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B'NAI B'RITH LEADER SAYS MEXICAN PRESIDENT RENEGED ON PROMISE THAT HIS GOVERNMENT WOULD ABSTAIN FROM ENGAGING IN ANTI-JEWISH ACTIONS

WASHINGTON, July 22 (JTA)--B'nai B'rith has charged President Luis Echeverria of Mexico with renegeing on "unequivocal assurances" that his government would abstain from supporting anti-Jewish actions.

In a letter sent Monday to Echeverria and made public today, David M. Blumberg, B'nai B'rith's president, told the Mexican leader that the "continuity" of recent anti-Israel actions "cannot be reconciled" with Echeverria's assertions of "Mexico's concord and spirit of cooperative enterprise with Israel" that were made personally to Blumberg when they met May 24 in Mexico City.

Citing Mexican support of anti-Israel resolutions that sought to politicize the UN Habitat conference and World Health Organization assembly, Mexico's "distortion of reality" in condemning the rescue of hostages from Uganda and "abrupt cancellations" of Mexican participation in international chess and table-tennis tournaments scheduled for Israel, Blumberg said: "Those actions have revived the suspicions and uncertainties" which Echeverria's assurances were intended to allay.

Following the May 24 meeting, Blumberg announced that B'nai B'rith would resume tours to Mexico in its group travel programs. Earlier, the B'nai B'rith ban had continued after other Jewish groups had re-instituted Mexican tours.

Mexico's "pattern" of continued anti-Israel decisions cannot be "adequately explained" to B'nai B'rith's constituency. All "ill serve the friendship we have for the people of Mexico and our respect for Mexico's democratic traditions," Blumberg advised Echeverria.

Declines Echeverria's Invitation

The B'nai B'rith president added that "under the circumstances," he must "regretfully decline" an invitation Echeverria had extended him to attend the President's address to the Mexican Congress and the inauguration of the Third World academic center in September.

Blumberg's letter strongly criticized Mexico's communication to the UN Security Council condemning Israel's rescue of hostages in Uganda as a violation of the UN Charter and international law and, at the same time, calling for diplomatic action against terrorism.

Mexico's action, Blumberg wrote, chose to ignore Uganda's collusion with the terrorists--a "distortion of reality which denies international law, demeans the UN Charter" and, by implicit acceptance of sanctuary for terrorists, "appears to contradict your government's appeal for international action against terrorism."

THE ULTIMATE GALL

PARIS, July 22 (JTA)--Air France is recovering its air bus which was hijacked June 27 and landed at Entebbe, Uganda, the next day--but at a price. President Idi Amin released the plane today "with no strings attached" except a "bill" for 500,000 Francs (about \$120,000) which the

Ugandan ruler says is due him for the upkeep of the aircraft and meals and accommodations provided the hostages during their week-long stay at Entebbe Airport under the guns of pro-Palestinian terrorists and Ugandan troops.

The "bill," which the French national airline reportedly agreed to pay, comes to about 200 Francs (\$50) a day for meals served the hostages while they were Amin's "guests." The air bus took off from Entebbe today after French technicians repaired bullet holes in the fuselage. The plane, due in Paris tonight, sustained slight damage during the Israeli rescue operation of July 3.

BILL TO AID FIRMS THAT LOANED MONEY TO GOVERNMENT AFTER 1973 WAR

JERUSALEM, July 22 (JTA)--The government submitted a bill to the Knesset today that would enable companies in difficult financial straits to recover the money they voluntarily loaned the government after the Yom Kippur War. The measure is intended specifically to aid Maritime Fruit Carriers, Ltd., once Israel's most successful privately-owned shipping firm, now on the verge of bankruptcy.

Maritime Fruit, founded in the 1960s by Yaacov Meridor and Mila Brenner, underwent reorganization earlier this year. It had prospered from the operation of refrigerated ships in world-wide trade but subsequently suffered severe losses after expanding into the tanker field. The government-sponsored bill will have its first reading next week. If approved, any Israeli company that can prove financial reverses would be able to redeem its "voluntary war loan."

APPROVE NEW SALARIES FOR MINISTERS AND KNESSET MEMBERS

JERUSALEM, July 22 (JTA)--New regulations stipulating the salaries of Israel's top public officials were approved today by the Knesset House Committee. The President will receive a basic monthly salary of IL 6000, the Premier IL 5800 and Knesset members IL 3600. Only the President's salary is tax-free.

