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REP. HOLTZMAN DEMANDS STRONG ANTI-BOYCOTT LAWS BECAUSE VOLUNTARY COMPLIANCE DOESN'T WORK

By Helen Silver

WASHINGTON, June 16 (JTA)--Rep. Elizabeth Holtzman (D.N.Y.) charged today that voluntary compliance with efforts to combat the Arab economic boycott against Israel has not worked and urged that Congress pass laws making it illegal for American firms to comply with boycott requests.

Testifying before the House International Relations Committee on amendments to the Export Administration Act, Holtzman noted the Act now states that the policy of the United States is to oppose boycotts against foreign countries that are friendly to the U.S. "But this non-mandatory 'policy statement' and the accompanying Commerce Department regulations have not significantly deterred participation by U.S. firms," she said. "Instead, we have watched the boycott of Israel expand into a powerful secondary boycott. Now American companies are subject to the boycott if they trade with black-listed firms, and it is rumored, if they employ persons who support Israel," for example Jews.

Holtzman said that since the non-mandatory policy has not worked, "Congress should enact legislation that prohibits firms from forwarding information about the race, religion, sex or national origin of the firm's employees, directors and shareholders. Companies should be flatly prohibited from participating in the boycott."

AJ Committee Official Testified

Holtzman noted that both New York and Maryland have adopted strong anti-boycott laws and as a result Arab trade reportedly may have moved to ports in other states. "New York should not suffer because it took steps to protect its citizens from discrimination," she declared. "Rather Congress should act now to establish a national policy against discrimination."

In testimony before the Committee last week, Lester S. Hyman, a member of the executive board of the Washington chapter of the American Jewish Committee, said the AJ Committee urges enactment of a comprehensive federal law to prohibit American compliance with the boycott. "The Arabs are testing the will of the United States," he said, "and, if they were to encounter a solid front of legal and moral resistance to their discriminatory restrictions, in all probability they would back down because they badly need what the United States has to offer--weapons, food, technology, educational and medical assistance."

FATAH SEEKING TO DRAW ISRAEL INTO LEBANON CONFLICT

By Yitzhak Shargil

TEL AVIV, June 16 (JTA)--Certain factors in Lebanon appear to be mounting an effort to draw Israel into the Lebanese conflict, an involvement they would expect to have a unifying effect on Moslems and Christian Arabs who would forget their own strife and close ranks against Israel. This became increasingly apparent today in a report from the El Fatah radio in Beirut claiming that Syrian forces have crossed the Litani River

in southern Lebanon. (See story P. 4)

Another report emanating from Beirut today placed the Syrians in Marj Ayoun, a Lebanese township just north of the Israeli town of Metuliah. All visual evidence attainable from the Israeli side of the line indicates that this report is completely false. Marj Ayoun, plainly visible from Israel, hardly resembles a captured town. Life went on according to the normal routine there last night and today. Farmers were out in their fields, shepherds were tending their flocks and civilian traffic was heavy as usual on Lebanese roads paralleling the Israeli border where many vehicles carried vegetable and fruit to village markets.

Southeastern Lebanon, in fact, appears to be the only peaceful region of that country and is still obviously in the hands of local Lebanese forces, leftists and El Fatah.

Israelis, meanwhile, were watching reports of the disappearance of the United States Ambassador to Lebanon, Francis Meloy, and Robert Waring, Economic Counselor at the U.S. Embassy, in Beirut today.

(A White House spokesman said late today that both officials were found dead in Beirut.)

HADASSAH DEDICATES \$7 MILLION MEDICAL PAVILION ON MT. SCOPUS

JERUSALEM, June 16 (JTA)--Hadassah dedicated the Daniel and Florence Guggenheim Rehabilitation Pavilion at its Mount Scopus Hospital yesterday. Among those present were Dr. Howard Rusk, of the Rusk Institute in New York, one of the world's leading authorities on rehabilitation, and hundreds of members of Hadassah, who came to Jerusalem especially for the occasion.

The pavilion, comprising the entire eastern wing of the hospital, has 60 beds, and is equipped with the latest and most sophisticated equipment needed to rehabilitate those afflicted by war, accident, stroke or other causes. The main donors of the \$7 million building are the members of the Guggenheim family of New York, who helped to build the original Mount Scopus Hospital, and 27,954 individual West German citizens, who contributed to a fund organized by Axel Springer, the German newspaper publisher, and the Jerusalem Foundation.

