



# daily news bulletin

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## ISRAEL ASKS FRANCE TO HOLD DAUD PENDING FORMAL EXTRADITION REQUEST By Gil Sedan and Tuvia Mendelson

JERUSALEM, Jan. 10 (JTA)—Israel asked France officially today to detain the Palestinian terrorist Mohammed Daoud Auda, alias Abu Daoud, pending a formal extradition request. Daoud who was arrested in Paris Friday is believed to have planned the murders of 11 Israeli athletes at the Munich Olympics in 1972.

Although the Israeli Ambassador in Paris, Mordechai Gazit, was instructed by Foreign Minister Yigal Allon to ask the French authorities to hold Daoud in temporary detention, a request for extradition is expected shortly. Sources here said the delay was necessitated to allow Israeli authorities time to carefully formulate the charges against Daoud and the evidence that will form the basis of the extradition request. France and Israel have an extradition treaty, signed in 1958 and ratified by the French government in 1971.

Israeli law allows the State to try any person who committed a crime abroad that resulted in the death of an Israeli citizen, provided that the act is a criminal offense under the laws of the country where it was perpetrated. There is no doubt whatsoever that West Germany regards the Munich massacre as a criminal act. The Bonn government, in fact, is expected to ask for Daoud's extradition.

In that case, the French government would have to decide which country's extradition request deserved priority consideration. According to its extradition treaty with Israel, the country most closely connected to the crime—in this case West Germany—would have prior claim on the suspect.

Another complication may arise from a clause in the treaty which bars extradition for political crimes. There is a possibility that France may define Daoud's offenses as political crimes.

### Bereaved Families Demand Extradition

Meanwhile, families of the 11 Israeli athletes murdered in the 1972 Munich massacre called on the government to demand the extradition of Daoud. The National Sports Association sent cables to the Olympic committees of both West Germany and France calling on them to act urgently to put Daoud on trial. The association said that the ugly crime in Munich demanded severe measures against those responsible.

The Knesset is expected to discuss the issue tomorrow following four urgent motions to the agenda submitted today.

### FRANCE, GERMANY PONDER DECISION

By Edwin Eytan (Paris)  
and Jon Fedler (Bonn)

Jan. 10 (JTA)—A thicket of complications developed in Paris and Bonn today over the possible extradition of Abu Daoud, the Palestinian terrorist believed responsible for the 1972 Munich Olympic massacre, who was arrested by French authorities Friday. A formal extradition request is expected very shortly from Israel where legal authorities are formulating the charges

and evidence for extradition proceedings.

The West German government is not expected to decide until Wednesday whether or not it wants Daoud. Arab and pro-Palestinian pressures are building up in both capitals against extradition. France clearly would prefer to turn Daoud over to the West Germans but wants to avoid a serious set-back to its improving relations with Israel. Arab diplomats in Paris have made it clear, however, that while extradition to West Germany would strain Franco-Arab relations, extradition to Israel would precipitate a crisis.

Because of the German federal system, a decision to request Daoud's extradition will depend on whether the Bavarian state government which has jurisdiction over Munich wishes to take such a step. The Bavarian Cabinet meets to discuss the matter tomorrow. A Bavarian application for extradition probably would be taken up at Wednesday's meeting of the federal Cabinet in Bonn. German government sources confirmed meanwhile that they have been in contact with the Israeli Embassy "by telephone" concerning the Daoud case. But they declined to give any details.

According to observers in Bonn, the delivery of Daoud to West Germany for trial would create serious security and political problems. West German anarchist groups have been active recently and could cause trouble. Bonn is also anxious not to antagonize the Arabs at a time when it is attempting to lead a new initiative by the European Common Market for Middle East peace negotiations.

### Libyan Oil Is Consideration

Also of significance is the fact that Libya, which has protested Daoud's arrest, is West Germany's largest supplier of oil. On the other hand, should the government fail to demand Daoud's extradition it would be open to attack from the opposition Christian Socialist Party (CSU) which controls the Bavarian government and takes a tough stand on law and order. Bonn must consider as well Israel's reaction to a West German decision not to ask for Daoud's extradition, even though Israel clearly wants the terrorist for trial in its own courts.

