



# daily news bulletin

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## **STERNSTEIN, KLUTZNICK SAY CONFERENCE OF PRESIDENTS NO LONGER EFFECTIVE; URGE ITS REPLACEMENT BY A NEW GROUP**

CHICAGO, Oct. 6 (JTA)--The Conference of Presidents of Major American Jewish Organizations was sharply criticized by Dr. Joseph P. Sternstein and Phillip M. Klutznick during the final business session of the Zionist Organization of America's 78th annual national convention here last night. Rabbi Sternstein, the ZOA president re-elected to a second term, concurred with Klutznick's charge that the Presidents Conference, which Klutznick helped found, was no longer effective.

Klutznick, chairman of the governing board of the World Jewish Congress, a former U.S. Ambassador to the United Nations and one of the first chairmen of the Presidents Conference, said it should be replaced by a new group that was "more reflective of the mood and sense of American Jews." He told the 1500 convention delegates that what was needed was "an independent American Jewish voice not constrained by the Israel government, as is the case now with the Presidents Conference."

Sternstein charged later in the session that the Presidents Conference had failed recently to rally American Jews against U.S. moves that forced Israel to accept what he termed "the one-sided and discriminatory" interim agreements with Egypt in Sinai. He pledged that the ZOA would not be "guided by counsels of timidity or the silence of other organizations in coping with the emergencies or crises affecting the economic viability or political and military security of the State of Israel."

### **Miller Rejects ZOA Leaders' Views**

(Reacting to Sternstein's and Klutznick's statements Rabbi Israel Miller, chairman of the Conference of Presidents of Major American Jewish Organizations, told the JTA in New York today that "the real issue at stake is the question of who determines the foreign policy of the sovereign State of Israel and the security of her people. I believe that responsibility for the crucial decisions on territories, borders, and relations with the surrounding Arab states rightfully belongs to the democratically elected representatives of the citizens of Israel, who live in the land and send their sons and daughters to defend it. Mr. Klutznick and Rabbi Sternstein are, of course, entitled to think otherwise, but I do not believe their opinion is reflected in the mood and sense of American Jewry today.")

### **U.S. Assurances Urged**

The ZOA convention adopted a series of strong resolutions, some of them aimed at the U.S. government. Claiming that the Sinai accord was "imposed" on Israel by the U.S. to Israel's detriment, the convention demanded assurances that American military assistance would "be forthcoming without delay" if Egypt violated the accord; that there are "no private or secret arrangements" in the accord that would "in any way be harmful to Israel's fut-

ure"; and that Israel's requirements for immediate economic and military assistance "no longer be delayed."

The delegates denounced the idea of a Palestinian state on the West Bank and Gaza Strip, claiming that such a state has "no valid claim in fact or history" and that those territories "are integral parts of the land and State of Israel."

The delegates called for a Zionist voice alongside the Israel government's "in international conclaves where the question of the future of the land of Israel will be debated, negotiated and decided." The resolution noted in that connection that "the Arab states have made the question of Israel a matter for all the Arab nations and are seeking the representation of non-governmental Arab bodies in conferences focussing on the Arab-Israeli conflict."

### **Various Resolutions Adopted**

Other resolutions adopted urged Congress to strengthen measures to counter the Arab boycott of American firms doing business with Israel; called on the Administration and Congress to initiate programs to make the U.S. self-sufficient in energy sources; warned that the Soviet Union was violating the spirit of detente "by supporting Arab terrorist groups and totalitarian regimes in Arab countries" while continuing "to violate the humanitarian principles of freedom of expression and unhindered emigration in the USSR; and charged the UN with "legitimizing Arab terror against Israel" and the U.S. with "failure to proceed with determination against countries which support and give shelter to terrorists."

In a final resolution, the ZOA delegates stated their support of Leon Dulzin for the chairmanship of the World Zionist Organization and Jewish Agency Executives.

### **SEE SETBACK TO ARAB BOYCOTT**

TEL AVIV, Oct. 6 (JTA)--The large turn-out of buyers and industrialists from foreign countries at Israel's metals week exhibition that opened here today indicated more than anything else that the Arab boycott of Israel is approaching bankruptcy, observers here noted. Minister of Commerce and Industry Haim Barlev, who attended the opening, stressed that Israel Aircraft Industries and others that manufacture or assemble or process metal components attract buyers from near and far.

