



# daily news bulletin

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## SCRANTON SAYS JEWISH SETTLEMENTS IN OCCUPIED AREAS ARE AN OBSTACLE TO PEACE NEGOTIATIONS IN THE MIDEAST By David Friedman

UNITED NATIONS, March 24 (JTA)--William Scranton, the new United States Ambassador to the United Nations, said yesterday that Jewish settlements in Israeli-occupied territories were an obstacle to negotiations for peace in the Middle East.

Scranton's statement, his first major address at the UN, was made during the second day of the Security-Council meeting on the turmoil in the West Bank and East Jerusalem. Although he stressed that he was restating long-term United States policy, this was the first time the U.S. had publicly stated at the UN any objections to Jewish settlement in the occupied territories.

Some observers saw this as a shift in U.S. policy, if not in substance then at least in tone. It was recalled that when Scranton presented his credentials last Friday to Secretary General Kurt Waldheim he told a press conference afterwards that the U.S. wanted to work well with the Arab countries. "I think you will find I am very open and ready to work with the Arab countries, as I have always been," he said. The Israeli Mission to the UN had no comment on Scranton's statement last night. (See separate stories on reactions from Israel and the White House.)

Quoting from the Geneva Convention, Scranton said: "Clearly then, substantial resettlement of the Israeli civilian population in occupied territories, including East Jerusalem, is illegal under the convention and cannot be considered to have prejudiced the outcome of future negotiations between the parties on the location of the borders of states in the Middle East.

"Indeed, the presence of these settlements is seen by my government as an obstacle to the success of the negotiations for a just and final peace between Israel and its neighbors," Scranton, in criticizing the settlements in occupied territories, said "Unilateral acts have been taken that inflame the public."

### Defends Israel On Holy Places

However, Scranton rejected charges by the Arabs of religious discrimination by Israel on the West Bank and in Jerusalem. "Israel's punctilious administration of the holy places in Jerusalem has greatly minimized the tensions," he said. "We are gratified that the Supreme Court of Israel has upheld the Israeli government's position" against allowing Jewish prayer on the Temple Mount.

On the question of Jerusalem, Scranton declared: "The United States position could not be clearer. Since 1967 we have restated here...and to the government of Israel that the future of Jerusalem will be determined only through the instruments of negotiation, agreement and accommodation. Unilateral attempts to predetermine that future have no standing."

No formal resolution has been introduced to the Security Council which is scheduled to continue its debate today and possibly tomorrow. But a tentative resolution has been circulated

privately calling for an end to Israel "oppression" of Arabs in the occupied territory, demanding Israel prevent "desecration" of holy places and make no changes in the legal status of Jerusalem.

Meanwhile, the Security Council, at Israel's request, is circulating as an official UN document the report of the Jerusalem Committee, an international advisory group of religious leaders, scholars, architects and planners, which met last December and praised Israel's administration of Jerusalem.

### WHITE HOUSE DENIES SCRANTON'S STATEMENT IS CHANGE IN U.S. POLICY

WASHINGTON, March 24 (JTA)--The White House insisted today that the United States statement at the Security Council yesterday condemning settlements by Israel in occupied territories does not represent a change in the American policy. Presidential news secretary Ron Nessen said that U.S. Ambassador William Scranton's remarks regarding the settlements were "a restatement of policy" made by former U.S. Ambassadors to the UN Arthur Goldberg in 1968, Charles Yost in 1969 and George Bush in 1971.

Nessen said they were "among others" who have said the settlements are "not helpful to a peace settlement." Asked why Scranton made his statement after apparently five years of silence by Administration leaders, Nessen said it was because Scranton is taking part in the Security Council debate.

Asked whether Scranton's statements that the settlements are "illegal" have always been official American policy, Nessen said that he would have to check the record before answering that. He said that Scranton's "language was somewhat more restrained than those on other public occasions."

### ISRAEL UNHAPPY WITH SCRANTON

JERUSALEM, March 24 (JTA)--Israeli government officials let it be known unofficially today that they were unhappy over U.S. Ambassador William Scranton's statement at the United Nations Security Council meeting last night that the U.S. regarded Jewish settlements in the administered territories as an obstacle to peace negotiations.

