



# daily news bulletin

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## **CARTER SAYS U.S. WILL HOLD DOWN ARMS SALES TO FOREIGN COUNTRIES, PARTICULARLY THOSE IN THE MIDEAST**

Uncertainty About Its Effect On Israel

By Joseph Polakoff

WASHINGTON, Jan. 24 (JTA) -- President Carter said today that the United States will "hold down" sales of arms to foreign countries, particularly those in the Middle East. He did not specifically name any country.

Carter also said that the time and place of a renewed conference on a Middle East peace settlement will have to wait until after Secretary of State Cyrus Vance visits the Mideast soon. He noted that if the Palestinians participate in the negotiations it would likely be as part of one of the Arab delegations.

The President's remarks were made in a White House interview with the Associated Press and United Press International. Asked whether he planned to call a temporary or permanent arms sales moratorium, Carter, according to an unofficial transcript said:

### **Moratorium Not The Right Expression**

"I don't think a moratorium would be the right expression, because that is an abrupt and total termination of all ownership. I don't contemplate that. But in our first National Security Council meeting (Saturday) we discussed, and I think in unanimity, the necessity for reducing arms sales or having very tight restraints on future commitments to minimize the efforts by arms manufacturers to initiate sales early in the process."

"The Secretary of State," the President continued, "will be much more hesitant in the future to recommend to the Defense Department the culmination of arms sales agreements. I have asked that all approvals of arms sales, for a change, be submitted to me directly before the recommendations go to Congress."

Carter added that he instructed Vice President Walter Mondale, who left yesterday for Europe and Japan, to ask U.S. allies "to join with us on a multilateral basis" in the arms' limitations. The President described some of these nations as "heavy arms exporters."

Carter also said "we will also be talking to some of the primary arms purchasers, particularly the Middle East when Secretary Vance goes there very shortly to hold down their own purchases of arms from us and other countries."

### **Referring To Iran, Saudi Arabia**

The immediate reaction was uncertainty as to the scope of the limitations in so far as it affects Israel which is virtually dependent in its entirety on the United States for sophisticated weaponry and clarification was seen as necessary. President Ford had pledged four categories of special arms to Israel but this was never translated into a formal presentation to Congress, but left to the Carter Administration for action.

The President's remarks came at a time when there was a report that the U.S. would

restrain its arms deliveries as a means of inducing Israel to move more rapidly in the direction of some sort of an agreement with its Arab neighbors. At the Capitol, however, informed sources told the Jewish Telegraphic Agency that the President does not have limitations on Israel in mind but rather was obliquely referring to Iran and Saudi Arabia which are the heaviest purchasers of U.S. arms.

Noting the President's remarks on arms manufacturers, one source told the JTA that Carter's whole concern is to prevent "the hustling of arms" and was directed to those companies that make major sales to Iran and Saudi Arabia. Sales to these countries, he said, have been a constant source of congressional complaints.

### **Geneva Conference Likely This Year**

Carter was also asked about the prospects of a Geneva conference on the Middle East, and whether the U.S. would formulate a final Arab-Israeli settlement proposal. "I think the conference on the Middle East is very likely this year," he said. "I would hate to go into more detail about where or when until after at least the Secretary of State has had a chance to consult in depth with the heads of state -- Israel and Egypt and Syria, Saudi Arabia and Jordan."

Carter added: "Many of these leaders will be invited to come and visit me here." The President was asked whether he approved of the Palestinians having representation at a Mideast peace conference and about eventual Palestinian statehood. "I think it would not be appropriate now for me to spell out specifications," Carter said. "If the Palestinians should be invited to the meeting as agreed by the other participating nations, along with us, it would probably be as part of one of the Arab delegations. But that is something still to be decided."

### **DINITZ DEPLORES UNOFFICIAL MEETINGS BETWEEN U.S. JEWS AND PLO OFFICIALS**

MIAMI BEACH, Jan. 24 (JTA) -- Israel's Ambassador Simcha Dinitz last night deplored unofficial meetings between American Jews and representatives of the Palestine Liberation Organization as "well-meaning efforts by friends of Israel that lead to nowhere except to give credibility" to a terrorist movement.

