



# daily news bulletin

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## BEATING OF KLARSFELD BY NEO-NAZIS STIRS STRONG PUBLIC REACTIONS

By Jon Fedler

BONN, Dec. 14 (JTA)--The neo-Nazi rally Dec. 4 in a Munich beer hall where Serge Klarsfeld, the French anti-Nazi fighter, was beaten has created a strong public reaction. Munich's Jewish community held an outdoor protest meeting last weekend against the "neo-Nazi terror" which was addressed by prominent civic leaders. Munich's Deputy Mayor Eckard Mueller-Heidenreich condemned the beer hall rally and warned against complacency in the light of such events.

The "spreading of ignorance" by neo-Nazi activities must be "strongly resisted," he said. "This is an obligation for conscious democrats as well as a pledge to humanity and democracy." The deputy chief of the Munich branch of Germany's Trade Union Federation, Jakob Defner, demanded that "provocative events by extreme right-wing movements" be banned, and called on property owners to prevent such movements using halls and other facilities.

Jewish community chairman Hans Lamm said the events in the beer hall, where an estimated 1000 people attended a rally organized by the "Deutsche Volksunion" (DVU), had caused "shock and disgust among Munich residents of all faiths and political persuasions." The inflammatory remarks made at the meeting were reminiscent of "the blackest epoch of German history," Lamm said. He asserted that Jews would "not allow themselves to be isolated and defamed, threatened and mishandled, without resistance."

### Newspaper Denounces Neo-Nazi Rally

The Munich-based national daily, "Sued-deutsche Zeitung," noted that Munich police standing on guard outside the rally failed to take action against Klarsfeld's assailants. "Is that, too, a symptom that we have become used to such gatherings, a habit which leaves it up to Beate and Serge Klarsfeld to protest?" it asked.

Though the strength of German democracy should not be underestimated, "certain circles" were currently trying to use "forces of reaction and retrogression in order to falsify history," the paper noted. A democracy must look ahead to the future, it added, "but not at the price of forgetting--or worse, falsifying--the past."

### EX-NAZI GETS LIFE SENTENCE

AMSTERDAM, Dec. 14 (JTA)--Lambertus Johannes Loyen, 58, was today sentenced to life imprisonment by a Roermond district court for war crimes which he committed as an SS camp guard at the Bobruisk forced labor camp for Polish Jews in 1942-43. The court found him guilty of having personally killed over 100 Jews in a most sadistic manner. The witnesses against him were four survivors now residing in Israel, and one in West Germany.

The court rejected the plea of the defense that it was not competent to try Loyen since he had committed his crimes outside Dutch territory and against non-Dutch citizens and that by voluntarily joining the SS he had lost Dutch citi-

zenship. The defense has not yet decided whether to appeal to the Supreme Court.

## ARGENTINE FEDERAL JUDGE ASKS U.S. TO ARREST FORMER ARGENTINE MINISTER By Asher Mibashan

BUENOS AIRES, Dec. 14 (JTA)--Federal Judge Tulio Garcia Moritan has asked the United States government to arrest former Argentine Minister of the Economy Jose Ber Gelbard who is wanted here on charges of embezzlement. Gelbard, who was the only Jew in the Cabinet of former President Isabel Martinez de Peron, now lives in Washington.

Mrs. Peron, who has been under arrest since her government was ousted by the military last March 24, is presently being prosecuted on charges that she used funds from a Peronist Party charity fund for her own use. Judge Garcia Moritan said she told him that Gelbard had assured her that there would be enough money in the fund to be used for any purpose she desired.

The former President told the judge that Gelbard stressed that money would flow into the fund. During the investigation the names were made public of some 100 firms which had contributed to the fund. Representatives of the companies said that the contributions were made either at the suggestion of Gelbard or the members of the General Economic Confederation of which Gelbard was president until May 25, 1973.

Gelbard, who was born in Poland, was stripped of his citizenship after the military coup last March and the court has attached his assets of some \$400,000. He left the country last February.

## PERES EXPLORES POLITICAL, MILITARY MATTERS WITH 3 TOP U.S. OFFICIALS

By Joseph Polakoff

WASHINGTON, Dec. 14 (JTA)--Israeli Defense Minister Shimon Peres explored political and military matters of the highest import to his country with three principals of the U.S. foreign affairs establishment after concluding a speech-making tour of the United States.