"The pavilion will serve patients, not only from Israel, but from Cyprus, Turkey, Iran and even from Arab countries officially at war with Israel," said Charlotte Jacobson, Hadassah building and development chairman, who presided at the dedication ceremony. Rusk, head of the Department of Rehabilitation Medicine at the New York University Medical Center, said that his department had always worked closely with the Hadassah department of rehabilitation. At present, four Israeli veterans who lost their arms were at his Institute, being fitted with artificial arms.

Springer, who was unable to attend, said in a message read by Jerusalem Mayor Teddy Kollek, that when he arrived in Israel during the 1973 Yom Kippur War, he saw the American planes unloading supplies and was ashamed that West Germany had not helped Israel during its hour of need. He said in touring the Sinai battlefields he saw many Israeli wounded, and was

"shaken, impressed and deeply moved." He told Kollek "that not only I, but many of my fellow countrymen, wanted to help to overcome the misery created by this war. He (Kollek) immediately suggested that we help the rehabilitation center."

Rose Matzkin, national president of Hadassah, compared the rehabilitation of the Mount Scopus Hospital, which was recovered in the Six-Day War in 1967 and reopened last year, to the rehabilitation of a man. Faye Schenk, national chairman of the Hadassah Medical Organization, introduced Prof. Alexander Magora, head of the Hadassah Rehabilitation Department, who trained under Rusk as a Rusk Fellow.

MKS OPPOSE EXTRADITION OF AMERICAN IMMIGRANT

By Gil Sedan

JERUSALEM, June 16 (JTA)--Coalition Knesset members of all political persuasions have expressed strong opposition to the extradition of Tuvya Schwartz, an immigrant from the United States who is wanted in California for the alleged fire-bombing of a car that belonged to the brother of a suspected Nazi war criminal. Justice Minister Haim Zadok told the Knesset today that he has returned California's extradition request to Sacramento because it was incomplete and has asked for supplementary information.

Schwartz, 23, was arrested in Los Angeles on Jan. 29, 1975, along with a friend, David Whitlaw. Both were accused of fire-bombing the car of John Artukovic, a San Francisco contractor, whose brother, Andrea Artukovic, is believed to have served as Interior Minister of the Nazi puppet state of Croatia during World War II. The latter is held responsible for mass deportations of Jews and others. Whitlaw was tried and sentenced to a prison term. Schwartz jumped bail the day after his arrest and fled to Israel where he has since married and joined the army. He is an Israeli citizen residing in Beersheba.

According to Israeli law, the courts must decide whether a person is extraditable. The Justice Minister, however, makes the decision as to whether to bring a case before the courts and has the authority to reverse the court's decision either for or against extradition. Several MKs urged Zadok today not to bring the Schwartz case to the courts. Avraham Melamed, of the National Religious Party, said that if Schwartz was returned to California, Israel would, in effect, be condemning itself for the 1961 kidnapping of Adolf Eichmann from Argentina. He said that while Israel is a state governed by law, its sensitivity to Nazi crimes allowed flexibility of the law. The act of which Schwartz was accused, was intended to remind the world of Nazi crimes, Melamed claimed.

Hillel Seidel, of the Independent Liberal Party, said Israel should extradite Schwartz only if the U.S. extradites to Israel some 75 Nazi war criminals who, according to Seidel, now freely live there. Halka Grossman, of Mapam, said it was paradoxical that the U.S. has refused to extradite Andrea Artukovic to Yugoslavia on grounds that he is wanted there for political crimes while the crime attributed to Schwartz was, if anything, also political.

LABORITES MUM ON REPORT DAYAN MIGHT QUIT PARTY

TEL AVIV, June 16 (JTA)--Labor Party leaders refused to comment today on reports that former Defense Minister Moshe Dayan said he would

quit the party and stand for election next year on an independent list if the Labor Party's platform includes a pledge for far-reaching territorial concessions. Dayan was supposed to have made that statement during a private meeting at his home last night with members of the National Religious Party's Lamineh section. Labor circles said that as long as Dayan did not confirm such a statement, they would not react.

The former defense chief reportedly took issue with Foreign Minister Yigal Allon's view that the Jordan Valley should be Israel's security border. Dayan is said to have insisted that Israel must retain the mountainous Samaritan highlands or it would be defenseless. He also said the Arabs did not accept the Allon plan.

