



# daily news bulletin

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## ARGENTINE MINISTER URGED TO TAKE ACTION AGAINST NAZI

By Asher Mibashan

**BUENOS AIRES, July 1 (JTA)**--The Association of Jewish Survivors of Nazi Persecution has urged Interior Minister Alberto Rocamora to take action against the Nazi war criminal, Walter Kutschmann who has been living in Argentina since 1947 under the alias of Pedro Ricardo Olmos. Kutschmann was arrested last week and detained by federal police for six hours for questioning. He could face denaturalization and possible deportation if it is determined that he obtained Argentine citizenship under a false name.

(Nazi-hunter Simon Wiesenthal said in Vienna yesterday that he was contacting the public prosecutor in West Germany to initiate extradition action against Kutschmann. According to Wiesenthal, who heads the Nazi war crimes documentation center in Vienna, Kutschmann was responsible for the execution of 20 Polish-Jewish university professors and their families in Lwow on July 4, 1941. He said the full dossier on Kutschmann would be handed over to Argentine authorities. He said that Kutschmann's arrest had been ordered by "high government figures" in Buenos Aires following consultation with the documentation center in Vienna.)

Kutschmann, meanwhile, has denied that he is the wanted Nazi. He claimed, in a statement to the local press yesterday that he was born in Spain and accounted for his German accent by saying he was brought to Germany as a child. This, however, does not tally with information from West Germany that Kutschmann admitted his true identity. He told newspapers here, "I reject charges brought against me. I am proud of my Argentine citizenship."

He claimed that the charges against him were false but were published as fact by the Argentine press. He said he had "received assurances from Bonn that they will put a final stop to this defamation campaign, quite common in Latin American countries, especially in Argentina." He also said he would hold a press conference shortly and hinted at "great revelations about the work done by Nazi-hunters acting in Vienna," an apparent reference to Wiesenthal.

## 87 CONGRESSMEN SPONSOR ANTI-BOYCOTT LEGISLATION

By Joseph Polakoff

**WASHINGTON, July 1 (JTA)**--Eighty-seven members of Congress, led by the chairman of the House Judiciary Committee, Peter Rodino (D, NJ), are now sponsoring legislation that would prohibit discriminatory boycotts against American businesses owned by Jews or who do business with Israel.

The bill was introduced by Congresswoman Elizabeth Holtzman (D, NY) and Rodino as its sponsors. Hearings are to be held beginning July 19 by the House Subcommittee on Monopolies of which Rodino is also chairman. The subcommittee is part of the parent judiciary group. Holtzman will be the lead-off witness.

While numerous exploratory hearings were held in the House and Senate last winter when the

Arab governments tightened and extended their boycott against Jewish businessmen or companies doing business with Israel, the forthcoming hearings are the first in the House on specific legislation. A similar bill has been adopted by a Senate subcommittee. It was sponsored by Sen. Harrison Williams (D, NJ).

The latest co-sponsor of the Rodino-Holtzman measure is Thomas M. Rees (D, Calif.), who is chairman of the International Trade Investment and Monetary Policy Subcommittee of the House Banking Committee. The Los Angeles Congressman said his committee is undertaking an investigation of alleged pressure by Arab nations on U.S. companies to discriminate against employees or customers of the Jewish faith.

Although the bill was designed to meet the immediate threat posed by Arab oil blackmail, Rees said, its scope is broader and is intended to protect all Americans against secondary boycotts engaged in for purposes of religious, racial or other discrimination. Severe penalties, he said, will be imposed by this legislation, including fines of up to one million dollars and imprisonment of officials up to three years.

## ISRAEL'S ACCORD WITH EEC PROVIDES OPPORTUNITIES FOR AMERICAN INVESTORS IN ISRAEL

**NEW YORK, July 1 (JTA)**--The first phase of Israel's accord with the European Common Market, which became effective today, creates unique opportunities for American investors in Israel, the Government of Israel Investment Authority said here today. The Free Trade Area agreement Israel concluded with the European Economic Community (EEC), the first of its kind with a Middle Eastern country, establishes an initial 60 percent reduction on customs duties on all Israeli industrial exports to Common Market countries and calls for a gradual phasing out of customs duties. Israeli industrial products will enter the Common Market duty free by July, 1977.

