



LEADING ALIGNMENT AND LIKUD FIGURES APPEAR TO BE SUCCEEDING TO U.S. PRESSURE FOR ACCORD By Yitzhak Shargil

TEL AVIV, July 9 (JTA)--Israeli military leaders and important political figures within the governing Labor Alignment and, surprisingly, the Likud opposition, appear to be succumbing to relentless American pressure on Israel to accept Egypt's terms for an interim agreement--meaning withdrawal from the strategic Mitla and Gidi Passes in Sinai.

The military leaders, who have been charged with the task of preparing for presentation to the Cabinet a detailed assessment of Israel's options from the purely defense point of view, are apparently concentrating on the military implications of a pull-back from the passes.

They are reportedly trying to determine how to make the best of a situation that would leave Israel's defense line without the vital topographical anchors provided by the Sinai passes and how to ensure proper surveillance and an advance warning system against an Egyptian attack on new Israeli lines spread over the flat desert that extends from the passes to Israel's pre-June, 1967 borders.

Military Implications Of Confrontation

Reliable sources said that the Israeli military team cannot help but take into consideration the military implications of a confrontation with the United States and the gap in Israeli-U.S. relations which, from the military point of view could mean a drastic curtailment of the U.S. weapons flow to Israel.

The sources noted that American pressure on Israel is no longer limited to expressions of impatience and barely veiled threats of non-support at a reconvened Geneva conference. It has already taken material form in the delay in supplies of various items of military hardware that Israel has requested and could also soon affect items that are being supplied automatically under previous agreements, the sources said. This must be taken into account by the senior officers preparing their military assessment for the Cabinet.

In political circles, meanwhile, more voices are being raised in favor of accepting American demands if only because Israel vitally needs U.S. friendship and support at a time when it is struggling not only to maintain the strongest possible defense posture but to put to rights a sagging economy and deal with serious internal problems.

Former Foreign Minister Abba Eban and Itzhak Navon, chairman of the Knesset's powerful defense and foreign affairs committee have already made it clear that they favor compliance with American wishes. Former Information Minister Aharon Yariv, a military man who was once chief of Israel's army intelligence, added his support to that view several days ago.

Weizman Causes Surprise

A big surprise came when former Air Force commander Gen. Ezer Weizman, a leader of the Likud opposition and a well-known "hawk" stated flatly several days ago that he supported the idea

of an interim agreement with Egypt on the terms the U.S. is urging Israel to accept. Addressing the agricultural faculty at the Hebrew University in Jerusalem, Weizman said that what Israel needed most now was a breathing spell to resolve its internal difficulties.

He said that what he feared most was that American pressure would be exerted over the Judea-Samaria regions (West Bank) and over East Jerusalem, issues that would inevitably arise when the Geneva conference is reconvened. That pressure, Weizman said, would be far harder than the present squeeze on Israel for a settlement in Sinai, and if it finds Israel unprepared internally, as it is now, "we shall not be able to stand up to it."

Weizman stressed that Israel needs time to improve the quality of life at home, straighten out its economy and strengthen the shaky labor-management relations. He said there were also improvements to be made in the army. When these primary tasks are accomplished, Weizman said, a new national leadership should take the helm that would be able to face up to American pressure.

KISSINGER CONFIRMS ISRAEL, EGYPT NOT YET AT POINT OF CONCLUDING NEW SINAI ACCORD

WASHINGTON, July 9 (JTA)--Secretary of State Henry A. Kissinger affirmed today that Israel and Egypt were not yet at the point of concluding a new accord. He made this statement to newsmen at Andrews Air Force Base as he was leaving for Europe for a four-day visit to Paris, Geneva, Bonn and London during which he will meet with Soviet Foreign Minister Andrei Gromyko and Israeli Premier Yitzhak Rabin.

Asked by a reporter about wide-spread reports that Israel and Egypt had already agreed on essentials of a new Sinai agreement, Kissinger said, "Totally wrong." Asked whether the two sides were at least approaching the conclusion of a new accord, the Secretary added, "We are not anywhere near that point, but all sides, Israel and Egypt, are working seriously."

Asked about reports that the U.S. might provide guarantees for a new interim settlement, Kissinger indicated that this was one of the elements being considered. "Any progress toward peace in the Middle East has two elements: the negotiations between the two parties and what the United States can contribute in the way of any assurances or acting as a transmitter of assurances of the two sides to each other," he said. "Whatever it is humanly possible to do, the United States will do to promote progress."

