAST SITUATION AND AMERICAN POLICY TOWARD THAT AREA By Joseph Polakoff

WASHINGTON, March 24 (JTA)--President Ford told Congressional leaders today that the United States will re-examine the Middle East situation and American policy toward that area. "The re-examination will look into all aspects and all countries in the Middle East," Presidential press secretary Ron Nessen explained to newsmen after Ford and Secretary of State Henry A. Kissinger met with a dozen Congressional leaders of both parties at the White House.

The Congressmen emerged from the meeting saying the Mideast situation was depressing and discouraging but there was no feeling that war was imminent between Israel and Egypt. Nessen said the re-examination will be done as quickly as possible and that the President will oversee it. He said that Ford did not intend to assign blame for the rupture in Kissinger's efforts to reach an agreement between Egypt and Israel in the Sinai. He added that the "President hopes" that "the prospect of war is highly unlikely."

While Kissinger and Ford have not blamed any of the parties for the failure, observers noted that the whole tone of the discussion by Administration leaders seems to put Israel in a defensive position in regard to its relationship with the United States.

Intense Pressure On Israel Expected

There is a feeling among these observers that the Administration will use the breakdown to set out its position on a settlement and put intense pressure on Israel to agree to the American view. The State Department indicated that the re-examination would include a reduction in U.S. aid to Israel although it was not made clear in what area. Presumably it would be in military credits.

The implication here is that the Administration may insist that Israel be treated less as a favorite in the Mideast and that the U.S. would give more consideration to a settlement along the lines of

United Nations Security Council Resolution 242 that would put Israel back to its pre-Six-Day War borders.

Kissinger in his review to the Congressional leadership, according to Nessen, concluded that the United States will now consider how to further the cause of peace including the possibilities of negotiations at Geneva. The possibility, Nessen indicated, exists that Kissinger's step-by-step approach might be renewed. Nessen emphasized that the talks between Egypt and Israel are only suspended and that both countries have the opportunity to assess what the next step will be.

Reassessment Or Re-Examination?

Asked whether sales of military equipment are involved in the U.S. re-examination, Nessen emphasized, "Don't try to find exceptions" and he repeated "all aspects." Nessen said Ford was "certainly disappointed." He also said that Kissinger told the leadership that the U.S. will consider means of furthering ways of peace, including the Geneva conference.

After the Congressmen met with Ford and Kissinger, Democratic Senate Majority Leader Mike Mansfield said the Administration will make a "reassessment" of U.S. policy in the Mideast, "but I would hope this temporary failure will not become permanent and that the gravity of the situation will be recognized by all parties concerned." He said the reassessment is under way. The Democratic Senator from Montana has been consistently cold toward Israel during his years in office.

Republican Minority Leader Sen. Hugh Soot of Pennsylvania, took exception to Mansfield's term "reassessment," calling it "a little strong" and said "re-examination is a better word." Mansfield described the feeling at the meeting as "depressing and discouraging." But Rep. John Rhodes (R, Arizona), the House Minority Leader, said there was no despair and that "you could be discouraged without being depressed." Scott emphasized unity behind the President and Kissinger in which the other leaders concurred. House Speaker Carl Albert (D, Okla.) said the unity was 100 percent.

Noting that "the President's promise that he will keep us intimately and immediately advised of any U.S. foreign policy decisions in this area," Scott said, "Our opportunity exists as always to make clear to those who might express differing opinions which might in turn lead to a deterioration in the Middle East through devisiveness--that we will want to discourage that, that we would ask everyone in Congress at this point to be extremely careful not to endanger the policy position of the United States."

Asked whether there was any lessening of U.S. cooperation with either Israel or Egypt, Mansfield said "The desire of this Administration is to cooperate with both countries to try and arrive at a decision affecting the Sinai. They came pretty close, but not close enough. And the result is that Secretary Kissinger had to return home at this time."

The Congressional leaders stressed that Indochina had no relationship whatsoever with the Middle East problem. They rejected speculation that Kissinger's efforts had failed because the Mideast countries had felt the U.S. had been weakened because of mounting Congressional resistance to giving more military aid to Cambodia and South Vietnam.

