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EXCLUSIVE JTA INTERVIEW WITH MAX FISHER

FISHER LAUDS RABIN'S EFFORTS IN WASHINGTON; NOTES CONTINUED STALEMATE IN TALKS; PRAISES FORD

By David Landau

JERUSALEM, June 18 (JTA)--Max Fisher of Detroit, chairman of the Board of Governors of the Jewish Agency, chose his words carefully and deliberately as he gave the Jewish Telegraphic Agency his assessment of Premier Yitzhak Rabin's talks in Washington last week with President Ford and Secretary of State Henry A. Kissinger. "Rabin did a most excellent job in Washington. I think he handled himself very well indeed. The tension in relations has considerably abated. But we still have the basic stalemate over the interim negotiations....An agreement would be very very helpful--for all the parties involved. I hope it can be achieved," Fisher said.

As he spoke in his Jerusalem hotel suite yesterday with JTA's executive vice-president Jack Siegel and Jerusalem bureau chief David Landau, Premier Rabin himself was briefing his Cabinet on the Washington talks. Fisher had met with President Ford after the Rabin-Ford talks, he revealed. Now he was in Jerusalem to attend the Jewish Agency Assembly. He would be meeting with Rabin during the week to review with him the talks in Washington and the subsequent, ongoing diplomatic contacts.

He was acutely aware of the Ford Administration's intense desire to secure an Israel-Egypt interim agreement and would share his concern with Rabin and other ministers. "I'm just an itinerant diplomat," Fisher says quietly. In fact, though, Max Fisher, Detroit industrialist and a pillar of the Republican Party, has been for more than six years Jewry's advocate at the White House, adviser and confidant of two presidents. His knowledge of the long and intricate--and as yet still unconcluded--interim negotiations between Israel and Egypt is intimate. After the Kissinger "shuttle" collapsed in March, Fisher met with President Ford, and then travelled to Israel, where he saw Rabin and other leaders. Back in Washington he met again with Ford and Kissinger. The press dubbed him the go-between, the man both sides were counting on to help smooth their ruffled relations after the shuttle failure.

Speaks 'Fatherly' Of Ford

Fisher spurns headlines and publicity, preferring to do his delicate task away from the spotlights and tape-recorders. He scarcely hides his concerned criticism of some Jewish leaders who, no sooner have they met with officials in the White House or the State Department, report in detail on their conversations to the media. This undermines their credibility and ultimately their effectiveness, Fisher says with a sigh.

Fisher speaks of President Ford in almost a fatherly tone but with admiration and deference. He has known him for over 20 years, since the days when "Gerry" was a young Congressman from his own state of Michigan. Now, however,

he finds himself addressing him as "Mr. President." Partly, it is the effect of the Oval Office and the trappings of the Presidency, but also, he says, the effect of Ford's perceptible and impressive growth in stature as he "takes hold" of the Presidency. Ford has in effect announced his candidacy for 1976 and Fisher asserts that he (Fisher) will be "very involved" in the campaign.

"I've watched him gain assurance as President. Now he is much more familiar with the issues...spends a great deal of time on foreign policy. Particularly since Vladivostok he has emerged as his own policymaker. This is not to say that Kissinger's importance has waned. He is still a strong Secretary playing a vital role. But Ford is very definitely making his own policy, at home and abroad--and indeed it will be on this policy that the electorate will judge him next year."

Religion Influences Ford

Ford has always "had a strong feeling for the accomplishments of the Jewish people," Fisher says. "He admires people who do things for themselves." The fact that the President is a religious man has also influenced him towards a consistent sympathy with the Zionist cause which, Fisher asserts with confidence, has not changed since he assumed office.

Ford certainly perceives Israel as "the bastion of democracy" in the Mideast and believes in the fundamental dovetailing of American and Israeli interests in the deterrent of Soviet expansionism, Fisher says. At the same time though, he points out, the President is constantly conscious of the broader American interests in the region, especially in preventing an infiltration of Soviet power into the oil-producing areas. This concern may become less pressing in five to eight years time says Fisher, who has served both Nixon and Ford as an adviser on energy. By then Ford's alternative energy sources program will have borne its fruits. But at present, with the threat of even sharper recession still hanging over the American economy, the President is naturally apprehensive of the specter of another oil embargo, according to Fisher. As a straight-talking man, Ford has on occasion articulated this concern, he said.