Addressing the annual plenary of the National Jewish Community Relations Advisory Council (NJCRAC), Dinitz contended that "such dialogues are misused" by the PLO which, he said, was struggling to regain prominence after having been weakened "physically and politically" in the Lebanon crisis.

The informal contacts, Dinitz said, are also "misinterpreted" by some official American quarters that the PLO's new pose of moderation is being treated seriously with

the American Jewish community. An NJCRAC statement on the issue, released at an earlier session by Rabbi Israel Miller, chairman of the Council's Israel Task Force, strongly opposed Jewish contacts with the PLO, noting that the Arab group has "itself clearly disavowed interpretations of its posture as moderate or conciliatory."

The statement, a consensus view of the nine national organizations and 101 local community relations councils affiliated with NJCRAC, warned "it is still the same PLO that was responsible for the terrorism from which the civilized world still recoils with horror -- Munich, Khartoum, Maalot, Lod Airport, Lebanon and elsewhere."

#### Mideast Peace Prospects

Analyzing Middle East peace prospects, Dinitz told the assembly that the emergence of Egypt, Syria and Saudi Arabia as a new Arab coalition "that combines elements of territory, money and oil" was a strengthening of Arab unity that could be conducive toward negotiations. But, he added, the new amalgam of Arab power also included "a danger of Arab overconfidence" that could lead to political, if not military, confrontations with Israel, such as "demands for preconditions" as a prerequisite to negotiations.

Dinitz anticipated that the new coalition will seek to test the Carter Administration in ways similar to Saudi Arabia's recent carrot-and-stick approach of resisting the Organization of Petroleum Exporting Countries higher oil pricing in hopes of American pressures on Israel. "But the voices we have heard in the new administration should not encourage the Arabs to believe they can use oil as blackmail," Dinitz declared.

In a Presidential statement, Jimmy Carter sent greetings to the 350 delegates, expressing confidence that "your deliberations will help push forward the goals you and my administration share: peace in the Middle East and throughout the world, the ordering of our national priorities to assure a better life for all and a system based on justice and equality."

#### GENSCHER, ALLON TO MEET IN MARCH

BONN, Jan. 24 (JTA) -- West German Foreign Minister Hans-Dietrich Genscher will visit Israel for talks with Foreign Minister Yigal Allon early in March, about a fortnight after visits to Jordan and Syria. The visit was originally planned for a later date, but Genscher reportedly brought the date forward because of the Israeli general elections. This will be his second visit to Israel.

While he is understood to have no concrete proposals for a Mideast peace settlement, Genscher is believed to be anxious to impress on all parties the urgency of a settlement and what he considers are positive prospects for its attainment.

Meanwhile, it is understood that the release of Abu Daoud two weeks ago by France is likely to be discussed by top German and French justice officials during Franco-German consultations led by Chancellor Helmut Schmidt and French President Valéry Giscard d'Estaing next month, according to informed sources. But Schmidt himself is unlikely to raise the issue.

#### NO INFORMATION OF INTER-ARAB PEACE KEEPING FORCE NEAR METULLAH

TEL AVIV, Jan. 24 (JTA) -- Israeli sources had no information today on reports from Beirut that the largely Syrian inter-Arab peace-keeping force in Lebanon has reached the town of Nabatiyeh, about 14 kilometers north of the Israeli town Metullah. Nabatiyeh lies inside the so-called red line, an undefined demarcation line beyond which Israel says it would not permit an Arab army.

The Syrians hitherto have carefully avoided crossing the line, even during the intense fighting in Lebanon two months ago when they marched on the port of Sidon. According to the Beirut report, Nabatiyeh was reached by a column of tanks, armored cars and auxiliary units from the Lebanese capital. The town has a population of about 26,000 mostly Moslem and was the site of a terrorist advance headquarters and logistics center.

