



daily news bulletin

Published by Jewish Telegraphic Agency, 165 West 46th St. New York, N.Y. 10036

Contents copyright: Reproduction only by previous arrangement

Vol. XLIII - 59th Year

Friday, June 25, 1976

No. 123

SENATOR REPORTS NO COMPROMISE YET ON TRANSITIONAL QUARTER; SENATE UNIT APPROVES 1977 AID

By Helen Silver

WASHINGTON, June 24 (JTA)--The Senate Appropriations Committee approved a \$5.35 billion foreign aid package for fiscal 1977 yesterday of which approximately \$1.75 billion would be earmarked for Israel in the form of military purchase credits and economic supportive assistance. An aide to Sen. Daniel K. Inouye (D,Hawaii), chairman of the subcommittee on foreign operations, told the Jewish Telegraphic Agency that further discussions would be necessary to reach a compromise with the Ford Administration on transitional quarter funding for Israel.

Inouye and Sens. Clifford Case (R,NJ), Hubert H. Humphrey (D,Minn.) and Jacob K. Javits (R,NY) were part of a Congressional delegation that visited President Ford at the White House late yesterday. They and other supporters of increased assistance to Israel reportedly suggested a compromise of \$375 million to fund that country's military and economic needs for the three-month period between the end of fiscal 1976 on June 30 and the start of fiscal 1977 Oct. 1.

This is \$175 million less than Israel would receive if the Senate formula for transitional quarter funding was accepted. The latter would have earmarked \$550 million in interim funding or 25 percent of the assistance granted Israel for fiscal 1975-76. The Administration has reportedly placed a ceiling of \$200 million on transitional quarter funding for Israel.

REPORTS ON OLYMPIC SECURITY

TEL AVIV, June 24 (JTA)--Res. Gen. Rehavam Ze'evi, Premier Yitzhak Rabin's advisor on counter-terrorism, has just returned from Montreal where he inspected security arrangements for the Israeli team participating in the Olympic Games. Gen. Ze'evi submitted a list of recommendations to the Premier, it was learned today but no details were disclosed. The first group of Israeli athletes--the soccer team--left for England yesterday where they will train for two weeks before going to Montreal.

Gen. Ze'evi visited the Olympic Village where the Israeli and other teams will be housed. He also met persons responsible for security on behalf of the International Olympics Committee and with Canadian security authorities. Canada has prohibited private security arrangements for any of the participating teams and will rely on its own force of 13,000 police and soldiers for the protection of the sportsmen and spectators.

An Israeli request for independent security arrangements in light of the 1972 Munich Olympic massacre, was rejected. But the Canadians are alert to the possibility that mercenaries--either Japanese or Europeans--might attempt attacks on behalf of Arab terrorist groups, it was learned here.

STATE COMPTROLLER SCORES IAI

By Gil Sedan

JERUSALEM, June 24 (JTA)--The government-owned Israel Aircraft Industries, one of Is-

rael's largest industrial enterprises and long regarded as one of its most successful, came under scathing criticism by the State Comptroller in a report released here today. The report prompted demands in the Knesset for an immediate investigation of IAI which employs some 18,000 workers.

The report, by Comptroller Itzhak Nebenzahl, primarily questioned the wisdom of the company's investment in two commercial aircraft--the Arava short-take-off-and-landing (STOL) transport plane and the Westwind executive jet. According to the report, IAI invested IL 250 million in the Arava and IL 350 million in the Westwind, but sales so far have brought in only IL 57 million. Economists maintain that 217 Arava planes must be sold in order to recoup the investment but 39 have been sold so far. Al Schwimmer, managing director of IAI is abroad and unavailable for comment on the report.

The Comptroller's report charged that IAI poured its profits, derived mainly from repair contracts with the Defense Ministry, into the development of the Arava and Westwind which, the report said, was bad business.

The Comptroller rejected IAI's contention that the investments in the two civilian aircraft were useful in the later development of the "Kfir" jet fighter, the first combat plane designed and produced in Israel. On the contrary, the report said, the development of the "Kfir" was slowed down because manpower was assigned to the Arava and Westwind. The Comptroller also questioned why 70 of 200 former IAI employees who left their jobs last year received higher than usual severance compensation. He said that in half of the personnel files he could not find any reason why employment was terminated or an explanation for the unusually large compensation.