In addition to the basic salaries, the officials will receive an average of IL 100 per day for expenses. Basic salaries will rise with the cost-of-living index as they do for all Israelis and the officials will also enjoy family allowances. Fringe benefits include holiday grants, book, newspaper and hotel allowances. These will bring the earnings of top ranking officials to about IL 7000-10,000 per month.

AJ CONGRESS SUIT CITES TWO NEW YORK BANKS WITH AIDING ARAB BOYCOTT

NEW YORK, July 22 (JTA)--The American Jewish Congress filed a complaint with the State Division of Human Rights today, charging the Morgan Guaranty Trust Co. of New York and Citibank with aiding the Arab boycott in violation of the state's Lisa Law which makes it illegal to cooperate in a boycott based on race, color, creed, national origin or sex.

The two banks were charged specifically in the complaint with accepting letters of credit

containing requirements for compliance with the Arab boycott and refusing to make payment against the letters of credit unless certification of boycott compliance was furnished.

Louis Yavner, a national vice-president of the AJCongress who announced the action at a press conference here today, accused the two banks of serving as "enforcers" of the Arab boycott process. He said they were in "flagrant violation of the law" and "play a pivotal role in the implementation of the Arab boycott."

Enforcers Of Boycott

According to Yavner, "By refusing to make payments against letters of credit issued by their Arab customers unless American suppliers certify they have complied with the boycott these banks serve as 'enforcers' of the Arab boycott. The result is the importation of Arab bigotry into American society and the distortion of American business practices."

He said that "By giving the aura of business respectability to Arab discrimination on the basis of national origin, Citibank and Morgan Guaranty Trust are opening the door to wider subordination of American business to Arab prejudice, thus threatening the integrity of all groups in American life."

In accusing Citibank and Morgan Guaranty Trust of implementing the Arab boycott, the AJCongress complaint charges that before paying against letters of credit issued by their Arab customers, the two banks require certification that: the goods shipped are not produced by and contain no parts produced by persons of Israeli national origin, and neither the exporter, manufacturer or supplier of the goods shipped--nor any subsidiary, affiliate or branch--is on any Arab blacklist.

Also, that the carrier of the goods is not of Israeli origin and will not call at Israeli ports or travel through Israeli waters or airspace; the carrier of the goods is not on any Arab blacklist; and that the insurer of the goods for shipment is not on any Arab blacklist.

Yavner quoted two separate statements made this year by representatives of the banks admitting to the charges with respect to their processing of letters of credit. He also accused the banks of violating a directive issued by the Board of Governors of the Federal Reserve System on Dec. 12, 1975, enjoining banks from participating "even passively, in efforts by foreign nationals to effect boycotts against other foreign countries friendly to the United States, particularly where such boycott efforts may cause discrimination against United States citizens or business...."

HOUSE GROUP TO PROBE FORD'S RESPONSE TO ARAB DISCRIMINATION AGAINST AMERICAN JEWISH EMPLOYEES

WASHINGTON, July 22 (JTA)--Rep. Jack Brooks (D, Tex.), chairman of the House Government Operations Committee, today announced hearings for July 27, by the Government Information and Individual Rights Subcommittee headed by Rep. Bella S. Abzug (D, -L NY) on the Ford Administration's response to discrimination by Arab countries against Jewish employees of the federal government and its contractors. Representatives of the State Department and the Civil Service Commission are expected to testify at the hearing. Representatives of Jewish organizations are also expected to testify.

Ford issued a directive Nov. 20, 1975 to all

federal departments and agencies, in response to a series of hearings on this subject held by the Abzug subcommittee in April 1975. At that time, Administration witnesses indicated that Executive branch agencies and their contractors had declined to assign Jewish workers to Arab nations or had failed to seek reversal of Arab refusals to issue visas to Jewish employees of the federal government. The hearings also dealt with discrimination against women, Blacks and other minorities by host countries.

"Mr. Ford's directive," said Ms. Abzug today, "apparently does no more than restate the inadequate policy that we were told existed back in April, namely that the agencies don't discriminate as a matter of policy and that if a host country refuses a visa on the basis of race, color, religion, sex or age, all the State Department will do is to 'take appropriate action through diplomatic channels.'"