Meanwhile, artillery and small arms fire were heard in northern Israel last night. Their source was Adeisa and Teibeh, villages in southern Lebanon near Metullah. Israeli observers believe the shooting indicated a clash between Christian Lebanese units and terrorists trying to infiltrate the border region. The clash had no effect on traffic between Lebanon and Israel through the open fence at Metullah. A group of 60 Lebanese schoolchildren and their teachers were guests of the Metullah school today.

#### MOYNIHAN: ISRAEL NOT IMMUNE FROM THE VIOLENCE WHICH GRIPPED LEBANON

PALM SPRINGS, Calif., Jan. 24 (JTA) -- "Your commitment to the work of the UJA is a measure of compassion and commitment, not just to a people but to a principle, the principle of the free society which is under attack in the world today," Sen. Daniel P. Moynihan (D NY) declared here to an overflow audience of 750 delegates attending the 1977 United Jewish Appeal West Coast Regional Conference.

The former United States Ambassador to the United Nations warned that the decline of democracy throughout the world must be counter-balanced by firm resistance to the further expansion of anti-democratic forces, particularly in the Middle East where Israel is the only true democracy. "Last year before our very eyes we saw Lebanon crushed and trampled," Moynihan said. "Where were the voices raised in protest throughout the world? Is it unthinkable that the same thing might happen to Israel?"

Frank R. Lautenberg, UJA general chairman, said that "if the needs of the Jewish community did not find us as one, then they have made us as one. Our giving is not charity, it is part of the tradition of Jewish continuity."

Lautenberg reported that the current UJA campaign is up 14 percent from 1976 levels. He said that "1977 is truly an affirmation and challenge. We must give with our heart and our mind -- we are linked in the chain of generations -- we have made a possible dream come true." Leaders in 27 campaigns in 13 Western states, including Alaska and Hawaii, attended the three day conference which ended yesterday.

# **JAABARI'S MESSAGE ENCOURAGES PERES** By Gil Sedan

JERUSALEM, Jan. 24 (JTA) -- Defense Minister Shimon Peres said yesterday that he was encouraged by the report Sheikh Mohammed Ali el-Jaabari, the former Mayor of Hebron, brought back from his recent visit to Jordan where he had a series of meetings with King Hussein in Amman. The 80-year-old retired politician, long a supporter of Hussein told him that the "will for peace east of the Jordan River is equivalent to that west of the river," Peres reported.

Peres did not say whether Jaabari brought back a message from Hussein. But the fact that he received a warm welcome in Jordan may indicate that Hussein agrees with Jaabari's position that the PLO is not representative of the West Bank -- this despite Hussein's recently improved relations with the PLO.

Peres said that Jaabari and his political line deserved official Israeli encouragement. "Israel is aware of the fateful ties between the West Bank and Jordan" and "the line that Jaabari advocates contributes to Israel's political aims because Israel does not intend to annex the West Bank," Peres said.

The Defense Minister played down Hussein's new cordiality with PLO chieftain Yassir Arafat. He said that while Hussein acknowledged the 1974 Arab summit conference at Rabat as recognition of the PLO he has not disengaged himself from the West Bank and he distinguished between the terror organizations and the land itself. Jaabari is scheduled to meet this week with Premier Yitzhak Rabin, probably on Wednesday.

## **DAYAN CONFIDENT THE U.S. WILL NOT SEEK TO IMPOSE SETTLEMENT ON ISRAEL** By Maurice Samuelson

LONDON, Jan. 24 (JTA) -- Former Israeli Defense Minister Moshe Dayan said here that he trusted the United States not to exert pressure on Israel for territorial concessions, that he favored Defense Minister Shimon Peres over Premier Yitzhak Rabin to head the Labor Party and the next Israeli government and that he believed the Arab states preferred a political settlement rather than another war with Israel although they were not yet ready for a final peace.

Dayan discussed his views in detail at a dinner of the Joint Israel Appeal attended by 1100 people Saturday night, on a BBC television interview and at a press conference this morning. He is in England on a fund-raising mission and will leave for the United States shortly on a similar tour.