After arriving in Washington last night from

his 15 days in the Middle East, both Ford and Kissinger stressed that the United States was ready to work with "other interested countries" in a continuing search for peace in the Mideast. Some observers felt that the reference to other countries referred to the Soviet Union, although neither mentioned the USSR. The USSR is co-chairman of the Geneva conference and has been urging a return to Geneva as soon as possible.

"The necessities that produced the mission continue," Kissinger said on the White House lawn, "and the need for lasting peace in the area remains." Ford, in greeting Kissinger, said the U.S. would continue working for a lasting peace and would work with "other countries, all countries, in the national and international interest."

DINITZ EXPLAINS REASONS FOR BREAKDOWN IN KISSINGER'S EFFORTS

NEW YORK, March 24 (JTA)--Rabbi Israel Miller, chairman of the Conference of Presidents of Major American Jewish Organizations, made this report of an off-the-record briefing yesterday evening to the Presidents Conference by Israel's Ambassador to the United States, Simcha Dinitz.

Dinitz, Rabbi Miller said, made four major points: "It was Egypt's intransigence and refusal to renounce its state of war with Israel that led to the suspension of the Mideast peace talks; Israel offered major concessions to Egypt--far beyond what it had originally proposed--in an effort to reach agreement; and those concessions were flatly refused by the Egyptians."

In addition, Dinitz was quoted as saying that Secretary of State Henry A. Kissinger's "efforts to bring the parties together and bridge the gap between them were constructive, creative, and tireless, but they were ultimately thwarted by (Egyptian President Anwar) Sadat's hard-line attitude, which actually saw the Egyptians toughen their position as the negotiations continued."

Finally, Rabbi Miller reported, Dinitz stated that "despite the suspension of the negotiations, the United States has not abandoned its leadership role in the search for peace in the Middle East. Israel owes a major debt of thanks to Secretary Kissinger for his dedication and to President Ford for America's constructive role in the effort to end the state of war between Israel and her Arab neighbors and move forward to a just and lasting peace."

Sadat Sought To Exploit Weaknesses

Rabbi Miller himself commented: "It is obvious that the stiffening of Egypt's demands and its refusal to accept Israel's major concessions were based in part at least on our country's current external and internal difficulties. Sadat knew the United States and Israel were both eager for an agreement."

"With the American position faltering in Southeast Asia, Greece and Turkey and Portugal, and with growing economic problems at hand Sadat clearly sought to exploit these weaknesses by becoming ever more adamant and intransigent, calculating that the United States would pressure Israel into accepting an agreement at any price--even if it meant the ultimate destruction of the Jewish State. But Sadat miscalculated. His rejection of Israel's last offer led to the suspension of the talks."

RAJIN; ISRAEL PREPARED TO SEEK PEACE THROUGH ANY POSSIBLE MEANS

By David Landau

JERUSALEM, March 24 (JTA)--Premier Yitzhak

Rabin told a packed Knesset today that Israel was prepared to seek peace through any possible means "including through the Geneva conference" and "remains ready to conclude a partial settlement accord with Egypt." He said that while the situation in the Middle East has worsened, war was not inevitable because of the failure of Secretary of State Henry A. Kissinger's step-by-step diplomacy, the onus for which he placed squarely on Egypt.

Rabin confirmed that there were "differences of views and assessments" between Israel and the United States but said he believed these "will not distort U.S.-Israel relations." He indicated for the first time publicly that the U.S. had urged him to consider Egyptian proposals. But, he explained, in the final analysis, despite the obvious weight which America's views carried in Jerusalem, the U.S. Administration itself understood "not only Israel's needs but its duty to act in an independent manner."

He said, with respect to U.S.-Israeli relations, that "We have acted in harmonious understanding for years and Israel will continue to act in this way in the future. Israel has great respect and admiration for the American people, their elected representatives and the American President. I believe the U.S. has an interest in developing an independent, strong and peace-loving Israel," the Premier said. He praised Secretary Kissinger's role in the peace efforts and predicted that the Secretary of State would have "a most valuable role" to play in future peace moves.