This agreement, together with the recent accord reached between Israel and the United States under which the American government agreed to promote foreign investment in Israel, makes it possible for a U.S. company to set up a manufacturing subsidiary in Israel and take advantage of the special treatment it receives under U.S. tax rules, the Investment Authority said. The company can export manufactured products to Europe and receive the benefits of the new Common Market agreement as well.

The Investment Authority pointed out further that in addition to the agreements with the Common Market and the U.S., the Israeli government offers foreign investors a special business package to help them establish manufacturing subsidiaries in Israel. The package is designed to assist the investor in the investment phase through financial leverage and in the operating phase by providing low-cost working capital and a rebate for direct taxes, the Authority said.

## Advantages Now Possible

American businesses can now take advantage of Israel's LDC status under the U.S. Internal Revenue Service Code which entitles the Ameri-

can company to higher credit for taxes paid to a foreign country--in the case of Israel higher than that accorded most Common Market countries. When the recently initialed tax treaty between Israel and the U.S. is approved by Congress, double taxation between the two countries will be eliminated, the Investment Authority noted.

Under terms of its agreement with the EEC, Israel's domestic market will remain protected until 1980 when imports, intermediary products and equipment will be totally exempt from all Israeli customs duties. This should give Israeli domiciled manufacturers an opportunity to adjust to growing competition. Infant industries will be given temporary protection as Israel increases duties on products of that segment of its economy in the interim period 1977-1989, the Investment Authority said.

### MANDEL SAYS ISSUE OF SOVIET JEWISH EMIGRATION IS A HUMAN, NOT POLITICAL ISSUE

By David Friedman

NEW YORK, July 1 (JTA)--Gov. Marvin Mandel of Maryland, who was one of eight governors who visited the Soviet Union in May, said today that it must be impressed upon the Soviet government that the issue of Jewish emigration is a human not a political problem and that the American people support the right of Soviet Jews to leave the USSR. He said that President Ford and Secretary of State Henry A. Kissinger should make the Soviet leaders aware that all the people of this country are concerned about the problem.

Speaking at a press conference sponsored by the National Conference on Soviet Jewry at the offices of the American Jewish Congress, Mandel said that the governors, who were on an official State Department-sponsored exchange visit met with Soviet President Nikolai V. Podgorny and other Soviet officials and were treated with extreme courtesy except when the emigration issue was raised. He noted that the Soviets appeared to be much more sensitive on this than they were when he visited the USSR three years ago.

The Russians said that there was no problem and that the issue was being raised by outside forces, Mandel said. He said they also declared it was an internal issue. Mandel reported that the governors in turn tried to point out that this was not a political problem, but one of human beings who wished to join their families.

The Maryland governor said that in every hotel lobby there were leaflets and brochures attacking the emigration issue. He said one had a report from a Pravda correspondent in New York who claimed to have visited Russian immigrants in the Brighton Beach section of New York who were unhappy with their life in the United States.

### Emigration Issue A Major Problem

Mandel stressed that the emigration issue is a major problem for the Soviets. "They have a great problem explaining to the people of the country why anyone wants to leave when they spend 365 days a year telling how good it is," he said. He added that the Russians also fear that if Jews are allowed to leave, Ukrainians and other national groups will seek exit visas.

Mandel said he talked with a woman who has been refused an exit visa for herself and her two small children even though her husband is now a violinist with the Baltimore Symphony Orchestra. He said he also met with activists such as Valery Rubin, Vladimir Slepak and Alexander Lerner.

They feel that the Jackson-Vanik Amendment has helped them because the harassment no longer takes a violent form since the Russians know the world is watching, Mandel said. He said he was told that about 15 percent of Soviet Jews would emigrate if they could. This would be about 450,000 persons.

Mandel said the Soviet Jews told him the best form of pressure on the USSR would be for educators and scientists to speak out, both in the United States and especially when they are in the Soviet Union.

### Urges President, Congress To Help

Stanley H. Lowell, chairman of the NCSJ, who introduced Mandel, said while the governors in their May visit and a group of U.S. Senators who are in the USSR now, have expressed concern about the plight of Soviet Jews, "regrettably, the President and Secretary of State appeared to have placed the issue of freedom for Soviet Jews on the 'back burner.'" He said this has been interpreted by the USSR "to intensify the repression of Soviet Jewry."