AMOS OZ INJURED IN CAR ACCIDENT

JERUSALEM, July 22 (JTA)--Amos Oz, the internationally famous Israeli author, is in Shaare Zedek Hospital recovering from serious internal injuries he sustained yesterday in an automobile accident on the Jerusalem-Tel Aviv road. A hospital spokesman said Oz's life was not in danger but his recovery will be a long process. His two daughters suffered less serious injuries in the accident. Oz is the author of a string of successful novels that have been translated into English and other languages. His best known book is "My Michael."

24 U.S. JEWISH ATHLETES IN PAN-AMERICAN MACCABIAH GAMES

NEW YORK, July 22 (JTA)--Nat Holman, president of the United States Committee Sports for Israel, announced today that a delegation of 24 Jewish athletes selected by his organization left Tuesday for the Third Pan-American Maccabiah Games which will be held in Lima, Peru on July 23-29. Robert E. Rosenberg of Manhasset, N.Y. is heading the delegation. Included in the group are representatives from the fields of lawn tennis, track and field, basketball and swimming.

The lawn tennis competitors are Larry Davidson, New Rochelle, N.Y.; Richard Abedon, Tiverton, R.I.; Nancy Block of American University; and Joy Rabinowitz, Des Moines, Ia., nationally ranked under-16 female court star.

The participants in the track and field area are Arnold Minkoff, Bayside, N.Y., a middle-distance runner, and Carla Himelman, a youth sprinter from Lincroft, N.J. The basketball squad is comprised of members who were selected to the all-star National Jewish Welfare Board team this past April and includes Dave Eckstein, Rockville, Md.; Jon Myers, Scranton, Pa.; Nell Tolchinsky, Montreal, Canada; David Cooper, Bayside, N.Y.; Barry Shendell and Steve Terk of New Haven, Conn.; and Steven Rosner of Bayonne, N.J. James Wolf of New Haven, Conn. is the coach.

Susan Grodsky of Timonium, Md., an all around swimmer, will represent the U.S. among the natators. The captain is Rod McKinley of Cincinnati, Ohio. Dr. Ivan Greenfield Black Jr. of NYC is the team physician.

TEL AVIV (JTA)--During the first six months of 1976 the export of polished diamonds from Israel reached \$329.1 million, 20.9% more than during the same period of last year.

REPORTS SHOW THAT SYRIA IS ENGAGED IN ANNEXING PARTS OF LEBANON

By Yitzhak Shargil

TEL AVIV, July 22 (JTA)--A report in the Middle East Intelligence Survey and information from other sources appeared today to confirm that Syria is actively engaged in annexing parts of Lebanon. Concern over such a move by Syria was voiced by Defense Minister Shimon Peres earlier this week. But Premier Yitzhak Rabin, addressing volunteers and settlers in several towns and kibbutzim in Galilee today, strongly implied that Syrian moves in Lebanon coincided with Israel's interests at the moment and that Israeli intervention was unwarranted.

The Syrian army is engaged in a battle with the PLO forces and the extreme leftists in Lebanon, because those elements reject any logical political settlement of the Lebanese civil war, Rabin said. As long as the Syrian army or any other army does not constitute any threat to Israel "I don't see any reason why Israel should find itself involved in a war that would only add death and destruction," the Premier declared.

He said Israel's involvement in Lebanon consisted only of providing medical aid and food for Lebanese refugees seeking such aid, regardless of whether they are Christians or Moslems. "According to Rabin, leftists and Moslem elements, some of them deserters from the Lebanese army, have tried to contact Israel through the United Nations to reactivate the Mixed Armistice Commission. He saw that as an indication that the Arabs in southern Lebanon are unwilling to become involved in any clash with Israel and therefore southern Lebanon has been relatively quiet while the civil war rages in the rest of the country."

According to intelligence reports, the Syrians have virtually taken over an area of Lebanon about 100 kilometers long by 15 kilometers wide between the central mountain region and the Syrian border. They have introduced Syrian currency into the region and have banned all but Syrian newspapers.

Lebanese citizens wishing to visit towns like Baalbek and Zahleh in the region require permission from the Syrian authorities, the reports said. According to one report, the Syrians have removed the old border signs indicating that they now regard that region of Lebanon to be part of Syria.