Shortly before returning to Tel Aviv from New York last night, Peres held an hour-long discussion in a private home in New York with Secretary of State-designate Cyrus R. Vance. They have known each other since 1965 when both were defense undersecretaries or the equivalent in their respective countries, the Israeli Embassy said.

"It was a very good talk," Embassy press counsellor Avi Pazner told the Jewish Telegraphic Agency today. No details were available but Pazner indicated that Vance said he was planning to study the Middle East situation in detail within a few days.

In Washington earlier, Peres met with Defense Secretary Donald R. Rumsfeld in a two-hour Pentagon luncheon and late in the afternoon he conferred at the State Department with Secretary of State Henry A. Kissinger for about 70 minutes. Asked later by a reporter why he had meetings with officials of a lame-duck Administration, Peres replied that he did not see

it that way. The Ford Administration, he said, is the U.S. government and will be until Jan. 20. After that, Israel will be in communication with the Carter Administration.

#### Cutbacks To Israel Denied

Peres acknowledged that Israel is seeking \$2.3 billion in U.S. aid in fiscal year 1977 that begins next Oct. 1. The Ford Administration is preparing the budget for submission to the new Congress before it retires. Reports that the State Department had reduced the Israeli figure to \$1.8 billion and that the White House had cut it to \$1.5 billion were denied by a reliable source here. The source pointed out that the Administration has not yet decided on the amount it is to budget.

Peres pointed out to the JTA that inflation has boosted the cost of supplies for Israel and therefore Israel must ask for the figure of \$1.5 billion in military assistance for the coming year and about \$800 million in economic security assistance. In the current and last fiscal year Israel was allocated \$1 billion in military aid plus \$275 million for the transitional quarter between the two fiscal years.

#### Lukewarm About Geneva

Speaking to reporters after he had met with Kissinger and in a special meeting with editors of the Washington Post who he met yesterday, Peres indicated his lukewarm feelings towards early resumption of the Geneva conference to discuss a Middle East settlement.

After seeing Kissinger he said he preferred "quiet diplomacy." According to an account of his meeting with the Washington Post editors, he told them there is "no chance" of an early return to Geneva. Israel will attend it, he said, "because there is a tendency to prefer image-making over policy-making," but, he also was reported as saying by the Washington Post that he does not expect real progress at Geneva.

Regarding the sale of the F-16 warplanes, Peres was said to have indicated Israel would receive some 250 of the aircraft in the 1980s. Their cost was reported to run about \$3 billion.

On his meeting with Kissinger, Peres indicated to reporters that Lebanon was the major subject. He described Lebanon as a peaceful nation and southern Lebanon as being "an independent piece of land." He also said Syria had no plans for Lebanon's future and the problem was now to make Lebanon again an independent country.

Peres said that "by and large we see eye-to-eye" on the dynamics facing Israel in the near future. He said Israel would like an overall agreement immediately but in view of the pragmatic circumstances he saw danger in raising expectations at this time.

#### Confident Carter Will Continue Aid

(Returning to Tel Aviv today, Peres told reporters he was convinced that the Carter Administration would continue U.S. military and economic aid to Israel. Replying to questions about the F-16 fighter, he said there was a decision in principle that the U.S. would supply these sophisticated aircraft to Israel. The question of price and whether Israel would be permitted to manufacture F-16 spare parts are still under discussion, he said.)

#### U.S. ARMS SALES TO ARABS DENOUNCED

NEW YORK, Dec. 14. (JTA)--Joseph Churba,

former intelligence advisor to the U.S. Air Force on the Middle East, denounced projected American arms sales to Saudi Arabia and other Arab countries as "a dubious and irresponsible legacy passed on to President-elect Carter." He said the sales were based on a series of false presumptions by the Pentagon.

Churba resigned from his Air Force post last month after he was denied future access to intelligence material. The denial followed his outspoken criticism of Air Force Gen. George S. Brown, chairman of the Joint Chiefs of Staffs for Brown's assertion in a press interview that Israel was a military burden on the U.S. Churba made his remarks in an address Sunday to the national executive committee of the Zionist Organization of America.

According to Churba, "There is no sound military reason for the U.S. to sell Saudi Arabia these new weapons systems." He said "the emphasis on enormous quantities of ... missiles is explicitly designed as a response to Israeli air power and a means of establishing an offensive capability against Israeli cities." He suggested that the sale of 1650 "Maverick" missiles might prompt the Arabs to consider a first strike against Israel and tempt the Israelis to consider a preemptive attack.