The plan is under sharp scrutiny from Mapam and certain groups within the Labor Party. They want a clear statement in the Labor platform on withdrawals and on negotiations with the Palestinians. Mapam has asked the government to state its readiness to negotiate with any Palestinian factor that recognized Israel. The Labor Party's position so far has been no negotiations with the PLO under any circumstances. Mapam has said it would leave the Labor Alignment if it cannot live with the Labor Party's policies.

KNESSET REJECTS PROBE OF 'YERIDA' PROBLEM

JERUSALEM, June 16 (JTA)--A Knesset debate over "yerida"--Jewish emigration from Israel--bogged down in a bitter procedural wrangle late yesterday when the chamber rejected a Likud proposal for an official parliamentary investigation of the problem. The motion, by Menachem Beigin, was stricken from the agenda at the request of Labor Minister Moshe Baram who contended there was no reason for an inquiry commission.

Beigin, responding angrily, dragged territorial issues into the fray. He claimed that one of the causes of "yerida" was that love of Israel could not be taught if the teaching was accompanied by assertions that part of "Eretz Israel" belongs to another nation. Beigin conceded that economic considerations also played a part in decisions to leave Israel. He was opposed to legislating punitive measures against "yordim" which, he said, would be worthy only of a totalitarian regime. Baram reported that 6000 "yordim" living in New York had made inquiries recently about returning to Israel.

MEXICO CITY (JTA)--An official of the Soviet Embassy here, for the first time, received a delegation of the Mexican Jewish Students Union here Tuesday and accepted a memorandum addressed to Soviet Premier Alexei Kosygin with respect to the situation of Jewish political prisoners in the USSR. Valery Morozoff, Third Secretary at the Embassy, promised the students that their document, containing the names of 31 prisoners, would be forwarded to Kosygin.

NEW YORK (JTA)--A group of Orthodox rabbis calling themselves the "Supreme Rabbinic Court of America" announced that they would formally execute a "Writ of Excommunication" against Secretary of State Henry A. Kissinger here next Sunday. Kissinger was accused, among other things, of "coercing Israel to give up divinely ordained, liberated areas of our eternal possession." The "Bill of Particulars" against the Secretary also charges him with "eating non-kosher food behind his parents' back."

WEST BANK ARABS THREATEN STRIKE AGAINST VALUE ADDED TAX

By Gil Sedap

JERUSALEM, June 16 (JTA)--Arab merchants have warned the authorities that they will call a general strike beginning July 1 if the projected value added tax (VAT) is imposed on the West Bank and in East Jerusalem. The strike decision was taken at a meeting of local chambers of commerce heads in the Arab sector held here last night. They claimed that application of the new tax to the administered territories would be "in violation of international law" and would impose an unbearable economic burden on Arab residents.

The VAT is supposed to go into effect in Israel July 1. It is a levy applied to every stage in the production of an article that adds to its value, from raw material to finished product. It is to be introduced on the West Bank as added customs duty and in East Jerusalem on the same basis as in the rest of Israel. The rate of taxation will be decided at a meeting of the Labor Alignment tomorrow and then must be approved by the Knesset finance committee. The rate is expected to be between 8-10 percent.

Treasury officials expressed some doubt today, however, that the VAT will be ready by July 1. One problem is that many Israeli businesses do not keep books which are essential to administering the VAT. Finance Minister Yehoshua Rabinowitz said at a press conference in Tel Aviv today that the government would see to it that the entire business community keeps account books. But he didn't expect the process to be completed until October. He said one measure in preparation was a bill banning government agencies from entering into business transactions with firms that did not keep books as required by law.

Another obstacle in the way of the VAT is the fact that some 70,000 merchants have not yet registered as potential VAT assesses. The National Manufacturers Association appealed to the Supreme Court today to delay the VAT until all merchants comply. Otherwise, they said, the merchants who have not registered will be able to charge lower prices for their goods and thus gain an unfair advantage over their competitors who do comply.

ARAB YOUTHS ARRESTED FOR ASSAULT ON JEWS

JERUSALEM, June 16 (JTA)--Four Arab youths were detained by police last night in connection with the stabbing of a yeshiva student and stoning four other Jews in the Old City last week. Police said the suspects all had knives in their possession when they were arrested. One of them, aged 17, is believed to have stoned a father and son on their way to the Western Wall.

Meanwhile, three East Jerusalem Arabs were assaulted and beaten up by four masked men near a watermelon stand in East Jerusalem yesterday. They were treated in an Old City hospital. No arrests have been made.