Lowell called upon Ford "to use the weight and prestige of his office in behalf of Soviet Jewish Prisoners of Conscience, so that they may be allowed to emigrate, and further that in the best American tradition he call on the leaders of the Soviet government to put an end to all discrimination and repression of Soviet Jews." He also urged Congress "to undertake a legislative inquiry of Soviet violation of human rights."

### UJA YOUNG LEADERSHIP CABINET TO LAUNCH 1000-MEMBER MISSION TO ISRAEL NOVEMBER 6-16

NEW YORK, July 1 (JTA)--On Nov. 6, the Young Leadership Cabinet of the United Jewish Appeal will launch a special 10-day mission to Israel with 1000 Jewish men and women from across the United States. Donald S. Gould, Young Leadership Cabinet chairman announced today. The mission will be led by Alan Rudy of Houston, Texas, chairman-designate Young Leadership Cabinet for 1976.

Calling the mission "innovative and unique, both in its size and itinerary," Gould explained that in addition to meeting with Israeli leaders, mission members would be involved in a wide range of special activities. "Designed as a bold expression of our solidarity with the people of Israel, this mission, entitled 'Koach: A Mission of Strength,' plans to bring 1000 young leaders together with our Israeli brothers and sisters in a 10-day program of exploration, dialogue and special community projects," he said.

"In Israel, we will be divided into thirty groups to exchange ideas with Israelis at home, and in one-to-one meetings on university campuses. We will also visit a number of Israeli development towns where we will undertake community-wide projects of help and hope."

In addition, mission participants will meet with Israeli Young Leaders for a festive gathering at Caesarea... climb to the top of Massada to take an oath of reaffirmation to the eternal oneness of the family of Israel... and will travel throughout the country, inspecting UJA-supported programs and facilities, and meeting with Israelis from all walks of life. More than 400 participants have already signed up for the mission, Gould said, one of the largest in UJA history.

REMINDER: There will be no Bulletin dated July 4 due to the holiday.

## **RABIN CAUTIOUS, CIRCUMSPECT REGARDING EGYPT'S TERMS FOR A NEW INTERIM SETTLEMENT**

By David Landau

JERUSALEM, July 1 (JTA)--The position Premier Yitzhak Rabin takes on Egypt's proposals for a new interim settlement--which the U.S. is openly urging Israel to accept to keep negotiations alive--probably will be decisive in shaping the Cabinet's fateful decision which may or may not come this Sunday. But as of today, Rabin's views were still unclear and the subject of fierce speculation in political circles here.

The Premier addressed a closed meeting of the Labor Alignment's Knesset faction this afternoon. As they emerged from the meeting, the Labor "hawks" said Rabin was leaning toward their position that Israel's retention of the strategic Sinai passes was preferable to an accommodation with Washington.

Labor "doves," on the other hand, said they detected an inclination by the Premier to the view that a confrontation with Washington must be avoided at all costs, even at the expense of the passes. All who attended the meeting agreed that Rabin presented detailed arguments for and against accepting Egypt's terms--withdrawal from the Gidi and Mitla Passes and the Abu Rodeis oilfields--that was a masterpiece of cautious and circumspect formulation. But he did not commit himself one way or the other.

### **Risks Of Saying 'No' To Washington**

The Premier reportedly stressed to his Alignment colleagues the risks of saying "no" to Washington. He mentioned specifically the issue of arms supplies and the prospect that, failing an interim accord, the U.S. would go to Geneva and there present an overall plan of its own without prior coordination with Israel. Rabin also apparently took President Ford at his word when the latter denied that he had delivered an "ultimatum" to Israel. The Premier said that while there certainly were differences with the U.S. it was over-dramatic to speak of a "crisis."

Defense Minister Shimon Peres, addressing the same meeting, clearly seemed to advocate rejection of the Egyptian terms. On the other hand, former Minister of Information and former chief of military intelligence Gen. Aharon Yariv urged "territorial flexibility" on the issue of the passes, while at the same time declaring that Israel must stand firm in its demands for meaningful political concessions from Egypt in the form of "components of non-belligerency."

The Labor Alignment meeting was called for an exchange of views and information rather than to make decisions. The Premier suggested that the Labor Party and Mapam forums meet separately to decide their positions. He did not say whether these meetings would take place before or after next Sunday's Cabinet session. A complicating factor is Rabin's scheduled visit to West Germany from Tuesday through Friday of next week.

