



# daily news bulletin

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## CARTER ADMINISTRATION RECOMMENDS ADDITIONAL \$300 M IN ECONOMIC AID FOR ISRAEL DURING FISCAL 1978

JERUSALEM, Feb. 7 (JTA)--The Carter Administration has recommended that Israel receive an additional \$300 million in economic aid for fiscal 1978. Foreign Minister Yigal Allon told the Cabinet yesterday. This means that Israel would get \$1 billion in military aid and \$800 million in economic aid.

Israel had asked for \$2.3 billion of which \$1.5 billion would be in military aid and \$800 million in economic aid. The Ford Administration had recommended that Israel get \$1.5 billion. The Israeli government is expected to ask for the additional \$500 million in military aid when Secretary of State Cyrus R. Vance arrives here next week.

## U.S. MULLING SALE OF MILITARY EQUIPMENT TO ISRAEL WHICH WAS PLEGGED BY FORD LAST OCTOBER

By Joseph Polakoff

WASHINGTON, Feb. 7 (JTA)--The State Department said today that the sale of four categories of military equipment to Israel, pledged by President Ford last Oct. 8, continues under consideration. Department spokesman Frederick Z. Brown said that the review has not been concluded and that the Carter Administration would consult with members of Congress as part of the review.

Brown said he did not know whether the process would be completed before Secretary of State Cyrus R. Vance leaves on a six-nation tour of the Middle East Feb. 15. Asked by the Jewish Telegraphic Agency if the delay in approving the sales was related to the balance of power in the Middle East or to the psychological impact on Israel and its Arab neighbors, Brown replied that it is a complicated case, militarily and politically.

He noted that "The whole question of arms sales has a very high priority in this Administration" for both "ongoing and future sales." Brown announced that in preparation for his Middle East trip, Vance met at the State Department today with the ambassadors of Syria, Egypt, Saudi Arabia and Lebanon and the Charge d'Affaires of Jordan. He met with the Arab envoys as a group. He was scheduled to meet separately this afternoon with Israeli Ambassador Simcha Dinitz.

Brown said the meeting underlined the importance of the Secretary's places on U.S. diplomacy in the Mideast and on the need for progress toward a settlement.

## SPAIN WILL NOT ALLOW ISRAEL TO HAVE PAVILLON AT AGRICULTURAL FAIR

TEL AVIV, Feb. 7 (JTA)--Spain has notified Israel that an Israeli pavillion will not be permitted at the agricultural exposition in Saragossa at the end of March although Israeli companies will be allowed to participate under their own names. The Spanish action came as a surprise here since Israel was invited to participate in the fair following the success of the Israeli pavillion at an agricultural fair at Seville several months ago. The Foreign Ministry has to decide now

whether to permit any Israeli firms to participate in the Saragossa exposition. Israelis see the withdrawal of the invitation to Israel as another example of the Spanish government bowing to Arab pressure.

## ALLON: U.S., NOT UN, IS QUALIFIED AS MEDIATOR IN MIDEAST CONFLICT

By Yitzhak Shargil

TEL AVIV, Feb. 7 (JTA)--Foreign Minister Yigal Allon served notice today that Israel will not accept the United Nations as a mediator in the Middle East conflict and regards the U.S. alone as qualified for such a role. He said that UN Secretary General Kurt Waldheim, who is presently in the Middle East and will visit Israel later this week, would be received with all the honors due his person and position.

"We shall listen and explain, but Israel has no intention of letting him play a specific role in the area," Allon said, because Waldheim is bound by various UN General Assembly resolutions that undermine Security Council Resolutions 242 and 338.

Israel has made it clear that it will participate in a reconvened Geneva conference only on the basis of those resolutions under which the Geneva conference was originally instituted. It will not accept the resolutions adopted at the last session of the General Assembly calling for PLO participation in any Middle East peace talks.

Allon made his remarks before leaving for Brussels where he will sign a supplementary agreement with the European Common Market. He told reporters that he would meet in Brussels with French Foreign Minister Louis de Guiringaud for further discussion of the Abu Daoud affair which Israel does not consider closed. He said Israel's Ambassador, Mordechai Gazit, who returned to Paris last week after a 23-day recall to underline Israel's displeasure with France's release of the Palestinian terrorist, would continue to pursue the matter. Israel is apparently seeking to review the Franco-Israeli extradition agreement with the aim of amending it to prevent future violations.