One industrialist attending the exhibit is J.R. Harvey, operations vice-president of Babcock & Wilcox, the American manufacturer of power generating equipment that is building a coal-fired power station near Hadéra. Babcock & Wilcox is one of three major American firms that have submitted bids to build Israel's first nuclear power station.

### **ECONOMIST URGES AMERICANS TO CONSIDER U.S. AID TO ISRAEL NOT AS FOREIGN AID BUT PART OF U.S. GLOBAL DEFENSE**

By David Friedman

NEW YORK, Oct. 6 (JTA)--A leading Israeli economist today urged Americans to consider United States aid to Israel not as foreign aid but part of the American global defense budget. The

economist, Dr. Haim Ben-Shahar, president of Tel Aviv University, said that Israelis are growing concerned about the attitude of some Americans who ask why the U.S. government should aid Israel financially when it is not helping New York City. He said two-thirds of Israel's \$3.6 billion balance of payments deficit is due to defense costs.

He explained that if there were no outside influences on the Arab-Israeli conflict Israel would be able to meet its own defense needs. But since the Soviet Union is arming the Arabs, the Mideast conflict is part of a global conflict and help to Israel aids America's global defense strategy.

Dr. Ben-Shahar's remarks were made at a press conference at the office of the American Friends of Tel Aviv University here. He said he is making his first visit to the U.S. in order to increase ties with scholars here and Tel Aviv University.

Dr. Ben-Shahar, who was head of a committee which proposed reforms of Israel's tax system which are now being put into effect, said that in 1972 Israel's deficit was \$1.2 billion. He said it rose to \$3.6 billion since the Yom Kippur War and will go up another half billion to meet the cost of importing oil to replace the petroleum formerly received from the Abu Rodels oilfields in the Sinai which Israel is returning to Egypt.

#### Israel Improving Its Own Situation

However, the Israeli economist noted that Israel was doing much on its own to improve the economic situation. He said non-defense spending has been cut drastically; there have been four tax increases since the Yom Kippur War and the Pound has been devalued since last November when it was valued at IL 4.20 to the dollar to the present rate of IL 7 to the dollar. He said this belt-tightening process is not yet completed.

Dr. Ben-Shahar said the major aim of these efforts--which he said are supported by the public--is to increase exports and foreign investment in Israel. He said Israel is presently planning to liberalize its already liberal foreign investment law and is carrying on a campaign abroad to interest foreign investors. He said one of the major proposed investments for foreign companies is in science-based industries since Israel has a high number of skilled scientists.

The interim agreement, according to Dr. Ben-Shahar, may provide opportunities for Israel and the Arab countries to cooperate on economic projects for their mutual benefit. He said this could be done on an informal basis rather than through formal treaties. He said one project being raised by an independent group of Israeli economists is a canal from Haifa to Jordan where Jordan could build its own port for exporting Jordanian products. He said this project would also provide hydroelectric power for Israel.

#### Working On Energy Needs

As for Israel's energy needs, Dr. Ben-Shahar said Israel was working on means of harnessing solar energy and was also prospecting for oil within its own borders. Dr. Ben-Shahar, who has recently been studying the policies of the Organization of Petroleum Exporting Countries (OPEC), said that it is OPEC's short-range benefit to increase oil prices but in the long run

this will speed up the search for alternative means of energy.

Dr. Ben-Shahar said the tax reform proposed by the special committee which he headed will be introduced in stages during a two to three-year period. He said despite the complaints of some groups it will not be watered down by the government because it has been accepted by all segments of the society.

#### EXPLOSIVES FOUND AT BEN GURION AIRPORT

By Yitzhak Shargil

TEL AVIV, Oct. 6 (JTA)--The discovery of about a half kilo of explosives and two electric detonators in the false bottom of a suitcase left behind by an unknown traveller put Ben Gurion Airport on the alert today and set off an intensive investigation by police and security officials to trace the owner of the suitcase. The discovery coincided with a security drill at the airport which closed down the terminal for several hours today.