Churba claimed there was a "tilt" against Israel in the Pentagon which was based on false assumptions. One of these, he said, was that Israel retains an indefinite qualitative superiority over the Arabs and therefore does not need new weapons. A second is that the Arabs are incapable of assimilating sophisticated weapons which "was proven grossly wrong in the 1973 fighting." A third assumption, "no less faulty," is that the Saudis and Kuwaitis would not transfer their missiles to Israel's immediate neighbors and a fourth is that if the U.S. does not sell the weapons, the Saudis could buy their equivalents elsewhere.

#### WALDHEIM CONTACTING PARTIES TO MIDEAST CONFLICT AND CO-CHAIRMAN OF THE GENEVA PEACE CONFERENCE

By Yitzhak Rabi

UNITED NATIONS, Dec. 14 (JTA)--Secretary General Kurt Waldheim has begun contacts with the parties to the Mideast conflict and the co-chairmen of the Geneva peace conference in preparation for the convening of the conference, a United Nations spokesman announced here today.

The General Assembly adopted last Thursday a resolution calling for the resumption of the Geneva talks and requested Waldheim to resume contacts in preparation for an "early convening" of the Geneva conference. The resolution, which was opposed by Israel and the United States, also asked the Secretary General to report to the Security Council on his efforts not later than next March.

Waldheim met today on the matter with Jordan's UN Ambassador Hazem Nusseibeh. Spokesmen for the United States UN Mission and the Soviet Mission--the two co-chairmen of the Geneva conference--confirmed today that Waldheim contacted their delegations on the issue.

Meanwhile, Ambassador Victor Israelyan of the Soviet Union said in a briefing with reporters here today that the Soviet Union believes that participation of the Palestine Liberation Organization in some form in the Geneva conference is important to a political settlement and stable peace in the Mideast.

**NO-CONFIDENCE MOTION FOR ALLEGED  
SABBATH DESECRATION DEFEATED BY A  
VOTE OF 55-48 WITH 9 ABSTENTIONS**

By Gil Sedan

JERUSALEM, Dec. 14 (JTA)--A no-confidence motion against the Rabin government for alleged Sabbath desecration snowballed today into an all-out attempt by opposition-factions in the Knesset to unseat the Labor Alignment coalition a full year before the national elections. The attempt came dangerously close to succeeding.

The motion was defeated 55-48 with nine abstentions but only after government forces frantically rounded up every available Alignment MK to vote against it. Defense Minister Shimon Peres and Housing Minister Abraham Ofer, who had only just landed at Ben Gurion Airport from trips abroad, were rushed to the Knesset by helicopter.

The motion, presented by Kalman Kahane of the Orthodox Aguda bloc, stemmed from an official ceremony last Friday marking the arrival of the first three of 25 F-15 Eagle jet interceptors Israel has purchased from the U.S. The planes landed at an air base 47 minutes before the Sabbath. It was well after dark before the 3000 invited guests and dignitaries left the base in cars and this raised an outcry in religious circles.

Premier Yitzhak Rabin flatly rejected the desecration charge in the Knesset. But the government's position was complicated by the decision of the National Religious Party to abstain in the no-confidence vote, an almost unprecedented stance for a coalition partner. Oply Interior Minister Yosef Burg defected from his colleagues at the last minute and voted against the motion.

**Pretext For Opposition Assault**

It was clear, however, that the Sabbath issue was only a pretext for a mass opposition assault on the government. Apart from Likud which often votes with the religious bloc, the no-confidence motion was supported by the vigorously secular Civil Rights Party and the Communists, factions that are bitter foes of religious zealotry. Shmuel Tamir, of the Free Center faction said that any occasion was a proper one to vote against the government. Independent MK Arigh Eliav said the Knesset demonstration proved how many people had no confidence in the Rabin regime.

Opposition speakers also criticized the government for making a public spectacle of the arrival of the F-15s. Likud MK Avraham Katz charged that a "weak government tried to steal the hearts of the people with toys." Kahane of the Aguda criticized the ceremony arranged at taxpayers' expense. Tufik Tubi, an Arab MK of the New Communist faction agreed with Rabin that there was no desecration of the Sabbath but accused the government of desecrating peace by purchasing the F-15s.