Reports that Israel and Egypt had already reached a point of concluding a new agreement were denied earlier in Jerusalem, Washington and in Cairo. (See Wednesday Bulletin for earlier story.)

BRITAIN BLOCKS RESOLUTION IN EUROPEAN PARLIAMENT CONDEMNING TERRORIST BOMBING IN JERUSALEM

PARIS, July 9 (JTA)--A resolution before the European Common Market Parliament which condemns last Friday's terrorist bombing that took 14 lives in Jerusalem and cites the Palestine Lib-

eration Organization as a threat to world peace, was blocked last night by British representatives who compared the Jerusalem outrage to the assassination of Lord Moyne by two members of the Jewish underground Stern group in Cairo in 1944. As a result, a vote on the draft submitted by Socialist, Christian Democrat and Liberal members, was postponed.

Peter Kirk, a Conservative MP who heads the British delegation to the Common Market Parliament currently in session in Strasbourg, argued that it was a mistake to try to make distinctions between individual acts of terror. He said the Jerusalem blast and the assassination of Lord Moyne, the British resident minister in the Middle East, were equally reprehensible, even if separated by 30 years.

Kirk noted that the bodies of Moyne's killers were returned to Israel by Egypt a week ago and given a state funeral with full military honors in Jerusalem. He also warned that the resolution could jeopardize the European-Arab dialogue which he termed "one of the most fruitful initiatives taken by the (European Economic) Community." The resolution urges the EEC to break off the dialogue until the PLO renounces the use of force.

CO-SPONSORS OF J-V AMENDMENT PREPARED TO CONSIDER CHANGES TO AID TRADE RELATIONS, EMIGRATION

WASHINGTON, July 9 (JTA)--Sen. Abraham Ribicoff, one of the leading co-sponsors of the Jackson Amendment, indicated yesterday that he and other co-sponsors were prepared to consider changes in the measure if that would lead to an improvement in U.S.-Soviet trade relations and an increase in emigration for Soviet Jews. The Connecticut Democrat, one of a 17-man Senate delegation that returned from a visit to the Soviet Union Monday, also implied that the Jackson Amendment has not worked the way its supporters had hoped.

"If a policy fails...I don't think you should stick forever with it," Ribicoff told a press conference here. He added, however, that it appeared, from the Senate group's contacts with Soviet officials that the Russians now understand the strong Congressional interest and support for free emigration and that "Congress will not move until people can get out." Ribicoff said that another major co-sponsor of the Jackson Amendment, Sen. Jacob K. Javits (R,NY), also favored some changes.

The Jackson-Vanik Amendment was incorporated into the 1974 Trade Reform Act with overwhelming support in both houses of Congress. The measure was named for Sen. Henry M. Jackson (D,Wash.) its principal author and advocate in the Senate and Rep. Charles A. Vanik (D,Ohio) author of an identical measure in the House. The amendment was strongly opposed by the White House and Secretary of State Henry A. Kissinger who argued that "quiet diplomacy" was a more effective means of achieving the free emigration aims of the amendment's supporters.

Adoption of the Jackson Amendment last year and a related measure authored by Sen. Adlai Stevenson (D,Ill.) which put a \$300 million ceiling on Export-Import Bank credits to the Soviet Union was believed responsible for Moscow's repudiation of its 1973 trade pact with the U.S. Since then emigration from the USSR which reached a peak of 35,000 in 1973, dropped to an annual rate of 13,000 this year, according to the State Department.

The Administration, meanwhile, has reportedly renewed its efforts to modify the Jackson Amendment. Kissinger discussed the issue yesterday with the Senators who had just returned from Moscow. Several Senators said afterwards that they had discussed the possibility of changes in the Jackson and Stevenson amendments.

PROBE OIL PIPELINE EXPLOSION

TEL AVIV, July 9 (JTA)--Army experts are investigating an explosion early this morning which ruptured the Eilat-Ashdod oil pipeline about 12 kilometers north of Eilat. The investigators are trying to determine whether the blast was an act of sabotage or an accident caused by excessive pressure on a weak section of the pipe. The explosion occurred shortly after 4 a.m. local time, sending oil gushing from the pipe. The oil covered a wide area, including a section of highway before the flow was shut off. Engineers said the pipeline would be reopened in a day or two.