The government had no immediate official reaction to Scranton's speech in which he also was critical of Israeli settlement policies in East Jerusalem. But observers here said the speech marked a clear change of attitude by the United States toward Israel and they said Israel was seeking "clarification."

Israeli newspapers were less reticent. Maariv said Scranton's comment that the U.S. did not recognize Israel's annexation of East Jerusalem constituted "an open conflict" between the two countries. Yediot Achronot called the speech "anti-Israel from A to Z in spite" of Scranton's "promise to follow through in the footsteps" of his predecessor, Daniel P. Moynihan. The astonished reaction to the Scranton speech was seen as stemming in part from the statements by Moynihan as ambassador which had been considered much more pro-Israel.

**WEST BANK QUIETING DOWN**

By Yitzhak Shargil

TEL AVIV, March 24 (JTA)--The West Bank has been quiet for the past 24 hours, except for minor incidents in Hebron yesterday. Some West Bank mayors who resigned during the past three weeks, are trying to strike a bargain with Israeli authorities. Haj Maazouz el-Masrihmet, the Mayor of Nablus, the largest West Bank town, reportedly offered to withdraw his resignation if Israeli military forces are thinned out and the curfews in Ramallah and El Bireh are lifted. But the Military Governor reportedly insisted that the mayor withdraw his resignation, with no preconditions.

Shops in Nablus have remained closed for five straight days. The mayor said he might be able to persuade the merchants to re-open. The mayor of Jenin, who also resigned last week, is promising to restore normal life and order in that town. Some Israeli troops have been withdrawn.

**Jordan Seeks To Cool Situation**

There were indications, meanwhile, that Jordan is as interested as Israel in ending the wave of disturbances and demonstrations on the West Bank. Amman's motives coincide at least in part with those of Israel--to check the influence of the Palestine Liberation Organization. Jordanian authorities have called on West Bank leaders loyal to King Hussein to try to cool the situation as the date for West Bank municipal elections approaches.

West Bankers will go to the polls April 12 to elect mayors and town councilmen in accordance with Jordanian laws which have been retained by the Israeli administration. Both Israelis and Jordanians have a stake in the election of moderates and a diminution of PLO influence. Israel's Ambassador to the UN, Chaim Herzog, charged in the Security Council this week that the West Bank disturbances were fomented by the PLO with the aim of forcing postponement or cancellation of the local elections.

**MEXICO DELEGATION DUE IN ISRAEL**

JERUSALEM, March 24 (JTA)--A 40-member delegation from Mexico is expected here at the end of the month for talks on implementing various projects aimed at strengthening economic and commercial ties between Mexico and Israel, it was announced here today. The projects were initiated during Foreign Minister Yigal Allon's recent visit to Mexico. Allon will receive the delegation which also will meet with Minister of Commerce and Industry Haim Barlev. The group will be headed by Mexican President Luis Echeverria's advisor for chemicals and agriculture and will include the director generals of Mexico's two major chemical manufacturers.

**CABINET APPROVES CHARTER FLIGHTS ON A THREE-MONTH TRIAL BASIS**

By David Landau

JERUSALEM, March 24 (JTA)--The Cabinet's approval of charter flights to Israel on a three-month trial basis was hailed by Minister of Tourism Moshe Kol as a shot in the arm for Israel's tourism industry. It was bitterly opposed by El Al, the national carrier and by Transport Minister Gad Yaacobi, but in the end they were forced to accept the inevitable. Kol and

Yaacobi will set up a joint committee to implement the Cabinet's decision.

The Cabinet, at its meeting last Sunday, acted on the recommendations of the Ministry of Tourism supported by a study conducted by a special panel headed by Meir Heth, a senior official of the Bank of Israel. The Heth committee proposed an easing of restrictions on charter flights which hitherto have been limited to religious pilgrims and tourists from the Scandinavian countries. Under the new ruling charter flights will now be permitted in the following categories:

From the U.S. West Coast (not served by El Al) to Israel; from West Germany, excluding Frankfurt (a city served by El Al); incentive tours (a form of bonus some companies award their employees for outstanding performance); for U.S. and Canadian service personnel stationed anywhere in Europe and in Turkey; and for special events such as conventions and sports contests held in Israel.

In each case, the charter will require special approval from the ministries of tourism and transportation. The ban on charters will remain in effect for flights between Canada and Israel, apparently because of opposition both from El Al and Canadian Pacific Airlines which have a joint agreement.