Meanwhile, an official of the Bonn Ministry of Justice disclosed today that no state or federal warrant existed for Daoud's arrest prior to last weekend because there was "not enough evidence" of Daoud's involvement in the Munich massacre. The spokesman could not say on what new evidence the Bavarian arrest order was issued.

There appeared to be similar confusion in Paris. An authoritative French source said tonight that the international detention warrant issued by the Bavarian police for Daoud was received in Paris only on Saturday morning, some 12 hours after the terrorist was apprehended by the DST, the French counter-espionage agency. Interior Minister Michel Poniatovsky and other members of the government apparently were not consulted or even informed of Daoud's arrest until much later. Poniatovsky himself reportedly learned of it while spending the weekend at

his country home.

### Doubt Israel Will Get Daoud

The Israeli Embassy in Paris has asked French authorities to hold Daoud in preventive detention while an official extradition request is prepared. The Franco-Israeli extradition treaty of 1958, which the two governments ratified in 1971, provides a 60-day deadline for an extradition request. Israel's request is expected long before the expiration of the deadline.

On the basis of the German arrest warrant, Daoud may be held for 20 days and then must be released if no extradition request has been filed. French officials are clearly hoping for such circumstances which would enable them to expel Daoud and wash their hands of the matter. However, the officials say that they will consider extradition requests when they arrive and leave it to the judicial authorities to rule on the basis of the submitted evidence. Meanwhile, Arab ambassadors and leftist leaders in France are clamoring for Daoud's "immediate release." Political circles say privately that it was highly unlikely that Daoud would be extradited to Israel because of the repercussions in the Arab world.

### RABIN: ELECTION WON'T STOP PEACE QUEST

JERUSALEM, Jan. 10 (JTA)--Premier Yitzhak Rabin said here last night that Israel's elections will not interrupt its quest for peace. "If the Arab countries are interested in a lasting peace they will find Israel a ready partner for negotiations to achieve it. Rabin told the opening of the 17th WIZO convention here.

The WIZO convention, the first ever held in Israel, is being attended by about 1000 members from 36 countries. WIZO president, Mrs. Raya Yaglom delivered the keynote speech. The gathering was also addressed briefly by Ashkenazic Chief Rabbi Shlomo Goren and Deputy Mayor Yosef Gadish.

### GOLDMANN SAYS EFFORTS FOR MEETING WITH SADAT CONTINUES

By Gil Sedan

JERUSALEM, Jan. 10 (JTA)--The preparations for a meeting between Egyptian President Anwar Sadat and world Jewish leaders continue. Dr. Nahum Goldmann, president of the World Jewish Congress, told newsmen here today.

Goldmann said that Philip Klutznick, chairman of the WJC's board of governors, met yesterday in Washington with Egypt's Ambassador Ashraf Ghorbal, and discussed with him the pending meeting. According to Goldmann, the Egyptian ambassador said he was "eagerly waiting" for Sadat to set the date for the meeting. Goldmann said four Jewish leaders would attend the meeting--two from the United States, one from Britain and one from France.

Regarding reparations from West Germany, Goldmann said he would meet Chancellor Helmut Schmidt by the middle of February, to put the final touches on another reparations agreement. Goldmann said he would ask for \$250 million to be paid to Nazi victims who recently came out of the Soviet Union, and others who were not able to receive compensation so far for legal reasons.

### Klarman Raps Goldmann

Meanwhile, at today's weekly meeting of the World Zionist Organization Executive, Goldmann's actions were criticized by Joseph Klarman, representative of the Revisionists. Klar-

man told Goldmann the planned meeting with Sadat humiliated the WJC, and was damaging to Israel. Klarman said Sadat's only reason for such an invitation was Goldmann's views in favor of territorial concessions.

Klarman demanded of Goldmann that the WJC honor an agreement with the WZO Executive that the WJC will not enact resolutions, except in meetings of the WJC Executive, in which the WZO Executive is represented. Klarman said that if the WJC would not honor the agreement, he, Klarman, would demand the cessation of cooperation between the WZO Executive and the WJC.