VATICAN CONDEMNS TERRORIST BOMBING IN JERUSALEM AND ISRAEL'S RAID INTO LEBANON

ROME, July 9 (JTA)--The Vatican has condemned both the terrorist bombing in Jerusalem and Israeli retaliatory raids into southern Lebanon that followed. Vatican spokesman Federico Alessandrini told reporters that "the deplored and pain of the Holy See for episodes of terrorism and acts of violence have been expressed more than once. They are vigorously confirmed today, not only for the Israeli incursion which has struck Lebanon, which moreover is going through a difficult moment in its life, but even before for the attack which spread a massacre last Friday in Jerusalem and for which Palestinian organizations have claimed responsibility."

NEWS COUNCIL POSTPONES PUBLIC HEARING ON SYRIAN JEWRY SHOW

NEW YORK, July 9 (JTA)--The public hearing by the National News Council scheduled for today, on the issue of Mike Wallace's "60 Minutes" program dealing with Syrian Jewry and first aired on CBS Feb. 16, was "deferred" until a new program on Syrian Jewry, now being prepared by "60 Minutes," is shown next month. This was announced by the American Jewish Congress and the National News Council.

The first airing of the program, and the corrected edition aired June 8, resulted in vast criticism by the AJCongress, the Committee for the Rescue of Syrian Jewry and other Jewish organizations. They charged that the "60 Minutes" program had been slanted in favor of the official government view of Syria and failed to show the real plight of Syrian Jewry. The Council decided to hold a public hearing to resolve the matter after "lengthy correspondence involving both the AJCongress and CBS News," the Council explained in a statement.

Philip Baum, associate director of the AJCongress, stated: "Representatives of the AJCongress have met with CBS News and have been informed that '60 Minutes' is preparing, for broadcast next month, a program that will present additional information on the plight of Syrian Jews. We are therefore requesting the National News Council to defer action on our complaint, without prejudice, until we have seen the new broadcast."

SENATE COMMITTEE APPROVES FORD'S REQUEST FOR MFN TO RUMANIA

WASHINGTON, July 9 (JTA)--The Senate Finance Committee unanimously approved today President Ford's request for most favored nation trade treatment of Rumania. It was followed by a 14-2 vote in a House trade subcommittee in favor of MFN for Rumania. Most favored nation status will allow Rumania tariff rates 50 percent below those levied on other Communist countries except Poland and Yugoslavia.

The Senate and House actions followed information provided by government officials that Rumania has eased its emigration restrictions on Jews and others. Under the terms of the Jackson-Vanik Amendment incorporated into the 1974 Trade Reform Act, U.S. trade benefits to Communist countries are contingent on their emigration practices. Both the full Senate and the House must approve a normal trade policy with Rumania before the reduced tariffs become effective. The Senate has until July 12 to act.

Complaints from Jewish groups, borne out by U.S. officials, indicated that Rumania has tightened its emigration policies this year, reversing its past relatively liberal policies. In the first five months of 1975, fewer than 400 Jews left Rumania for Israel compared to an average of 300 a month in 1974, according to U.S. sources. But information from Bucharest this week indicated that emigration was once more on the rise.

According to the State Department, 237 Jews left for Israel in June bringing the total for the first six months of the year to 816. In addition, informants said, 303 were scheduled to leave in July and Rumania has approved exit visas for 2,000 Jews so far this year for Israel and 954 applications by Rumanians who want to go to the U.S.

HOLTZMAN: ARAB BOYCOTT OF CERTAIN U.S. FIRMS COULD SPREAD THROUGHOUT U.S. BUSINESS COMMUNITY

By Helen Silver

WASHINGTON, July 9 (JTA)--Rep. Elizabeth Holtzman (D.NY) warned today that the Arab boycott of American firms having Jewish or Israeli connections could have a "multiplier effect" spreading discrimination throughout American business. She testified this morning before the House Judiciary Committee's subcommittee on monopolies and commercial law which is holding hearings on legislation to counter the Arab boycott in the U.S.