It was unclear today whether the Cabinet and the various coalition partners would be called upon to reach their final positions before or after the Premier's trip, indicating that next Sunday's Cabinet meeting may, in fact, not be the decisive one.

### **MAPAM URGES CAUTION**

TEL AVIV, July 1 (JTA)--Mapam leaders are

urging the government to proceed very cautiously in its relations with the United States. Their attitude is that security is dependent on more than topography. Mapam's political secretary Naftali Feder, warned last night that Israel must be very careful not to be maneuvered into an open confrontation with the U.S. because an understanding with the U.S.--which means a continuing arms supply, economic aid and political support--is more important to Israel than topography.

That view is apparently shared by Mapam Cabinet ministers and by the faction's members in the Knesset foreign affairs and defense committee. Feder said various signs indicated that it was possible that Israel could retain a foothold on the eastern approaches to the strategic Sinai passes and therefore every effort should be made to continue negotiations with the Americans. Meir Talmi, Mapam secretary general, said here last night that the negotiations should be concluded in a positive way.

### **JEWISH POOR HIT BY CUTBACK**

By Mindy Yochelson

NEW YORK, July 1 (JTA)--Jerome Becker, president of the Metropolitan New York Coordinating Council on Jewish Poverty (MNYCCJP), issued a sharp condemnation last night of Human Resources Administration (HRA) Commissioner James R. Dumpson over his recommended cut in funding of programs for poor Jewish and other white ethnic groups.

The slash would amount to \$261,250 (or 55 percent) of the current \$475,000 now being allocated by the HRA for the city's 400,000 Jewish poor. The HRA money, which consists of matching federal and city funds, is used by the MNYCCJP for funding, staffing and directing local Jewish community councils that provide services to the Jewish poor in 10 neighborhoods in New York City.

During a meeting last night for program leaders that serve various poor white ethnic groups, Becker announced that a demonstration would be held Thursday morning in front of the HRA offices to protest the cutback.

Dumpson told the JTA that in view of the city's economic crisis the reduction in funds for the ethnic programs would have less drastic effects than had the cuts been made in other programs in his department. These include staff salaries, day care and senior citizen centers.

### **Suit Against CAP**

At last night's meeting Becker also announced that a suit would be brought against the New York City Council Against Poverty (CAP), a channelling group that distributes federal and state funds for poverty areas. He charged that CAP has "systematically excluded" the Jewish poor by the use of certain criteria for establishing poverty areas that receive funding. He said that the use of these criteria, such as the number of live births and the incidence of juvenile delinquency are unfair to the Jewish poor, who are mainly elderly.

Becker noted that CAP, of whose \$42 million budget only eight-tenths of one percent goes to the Jewish poor, was given only a 10-15 percent cut while his group received a 55 percent slash. "Programs for the white ethnic poor cannot be dismembered while CAP-funded projects are allowed to absorb only minimal cuts," Becker said. Dumpson said, however, that the mayor had "earmarked" \$912,000 for CAP and that he had no choice as to whom it was given. Dumpson also said he saw no evidence of any discrimination in CAP's funding.

## 5 MIDWEST UNIVERSITIES SUSPEND AID PROGRAMS IN SAUDI ARABIA

NEW YORK, July 1 (JTA)--A consortium of five state universities in the Middle West has suspended participation in an evaluation project for the University of Riyadh in Saudi Arabia following the refusal of government authorities there to grant a visa to a Jewish professor. The suspension marks the first time an American university or group of educational institutions has halted an aid program abroad on grounds of anti-Jewish discrimination, according to the American Jewish Congress, which made public the details of the action.

The Midwest University Consortium for International Activities, Inc. acted at its regular monthly meeting in Chicago last week. The suspension was hailed by Phil Baum, associate executive director of the American Jewish Congress as "an eloquent demonstration that the importation of foreign religious prejudices to our shores is rejected by the American academic community."

The consortium is composed of Indiana University, Michigan State University and the Universities of Illinois, Wisconsin and Minnesota. Founded in 1964, it has provided evaluation and other services to institutions of higher education in Indonesia, Ethiopia, Somalia, Thailand and other countries. Under an agreement with the University of Riyadh, the consortium sent a team of 10 experts to Saudi Arabia in May and June to evaluate the university's programs in agriculture, education, engineering, medicine and other subjects.