TREASURY OBJECTS TO 'SUMMER HOURS' FOR ISRAEL'S CIVIL SERVANTS

JERUSALEM, June 16 (JTA)--The Treasury said today that it would launch a public campaign to abolish "summer hours" whereby some 200,000 civil servants work a seven-hour instead of an eight-hour day during the summer months. The civil servants rejected a government appeal to voluntarily give up the privilege in order to improve productivity and equalize their working

conditions with those of employees in the private sector. The latter work an eight-hour day the year-round.

Histadrut's trade union department supports the civil servants. Officials argued that the output of clerks would not increase if they were forced to work the extra hour in summertime. Instead, Histadrut said, if the government wants to save money it should make sure that public employees actually work when they are supposed to be working.

ISRAEL'S TRADE DEFICIT DOWN BY \$250 M

JERUSALEM, June 16 (JTA)--Finance Minister Yehoshua Rabinowitz said today that Israel's economic picture is brightening. He told a press conference in Tel Aviv that the nation's trade deficit was \$250 million less in the first quarter of this year than in the corresponding period last year. He said exports were up in May and that income tax collections were proceeding "according to plan."

PRICE INDEX RISES

JERUSALEM, June 16 (JTA)--The consumer price index rose by 2.1 percent last month bringing the total cost of living increase to 14.2 percent since the beginning of the year. According to the Central Bureau of Statistics, last month's price hike was due mainly to a six percent rise in the price of fruit and vegetables. The prices of these items are expected to decline this month. The Bureau said it was too early to determine what effect the new value added tax (VAT) will have on living costs. The levy, which is supposed to go into effect July 1, is expected in some quarters to cause a 5-6 percent rise in the price index.

ARABS DISREGARD HOLLAND'S PRO-ISRAEL POLICY; PLACE HUGE ORDERS WITH DUTCH FIRMS

AMSTERDAM, June 16 (JTA)--The Netherlands Center for Trade Promotion in Rotterdam has stated in connection with several huge orders which Dutch industries have received from Saudi Arabia and other Arab countries, that apparently Dutch special know-how and skills are more important considerations for these countries than Holland's alleged sympathy for Israel.

At any rate, nothing can be seen of any Arab boycott of Dutch industries. Saudi Arabia has just placed huge orders with the "Holland Beton Group" and "Adriaan Volker" for constructing harbors in Damman and Jubail. Philips has received a large order for expanding the telephone system in Saudi Arabia. Egypt is expected to place an important order for the construction of a number of ships in Dutch shipyards.

AMSTERDAM (JTA)--Film producer Richard Attenborough fired a member of the cast of the American movie "A Bridge Too Far" being shot in Holland, after he discovered the man's Nazi past. The 65-year-old actor was playing the part of an SS-officer in the film which deals with the abortive British landing at Arnhem in September, 1944. It turned out that the role was suited more to his wartime activities than his thespian abilities. The truth was revealed when the actor remarked to a fellow player that "the privilege of wearing the uniform of a Hauptsturmbannfuhrer gives me more satisfaction than anything else in life." He confessed that he had only reached the rank of Sturmbannfuhrer when he served in the SS.

BEHIND THE HEADLINES NEW TWISTS IN LEBANON

By Yitzhak Shargil

TEL AVIV, June 16 (JTA)--The complex situation in Lebanon continues to take new twists. The poor showing to date of the Syrian army against Lebanese leftists and Palestinian terrorists is arousing bitterness in the Syrian officers' corps toward President Hafez Assad. They are beginning to accuse him of a "no win" policy. At the same time, Israeli circles are concerned that the terrorists, primarily of El Fatah, may view their success against the sluggish Syrian drive as proof that they are capable of taking on a regular army. This could lead them to undertake holder incursions against Israel once the Lebanese conflict is settled, circles here say.

Assad's Lebanese adventure is, indeed, costing him a high price in blood and prestige. Under severe pressure from other Arab states not to go down in history as the "butcher of the Palestinians," he has ordered the Syrian forces to avoid direct confrontation with leftists and terrorist groups. The latter are under no restraints to go easy on the Syrian invaders.

Syrian Forces Thinned On Two Fronts

Syria has suffered several hundred casualties in the past few weeks and has lost scores of tanks to the leftists and Palestinians. Hardest hit are units of the Syrian-sponsored Al Saiqa terrorists and the Palestine Liberation Army battalions fighting on the Syrian side. According to some reports, Al Saiqa is all but decimated and many of its units have deserted and joined the leftists.