Fisher's frequent meetings with the President are public knowledge since in the Ford White House the secrecy of the Nixon years has dissipated and the appointments appear on the daily calendar. Asked about the rumors current in some American-Jewish quarters that a new combination comprising Rumfeld, Percy and Goldwin is moving into a predominant role in Jewish and Israel-oriented policymaking, Fisher dismisses the notion with a wave of the hand. "No such animal," he says of the purported backroom trio. While Donald Rumfeld, President Ford's White House Chief of Staff, is certainly a rising star in the Administration and a most able man (Fisher has known him for many years), there is no truth in the rumor that he, together with Illinois Republican Sen. Charles Percy and White House aide Bob Goldwin are seeking to elbow Kissinger off center-stage on

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ALLON WARNS U.S. AGAINST IMPOSING MIDEAST SOLUTION

By David Landau

JERUSALEM, June 18 (JTA)--Foreign Minister Yigal Allon said here today that the Ford-Rabin talks last week had significantly narrowed --but not closed--the gap between Israel and Egypt which had brought about the "shuttle" failure last March. Speaking at the Jewish Agency Assembly, Allon warned the U.S. government against interposing ideas of its own or pressuring Israel.

"There is room and there is necessity for further efforts to overcome the remaining points of disagreement," Allon asserted. Israel would make every effort to pursue such efforts. "But negotiations can only be conducted if there is no threat or pressure from any source," Allon said. He said Egyptian war threats would only make Israel less willing to make concessions. "Nor should the U.S. use its reassessment to make us a little bit concerned over its policy towards us," he added.

The progress that Rabin had made in Washington was "significant and important," Allon said. "But some problems still remain open." Israel needed no urging from the U.S. to pursue every effort to negotiate since it sincerely wanted an interim agreement as a method of positive movement towards further broader accords. Allon said. He said that what was needed was "patience, relaxed atmosphere and goodwill.... If one trip doesn't achieve a settlement, then you can have other trips...."

Health Minister Victor Shemtov, speaking at a political meeting of his Mapam Party, said tonight that he was not pessimistic over the chances of a settlement--but neither was a settlement already "in the bag." Israel still awaited further clarifications of the Egyptian positions, Shemtov said. Allon and Shemtov were the first two ministers to speak in public following yesterday's special Cabinet session at which Rabin reported on his Washington talks. Rabin himself, in his first public appearance since his return, is due to address the Jewish Agency Assembly Thursday night.

U.S. READIES WARM WELCOME FOR SYRIAN FOREIGN MINISTER

By Joseph Polakoff

WASHINGTON, June 18 (JTA)--The United States underlined the importance it attaches to the visit of Syrian Foreign Minister Abda Halim Khaddam who arrives here tomorrow, when the State Department announced today that President Ford will meet with the Syrian Minister at the White House late Friday. Khaddam is expected to contribute Syria's views to the Administration's current reassessment of U.S. Middle East policies.

The Syrian Foreign Minister will be greeted by Secretary of State Henry A. Kissinger when he arrives at Dulles Airport tomorrow afternoon and Kissinger is expected to see him off when he leaves on Saturday. Khaddam will have a luncheon meeting with Kissinger at the State Department Friday and will be feted at a dinner at Blair House to be given by Undersecretary of State for Political Affairs Joseph J. Sisco.

Reporters noted today that when Israeli Foreign Minister Yigal Allon visited Washington in April he did not meet with President Ford and they recalled that newsmen were told at the time that the President usually does not confer with foreign ministers. State Department spokesman

Robert Anderson said that the President of Syria has not visited Washington, and sources here intimated that the President was receiving Khaddam because he was the highest ranking Syrian official to visit the U.S.

The State Department said it was not certain whether the U.S. Ambassador to Egypt, Hermann Eilts, who was recalled for consultations, would delay his return to Cairo until after Khaddam's visit. It was reported from Cairo, meanwhile, that Egyptian officials will not discuss the possible resumption of negotiations for an interim agreement with Israel until after the U.S. completes its Mideast policy reassessment. This led to speculation that Cairo is waiting for the U.S. to reveal its foreign aid program which would include funding for Egypt as well as for Israel, Jordan and Syria.

Asked about published reports that the Soviet Union has temporarily set aside its interest in an early reconvening of the Geneva peace conference, Anderson told reporters that he had discussed the report with the Secretary of State who said he had not been informed of any such decision by Moscow.