El Al's managing director, Mordechai Ben-Ari, told newsmen that the extended charters would hurt El Al because charter fares are considerably lower than fares on regular flights. However, he said, his company would demand "at least 50 percent" of the charter traffic under the new rules. He said El Al would not have to set up a special subsidiary to operate charter flights because the regulations of the International Air Transport Association (IATA) permits national carriers to operate them.

**SETTLEMENT PROJECTS OUTLINED**

JERUSALEM, March 24 (JTA)--The World Zionist Organization Executive heard details today of large-scale settlement projects all over Israel in the next four years. Prof. Ra'anan Weiz, head of the WZO's settlement department, disclosed plans for 37 new rural settlements to be completed between now and 1978, providing for a population of 44,000 families. He also proposed 176 new settlements in northern and southern Israel to be built by the end of the decade.

The WZO Executive will present the plans to the Jewish Agency Assembly when it convenes here in June with the recommendation that it be submitted for approval to the World Zionist Congress next January. The settlement projects were described by WZO Executive members as a great challenge to the younger generation of Israelis and an incentive for aliya.

**GUSH EMUNIM SETTLERS INAUGURATE VILLAGE NEAR ARMY CAMP AT KADUM**

By Yitzhak Shargil

TEL AVIV, March 24 (JTA)--A group of about 100 Gush Emunim settlers formally inaugurated a makeshift village of prefabricated huts and trailer homes about 100 yards from the army camp at Kadum in the Samaria region yesterday and petitioned Premier Yitzhak Rabin to recognize it as a permanent settlement. The petition was signed by the Kadum settlers and hundreds of their supporters who came to the hilly site yesterday to celebrate the occasion.

The news media was officially banned but some reporters and cameramen managed to get through

the army cordons to witness the festivities. The press ban was indicative of the government's extreme sensitivity on the matter. The Kadum settlement is one of the issues that touched off three weeks of violent disturbances and demonstrations by Arabs throughout the West Bank and in East Jerusalem.

It figures in the bitter debate now underway in the UN Security Council on the West Bank situation. Moreover, it is a matter that is polarizing opinion in Israel and subjecting Rabin's government to bitter criticism from both supporters and opponents of the Gush Emunim.

The former demand a policy of free settlement for Jews anywhere on the West Bank. The latter, including former Foreign Minister Abba Eban and many incumbent Cabinet ministers, feel the government has failed to crack down on the illegal settlers whose presence on the West Bank is in direct defiance of national policy.

Tourism Minister Moshe Kol, leader of the Independent Liberal Party, declared yesterday that the Kadum settlers were rebels who were flouting the government's authority. Kol spoke at the inauguration of a new settlement on the Golan Heights sponsored by the ILP.

The Kadum settlers came to the Samaria region as squatters last November. The government reluctant to order troops to remove them by force, struck a bargain with the militant Orthodox Gush Emunim whereby 30 families were allowed to remain within the bounds of the Kadum military camp. Subsequently, they were permitted to settle outside the camp's perimeter on land controlled by the army.

#### WORK ON FOREIGN AID CONTINUES

WASHINGTON, March 24 (JTA)--A Senate-House conference committee will meet next week to settle differences in legislation adopted by the two chambers on appropriations for the foreign aid program for the current fiscal year that ends in three months. A principal difference is funding for the transitional quarter between the current fiscal year ending June 30 and the new fiscal year beginning Oct. 1.

The Senate yesterday, in adopting the \$5.3 billion program by a 53-31 vote, included provisions to allocate one-quarter of the House bill appropriations for Israel, Egypt, Syria and Jordan for the transitional quarter. The House, however, did not approve any funds for this period, largely as a result of the Administration's failure to request them.

Another Senate-House conference group will meet tomorrow for its third session on the authorization bill that sets the policy and financial ceilings for the programs. Since both chambers have authorized funding for the transitional quarter at the 25 percent rate, this committee does not face that problem. Both authorization and appropriations bills, after being approved by the committees, must be returned to the two chambers for votes and the President must sign both for the program to become law.