Likud MKs Yosef Tamir and Akiva Nof said they would call for an immediate review of the report by the Knesset committee on State-controlled corporations. They said the report indicated that the IAI management had presented exaggerated profit estimates for the two civilian aircraft in order to get large budgets approved for their development. According to Simha Sadan, a Tel Aviv University economist, "The idea was to develop the aircraft at almost any costs, even by presenting inaccurate facts."

CARTER SAYS U.S. SHOULD GIVE STRONG COMMITMENT TO ISRAEL

NEW YORK, June 24 (JTA)--Jimmy Carter said here last night that "public statements by leaders of our country in the last few months" cast doubt on America's commitment to Israel's right "to exist in peace as a Jewish State" and that commitment should be unequivocally reasserted. The former governor of Georgia who is expected to be nominated for President by the Democratic Party convention here next month, made his remarks during a question and answer period following an address he delivered before the Foreign Policy Association. He said he favored a "general" rather than a "step-by-step" approach to a Middle East settlement.

Carter did not refer to the Middle East in his speech nor did he specify what public statements

by American leaders might have cast doubt on the U.S. commitment to Israel. But he made it clear that in his own view a solution of the Middle East conflict must be reached by direct negotiations between Israel and the Arabs in the framework of Security Council Resolution 242 and based on the Arabs' recognition of "the permanent existence of Israel" and their adoption of a policy of non-belligerence toward that country. Carter also said, "I think we should strengthen our commitment to give Israel whatever defense mechanisms or economic aid is necessary to let them meet any potential attack."

Carter stressed that he would never send American troops to Israel and added "I've never met an Israeli who advocated that."

Carter: 'Too Much Equivocation'

Carter made his statements on the Middle East when he was asked what "new ideas do you have beside the present declared U.S. policy concerning Middle East questions?" He replied: "One of the new commitments that I think should be made is an unequivocal, constant commitment to the world that is well understood by all people that we guarantee the right of Israel to exist in peace as a Jewish state. I think there's been too much equivocation about that and doubt cast upon that factor by public statements made by leaders of our countries in the last few months. That ought to be one basic change."

Carter continued: "I believe that we should pursue aggressively the effort as spelled out under United Nations Resolution 242 that the individual countries surrounding Israel should negotiate directly with Israel, recognizing two things: one, the permanent existence of Israel, and secondly, adopting a position of non-belligerence toward the State of Israel. We, I think, can play a role that's presently been requested of President Ford by Mr. Rabin (Premier Yitzhak Rabin of Israel) and others of Israel, which I don't know yet if it's been pursued or not. I would maintain a strong naval force in the eastern Mediterranean."

Carter warned against outside intervention in the Middle East. "I would let it be clear to the Soviet Union and others that neither we nor they nor anyone else should prospectively plan an involvement in any Middle Eastern confrontation that includes combat. I think we should strengthen our commitment to give Israel whatever defense mechanisms or economic aid is necessary to let them meet any potential attack."

Carter said he would also favor, "whenever Israel and the other countries are ready, the pursuit of a general approach to the Middle Eastern question rather than a step-by-step approach. But in the meantime, encourage Jordan, perhaps Syria, Lebanon when their crisis is over, to negotiate with Israel on a mutual basis," Carter said.

U.S. DENIES GETTING ISRAELI PROTEST

WASHINGTON, June 24 (JTA)--The State Department today denied that it had received a protest from Israel over President Ford's expression of thanks to the Palestine Liberation Organization for helping in the evacuation of Americans from Lebanon. Department spokesman Frederick Brown, when asked about a report from Jerusalem that Israel had lodged a protest, said that "there has been no such protest." The State Department had said earlier that the thanks delivered to the PLO through a third party was the only contact that the U.S. ever had with the PLO.

UN DEBATE ON PALESTINIANS RESUMES

By Yitzhak Rabi

UNITED NATIONS, June 24 (JTA)--The Security Council resumed debate today on the report of the 20-member Committee on the Exercise of the Inalienable Rights of the Palestinian People. The Council met for about two hours and adjourned until tomorrow morning. Speakers today included Jordan, Turkey, Bahrain, Hungary and Afghanistan.

The debate began two weeks ago but was suspended while the Council took up urgent matters relating to Cyprus and Angola. It is expected to be protracted because 60 member states have registered to speak so far. Israel has refused to recognize the committee and is boycotting the sessions. Sixteen of the member states of the committee have no diplomatic relations with Israel.