The suitcase, which contained no identification or markings, was noticed by porters on one of the terminal's conveyor belts after all the other luggage had been picked up. It was removed to a safe place where police discovered the explosives and detonators in a cardboard double bottom. Police officials speculated that the carrier abandoned the suitcase after noting the thorough inspection given by customs and security officials to the baggage of incoming passengers. Another assumption was that the suitcase was intended for delivery to an unknown hostile group in Israel.

The police have lists of all passengers who landed at Ben Gurion Airport yesterday and today and are trying to locate them for questioning. But the owner of the suitcase is believed to have entered the country on a false passport and the chances of tracing that person are slim. The security drill, which took place as scheduled, simulated potential situations arising from bombings or explosions inside the airport area. Air Force Phantom jets participated in the exercise.

Meanwhile, a lull in the civil strife in Lebanon brought a renewal of terrorist activity along Israel's northern border. An Israeli patrol came under bazooka and small arms fire near Manara last night. The fire was returned. There were no Israeli casualties. The incident was the first near the Lebanese border in nine days.

#### LABOR CIRCLES SAY ALMOGI'S ELECTION IS A VIRTUAL CERTAINTY

By David Landau

JERUSALEM, Oct. 6 (JTA)--Labor Party circles claimed today that the election of Haifa Mayor Yosef Almogi to the chairmanship of the World Zionist Organization was a virtual certainty. Although the Labor Party Leadership Bureau so far has not formally endorsed Almogi as a candidate, it is expected to do so at a meeting later this week.

Meanwhile, the Laborites said they have been assured of sufficient support in the 110-member Zionist General Council to guarantee Almogi's election when the Council meets in January. They said that in that case, his election to the chairmanship of the Jewish Agency Executive would follow automatically when the Jewish Agency General Assembly convenes next summer.

Observers here believe that the election of Almogi, who faces strong opposition from Jewish Agency treasurer and acting chairman Leon Dulzin, would hinge on the votes of the World Confederation of General Zionists and the Mizrahi. Premier Yitzhak Rabin met with Confederation

leaders here last night, among them Mrs. Charlotte Jacobson and Ezra Shapiro. No details of the meeting were disclosed, but the participants did not deny that the chairmanship of the Jewish Agency and WZO, vacant since the death of Pinhas Sapir last August, was discussed.

The breakdown of votes in the Zionist General Council is as follows: Labor 32; Mapam 7; Zionist Confederation, 20; Mizrahi, 18; World Union of General Zionists, 16; Herut, 10; Independent Liberals, 3; WZO, 4. The Reform movement will formally join the WZO at the January meeting of the Zionist General Council but will have no vote on internal issues.

# **PROTRACTED SENATE DEBATE SEEN ON U.S. PRESENCE IN SINAI**

By Joseph Polakoff

WASHINGTON, Oct. 6 (JTA)--Protracted Senate debate before it votes on the Administration's assignment of 200 American civilian technicians to monitor surveillance posts in Sinai appeared likely today in a move by a small number of Senators to thwart the agreements reached by Secretary of State Henry A. Kissinger with both Egypt and Israel, but particularly with Israel.

At the first session of extended open hearings before the Senate Foreign Relations Committee, a group of vocal opponents of the step-by-step diplomacy practiced in the Middle East by Kissinger and elements hostile toward Israel and partisan to the Palestinians, fought quick approval of the American presence in Sinai.

One prominent member of the committee, noting the possibility of a filibuster, told the Jewish Telegraphic Agency that "Any Senator can start a filibuster but cloture will be invoked to stop it. The votes are there."

Three Democratic Senators were in the vanguard of demands that the Administration's assurances and undertakings in its four agreements with Egypt and Israel be associated with the technicians and be considered formal treaties by the U.S. that would require approval by two-thirds of the Senate. The Senators were Richard Clark of Iowa and James Biden, of Delaware, both members of the committee, and James Abourezk of South Dakota, who is not a member of the Foreign Relations Committee.

## **'A Giant Step Back'**

Abourezk led off a parade of witnesses opposed to the American presence which included representatives of Arab-American associations, Jewish groups apart from the established American-Jewish organizations and the right-wing Liberty Lobby. He charged in his testimony that the Administration is "paying" Israel directly "with arms" and the Arabs with "higher oil prices."