Sen. Daniel Inouye (D-Hawaii), chairman of the Senate subcommittee who steered the appropriations bill through its various steps, blamed the Administration's failure to submit to Congress its security assistance program until the fiscal year was nearly half over for the delay in the enactment process. The Administration was to have presented the program a year ago but waited until now because in the six-month interim it was engaged in its "reassessment" of the Middle

East and acted only after the second interim Sinai agreement was concluded last September.

In asking Senate approval of the allocations, Inouye noted that "the fragile economies of the four principal recipients of security assistance funds are straining under an awesome array of financial problems." He said that "if peace is to have a prospect in the Middle East, Israel's economic burden must be relieved and Egypt, Jordan and Syria must have an even chance to share in a growing prosperity."

#### Peril Of Israel's Security Situation

Explaining why he opposed the Administration's abstinence on transitional quarter funding, Inouye said: "The continuing peril of Israel's security situation caused the committee to reconsider the Administration's request for transitional quarter funding of the military credit sales program. We are not convinced that Israel's present strength is sufficient to warrant the suspension of the sales program during the interim funding period." He continued: "Other nations in the Middle East continue to have access to the most sophisticated modern weaponry. We see no reason to deny the same opportunity to Israel."

#### GSA URGED TO END U.S. LEASE ON BUILDING PURCHASED BY KUWAIT

WASHINGTON, March 24 (JTA)--Rep. Richard L. Ottinger (D,NY) has called on the General Services Administration to "immediately terminate" a U.S. lease on a 12-story building in Washington purchased by the government of Kuwait.

Ottinger also asked Secretary of State Henry A. Kissinger to assist the GSA's administrator, Jack Eckardt, to end the 18-year contract at \$2.3 million each year from "a foreign government which actively discriminates against American citizens in clear violation of federal policy and law."

In announcing his protests, Ottinger said today he was referring to "Kuwait's active participation in the Arab boycott of more than 1,500 American firms doing business with Israel."

The government of Kuwait purchased the building near the State Department March 3 for \$22 million. Under its lease, the GSA is committed to paying the Kuwaitis at least \$4 million in rentals, Ottinger said. Seven federal agencies, including the Equal Employment Opportunity Commission, the National Endowment for the Arts, the American Revolution Bicentennial Commission, use the building.

In his letter to Kissinger, Ottinger said he realized certain legal and foreign policy implications might arise from the termination of the lease. "Under no circumstances, however," Ottinger wrote, "should the federal government rent a property of this size from a government which discriminates against many of the very taxpayers who help pay for the rental." \* \* \*

JERUSALEM (JTA)--Margaret Thatcher, leader of Britain's Conservative Party, replied with an emphatic "never" when she was asked at a press conference here if she considered meeting with any leaders or representatives of the Palestine Liberation Organization. She made a clear distinction, however, between the PLO and Palestinian leaders. \* \* \*

MONTREAL (JTA)--A 16,000-member security force will be deployed at the Montreal Olympics opening July 17 to guard against a repetition of the 1972 Munich tragedy.

**BEHIND THE HEADLINES****JEWISH COMMUNITY OF LEIPZIG**

By Jon Fedler

LEIPZIG, E. Germany, March 24 (JTA)--Leipzig, birthplace of Goethe and Bach, and the leading East European trading center, is also the home of one of the world's strangest Jewish communities. Before World War II, the 18,000-strong Jewish community played a leading part in the city's cultural and economic life. Today, with 14,000 killed in concentration camps and many survivors emigrated to the U.S. or Israel, only 79 Jews still live here. More than half are in their sixties. There are only four children.

From this point of view, Leipzig is not much different from East Berlin--where there has been only one Bar Mitzvah among the 400 registered Jews in the last 10 years--or other East German cities. Without a permanent rabbi or cantor (there are none left in the German Democratic Republic) services can be held only on High Holy Days, with the aid of a cantor from Budapest and a choir composed of Christians.

Mrs. Ella Rosenbaum, one of the community's members, sees no anomaly in the use of a non-Jewish choir in the synagogue--the only synagogue in present day East Germany that was not destroyed in the 1938 "Kristallnacht." "Many of them speak better Hebrew than our Jewish members, and they sometimes give public performances of traditional Jewish songs," she says proudly.

The synagogue, converted by the Nazis into a soap factory, was restored after the war. For its upkeep, and that of two Jewish cemeteries, the government in East Berlin contributes \$12,000 annually. Indeed, unlike big brother in Moscow, the GDR seems to treat its Jewish citizens fairly generously.