The committee's report calls for Israel's withdrawal to its pre-June 1967 borders according to a pre-arranged time-table and preparations for the establishment of a Palestinian state. A diplomatic source here told the Jewish Telegraphic Agency today that the U.S. is expected to veto the report when it comes up for a vote and that the Western European nations would probably abstain.

SUZMAN SAYS ISRAELI, S. AFRICAN RELATIONS ARE ON PRAGMATIC BASIS

PHILADELPHIA, June 24 (JTA)--The growing rapprochement between Israel and South Africa is based purely on pragmatic considerations on both sides, Helen Suzman, leader of the struggle against South Africa's apartheid policies, said here yesterday. The new relationship, however, does not necessarily mean that the two nations condone each other's policies, she added, according to a report by Frank Wundt and David Gross of the Philadelphia Jewish Exponent.

Mrs. Suzman, who is Jewish, was here to receive a special Civil Liberties Medallion at the annual open board meeting of the Philadelphia chapter of the American Jewish Committee. A leader of the opposition Progressive Reform Party in the South African Parliament, Mrs. Suzman maintained that most South African Jews, especially the younger Jews, do not support apartheid. However, she cautioned, Jews do not vote as a bloc and the South African vote is not analyzed by ethnic groups, as it is here in the United States.

Turning to the recent riots in South Africa which left more than 100 dead and thousands wounded, in the Black townships near Johannesburg and Pretoria, Mrs. Suzman noted that the recently appointed government commission would not search very far for their cause.

"The immediate cause of the rioting is the daily dosage of severe discomfort that is imposed on South African Blacks," she said. To prevent further outbreaks of violence, Mrs. Suzman said she felt the government must act at once to alleviate some of the just grievances of the Black population.

Mrs. Suzman said American business should continue to invest in South Africa. She noted, however, that these businesses must improve conditions for their Black workers, adding that some already have.

JERUSALEM (JTA)--The Knesset decided Wednesday to cut its own budget by IL 1.5 million.

CANADIAN GROUP FINDS THAT DETERMINED OLIM WILL STAY IN ISRAEL DESPITE HARDSHIPS

TORONTO, June 24 (JTA)--The Zionist Organization of Canada has released an evaluation by Canadian olim in Israel of the work done by a three-man committee the ZOC sent to Jerusalem last April to conduct hearings on the problems of Canadians in Israel and the reasons why some of them return to Canada. The panel created a controversy when the Jewish Agency criticized it as unrepresentative of Canada's Jewish community and refused an invitation to participate in the hearings or to send observers.

But the Association of Americans and Canadians in Israel said in its publication "Jerusalem Voice" that it "salutes the initiative of ZOC and wishes them success in their sincere desire to increase aliya, improve klita (absorption) and make a vital contribution to the strengthening of Israel." The AACI publication, copies of which were released by the ZOC, found that the testimony by some 40 people selected from hundreds invited to submit written briefs, was "given in a serious courtroom atmosphere" and "was a balanced picture of the current situation."

According to the AACI "some tentative conclusions that may possibly be drawn" from the proceedings were that "the most determined (olim) will remain in Israel regardless of any difficulties placed in their way" and that the "wealthy and the lower fringes (but not actually poor) have an easier time than vast middle class."

The AACI said that "detailed, specific information prior to aliya and especially during the first year, is vital to smooth transition" and that "while many of the existent facilities and structures are adequate (or better) on paper, the manner in which services are delivered to olim almost destroys their effectiveness." It also said that the major problem areas for Canadian olim were "housing and education...with bureaucracy and employment running close seconds. Jewish identification, however one defines Jewish, is the single most important motivation for remaining in Israel," the AACI said. It noted that "these are conclusions drawn by a knowledgeable observer, not by the Commission" but that "fortunately the commissioners expressed an awareness that the hearings were only the beginning, the earlier part of their task...."

The Commission was established after the 41st annual convention of the ZOC held in Jerusalem last February when a number of Canadian olim reportedly approached delegates with their adjustment problems and complaints that they felt the Jewish community in Canada was ignoring them. The ZOC panel consisted of Gerald N.F. Charness, of Montreal, chairman, Max Goody of Toronto and Dr. Eli Adler, of Edmonton, Alberta.