U.S. DOCTORS APPEAL FOR STERN

ATLANTIC CITY, N.J., June 18 (JTA)--The American Physicians Fellowship urged freedom for Dr. Mikhail Stern, the imprisoned Soviet-Jewish physician, and denounced the World Health Organization's recent condemnation of Israel in resolutions adopted at the closing session of its four-day meeting here today. The APF, an organization of 8700 dues-paying Jewish physicians of the United States and Canada, held its meeting as part of the American Medical Association's annual convention.

Its resolution on Dr. Stern charged that the trial and imprisonment of the 55-year-old endocrinologist from Vinnitsa, Ukraine was "an act of persecution and vindictiveness following Dr. Stern's approval of the Israeli immigration of his two sons." The resolution appealed "to the members of the Medical Workers Union in Russia and the Council of the USSR Scientific Medical Society...to mobilize and exert their influence so that the Soviet authorities will understand that fundamental justice and concern for human rights demand the freedom of Dr. Stern."

The resolution on the WHO accused that United Nations agency of "political perversion" in its recent resolution condemning Israel for its medical treatment of the Arab inhabitants of the administered territories "despite the fact that the WHO investigator unconditionally approved Israel's health services in those areas."

BOYCOTT INFORMATION SOUGHT

JERUSALEM, June 18 (JTA)--Jewish communities in the U.S. could help Israeli action against the Arab boycott by supplying advance information on pressures and other actions by those who operate the Arab boycott, Avraham Agmon, the recently-appointed government advisor on the fight against the Arab boycott said yesterday.

Speaking before the Jewish Agency Assembly here, Agmon, formerly the director general of the Finance Ministry, said plans were now being drawn up for legal action in the U.S. Any legally accepted evidence could thus make this action successful, he said. "This is not only the struggle of the State of Israel," but of the entire Jewish people, because the boycott is aimed at the Jews throughout the world," Agmon said.

CABINET BACKS CONTINUED NEGOTIATIONS

By Gil Sedan

JERUSALEM, June 18 (JTA)--The Cabinet adopted a resolution yesterday endorsing the continuation of negotiations for an interim settlement with Egypt and authorized Premier Yitzhak Rabin, Foreign Minister Yigal Allon and Defense Minister Shimon Peres to continue conducting negotiations toward that end. The Cabinet acted during a special session at which Rabin briefed the ministers on his discussions in Washington last week with President Ford, Secretary of State Henry A. Kissinger and other Administration officials and Congressional leaders.

The resolution stipulated that the negotiations would be continued in accordance with positions approved by the Cabinet before Rabin's departure for Washington which indicated that Israel would be willing to reassess its stands if the Egyptians would do the same. The negotiating team will report to the full Cabinet on the outcome of the negotiations on the basis of which the Cabinet will formulate its decisions.

The two ministers of the Independent Liberal Party--Moshe Kol and Gideon Hausner--abstained from voting on the resolution. They maintained that the negotiations should not be left entirely in the hands of the Premier, Foreign and Defense Ministers and objected to negotiating for an interim agreement instead of an overall settlement. The general feeling in the Cabinet was that Israel should decide its next moves only after hearing Egypt's reaction to Rabin's proposals.

MANAGEMENT, LABOR BACK DEVALUATION OF POUND

By Yitzhak Shargil

TEL AVIV, June 18 (JTA)--The two percent devaluation of the Israel Pound, announced by the Cabinet yesterday, met with approval in labor and management circles today and was taken in stride by the public. There was no rush on stores to stock up with goods and there was even a slight drop in the price of black market dollars which is usually high at this time of year when many Israelis are preparing for vacations abroad.

Yesterday's devaluation was nominal compared to the 43 percent devaluation eight months ago. The Pound-dollar ratio is now IL 6.12-\$1, up .12. But the Cabinet's decision to empower the Finance Minister and the Governor of the Bank of Israel to devalue the Pound by an additional two percent every 30 days--already dubbed "creeping devaluation"--has created some uneasiness. Histadrut Secretary General Yeruham Meshel, while welcoming the latest move, warned the government not to utilize its periodic devaluation powers but rather to set a firm devaluation target.