### Assurance Of Non-Discrimination Required

Earlier, however, the faculty committee on international programs at Michigan State University had voted not to participate in the project without assurances of non-discrimination from the Saudis. Dr. Clifton Wharton, president of Michigan State, wrote in March to the University of Riyadh requesting an invitation for Dr. Ralph Smukler, dean of international programs at Michigan State, to make an on-site review of the program. Dr. Smukler, who is Jewish and a member of the consortium's board of directors, applied for a visa to Saudi Arabia in April.

Despite repeated letters and cables, no response was ever received from the University of Riyadh, Dr. Smukler told the AJ Congress. Earlier this month, he said, "I was informed that after numerous visits to the Saudi Arabian Embassy, the travel service in Washington which had forwarded my visa application received a letter from the embassy stating that the necessary 'certificate of no objection' had not been received from Saudi Arabia and that the visa officer did not think they would ever receive one due to the fact that I am of the Jewish faith." Dr. Smukler said he had listed his religion as Jewish on the visa application form and had supplied a letter from his rabbi attesting to his religion.

In response to this refusal, the consortium adopted a resolution declaring: "The exclusion of persons of Jewish faith from Saudi Arabia, as demonstrated by the failure to issue a visa to a member of the consortium board of directors who is Jewish, is a governmental policy which the consortium cannot accept and which prevents our consortium from continuing participation in the project."

Dr. David B. Johnson, Dean of Foreign Studies at the University of Wisconsin, said that if a non-

discrimination agreement could be reached with the University of Riyadh, the project would be resumed. "If not," he said, "the consortium will further act to withdraw totally."

### Government Urged To Adopt Similar Stand

In welcoming the action, Baum called on Secretary of the Treasury William B. Simon and Secretary of Commerce Frederick Dent "to adopt a comparable public stand to insure that all projects initiated under the auspices of the U.S.-Saudi Arabian Joint Commission on Economic Cooperation will be free from both the fact and the threat of religious discrimination."

The suspension of the consortium's programs in Saudi Arabia follows the breakdown last month of negotiations between the Massachusetts Institute of Technology and Saudi Arabia over a guarantee for the entry of Jews to work on a water resources project. The negotiations collapsed when Prince Mohammed bin Faisal, chairman of the Saline Water Conversion Corporation, refused to sign a contract providing that Saudi Arabia would not deny a visa to any member of the work staff or academic personnel assigned to the project by M. I. T.

### NJCRC WARNS ECONOMIC WOES COULD INCREASE ANTI-SEMITISM

NEW YORK, July 1 (JTA)--Jewish community relations agencies, warning that a continuing rise in unemployment could "accentuate polarization and hostility between groups," yesterday called for a federal budget in which "human needs" take priority over concerns about the size of the budget deficit.

A policy statement adopted at the annual meeting of the National Jewish Community Relations Advisory Council, critical of both the Administration for its vetoes of "vital social measures" and Congress for its "piecemeal approach," urged an increase of one million public service jobs, accelerated public works, comprehensive national health insurance, expansions in work-study programs and other measures to combat unemployment, housing shortages, health-care needs and other social ills.

The 450 delegates, representing the nine national organizations and 98 local councils that comprise NJCRAC, also elected Lewis D. Cole of Louisville to a third one-year term as chairman. The Jewish Community Council of El Paso, Texas, was elected to membership in the coordinating agency.

The NJCRAC policy statement contended that the nation "can afford a larger budget deficit to win the war against economic recession, social disruption and human misery." It added: "Beyond our concern for justice and equity is the fact that competition for scarce resources accentuates polarization and hostility between groups, increasing susceptibility to demagoguery, scapegoating and anti-Semitism."

### EFFORT TO SUSPEND NAZI'S LIFE SENTENCE

AMSTERDAM, July 1 (JTA)--Lawyers for Nazi war criminal Joseph Kottaella will summon Dutch Justice Minister Andries van Agt to suspend Kottaella's life sentence for health reasons. Kottaella, one of the three Nazi war criminals remaining in Dutch jails, suffered a cerebral hemorrhage three years ago and several lesser attacks since then. Kottaella's lawyers said the Justice Minister should have exercised his privilege to interrupt sentences for reasons of ailing health long ago. The summoning will take place before The Hague court on July 22.