JOBS FOR OLIM URGED

JERUSALEM, June 24 (JTA)--The Knesset Labor Committee called on the government yesterday to prepare a contingency job plan for immigrants to prevent unemployment. A report issued by the committee said a new immigrant's success in his job could make or break his stay in the country, and it was up to the government to see that immigrants are offered appropriate jobs.

The Labor Committee discussed the issue, after receiving complaints of dismissals of immigrants to prevent them from attaining tenure. The Histadrut was also asked by the committee to help through its works committees to ease the absorp-

tion of an immigrant in a new job. The Labor Committee said the Histadrut should push for a clause in all collective work agreements to ensure that arbitrary dismissals are forbidden.

ISRAELI CHICKENS FOR ARABS

TEL AVIV, June 24 (JTA)--An Israeli chicken in every Arab pot seems to be the goal of a number of Arab countries that have no desire to improve relations with Israel but want to improve their poultry stock with the superior Israeli product.

According to reports, on which officials here refuse to comment, the export of Israeli chicks and fertilized eggs to Arab countries not bordering on Israel is on the increase. It is conducted through third countries that maintain trade relations with Israel. A French firm which buys Israeli chicks and eggs is known to re-export them to Arab states. Cyprus has also become a forwarding center, the reports said. In addition, several Arab countries are attempting to obtain saplings and seeds for various agricultural products from Israel. Libya is known to have received young olive trees from Israel via the West Bank.

POUND DEVALUED AGAIN

JERUSALEM, June 24 (JTA)--The Israel Pound was reduced in value by two percent last night and now stands at IL 7.97 to the dollar compared to the previous exchange rate of IL 7.82-\$1. Despite mounting criticism of the so-called "creeping devaluation," the Treasury said today that it would continue the policy aimed at reducing imports and increasing exports. Last night's devaluation was the tenth since June 1975, when the ministerial finance committee was first empowered to devalue the Pound at the rate of up to 2 percent every 30 days if considered necessary.

The Treasury said the latest devaluation would not result in increased prices for basic commodities which are subsidized by the government. Economists did not expect an immediate rise in the prices of imported goods. But their evaluation provided little consolation for Israeli consumers who face a minimum increase of 5 percent in the cost of living when the new value added tax (VAT) goes into effect July 1.

JEWISH PRAYER BANNED IN RUSSIAN TOWN

NEW YORK, June 24 (JTA)--The Student Struggle for Soviet Jewry charged today that Jewish prayer has been banned in the Moldavian town of Kalarash, following a raid on a morning minyan in a private home where services have been conducted since the synagogue was shut 15 years ago. Rabbi Steven Riskin, SSSJ's chairman, said that the prayershaws, phylacteries and prayerbooks of the worshippers, mainly older persons, were seized on the spot and despite protests have not been returned. The only answer from authorities was that they would "look into the issue," he said.

JERUSALEM (JTA)--Able Nathan's Voice of Peace seaborne radio station should pay income tax and royalties on income from advertisements, Likud Knesset member Zalman Shoval said Wednesday. Nathan's peace ship, anchoring inside Israeli territorial waters, is reportedly making good profits, which according to Nathan is used mainly on philanthropy. He reportedly has plans for a commercial-pirate TV station, also to be telecast from aboard the sea ship.

KLUTZNICK SAYS THAT DESPITE UNBALANCED RESOLUTIONS WORLD IS BETTER OFF FOR HAVING UN

NEW YORK, June 24 (JTA)--Philip M. Klutznick, an American Jewish leader and a former member of the U.S. delegation to the United Nations with the rank of Ambassador, believes that despite its "failures in peace-keeping and miserably unbalanced resolutions of the General Assembly and even the Security Council," mankind is better off with the world organization than if it did not exist.

Klutznick made his statements, both commendatory and critical of the UN, in an address delivered at the Conference on United States Objectives in the United Nations System held at the Ralph Bunche Institute of the United Nations, City University of New York Graduate School. "When some fine and able people go so far as to suggest that we can find other ways of doing good rather than to tolerate the bad that the UN does, they have permitted their justified pique over a reprehensible act to outweigh their practical sense and understanding of the world in which we live," Klutznick said.