**Surprising Degree Of Freedom**

Though official policy is to eliminate privately-owned shops, a number of Jews in Leipzig have been allowed to retain trading licenses. Those East Germans--Jewish or gentile--who spent time in Nazi concentration camps are entitled to a special pension of about \$400 monthly. This is higher than the average East German workers' monthly pay check and substantially higher than the normal pension.

Those registered as "Victims of Fascist Persecution" (former camp inmates) are also entitled to free travel within the GDR. "We certainly don't lack anything," says Mrs. Rosenbaum, a widow, who lives alone in a spacious three-room apartment surrounded by pictures of her parents and children who died in Buchenwald.

Jews in the GDR are allowed to publish their own monthly news sheet, with a Star of David on the cover. On High Holy Days services in Leipzig's synagogue are conducted by the cantor from Budapest. On Passover, the community meets after the service for dinner at a local hotel, enjoying matzos and kosher wine from Hungary.

This freedom to pursue their religion has, however, its price. Although there are at least two Jews in the East German Communist Party's Politburo, the East German government supports the PLO. Foreign Trade Minister Gunter Soelle made a point of visiting a PLO handicrafts stand at this year's Leipzig fair.

Because of this, the Jewish population--whether out of necessity or out of conviction--is hard to tell which--officially maintains a "neutral" policy towards Israel. Though pensioners have

the right to travel abroad, few elderly Jews would risk applying for a visa to visit Israel. Asked why a leader of the Jewish community had attacked the recent World Conference on Soviet Jewry held in Brussels, Mrs. Rosenbaum said, "He had no choice. We are expected to take a stand."

There is "no discrimination" against Jews wishing to enter the civil service or professions, "as long as they are card-carrying Communists," she added.

Even though it is "neutral" towards Israel, and is full of praise for the authorities, one still detects a certain nervousness. One community leader I spoke to, refused to answer any questions by telephone. However, in fairness, one must add that this is a precaution adopted by many East Germans. In short, the Jews of East Germany enjoy a surprising degree of freedom, but it is by no means unlimited.

**KAHANE DEMANDS ISRAEL PUT HIM ON TRIAL FOR HIS ARAB EMIGRATION PLAN**

JERUSALEM, March 24 (JTA)--The Jewish Defense League reported today that Rabbi Meir Kahane, founder of the JDL, demanded yesterday in Jerusalem to be put on trial immediately on charges filed against him in 1973 by the Israel government after he called for voluntary emigration of Israeli Arabs and sent letters to more than 3000 Israeli Arabs explaining it to them and urging them to accept his plan.

The JDL here stated that "despite the fact that a large number of Arabs accepted the idea," Kahane was charged with "incitement to rebellion" and indicted. His trial, they added, has been in limbo since he was imprisoned in the U.S. for more than a year.

The JDL reported that Kahane, who returned to Israel last month after he was ejected from the Second World Conference on Soviet Jewry in Brussels, called yesterday for Israeli "courage and initiative" in enforcing a Jewish-Arab exchange of populations that would see the emigration of the vast majority of Israel's Arabs. He said the hostility and hatred of Arabs toward Israel is an "insoluble problem" and that Israel's own Arabs pose "the greatest danger possible to the very existence of Israel." The only solution, he said, was Arab emigration from Israel.

Claiming that the events of the past few weeks on the West Bank and in Israel "prove that I was more than correct," Kahane warned that unless his emigration plan is put into effect Israel "will suffer another Northern Ireland or Cyprus." He noted that the departure of Arabs from Israel "will be an exchange of population similar to that which took place between Greece and Turkey in the 1920s and between India and Pakistan in 1947." He also demanded that the Israel government "expel all Arabs involved in treasonous or violent actions against Jewish sovereignty."

According to the JDL, Kahane called "for an immediate convening of my trial" to "indict the government of Israel for blindness, weakness and stupidity in regard to the Arab problem" and to reply to the "insane charge" of "incitement to revolution." He warned, the JDL reported, that "If after a certain time my trial is not resumed I will once again send out letters to Arabs urging emigration."

BUDAPEST (JTA)--The Jewish community here held a celebration for Geza Seifert, for 10 years the president of the community.