Rabin Praises Nixon

Rabin, speaking to a meeting of volunteers at the educational center in Zemach, had some unexpected praise for former President Nixon. According to Rabin, the former chief executive did more for Israel than any other American President. Rabin referred to Nixon's orders to start the arms airlift to Israel during the Yom Kippur War.

Rabin also praised Nixon's Mideast policy, claiming that he was the first American President in 29 years to be welcomed in Cairo and Damascus because he showed his determination to stand by Israel on one hand and to help achieve a political settlement on the other.

ZIONIST LEADER EXPLAINS ISSUES IN THE ZIONIST CONGRESS ELECTIONS

NEW YORK, July 22 (JTA)--Controversy within the World Zionist Organization over the decision by the Zionist General Council to forego elections to the next World Zionist Congress, un-

der certain conditions, has been misrepresented in press reports from Israel, according to Mrs. Charlotte Jacobson, chairman of the World Zionist Organization-American Section, who has just returned from the Jewish Agency Assembly and General Council meetings in Jerusalem.

Pointing out that two separate issues are involved, Mrs. Jacobson explained that the recent Jerusalem vote does not affect internal organizational elections to assure opportunities for new delegates to attend the Congress.

"What is at issue," she said, "is the number of delegates each Zionist party is entitled to. This is generally decided by the proportion of votes cast in the elections. In the United States it is subject to two limitations: the largest group is not to have more than 50 percent of the delegates to the Congress, and the smallest is not to have less than three delegates."

Elections to the forthcoming Congress are to be waived in any country where 90 percent of the factions represented in the Zionist Federations are agreed on the number assignment of delegates per faction. "Ninety percent represents a very large percentage and prevents a small group from majorizing the decisions," Mrs. Jacobson stated.

Ironically enough, she continued, it is the Israelis "who talk about 'the same tired people arguing the same tired issues,' who are most aroused over the General Council ruling: it is the Israelis who do not vote for delegates. They do not have Congress elections in Israel and have their delegations assigned by the party hierarchies. Let the Israelis fight for democratic procedures in Israel. Democratic election of delegates from the U.S. organizations is not at issue."

NEW YORK (JTA)--Israel's daring rescue of the more than 100 hostages from the Entebbe Airport in Uganda is being commemorated by the establishment of a special Perpetual Scholarship Fund set up by the Women's Division of the American Society for Technion. The fund will be named for Israel's Lt. Col. Jonathan Nathanyahu, who led the mission and paid with his life.

NEW YORK (JTA)--With the collapse of Lebanese democracy as a result of the bloody civil war in that country, Israel became the only democratic state in the Mideast, former U.S. Ambassador to the United Nations, Daniel P. Moynihan, said Wednesday night. Addressing a gathering of the New York League for Histadrut, Moynihan, who is a Democratic candidate for the U.S. Senate, observed that "Israel became a metaphor for democracy in our world." He described the recent hijacking of the French airliner to Uganda as "an attack of totalitarianism on democracy."

TEL AVIV (JTA)--Veterans of Hagana, the Jewish underground defense force of the Mandate period, are seeking to preserve a landmark of the days when they trained clandestinely in the sand dunes south of Tel Aviv under the noses of the British police. They have centered their attention on an old stone building in what is now the fast growing suburb of Holon. The structure may be razed to make way for new housing. The Hagana vets intend to renovate it and turn it into a Hagana museum containing permanent exhibits of Hagana's early days when the place served as a hide-out.

ZIONISM IN ACTION

THE SOUTHERN PROJECT

By Gil Sedan

JERUSALEM, July 22 (JTA)--When Ra'anan Weitz looks at the Negev Desert he sees what some argue is a mirage--a wild dream--the blossoming of a 1.25 million-dunam stretch of land, populated by 200,000 enthusiastic settlers, with hundred of millions of cubic meters of water, produced by a nuclear reactor. But last week, Weitz, chairman of the Jewish Agency Settlement Department, convinced Premier Yitzhak Rabin that his vision was worth serious consideration.

The idea of developing a vast rural area east of Beersheba is no wild dream for Weitz, "The Southern Project," as he calls it, is, as far as Weitz is concerned, a natural consequence, considering Israel's economic, social and political needs at the present.

Zionism's first stage, the agricultural development of the land of Israel, has in fact been achieved, said Weitz in an interview with the Jewish Telegraphic Agency. Israel has more farmers than she needs, and agricultural output is greater than demand. This, said Weitz, is the clear indication of agricultural success.