But Rabbi Menachem Cohen of the Labor Alignment defended the government and warned against exploiting the Sabbath for political purposes. Independent MK Binyamin Halevi charged that the no-confidence motion used God's name

**BLUMENTHAL DESIGNATED BY  
CARTER AS SECRETARY OF TREASURY**

By Joseph Polakoff

WASHINGTON, Dec. 14 (JTA)--Bendix Corporation Chairman Michael Blumenthal, who was

designated today by President-elect Jimmy Carter to be his Secretary of the Treasury, is the second refugee from Hitlerism to reach a pinnacle of political power in the United States.

Like Secretary of State Henry A. Kissinger who fled from Germany with his parents and brother in the late 1930s, Blumenthal and his parents and sister departed five years after the Nazis took over Germany's government.

The Blumenthal family in Berlin was "completely secularized and non-religious," an aide to Blumenthal told the Jewish Telegraphic Agency yesterday, "until the Nazis came along to remind them they were Jewish." The aide said Blumenthal is Jewish, "no question about it--culturally and ethnically Jewish" but "Jewish activities are not in the center of his pre-occupations."

**Report He Is Presbyterian**

Time Magazine, however, in its current edition (December 20) describes his parents as non-practicing Jews and Blumenthal as a "baptized Presbyterian." It was also reported that, according to another source, the family converted to Protestantism when the Nazis were rising to power.

Blumenthal, who was born in Berlin in 1926, is the son of Ewald and Rose Valerie Markt Blumenthal. The family left Berlin in late 1938 or early 1939, the aide said, and made their way to Shanghai where "they were stuck" through World War II.

While in Shanghai, they were sheltered in a camp conducted by the Joint Distribution Committee. Shanghai was the locale for a large German-Jewish community of refugees in that period. It began disintegrating after the war and is now extinct. The Blumenthal family came to the United States in 1947.

**Reportedly Close To Ball, Vance**

Blumenthal was reported by close friends as being a good friend of Secretary of State-designate Cyrus Vance. He also was said to be a close friend of former Undersecretary of State George Ball, who for a time was considered a front runner as Kissinger's successor.

However, Blumenthal's own position towards such matters as the Arab boycott, trade with the Soviet Union hinging on Soviet emigration policy and other matters have not been specified by those close to him.

**ARGENTINA BANS ANTI-ZIONIST BOOK**

BUENOS AIRES, Dec. 14 (JTA)--An anti-Zionist book authored by an outspoken anti-Semite has been banned by the Argentine government on grounds that it threatened security and public order. The ban forbids the distribution, sale or circulation of "From the Zionist Yoke to the Possible Argentina" by Dr. Walter Beveraggi Allende, a lawyer and one of the most notorious Jew-baiters in Argentina.

It purports to be an economic treatise describing the country's liberation from dependence. According to the government decree, the book, published by Editorial Confederacion Nacionalista, is intentionally anti-social and tends to provoke or instigate illegal or criminal acts against security and public order.

JERUSALEM (JTA)--Hamburg Mayor Hans Ulrich Klose is in Israel for a week's visit as guest of the government, the first official visit by a mayor of Hamburg.

## LAMM HEADS COMMITTEE TO SAVE JHIRAD FROM EXTRADITION TO INDIA

NEW YORK, Dec. 14 (JTA)--Dr. Norman Lamm, president of Yeshiva University, has appealed to President Ford and to Secretary of State Henry A. Kissinger to deny extradition of Elijah-Ephraim Jhirad, former Judge Advocate General of the Indian Navy. Jhirad is being sought for extradition by the Indian government ostensibly in connection with alleged misappropriation of some \$1600 of naval funds in 1961. If he is returned to India, it is feared he will be jailed without trial, tortured and possibly killed, Lamm said.

An ardent anti-Communist pro-Westerner and Zionist, Jhirad asserts he is a victim of political persecution. He claims the pro-Arab forces in the Indira Gandhi government are out to bring him back to set an example to other Zionist sympathizers. According to Lamm, Jhirad, 63, who lives with his wife and three teenaged children in New York, is suffering from asthma and a heart condition.

Lamm, who is chairman of the newly formed Committee for Justice for Elijah E. Jhirad, said he first met Jhirad in 1960 while visiting the Bnei Israel Jewish Community in India. "He was one of India's most distinguished Jewish citizens," Lamm said. "I find it almost impossible to believe that he has been guilty of embezzlement, and even if he were, he would be suffering a penalty vastly disproportionate to the crime he is alleged to have committed."