Abourezk stressed that the agreement on technicians "is a treaty no matter what label is put on it" and that the Sinai accord, as a whole, represents "a giant step back" from an overall settlement because it separates Egypt from the other Arab states. He contended that all the Arab states and the Palestinians must be included in any agreement. When Abourezk spoke at length about the Palestinians and hurled charges against Israel, he was reminded by committee chairman Sen. John Sparkman (D, Ala.), that the purpose of the hearings concerned the 200 technicians.

Sens. Frank Church (D, Ida.), Clifford Case

(R, N.J.), and Charles Percy (R, Ill.) were among several Senators who took issue with Abourezk. Percy referred to Israeli Foreign Minister Yigal Allon's speech to the United Nations General Assembly last week which, he said, showed that Israel is "fully alive to the problem" of the Palestinians.

## **Fears Mideast Arms Race**

Another prominent witness today was former Undersecretary of State George Ball who said that while he did not favor a vote against the technicians because that would destroy the Israeli-Egyptian accord, he felt that step-by-step diplomacy was leading to an arms race in the Middle East and a U.S.-Soviet confrontation there. Ball demanded that the Administration establish an "objective and independent position with regard to the terms" of an overall settlement and said the U.S. should assert "its declaration of independence from Israel."

Jacob K. Javits (R, N.Y.), a member of the Foreign Relations Committee, contradicted Ball's contention that it was important how either Israel or Egypt interpreted U.S. undertakings. "I don't care how Jerusalem and Cairo interpret them. Congress is the only power to determine what we will do," Javits said.

## **GOLDMANN: NO MIDEAST PEACE WITHOUT PARTICIPATION OF USSR**

JERUSALEM, Oct. 6 (JTA)--Dr. Nahum Goldmann, president of the World Jewish Congress, said yesterday that there could be no peace in the Middle East without Soviet participation in the process. "I am sure they (the Russians) want peace but they will not allow a Pax Americana and without Soviet participation in the negotiations, war might be resumed in a year or even a half a year," the world Jewish leader told a press conference here.

Dr. Goldmann said he was disengaging himself from public Jewish functions because "they begin to bore me." Nevertheless, he expressed his views on a variety of subjects. With regard to the new Israeli-Egyptian interim accord in Sinai, he said, "I am against the Kissinger step-by-step policy, but time won is still time gained." He said he did not believe that Egyptian President Anwar Sadat "would never resort to force, but I do believe him that he would agree to a genuine peace if Israel withdrew from all Arab territories except Jerusalem. The Arabs recognize the special problem with Jerusalem."

The WJC leader despaired of the future of South American Jewry because "there is no leadership. The Zionist parties are ineffective and there is a growing South American Jewish youth which disengages itself from Judaism and Zionism but could be very important."

Dr. Goldmann said he was "not at all confident" that an agreement will be reached with West Germany for the payment of some 600 million Marks to Holocaust victims who have not received compensation until now. As for the anti-Zionist resolutions expected to be introduced this week in the United Nations General Assembly's Third Committee, Goldmann declared, "This is a new form of anti-Semitism."

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NEW YORK (JTA)--The appeal of Soviet Jewish activist Lev Roitburd will be heard Oct. 16 before the highest division of the Odessa regional court, it was reported Monday by the National Conference on Soviet Jewry.

**SPECIAL INTERVIEW****LAUTENBERG: U.S. JEWRY SHOWED ITS METTLE THROUGH CRITICAL PERIOD**

By David Landau

JERUSALEM, Oct. 6 (JTA)--American Jewry has demonstrated its devotion to Israel through a critical period for the American economy which is now hopefully coming to an end, Frank R. Lautenberg, United Jewish Appeal general chairman, said here this weekend. In an exclusive interview with JTA, Lautenberg, here to attend the Jewish Agency Board of Governors meeting and to lead the annual UJA Study Mission for a week beginning Oct. 8, noted that the 1975 campaign had produced the second-highest cash figures and second-highest pledge total ever.

The record year was 1973-74, the year of the Yom Kippur War campaign. But this year, though there was no war and despite the "liquidity crunch" which many American contributors felt in their business affairs, the UJA had achieved most satisfactory returns, Lautenberg said.

In part, the success may have been due, Lautenberg felt, to the very deep concern felt by many American Jews over the political-diplomatic struggle that Israel has been and is still waging. There is real and widespread anxiety for Israel's ability to face the concerted political strength and economic influence of the Arab bloc and their supporters, the UJA chairman said.