Since Israel is almost totally self-sufficient in supplying its agricultural needs, one might think it is time to divert public attention--and funds--from the countryside to industrialized areas.

But Weitz said, no. Because agriculture has been one of the success stories of the Israeli economy, it should be broadened, intensified and adjusted to new needs. The farming branch could serve as a valuable tool in bridging the alarming gap in the balance of trade, Weitz said. Moreover he observed rural settlers have always been--and will continue to be--the Social elite. In addition, agricultural settlements are important elements in the country's defense lines.

The key to modern agriculture, Weitz said, is not heavily populated villages, but rather the development of large areas by the right number and quality of people.

Extent Of Development Area

Weitz believes that the sand dunes of the Negev have just the right soil for growing grains and vegetables for export. This has been the successful experience of the new settlements in the Raffah area on the Mediterranean coast near Gaza.

Weitz's projected development area would stretch from Raffah east to the Halutza sand dunes on the international border line between Israel proper and the Sinai peninsula, and up to Beersheba in the north. Similar work would be done in the Arava along the southern border with Jordan, and in the northern Jordan Valley between Jericho and Beisan. The biggest problem of all is water. The project will demand, according to Weitz's own calculations, some 220 million cubic meters of water yearly.

This figure sounds like science fiction in terms of the dry Negev. Weitz's solution is the creation of a nuclear reactor which would supply 600 million megawatts of electricity and 120 million cubic meters of water by desalination, with an investment of \$800 million. Even this will not be enough to cover the project's water needs. An additional plant would supply another 100 million cubic meters of water by bringing purified sewage water from the Tel Aviv area to the south.

Importance Of The Project

Weitz has no doubt about finding the right peo-

ple to come and settle his "Southern Project." Just give them the framework and they will come and do the job, he said. The importance of the "Southern Project," according to Weitz, is that it would help meet Israel's economic needs, help populate the Negev with desirable groups and help strengthen problematic security areas such as the Jewish settlements bordering the Gaza Strip and others on the Jordanian border.

The plan, so clear on paper, presents tremendous difficulties. But Weitz believes he has the answers. One key problem, quite obviously, is money. The scheme would cost some \$2.25 billion, to be spent over 15 years--the time it would take to complete the project. Most of the money, some \$1.5 billion, Weitz said, would be raised as a loan from foreign sources, most probably the U.S.

The rest should come from Israel's development budget (Bonds), and from the resources of the settlers themselves. This, of course, is a sizeable challenge. It is not easy nowadays to get such large loans from the U.S.--witness the "transitional aid" tussle--and Israel's development budget is constantly shrinking. Above all, the potential settlers would be unlikely to settle if it costs them too much money.

According to Weitz's plan, settlement would begin four years after the initial planning of the project. Then would come the operation of the purified water system, and, after eight years, the nuclear reactor. The water system would be completed within 10 years and the entire project within 15 years.

Sharp Criticism Raised

His plans raise the question whether carrying out the "Southern Project" would not jeopardize efforts to settle the Galilee, of which more than half the population are Arabs. "On the contrary," said Weitz, his eyes shining with vision: "the 'Southern Project' will serve as the economic basis for the development of the Galilee. In order to develop the Galilee, the country must begin to manufacture more, and manufacturing it can do in the south with export-oriented villages. I have one sick leg. This is the Galilee. In order to cure it, I must strengthen the other leg--the Negev."

On political grounds, the plan has met with stiff criticism. Advocates of Greater Israel accuse Weitz, known as a dove, of proposing the plan to divert attention from their demands for populating the occupied areas. Weitz responds that he reached his conclusions and calculations entirely on economic considerations. "It is only a coincidence that the plan fits my political beliefs," he noted.

Rabin approved last week the setting up of a team of six experts to work out a specific plan for the "Southern Project." Within a year, the experts are scheduled to bring their findings before the Cabinet for a final decision.

The plan, no doubt, will cause much controversy. It has already been widely attacked in the press, mainly for what was described as unsound economic calculations. But last week one columnist, Avraham Schweitzer of Haaretz, wrote: "Nowadays, when a large part of the society depends on welfare, it is good to remember that one can cure a society with development, rather than with cold, institutionalized charity."