In a letter to Ford on behalf of the Committee Lamm asserted that "extradition would be a horrendous miscarriage of justice. It would be contrary to the fundamental principles of our country and to all the dictates of conscience."

Other members of the Committee include New York City Council President Paul O'Dwyer; Professor of Economics Irwin Friend; State Assemblyman G. Oliver Koppell; New York Board of Rabbis Executive Vice-President Rabbi Harold H. Gordon; Honorary Executive Vice-Chairman of the American Joint Distribution Committee Samuel L. Haber; and Arthur H. Rosenfeld, publisher of a number of journals at Warren Gorham & Lamont where Jhirad is presently employed as managing editor.

### Hope Seems To Be Fading

Hope appears to be fading for the jurist despite the numerous appeals from leaders of the Jewish community and other distinguished Americans, Lamm said. At this time only the intervention of Ford or Kissinger can avert Jhirad's forced return to India. With the Supreme Court's denial last October to review the case, a ruling by a lower court holding Jhirad extraditable stands firm. On Nov. 8, Judge Gerard L. Goette allowed Jhirad to remain free on \$50,000 bail pending the State Department's decision after certifying and turning over Jhirad's file to the Department.

Kissinger and the Deputy Secretary of State are reported to be reviewing the case at this time. A decision is expected to be made by Jan. 4, 1977, 60 days from the receipt of the Jhirad file.

### ATTORNEY ACCUSES TREASURY ON BOYCOTT

NEW YORK, Dec. 14 (JTA)--A Washington attorney has charged that the Treasury Department's proposed guidelines would help American firms circumvent provisions of the 1976 Tax Re-

form Act aimed against the Arab boycott of Israel rather than inform citizens how to comply with the law. The provisions, contained in an amendment authored by Sen. Abraham Ribicoff (D. Conn.), deny certain tax benefits to American firms that participate in the boycott.

But according to Paul Berger of the firm of Arnold and Porter, "The guidelines would appear to countenance the chief methods now being used to effectuate the boycott." Beyond that, he said in a letter stating his views, "the guidelines appear to be purposefully structured to guide taxpayers on how to formulate their agreements in the future so that they may continue to participate in the boycott without losing their tax benefits."

Berger, co-chairman of the Governing Council of the American Jewish Congress and that organization's representative on the executive committee of the National Jewish Community Relations Advisory Council, was assigned by the NJCRAC's Israel Task Force recently to submit recommendations to the Treasury Department for its guidelines to enforce the Ribicoff amendment.

### Charges Parallel Ribicoff's

His charges paralleled those made by Ribicoff in a letter last week to Secretary of the Treasury William Simon. Ribicoff said the guidelines were doing little more than "providing information on how American companies can participate in the boycott and at the same time continue to take tax benefits."

Berger said that "in general, and at best, the guidelines require significant clarification in order to avoid the conclusion that Treasury has sought by administrative interpretation to obliterate legislative intent." It was pointed out that the Treasury still must formulate regulations and submit them for public reaction and hearings which will require considerable time. The net effect of the current proposed guidelines will be to postpone the effective date of the Ribicoff amendment.

### YADLIN INDICTED

TEL AVIV, Dec. 14 (JTA)--Asher Yadlin, who was chosen last September to be head of the Bank of Israel, was indicted yesterday on eight counts of bribery, tax fraud and illegal land transaction. The Cabinet withdrew the appointment after Yadlin's arrest.

Yadlin, 53, was head of Kupat Holim, the Histadrut's sick fund. He is charged with receiving more than IL 100,000 in kickbacks paid by Kupat Holim to a lawyer for legal work. He is also charged with taking IL 54,000 by splitting a commission with a real estate agent and in demanding \$36,000 from an engineering company that wanted a contract with the sick fund. Other charges are expected to be made against Yadlin. His sister, Sarah Hari, was also indicted on similar charges.

JERUSALEM (JTA)--Mordechai Bar On, head of the World Zionist Organization's youth and pioneer department, will leave in January for a 10-month mission in the United States aimed at increasing aliyah from the U.S. WZO Executive Chairman Yosef Almog said Monday he expects Bar On's efforts to increase the involvement of local Jewish communities in aliyah, increase volunteer work by American youth in Israel and increase the number of American Jewish students going to Israeli schools.