Dayan said he was confident that the U.S. would not try to impose a settlement on Israel or exert any kind of pressure for territorial concessions, though one of the reasons the Arabs now favored peace was their belief that they could get more out of Israel through U.S. pressure than by war. He said he believed the Carter Administration would honor the military and economic assistance commitments made to Israel by its predecessor. He noted that while the style of U.S. diplomacy may be less public under Secretary of State Cyrus Vance than under former Secretary Henry A. Kissinger, it would not change in substance. According to Dayan, the current Arab "peace

offensive" represented Israel's "biggest international achievement in foreign policy." He said the peace statements by Arab leaders must be taken seriously and that Israel should be prepared to attend a reconvened Geneva Peace conference next summer without preconditions. He said a Geneva conference based on Security Council Resolutions 242 and 338 would preclude participation by a separate PLO delegation. There will be progress toward peace, though not a final peace settlement, Dayan said.

Commenting on the recent riots in Egypt, Dayan said that President Anwar Sadat faced "a very grave situation" at home and would have to wield a strong hand to survive. He will have to cut his military budget and "that will be good for Egypt and very good for Israel," Dayan said. But he predicted that even if Sadat fell, a new regime in Cairo would stick to the Sinai disengagement agreements and, because of economic difficulties, would not start a war "just now."

## **Israel's Future Boundaries**

Regarding the shape of Israel's future boundaries, Dayan said Israel should be ready to withdraw from the western shores of Sinai on the Gulf of Suez but should retain a strip on the eastern shore as far as Sharm el Sheikh to protect the Gulf of Eilat. He thought border adjustments could be made on the Golan Heights especially if Syria returned the civilian population to Kuneitra instead of fortifying it.

Dayan said the problem with Jordan was not territorial. He opposed annexation of the West Bank but he would retain Israel's military control of that region as well as the Gaza Strip. He would also insist on the right of Jews to buy land on the West Bank and establish settlements alongside Arab population centers. The Jewish settlements would have Israeli nationality and the Arab ones would be linked to Jordan, he said.

Dayan contended that there was no need for a separate Palestinian state for the half-million former refugees in Jordan who have been given citizenship and the right to work there. He said such a state could not accommodate the 300,000 Palestinian refugees in Lebanon.

## **ARAB TAKEOVER BLOCKED**

SALT LAKE CITY, Jan. 24 (JTA) -- Emergency legislation aimed at preventing Arab oil interests from taking over a company with major holdings in Utah was rushed through the State Legislature last week. The Utah House of Representatives adopted the bill by a 67-0 vote Friday, less than 24 hours after the State Senate approved the bill by a vote of 27-0.

State Senator Warren Pugh urged passage behind closed doors after he said that there is a company in Utah threatened with a takeover. He refused to identify the company, but others said it was the Kennecott Copper Corporation. However, the company said it knew of no impending takeover bid.

The bill broadens a state law covering quick stock takeovers of Utah companies to include not only corporations with headquarters in the state but also those with assets of more than \$125 million or more than 500 employees in the state. It would require 20 days notice of a takeover bid.

## JEWISH GROUPS URGED TO HELP SOLVE AMERICAN ECONOMIC PROBLEMS

MIAMI BEACH, Fla., Jan. 24 (JTA) -- In their own self-interest, Jewish groups should get involved in trying to solve the economic problems plaguing America, two leading Jewish community relations specialists counseled the plenary session of the National Jewish Community Relations Advisory Council (NJCRAC) here this week.

"With or without us," said Seymour Samet, director of domestic affairs of the American Jewish Committee, "the ideological and political battleground for minorities in the year ahead will deal with new social and economic policies.... With us or without us, others -- often with less skill and some with less integrity -- will not hesitate to press their views."

At the same session, Howard Rieger, a nationally-known expert on urban affairs, urged delegates to try to rekindle some of the activity that led to the social reforms of the 1960s.

Rieger, director of community relations and urban affairs of the Jewish Community Federation of Cleveland, said that such activity is necessary not only to help meet the needs of the country, but also to "strengthen our own organizations."