The UJA, for its part, must constantly drive home the message to its contributors that despite the sums in aid that Israel hopes to receive from the U.S. government, its social and educational needs remain the burden of the Jewish Agency, which is funded by UJA and United Israel Appeal moneys. The U.S. government money, Lautenberg stressed, is very largely earmarked for military spending. Moreover, the aid sums, he said, reflect rising prices (especially for sophisticated military hardware) more than a growing appetite on Israel's part.

**Looking Ahead With Confidence**

Looking ahead to the new campaign, Lautenberg spoke with confidence. The first promising sign was the Premier's Mission here last month, whose members' pledges showed a 15 percent rise over last year. The second campaign kick-off--the Study Mission--begins today its intensive eight-day program which includes visits by air to the Sinai and Syrian front lines and briefings from top government officials, Jewish Agency leaders and army commanders.

The basic criterion for participation in this prestigious mission, Lautenberg explained, is a \$20,000-plus contribution. But this is not the only qualification. The mission organizers approach each community looking for big givers who are also actively and intimately involved in the campaign and can influence others to give likewise, he said.

The aim of the mission, then, Lautenberg explained, is to stimulate the member to give, and to stimulate his ability "to ask others, with conviction and without embarrassment, to give likewise." The mission will number some 120 couples drawn from all over the U.S. Members pay their own way. Some will have attended previous study missions, but a significant number will be new.

**UJA's Record Envied**

Reviewing his UJA experience, Lautenberg said he is sometimes frankly embarrassed by reactions of Gentile acquaintances to UJA's record. "Usually, they simply do not believe you," he said. Beneath the disbelief, he sometimes detects envy and even resentment. Jewish criteria of charity ("giving till it hurts," is how Lautenberg expressed it) are not common among most Gentiles. In the wider world a \$8000 donation is considered a major effort drawing warm praise.

UJA is often approached by other ethnic or other groups for know-how and advice on fund-raising, Lautenberg noted. "But they don't understand that with us it is not just a matter of technique. It is a matter of Jewish commitment--which goes far beyond the UJA per se, in time, in place and in the Jewish tradition."

**DEFENSE DEPARTMENT TOLD TO PROVIDE EQUAL OPPORTUNITY PROTECTION TO AMERICANS IN U.S.-SAUDI PROJECT**

WASHINGTON, Oct. 6 (JTA)--Senators Frank Church (D,Ida.) and Clifford Case (R,NJ) have made public their demand to the Defense Department of equal opportunity protection to Americans in the \$1.45 billion contract between the United States and Saudi Arabia. The giant project, under the Foreign Military Sales Act, includes planning, design and construction work for two brigades of Saudi Arabian forces in Saudi Arabia.

In a letter to Defense Secretary James R. Schlesinger, the Senators said that they "must obtain assurances" that the contracts in Saudi Arabia "conform in every way to the department's equal opportunity policy." Church is chairman and Case is ranking minority member of the Senate Foreign Relations subcommittee on multi-national corporations.

The subcommittee held hearings last February on the Arab boycott and discriminatory practices by the U.S. Army Corps of Engineers in administering construction in Saudi Arabia. Discrimination against Jewish Americans prevented them from working on the projects, it was acknowledged at the hearings by the army engineers. The Senate has 20 days to act on the contract which was submitted to it two weeks ago for action.

**100 DEMONSTRATORS ARRESTED**

WASHINGTON, Oct. 6 (JTA)--A six-hour rally yesterday by some 600 Jewish activists who protested against what they termed the pressure exercised against Israel by President Ford and Secretary of State Henry A. Kissinger ended with the arrest of more than 100 demonstrators. The rally, organized by the Conference of Presidents of Major American Jewish Activist Organizations, an ad hoc group which also opposes the official Jewish organizations, was held in front of the White House.

Among those arrested were 15 persons who handcuffed themselves to the White House fence, according to United States Park Police. Most of the arrests were made, the police said, when the protesters refused to disperse after their permit expired. A spokesman for the Jewish group said the protest was to let Ford and Kissinger know that the official Jewish organizations do not represent "the grass roots Jewish community." He added that the protesters were opposed to the Administration's policy of pressuring Israel "to abandon territory without any concessions in return."