Ms. Holtzman noted that "in recent months we have heard many reports of Arab economic blackmail aimed at American firms which trade with Israel or are owned by or employ Jews. The Arab nations and businesses have not only directly refused to deal with such firms but they have sought to force other American firms to discriminate against them as well." She added: "That they attempt to coerce others in this country to adopt those practices is dangerous and intolerable."

Rep. Holtzman, a member of the Judiciary Committee, spoke in favor of HR-5246, a bill that would provide stiff criminal and civil penalties for companies which use economic means to coerce others to discriminate against Americans because of religion, race, sex, national origin or lawful support for, or trade with, another country. The bill is co-sponsored by Rep. Peter W. Rodino (D.NJ), chairman of the House Judiciary Committee, who presided at the subcommittee hearing. It is supported by 86 other members of Congress.

Implications Are Enormous

Rep. Holtzman said "The implications of such economic coercion are enormous, posing a great and increasing threat to our nation" because "a small number of Arab firms can, through economic pressure, influence a much larger number of American companies to participate in discriminatory practices. Thus, a multiplier effect is created which could spread discrimination throughout American business, and as their economic influence grows, the Arabs are likely to have a much greater influence on American business than ever before through foreign trade and through increased investment in domestic corporations."

The legislation under consideration would also penalize any company that cooperates with or participates in an illegal boycott. That provision is especially important because it would furnish American firms with a legal basis to resist discriminatory Arab economic pressure and deny competitive advantage to any company that may yield to such pressure.

Intended To Protect All Americans

Although the bill was designed to counter the immediate threat posed by Arab oil blackmail, its scope is broader and intended to protect all Americans against secondary boycotts engaged in for the purpose of religious, racial or other discrimination. Ms. Holtzman observed that "We cannot allow the Arabs to use naked economic blackmail to coerce Americans into engaging in religious discrimination, and we cannot allow any foreign power to dictate business practices in the United States."

Other witnesses testifying at today's hearings included Antonin Scalia, Assistant Attorney General for legal counsel; Tom Kauper, Assistant Attorney General of the Justice Department's anti-trust division; and Stanley Pottinger, Assistant Attorney General in the civil rights division.

ALLON CAUTIOUSLY OPTIMISTIC ABOUT INTERIM ACCORD WITH EGYPT

By David Landau

JERUSALEM, July 9 (JTA)--Foreign Minister Yigal Allon expressed cautious optimism today on the prospects of an interim settlement with Egypt but made it clear that, contrary to the recent spate of news reports, an agreement still has not been achieved.

Selecting his words with obvious care, Allon told the Knesset that the current process of diplomatic "clarifications" had brought "progress" in the direction of "a triangular balance of commitments and undertakings" between Israel, the U.S. and Egypt. He said he was "happy" to report this, but he could not go into details.

Allon's tone was somewhat more upbeat than that of Premier Yitzhak Rabin and of Secretary of State Henry A. Kissinger's remarks before departing today for Europe where he will meet with Soviet Foreign Minister Andrei Gromyko in Geneva tomorrow and Friday and with Rabin in Bonn Saturday.

Allon clearly did not intend to hint that a settlement was assured but sought to point out that some progress has been made and to express his earnest hope that a settlement would be achieved in the end and on the basis of mutual concessions and tripartite commitments. Commenting on the current rash of press leaks, he said that most of them were ill-founded or inaccurate. He said Rabin was "dealing" with leaks and those responsible for the leaks.

ABZUG: THE U.S. COULD NOT ACCEPT A RESOLUTION THAT TALKS OF DESTROYING ANOTHER NATION

By Mindy Yochelson

NEW YORK, July 9 (JTA)--The United States voted against the United Nations Conference on Women's "Declaration of Mexico, 1975" which called for the elimination of Zionism because "we could never accept a resolution that talks about wiping out another nation." This was stated by Rep. Bella Abzug (D.NY) in an exclusive interview with the Jewish Telegraphic Agency in her New York office. The Congresswoman was appointed by House Speaker Carl Albert (D.Okla.) as one of the non-voting Congressional advisors for the U.S. at the conference in Mexico City which ended last week.

The "Declaration," which only the U.S. and Israel voted against, contained the statement that women should "struggle against colonialism, neo-colonialism, Zionism, racial discrimination and apartheid." All delegations from other countries voted for or abstained on the resolution which was pushed through committee by the Arab-Soviet bloc-Third World countries. Denmark originally voted with the U.S. and Israel but later decided to change its vote and abstained.