The Plenary is the highest policy-making body of the NJCRAC, which coordinates the community relations work of nine national Jewish agencies and 101 Jewish community groups across the country. Delegates to the annual Plenary Session discuss challenges that will face the Jewish community in the coming year, and formulate guidelines for activities. The meeting here opened yesterday and concludes Wednesday.

One of the major problems pointed out by Rieger is that "the old coalitions (that worked together for social change in the 60s) have truly died." Now that the struggle of the 60s for civil-rights legislation is over, "economics have become, to a significant extent, the present day intergroup relations agenda. Yet this agenda, in and of itself, is incapable of generating ongoing coalition activities at the local level," he said. Jewish groups must carefully explore new methods of generating coalitions.

### Jewish Communities Being Hurt

The first step in this process, according to Samet, is for Jewish groups, like other groups, to "more clearly understand what we want and need for ourselves before we espouse and support programs for economic and social change." Samet described how Jewish communities are being hurt by the current wave of inflation and unemployment.

He pointed out that "most Jews live in, or close to, and are affected by, regions that are in economic stress, with declining populations and waning political power. This is a threat to the health of the Jewish community, which will predictably maintain its largest populations in areas now threatened by social, political and economic decay."

These areas have the fastest rising cost of living, and the highest crime rates. Even though many Jews are moving to the suburbs, by and large their livelihoods are based in the cities worst hit by crisis. But, Samet maintained, the federal government has shortchanged these areas in recent years. He said that in

the Northeast, 25 percent of the Jewish population live in households with incomes of under \$8,000 per year. Jewish college graduates are among those hardest hit by lack of suitable jobs. And even where Jews are not directly troubled by joblessness, they pay for it. Unemployment, Samet said, has been shown to be responsible for the higher crime rate. Furthermore, the government is forced to raise taxes to cope with the various problems created by lack of work.

Citing further examples of how Jewish communities are being affected by the crisis of the cities, Rieger said there is a drastic need for work in at least the following areas: school desegregation problems; hunger, community development; translating the promises of the new administration into action, and Black-Jewish relationships.

### DIPLOMACY, SOUTHERN STYLE

WASHINGTON, Jan. 24 (JTA) -- For most diplomats and their wives at a White House reception Saturday it was only a handshake and a few words from President Carter. But Mrs. Vivian Dinitz, wife of Israeli Ambassador Simcha Dinitz, got a kiss from the nation's chief executive. "I told the President we would pray for him," Ambassador Dinitz said. "I am so proud he kissed my wife." The Israeli envoy told reporters afterwards that he and Carter were old friends and recalled spending a weekend in 1973 in Carter's mansion in Georgia when Carter was governor. The reception Saturday was the President's first for diplomats and part of a series of receptions he has been holding since his inauguration last Thursday.

### THREE RECEIVE MEDAL OF THE JUST

NEW YORK, Jan. 21 (JTA) -- Three women who risked their lives to save Jews during the Holocaust were honored and each was presented with the Medal of the Just at the Israeli Consulate here. The three women, Mrs. Lydia Van Zwol-Nardlund of Jackson Heights, N.Y., Mrs. Germaine Belinne of New Jersey and Mrs. Josefa Oken-Polanska of Poland who recently arrived in the U.S., were presented with the Medal by Israel's Consul General in New York, Uri Ben Ari, who cited the "bravery and human kindness they showed" to Jews during the Holocaust.

Mrs. Belinne and her family helped 35 Jews during the Nazi occupation of Belgium, by feeding them and supplying them with forged papers. As a 15-year-old girl, Mrs. Nardlund helped hide 450 Jews in her native Pelp, Holland. Mrs. Polanska, who was also 15 at the time, hid a Jewish family for a year-and-a-half in the small Polish town of Rodnik, where no Jews lived. The three women were recommended for the award by the Commission for Designation of the Just of Yad Vashem in Jerusalem.

NEW YORK (JTA) -- Rabbi Alexander M. Schindler has been unanimously re-elected chairman for a second-year term of the Conference of Presidents of Major American Jewish Organizations, it was announced today.