He referred directly to the remarks by the former U.S. Ambassador to the UN, Daniel P. Moynihan, who said after last November's General Assembly resolution identifying Zionism as a form of racism, that "If there were no General Assembly, this could never have happened." Klutznick observed, "I confess my admiration for Ambassador Moynihan's candor and his depth of feeling for my people and the State of Israel. But I would remind him if there was not a General Assembly, the feeling expressed in the miserable, obscene resolution might never have surfaced in such malignant form, but would have been there nonetheless to fester as a sore in the body politic until its poison would be beyond a serum or a cure."

Platform To Warn World

Klutznick noted that "The same General Assembly that committed this sin against a small people provided a platform for Ambassador Moynihan to warn the world and especially the Western World of the danger in our midst." He went on to say that "Realistically, the General Assembly resolution on Zionism and racism is a disgrace. But the reality is that the General Assembly cannot make Zionism racism by calling it that. Supreme Court Justice Cardozo in a much cited opinion stated that a legislative body has tremendous power but the power does not extend to declaring black white and white black.

"I am deeply hurt by the majority that from time to time gangs up on a little state in which I have a profound interest. But Israel has not withdrawn and other states that have been deeply offended in the UN process have not withdrawn. The fact is and we all know it--cooperation is far more difficult to attain and sustain than war. It demands greater compassion, understanding and patience."

Klutznick warned that "This is our world and those of us who believe in 'good' triumphing over 'evil' had better not express a liking for evil hiding itself to perform its satanic deeds--as distasteful and discouraging as it may be we might as well recognize that exposure of these problems of each day and year is a major function of the UN system. If we do not prevent their occurrence or stop them when we see them in broad daylight, it is not the failure of the UN system but rather of the forces of 'good' that must be blamed."

AWARD HONORS DR. ISRAEL GOLDSTEIN

JERUSALEM, June 24 (JTA)--The approaching 80th birthday of Dr. Israel Goldstein, the prominent American Zionist leader residing in Israel, will be the occasion for the formal announcement here Sunday of a new annual award by the Keren Hayesod-United Israel Appeal in Dr. Goldstein's name. The announcement is to be made at the Presidential residence here in the presence of Cabinet ministers and World Zionist Organization officials, by Ezra Shapiro, KH-UIA chairman. Speakers will include President Ephraim Katzir and WZO chairman Yosef Almog.

Goldstein, who headed the KH-UIA from 1961-71, was born in Philadelphia and served for 42 years as rabbi of Congregation Bnai Beshurun in New York. He and his wife settled in Israel in 1960, the first American Zionist leaders to do so. During his long career, Goldstein headed many Jewish and Zionist organizations, including the Zionist Organization of America. He was also a member of the Jewish Agency Executive.

The award bearing his name will be given in recognition of "excellent services for Keren Hayesod-United Israel Appeal."

WJC EUROPEAN BRANCH MEETS

AMSTERDAM, June 24 (JTA)--The Council of the European branch of the World Jewish Congress met in closed session at The Hague for two days this week to discuss a wide range of topics of international and Jewish concern. Jewish communities from 17 West European and Central European countries were represented. East Germany's tiny Jewish community sent observers for the first time in the persons of Hermann Aris and Dr. Peter Kirohner. Dr. Bendrich Bass, president of the Jewish Communities of Czechoslovakia, also attended as an observer.

Dr. Nahum Goldmann, president of the WJC and Dr. Gerhard Riegner, its secretary general, told a press conference after the sessions that the subject of East-West detente had been on the agenda. The meeting also discussed monitoring compliance with the Final Act of last year's Helsinki Conference, particularly as regards the condition of Jews in the Soviet Union.

Discussion was held on Arab boycott of Israel and of firms trading with Israel or owned or managed by Jews. Another topic was international political developments since last November's United Nations General Assembly resolution equating Zionism with racism and the possibility of further UN sanctions against Israel. The meeting appeared to favor the expansion of the European branch of the WJC into a European Jewish Congress.

MAUTHAUSEN, Austria (JTA)--A memorial honoring the six million Jewish victims of the Nazi holocaust was unveiled at the former concentration camp Mauthausen this week. The memorial shows a seven-arm Menorah, six arms representing the six million dead Jews; the seventh, the eternal light. The ceremony was attended by former concentration camp inmates and representatives of the Austrian government, including Justice Minister Christian Broda and Interior Minister Otto Zoesch. The memorial was unveiled by Simon Wiesenthal, head of the Jewish Documentation Center in Vienna.