Abzug told the JTA that while the "Declaration" was still in committee Israel made a motion to eliminate the word Zionism from the text but was voted down 59-19 with 19 abstentions. Another motion to eliminate the word came up for a full vote at the general session, but this was also rejected by a vote of 63-25 with 25 abstentions.

The Congresswoman said she advised the women at the conference to vote against the entire "Declaration" if "we were unsuccessful in convincing them to change the language." But when a motion was made to accept the entire "Declaration" only Israel and the U.S. voted against it, with approximately 18 abstentions, Abzug said.

She stated that "much negotiating" took place before the actual vote occurred to "convince the delegates not to put the word 'Zionism' into the 'Declaration'." Most of the delegates, she said, particularly those from Western Europe and Latin America, were opposed to the wording. However, many did not vote against the resolution because of what they felt were other positive items in the resolution, including a change in global economics. "Everyone I spoke to felt this should not have happened," Abzug said.

Encourages Terrorism

Although the Congresswoman said she considered the "Declaration" was "totally improper" because of the attack on Zionism, she stressed that it was not a major document and that there were no special plans to implement it. Nevertheless, noting that the terrorist bombing in Jerusalem two days after the conference ended, in which 14 Israelis were killed and 73 wounded, Abzug stated the "Declaration" and similar actions "perpetuate an atmosphere which encourages terrorism."

The major plan to come out of the conference was the "World Plan of Action," a document Abzug said "could be abided by all nations." She said she felt many of the governments "manipulated" their delegates at the conference. She felt that this was particularly true of the 77-nation Arab-Soviet-Third World bloc where, she said, the status of women is "minimal." "Many of the

governments instructed their delegates how to vote," Abzug said. "But I feel the women regretted finding themselves in this position. There were many who wanted to deal independently with women's issues rather than with world political affairs."

For example, she said that of the women she spoke to at the Tribune, the non-governmental, independent conference on the other side of the city that was being held simultaneously with the official conclave, attended by 5000 "interested" women, all told her that they would not have walked out on Mrs. Leah Rabin, Abzug was referring to the incident when the Arab-Soviet-Third World delegates walked out of the conference hall when the wife of the Israeli Premier started to address the convention.

Referring again to the "Declaration," Abzug condemned it as "UN politics as usual" and as "more of the usual UN political rhetoric." She praised the American delegates for having voted against the "Declaration."

22 STATE BANKING OFFICIALS SAY THEY WILL NOT TOLERATE BIAS AS PRICE FOR ARAB INVESTMENTS

NEW YORK, July 9 (JTA)--The American Jewish Committee reported today that 22 state banking commissioners, from all parts of the country, have indicated that they would tolerate no discrimination by any state banks under their jurisdiction as the price for accepting Arab investments or deposits in their institutions. Elmer L. Winter, president of the AJ Committee, said that at least seven other state commissioners were considering similar steps but had not as yet officially replied to the organization.

The action of the various state officials came in response to a request by the AJ Committee, asking them to issue directives to their state banks making it clear that religious or racial discrimination by them would not be tolerated. The request followed reports that some banks may have been offered large deposits by foreign investors on condition that no Jew serve on the bank's board of directors or control any significant portion of its stock.

The AJ Committee's request to the state commissioners also followed the action of James E. Smith, U.S. Comptroller of the Currency, reminding federally-chartered banks to avoid any such discrimination. Among the strongest actions taken were those by the state banking authorities in Ill., Mass., N.H. and N.Y.

Other states whose banking commissioners indicated agreement with the need to maintain non-discrimination in banking practices included Calif., Colo., Ga., Idaho, Iowa, Kan., Mo., Montana, Neb., N.M., Ore., Pa., S.D., Tenn., Texas, Utah, Va., and Wyo.

URGE RELEASE OF JEWISH STUDENTS

PARIS, July 9 (JTA)--The president of the Representative Council of Jewish Institutions of France (CRIF) sent a telegram to the French Ambassador to Bonn, Olivier Wormser, requesting that the Ambassador intervene in behalf of six French Jewish militants imprisoned in Cologne, Germany. The six students were arrested by German police for their participation in a demonstration held June 24 outside the office of former SS officer Kurt Lischka. The demonstration protested Lischka's seeming immunity to trial for crimes committed during World War II.