Finance Minister Yehoshua Rabinowitz said the new system was instituted to regularly update the Pound's value on the world money market without sending shock waves through the economy. The chief aim, as with previous devaluations, is to stimulate exports. Abraham Shavit, president of the Israel Manufacturers Association, approved the devaluation but demanded that incentives for exports be maintained.

Consumers Given Assurance

As far as the consumer is concerned, the government has given assurances that the prices of essential commodities, including oil, will re-

main stable. But an immediate effect of the devaluation was to increase the price of air transportation for Israelis. As of this morning, the price of an airline ticket to Europe was up by IL 70 and to North America by IL 120--with a commensurate increase in the travel tax. Travellers who paid for their tickets in advance of departure will have to make up the difference.

The stock exchange operated normally today though there was a decline in some issues that were sold off in order to buy dollar-linked stocks which have now appreciated in value. Banking circles here believe that the new devaluation will give impetus to dollar-linked bonds, the trade in which has been slow in recent years. Many purchasers heretofore preferred cost-of-living linked bonds as the COL was consistently rising.

Economic experts said today that several factors decided the government to announce the new devaluation at this time. For one thing, the November, 1974 devaluation did not achieve its targets. Imports were reduced, but the expected increase in exports did not materialize, the economists said and another monetary move had to be made.

There was also pressure on Israel by the International Monetary Fund which opposed the present system of incentives to exporters and insisted on a more realistic rate of exchange. Some IMF loans to Israel were held up pending a new devaluation. Another factor is the imminent entry of Israel into the European Common Market region which will require a reduction of protective tariffs. The Finance Ministry was said to have been impressed with the success of the "creeping devaluation" system adopted by Brazil. The Finance Minister hopes the government will be able to withstand pressure from internal sources for increased export incentives while at the same time making every effort to increase exports. Most experts, however, agree that there is much about the new system that is unpredictable, but a step in the right direction.

LOS ANGELES (JTA)--More than 1000 demonstrators shared their concern for the plight of Soviet Jewry when they assembled here Tuesday night in front of the Shrine Auditorium, on the opening of the Bolshoi Ballet's Los Angeles appearance. The demonstrators carried banners contrasting the acceptance of cultural exchange with the USSR with the concern for the Soviet Union's cultural repression of Jews. The rally was organized under the chairmanship of Dr. Robert Gerber, and coordinated by the Commission on Soviet Jewry of the Jewish Federation-Council of Greater Los Angeles. An ad in the program explained that the reason for the protest was the denial by Soviet authorities of human rights to Soviet Jews.

LONDON (JTA)--A group of Polish Catholics has without official sanction cleaned and restored Warsaw's Jewish cemetery. Polish Jewish sources in London informed JTA Wednesday. They emphasized that Polish Catholics undertook this action of their own accord without instigation from Warsaw Jews.

NEW YORK (JTA)--An appeal on the conviction of Russel Kelner, operations coordinator of the Jewish Defense League, is expected to be filed immediately after the sentencing. Kelner's attorney said, Kelner was found guilty by a federal court jury of publicly threatening to assassinate Yasir Arafat, head of the Palestine Liberation Organization, and faces a maximum fine of \$1000 and five years in prison. He is to be sentenced July 9.

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Mideast issues, Fisher asserts.

Of Sen. Percy's recent pro-Palestinian statements, Fisher says: "I can't understand him. Nobody can understand him. Perhaps he has Presidential ambitions and is currying favor with big business...."

The Jewish Agency Assembly this year is taking place under the shadow of steeply declining aliyah figures from the Soviet Union. Fisher sighs resignedly--as if to say: I told you so. He had warned, he now recalls, against forcing the Soviets into an intolerable situation. "Nixon and Kissinger kept saying all along: Let's not rub their faces in it...." Fisher was inclined to agree with them. He advocated striking a deal with the Soviets--beneficial to all concerned and with all concerned able to live with it honorably. In the light of hindsight, he blames Sen. Henry M. (Scoop) Jackson's (D.Wash.) Presidential ambitions primarily for the impolitic "overkill." The last straw for the Soviets had been the niggardly \$300 million trade credits voted by Congress as part of the most favored nation clause. "The result is that they have little incentive to let the Jews leave," Fisher points out.