### MOYNIHAN SAYS ATTACKS ON ISRAEL AIMED AT ALL DEMOCRACIES

WASHINGTON, Jan. 10 (JTA)--Sen. Daniel P. Moynihan (D-NY), in his first address at a Jewish meeting since assuming office, condemned the Soviet Union and the Third World for their assault on Israel as part of a concerted campaign against world democracy. He spoke at the National Inaugural Conference for the 1977 Israel Bond campaign which met here yesterday to adopt a program for the sale of Israel Bonds to speed Israel's economic recovery and restore the momentum of its economic development. The conference at the Washington Hilton Hotel was attended by more than 150 top leaders from the United States and Canada.

Describing Israel as a "surrogate of democracy," Moynihan warned that if something were to happen to Israel, Europe and then the United States would suffer the same fate. "We must come to the aid of Israel if the democratic tradition is not to die," he said. He called for the support of Israel Bonds, asserting that there could be no more "pressing issue" or "more important enterprise" for those concerned with the preservation of the State of Israel.

### Dinitz Sees 1977 Decisive

Israel's Ambassador to the U.S., Simcha Dinitz observed at the meeting that 1977 could be "the year of our greatest opportunity or the year of the greatest danger for Israel--a year when we may move to peace or to confrontation." Israel is ready to negotiate and will never avoid any arena which may lead to peace, Dinitz declared. But he noted that Geneva would be either "the stage for the premiere or the grand finale of the peace process; it could not be the theater where a peace settlement would materialize." He sharply criticized the democracies for their "reluctance to stick their necks out for democracy in the Middle East."

Sam Rothberg, general chairman of the worldwide Israel Bond campaign, who presided, emphasized that "the economy may be the weak link in Israel's chain of defense in 1977 when crucial decisions may be made affecting the future of Israel and its hopes for security and peace."

UNITED NATIONS (JTA)--Secretary General Kurt Waldheim is scheduled to begin his visit to the Mideast on Feb. 1, it was learned here Monday. He will go to Cairo, Jerusalem, Amman and Damascus. Waldheim's Mideast tour is part of his efforts to prepare the ground for the resumption of the Geneva-Mideast peace conference. Until he takes off to the Mideast, Waldheim will continue consultations here with the parties concerned.

**KISSINGER-SAYS CONDITIONS  
FOR MIDEAST PROGRESS  
'BETTER' THAN IN MANY YEARS**

By Helen Silver

WASHINGTON, Jan. 10 (JTA)--Secretary of State Henry A. Kissinger said today that "conditions for progress" toward peace in the Middle East "are better than they have been in many years." He made that remark and elaborated on it in reply to questions after delivering his "valedictory address" at a National Press Club luncheon. Kissinger leaves office when the Carter Administration is inaugurated Jan. 20.

The outgoing Secretary was asked whether the Middle East "is really closer to a solution of the Israeli, Palestinian and other issues that have so long plagued it" and whether the region "has been eliminated as a likely area of Soviet-American confrontation and conflict."

Kissinger replied that "The Middle East has obviously not been eliminated as a source of conflict." But he stressed that conditions there have improved greatly since 1973 when "the Arab world and Israel were engaged in a war at the end of which the danger of a new flare-up was extremely great."

He noted that then the U.S. "had no diplomatic relations with the key Arab countries except Saudi Arabia and Jordan" and often "had to send messages to Cairo and Damascus via Moscow." He said that "what was needed was to re-establish some relationships with the Arab world, to maintain our traditional friendship with Israel" while moving the area toward peace.

**To Speak In New York**

Kissinger claimed that "We are now approaching the point where conditions in the Middle East for significant progress seem to us sufficient." He asserted that "Egypt, Syria, Saudi Arabia, Jordan are all committed to progress toward a peace which recognizes the existence and legitimacy of the State of Israel. The radical elements in the area no longer have the influence that they possessed some years ago. I believe that negotiations will be extremely complicated and it may take some time, but I do believe the conditions for progress are better than they have been in many years," Kissinger said.

(Kissinger will address a farewell luncheon tomorrow on his behalf at the Pierre Hotel in New York given by the Conference of Presidents of Major American Jewish Organizations. Israeli Ambassador Simcha Dinitz is also scheduled to speak.)

**PERES ANNOUNCEMENT EXPECTED TUESDAY**  
By Tuvia Mendelson

JERUSALEM, Jan. 10 (JTA)--Defense Minister Shimon Peres is expected to announce tomorrow that he is a candidate for leadership of the Labor Party. His announcement, to be made in the course of a scheduled television interview, will formalize his hitherto active but unofficial challenge to Premier Yitzhak Rabin.