Disgruntled Syrian army officers blame Assad for handicapping the movement of his army in Lebanon. Moreover, the reverses suffered by Damascus in Lebanon through its strategy of piecemeal penetration, has forced Assad to pull troops away from his poorly defended border with Iraq and from the Golan Heights front. The Iraqis meanwhile, have massed troops on the Syrian border.

The recent approach by Syrian forces to the perimeter of the so-called Patahland, the former terrorist stronghold in southeastern Lebanon adjacent to Israel, was viewed by Israeli observers not as a threat to Israel but a large-scale detour to avoid a direct clash with El Fatah. The Syrians took over the Rashayah-al-Wadi road junction which opened the way for a move southward to the Israeli border. But their intent obviously is to supply their beleaguered forces around the Lebanese port of Sidon. The Syrians have been unable to capture any of their major targets--neither Sidon, Tripoli nor Beirut itself.

Israel Giving Medical Aid To Refugees

Meanwhile, Lebanese civilians are continuing to cluster along the Israeli border seeking medical attention. An opening has been cut in the perimeter fence large enough for one person at a time to go through. Women and children have been coming in increasing numbers for treatment by Israeli medics. Some of them sustained bullet wounds or other injuries in the fighting. Others are suffering from a variety of ailments. Those who are ambulatory are usually given free medication to take home with them. Serious cases are moved to Israeli hospitals. A 37-year-old mother of five, Louka Saadi, died at the Safad Hospital Monday of a malignant tumor. Her body has been returned to her family in Lebanon.

Israel, in freely dispensing this medical aid,

is abiding by the pleas of the refugees not to publish their photographs or their names. They fear they will be murdered by terrorists for collaborating with Israel when they return to their homes.

SPECIAL REPORT

ADOLPH ZUKOR--A PERSONAL REMEMBRANCE

By Herbert G. Luft

HOLLYWOOD, Calif., June 16 (JTA)--Adolph Zukor, who died in his sleep at his Los Angeles apartment June 9 at the age of 103, was one of the last surviving founders of the Hollywood film industry and one, who according to his own promise, outlived all of his enemies.

He was born in Ricse, a village in Hungary, on Jan. 7, 1873--a year when the U.S. Cavalry was still fighting Indians on the Western plains, a subject that was to be grist for many hundreds of Hollywood movies. He came to New York in 1889 with \$40 in his pocket and worked his way up the ladder from a sweeper for a New York furrier to a respected member of the film trade. Together with Marcus Loew, he opened the first Penny Arcade in 1903. Later he switched from moving picture machines to the Nickelodeon showing two-reelers in converted stores with the image projected onto the screen.

This writer became acquainted with Adolph Zukor, the movie tycoon, in March 1967 at which time he was 94. I was then president of the Hollywood Foreign Press Association.

Bernhardt In A Can

I presented Mr. Zukor with a plaque in recognition of his unique contribution to the founding of the Hollywood film industry. During our meeting, Zukor told me about his first successful venture in 1912 when he brought the full-length Sarah Bernhardt feature, "Queen Elizabeth," over from France. He recalled that the customers waited in line to see the "God-like" Bernhardt on stage. Hardly anyone at that time could imagine that a talent of such magnitude could be transported across the ocean in a tin can.

In association with Charles Frohman, Zukor formed the Famous Players Film Ltd., its name taken from the slogan, "Famous Players in Famous Plays." Films such as "The Prisoner of Zenda" with James K. Hackett, "The Count of Monte Cristo," with James O'Neill and features with Minnie Maddern Fiske, Mary Pickford and Ethel Barrymore followed.

Just as Stanislawsky's meeting with Nemirovich-Danchenko some 20 years earlier had resulted in the formation of the Moscow Art Theater, a lunch at Delmonico's in New York with Jesse L. Lasky inspired the merger of Famous Players-Lasky Corp. in 1916. This was the forerunner of the Paramount empire. Samuel Goldwyn, who had been Lasky's partner since 1913, went on his own shortly afterwards to form Metro-Goldwyn-Mayer in Culver City.

In 1917, Famous-Lasky absorbed Paramount and Zukor became president. He was at the helm of the firm until 1935 at which time he assumed the chairmanship of the company. He remained with Paramount until his death.

— UNITED NATIONS (JTA)--Chaim Herzog, Israel's Ambassador to the United Nations, Wednesday introduced Shlomo Avineri, director general of the Israel Foreign Ministry to Secretary General Kurt Waldheim and other UN officials.