The Jewish pressure groups were also partly to blame for the overkill, Fisher says sadly. The Soviet Jewry campaign developed a momentum of its own which in the end overreached itself. Everyone acted out of the very best motives, Jackson "has always been a good friend of the Jews," Fisher stresses. But the overall result has been to weaken rather than strengthen the leverage wherewith it was hoped to influence the Soviets towards a more liberal emigration policy.

AJ CONGRESS WOMEN ASK WILPF TO REPUDIATE OPPOSITION TO PROVIDING AID TO ISRAEL

NEW YORK, June 18 (JTA)--The American Jewish Congress National Women's Division today called on the Women's International League for Peace and Freedom to "repudiate in unambiguous and unequivocal terms" a statement by the WILPF New York Metropolitan Branch opposing Israel's request for \$2.5 million in U.S. aid.

In a letter to the WILPF made public today, Leona Chanin, president of the AJ Congress Women's Division, declared: "Those who formulated this statement presumptuously exploit the name of women who have been opposed to American intervention in Cambodia.

"They deny and distort the position of those of us who remain wholehearted and unwavering in support of the peace movement and at the same time perceive critical and decisive differences, in terms of America's legitimate national interests, between support of autocratic governments of Southeast Asia and support of the free and democratic government of the State of Israel.

"The lessons of history are clear. If we have gained nothing else from past events, we should have learned that the way to maintain peace in the Middle East is to allow Israel the means to defend herself and thus deter the aggressive use of force against her people and her borders."

RUSSELL LONG SAYS ISRAELIS SHOULD BE TOLD 'FACTS OF LIFE'

By Joseph Polakoff

WASHINGTON, June 18 (JTA)--Sen. Russell B. Long (D.La.), urging grass roots support for

President Ford and Secretary of State Henry A. Kissinger in their Middle East diplomacy, says Israel's politicians "ought to tell the facts of life" to the people of Israel and cooperate with Kissinger. "Otherwise, somebody could just stumble into a world war that should have been avoided," Long warned.

Long's remarks came in response to a question in an interview on why he did not join 76 Senators in a letter to President Ford urging continued assistance to Israel. The interview was with Doug Manship, Washington reporter for the Baton Rouge, La. Morning Advocate and State Times and television station WBRZ. It took place June 6, five days before Israeli Premier Yitzhak Rabin met the President here. A transcript of the interview was given to the Jewish Telegraphic Agency by the Senator's office after an inquiry by the JTA yesterday. Long is chairman of the Senate Finance Committee which handled the Trade Act of 1974 embodying the Jackson-Vanik measure tying U.S. trade benefits to Soviet emigration policy.

Long said that Kissinger's step-by-step "solution" of the Middle East problem "has not had much cooperation from the powers that be in Israel. Now somebody has got to tell those people the facts of life, that they ought to work this thing out. And our Secretary of State will have as much sympathy toward Israel as anybody in this country, you would think, having the background of being Jewish by ancestry and having known what it is to see people persecuted."

When JTA suggested to a principal assistant to Long that possibly the Senator, having spoken extemporaneously in the interview, may not have expressed himself precisely or that he had been misinformed about the Israeli people's lack of information since Israel is exposed to the media of the world, the aide replied that it was not a question of the Senator speaking from misinformation. It was a "considered opinion on his part," the aide said. The Israeli leadership, the aide observed, "is not candid." He said Long had been briefed by Kissinger and others in the Administration and by members of the Senate Foreign Relations Committee.

Notes Kissinger's Background.

According to the transcript, Long opened his response on the Israeli issue by observing that Kissinger "is the son of a Jewish family that had to leave Europe and come over here because of the persecution of the Jewish people, as I understand it. Some of the best people in the (State) Department with him are (Helmut) Sonnenfeldt (Department Counsellor). These people who have strong sympathies for Israel are among those who would insist that if we are ever going to solve the controversy which could lead to a third world war to extermination of all mankind that you are going to have to get the Israelis to pull back to something that would approximate the 1967 boundaries.

"Now, what they tell us is that the Israeli politicians all know that. They don't think that they can tell the people because the public there doesn't understand it. So, the Israeli Parliament and the Israeli politicians feel that they can't tell the Israeli people the facts of life that they will have to give up some of their territory that never was a part of Israel, which they overran in that recent war against the Egyptians and others. Their politicians understand it. But their politicians don't want to tell the people that. So, they want to pose that America will go to war, if need be, for Israel to maintain control of a lot of territory that the people over there don't seem to understand has to be given up eventually...."