Elements within the Labor Alignment have been trying to persuade Peres to abandon the struggle in the interests of party unity during the election campaign. Peres has rejected these appeals. Acknowledging that Labor faces an uphill fight to retain its position as Israel's governing party, he has claimed that under the present leadership it is doomed to defeat. Peres has been conferring with various Labor circles in re-

cent weeks and apparently believes he has a good chance to replace Rabin at the head of the party's election list.

The internal contest may become a three-way race. Former Foreign Minister Abba Eban is expected to declare himself a candidate for the Labor Party leadership later this week. He has reportedly informed Peres of his decision.

**MAPAM'S DEPARTURE LIKELY NOW**

TEL AVIV, Jan. 10 (JTA)--The prospects that Mapam will quit the Labor Alignment and go to the voters with its own list of candidates, in the May 17 elections increased today after an inconclusive meeting between Mapam leaders and Premier Yitzhak Rabin. Mapam has insisted that one of the conditions for remaining in the Alignment is revision of the Labor Party's 14 principles for peace negotiations.

It wants Labor to state specifically that territorial concessions in the Judeaea and Samaria regions (West Bank) would be a subject for negotiations. Rabin did not reject that demand at today's meeting but he stated that a clear cut reply could be given only after the Labor Party's convention in February. Mapam holds its convention Jan. 30, several weeks ahead of Labor, and in the absence of satisfactory replies by then is expected to vote to leave the Labor Alignment.

**ISRAELI OFFERS TO GO TO FRANCE  
IN EXCHANGE FOR TERRORIST**

By Yitzhak Shargil

TEL-AVIV, Jan. 10 (JTA)--Israeli financier Shmuel Sharon-Flatto, whose extradition is being sought by France on charges of fraud and income tax evasion, said here today that he would willingly return to France to face the music if French authorities agreed to extradite Palestinian terrorist Abu Daoud to Israel. Daoud, who is believed to have engineered the 1972 Munich Olympics massacre, was arrested in Paris Friday and Israeli authorities are expected to request his extradition shortly.

Flatto's extradition was requested by France two weeks ago after several years during which the matter appeared to have been dropped. In that period, Flatto prospered from industrial and construction enterprises in Israel. Israeli authorities detained him pending completion of the French extradition papers. He was released on IL 10 million bail, the highest bail ever set by an Israeli court.

In an interview at his luxurious home near Tel Aviv, Flatto said that if his going to France would expedite the extradition of Abu Daoud, he was ready and willing to do so because he owes it to Israel.

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VIENNA (JTA)--An opinion poll conducted by Vienna University among the Viennese population showed that there are extensive anti-Semitic attitudes in the Austrian capital. According to the poll, 38 percent of the Viennese maintain that Jews despise physical work; 50 percent think that Jews dominate the international financial scene and cause quite a lot of mischief in history; and 33 percent believe that Jews are superior in business life. The poll revealed that anti-Semitism is especially strong among older and less educated persons with relatively small incomes. The study found that hard-core anti-Semitism has almost disappeared.

### AJ CONGRESS CHALLENGES RULING BY CALIFORNIA OFFICIAL ALLOWING BANKS TO ISSUE CERTIFICATES

NEW YORK, Jan. 10 (JTA)--An opinion by California's Attorney General on the state's new anti-boycott law has been challenged by the American Jewish Congress as serving to "extend, condone and validate acts of collaboration with the Arab boycott of Israel."

Last month, Attorney General Evelle J. Younger issued an opinion that Chapter 1247 of the California Statutes, which became effective Jan. 1, did not prohibit California banks from issuing negative certificates of origin. These are statements that goods sold to Arab buyers do not contain material of Israeli origin.

"The mere demand by banks for negative certificates of origin as a prerequisite to payment on certain letters of credit inevitably aids and abets the Arab boycott and embroils American financial institutions in active collaboration with boycott activities," Phil Baum, associate executive director of the AJ Congress wrote to Younger. The California official's interpretation of the anti-boycott law, Baum said, would "defeat the legislative intention" of the statute.

Prior to the Attorney-General's opinion, the Bank of California instructed its branches in the state and in 44 countries abroad to stop handling documents containing boycott-related provisions. Similar announcements were made by other California banks. Since Younger's opinion, however, Baum said, "the banks have indicated a measure of uncertainty on how to proceed."