Rabin addressed a special session of the Knesset called by the government less than a week after Parliament began its spring recess. He said that as long as war has not broken out, everything possible must be done to prevent it. Referring to war-like sounds emanating from the Arab media, he declared that Arab threats would have no effect on Israel's national resolve. He urged Egypt and Syria to respect the earlier disengagement agreements still in force on the basis of reciprocity with Israel.

Defends Government's Decision

Rabin strongly defended his government's decision not to comply with Egyptian territorial demands. He said the proposals conveyed from Aswan by Kissinger were clearly designed to serve Egypt's military advantage. To have accepted them would have meant taking unjustifiable risks without making progress toward peace, he said. He said that Israel had never balked at taking risks and had advanced very far-reaching proposals of its own. But Egypt rejected them all and bears "a heavy responsibility for the present situation," Rabin declared.

Beigin Appeals To Ford

Speaking on behalf of the Likud opposition, Menachem Beigin appealed directly to President Ford not to forsake his record of over 20 years of friendship toward Israel. Without referring to Ford's letter to Rabin last week which reportedly contained a sharp rebuke to Israel for taking too hard a line in the peace negotiations, Beigin urged Ford not to follow the pattern of many world statesmen who befriended Israel while in opposition but turned against it once they reached positions of power.

Beigin told the Knesset that Likud was opposed to even the more modest of Israel's proposals because they would have ceded the Sinai

oil fields to Egypt without ending the state of war. He said Egypt aimed to isolate Israel and asked, "After the Iran-Iraq agreement, after the Kurdish collapse, after recent events in Southeast Asia, who could expect Israel to give up its strategic assets?" He urged the government not to soothe the trepidations of American Jewry but to share with them Israel's candid concern and anxiety.

AID TO ISRAEL APPROVED

WASHINGTON, March 24 (JTA)--In the first test of attitude toward the new Middle East situation as a result of the breakdown of Egyptian-Israeli negotiations, the Congress today voted the full amount of assistance previously authorized both for Israel and its Arab neighbors. The House adopted the Foreign Aid Bill as a whole that included controversial Far East funding by a vote of 193-185. The Senate adopted the measure by a voice vote.

The bill now goes to the President for signing. The foreign aid legislation was based on a Senate-House conference report that included \$624.5 million in military and economic aid to Israel in grants and credits. The conference also had agreed to \$40 million to Israel for resettlement of Soviet Jews that the House had voted. The Senate had cut that amount by \$15 million but the conference restored the full sum.

U.S., USSR ENVOYS DUE IN GENEVA TO ARRANGE FOR TALKS

PARIS, March 24 (JTA)--American and Soviet representatives are expected to start discussing by next week a tentative date for the resumption of the Geneva peace conference. Diplomatic sources in Geneva told the Jewish Telegraphic Agency that the Soviet and American representatives to the conference, Ambassadors Vladimir Vinogradov and Ellsworth Bunker, are expected to arrive in Geneva for this purpose before the end of the month.

The sources told the JTA that Soviet diplomats have already contacted United Nations officials in Geneva to "privately" inquire about the technical possibilities of renewing the talks "at the earliest." The original conference, in December 1973, was held at the United Nations headquarters and in the presence of UN Secretary General Kurt Waldheim. The UN officials reportedly told the Soviet diplomats that they could have all technical arrangements ready within a matter of days.

It is generally believed in Geneva that the date for the opening of the conference will be fixed before April 24 when the Security Council will have to renew the six months term of UNEF in Sinai. Arab sources in Geneva have indicated that Egypt will not agree to extend the UNEF mandate unless a definite date for the renewal of the Geneva talks is fixed.

The Arab sources in Geneva are reported to have told foreign diplomats and United Nations officials that Israeli and American objections to the presence of a PLO delegation at the conference table could be removed by forming a single Arab delegation to consist of representatives of the various Arab states and the PLO.

The Arab sources added that they believe America would not object to the Arabs forming their delegation "as we think fit." Without saying so, the Arab diplomats indicated that this possibility had been discussed with Secretary of State Henry A. Kissinger during one of his recent meetings with Egyptian President Anwar Sadat in Aswan. The Arab diplomats and the Soviets are quoted as saying that they would like to see the conference resume "before summer."