#### Cites Commerce Dep't. Ruling

Baum cited an opinion by J. T. Smith, general counsel of the U.S. Department of Commerce last Nov. 5 that the mere furnishing of boycott-related information "is in itself an act of compliance with the boycott...which contravenes the policy of the United States." Smith said that "it has been the policy of the United States for 11 years to encourage and request American firms to refuse to take any action, including the furnishing of simple certificates of origin" that has "the effect of furnishing or supporting the Arab boycott of Israel."

The AJ Congress spokesman also cited a statement by the Board of Governors of the Federal Reserve System that "the participation of a U.S. bank, even passively," in efforts to effect the boycott was "a misuse of the privileges and benefits conferred upon banking institutions." The issuance of letters of credit containing boycott clauses, the Federal Reserve said in a letter to member banks on Dec. 12, 1975, "was beyond normal commercial conditions" and was "unjustifiable."

### ALIYA DIRECTOR LEAVES TO BECOME MK

NEW YORK, Jan. 10 (JTA)--Yehiel Leket, director of the Israel Aliya Center in North America, has announced that he will return to Israel to become a member of the Knesset for the Labor Party to replace the late Housing Minister Abraham Ofer.

Leket stated that he reached his decision after consulting with the top officials of the Aliya Department and will terminate his tenure in the United States towards the end of January. Meanwhile, all necessary steps to replace him will be taken, he said. Leket, 35, became director of the Israel Aliya Center in August, 1975 and was to have stayed on until August, 1977. Previously,

Leket was chairman of the Young Leadership in the Labor Party, and before that, spokesman for the Ministry of Education in Israel.

"Aliya is the real major challenge that American Jewry and especially the young generation has to face--as well as absorption in Israel is the real challenge that the Israeli society has to face," Leket said. "On both sides, there is not enough awareness to face these challenges. In my new capacity as a member of the Knesset, I shall do everything possible to improve and advance these two subjects which have been my major concern during my tenure in the United States."

### STATE DEPARTMENT SAYS SOVIETS MUST PAY FOR UN MIDEAST FORCE

By Helen Silver

WASHINGTON, Jan. 10 (JTA)--The State Department has confirmed its view that the Soviet Union is legally obligated to pay its full share of the cost of the United Nations peace-keeping forces in the Middle East. A spokesman said Friday "the United States has paid its full contribution for the period in question of \$31,850,300. We believe other members are expected to pay their assessed contributions under the General Assembly resolutions setting up the finance mechanism for the force."

The spokesman added "it is now up to the United Nations Secretary General to decide how to proceed." The spokesman said he did not know whether the matter came up in Secretary of State Henry A. Kissinger's luncheon meeting Jan. 4 with Soviet Ambassador Anatoly Dobrynin and Secretary of State-designate Cyrus Vance.

The issue arose when the Soviets decided not to pay their share of the cost, leading to speculation that the action was a warning to the Carter Administration that the USSR must be included in any new U.S.-sponsored peace initiative in the Middle East. The Soviet Union said in a brief note to the UN it was withholding about \$4.4 million in contributions to the UN force policing the Israeli-Egyptian Sinai accord. The note said "The Soviet Union had nothing to do with this agreement, concluded on a separate basis and actually circumventing the Geneva peace conference" on the Middle East.

### ODED REMBA DEAD AT 46

NEW YORK, Jan. 10 (JTA)--Funeral services were held today in Eltizabeth, N.J. for Oded Remba, an authority on Middle-East oil and energy problems. He died Thursday at the age of 46.

Prof. Remba, who was a professor of economics at the College of Staten Island of the City University of New York, was a member of the board of directors of the American Academic Association for Peace in the Middle East and chairman of the editorial advisory board of its quarterly "Middle East Review." He was also a member of the steering and executive committees of the American Professors for Peace in the Middle East and of the board of directors of the American Histadrut Cultural Exchange Institute.

JERUSALEM (JTA)--Four three-day courses held at the Hebrew University in Jerusalem this winter were attended by some 150 longshoremen from the port of Ashdod. Lectures were given in History, Jewish studies and psychology. The program is to be continued with courses for Haifa port workers and policemen.