## ISRAEL, FRANCE EXAMINING RELATIONS IN AFTERMATH OF ABU DAUD AFFAIR

By Edwin Eytan

PARIS, Feb. 7 (JTA)--Israel's Ambassador to France, Mordechai Gazit, met this morning with French Foreign Minister Louis de Guiringaud for one hour of "frank" explanations after relations between the two countries were shaken by France's decision to release Palestinian terrorist Abu Daoud.

It was the first top-level Franco-Israeli meeting since Jan. 12 when the Israeli envoy was recalled to Jerusalem "for consultation," a diplomatic term used to express Israel's anger and disappointment. Gazit returned to France last Friday.

The Israeli Ambassador and de Guiringaud agreed this morning to re-examine the Franco-Israeli extradition treaty to prevent the repetition of another Daoud incident. The legal advisor to the Israeli Foreign Ministry, Meir Rosenne, will arrive in Paris to help the Israeli Embassy

staff in this re-examination process.

De Guiringaud and Gazit also made last minute preparations for tomorrow's meeting in Brussels between the French Minister and Israel's Foreign Minister Yigal Alon. The two are due to meet immediately after Alon signs the new financial agreement between Israel and the nine-state European Economic Community (EEC).

The two ministers will decide tomorrow on de Guiringaud's plan to visit Israel Feb. 27 as part of a general fact-finding tour in the Middle East. The French openly say that this tour is part of a general French mission "in accordance with its role" in the area, a view opposed by Israel which does not consider France neutral or objective enough to play any mediation role in the area. It is understood that Gazit made this view clear to de Guiringaud in courteous but clear terms.

The Ambassador is expected to meet later this week with French Minister of Justice Olivier Guichard and Prime Minister Raymond Barre. It is generally believed he will also confer in the near future with President Valery Giscard d'Estaing.

#### Determined To Improve Relations

Israel hopes to obtain from them a coherent explanation of the entire Daoud incident and to hear why France did not respect the extradition agreement with Israel, setting Daoud free before it even considered a fully documented Israeli extradition request.

French diplomatic circles seem determined to try and improve relations with Israel in spite of last minute frictions and misunderstandings. The latest in this chain occurred last week when certain Israeli and Jewish newspapers rapped France's attitude during the EEC political meeting held in London Jan. 31.

The French say, and their version seems correct, that at this meeting they adopted a neutral attitude leaving the discussion to the other member states. The French Foreign Ministry, which last week issued an official communique on this subject, believes that this misunderstanding occurred because of "subjective suspicions" against France.

The French hope that this sort of misunderstanding can be avoided in future and now seem decided to try and normalize relations between the two countries. Israel is also prepared to go ahead with such a process, but first wants to obtain a clear French explanation of what has taken place.

#### 9 TERRORISTS HELD IN CONNECTION WITH 1975 ZION SQUARE EXPLOSION

TEL AVIV, Feb. 7 (JTA)--Israeli security forces have arrested nine members of an El Fatah cell on the West Bank held responsible for the July 4, 1975 explosion in Zion Square in downtown Jerusalem which killed 15 people and injured 77. It was disclosed today that the gang had been under surveillance for some time. But the arrests were made only last week after it became apparent that the ring-leader was not likely to return from the Arab country to which he had fled.

The leader was identified as one of three partners in an electrical appliance shop in Nablus where a refrigerator was converted into a lethal booby trap. The shop was raided yielding large quantities of explosives and sabotage material. The two partners, one of them the brother of the ring-leader, were arrested. Others arrested included suspects from Nablus and villagers from the Tulkarem and Ramallah regions. All repor-

tly confessed to roles in the 1975 outrage.

Security sources said high explosives and an electric timing device were concealed in the refrigerator's walls and motor. The appliance was transported from Nablus to Jerusalem in a Volkswagen van and moved by handcart to a crowded sidewalk in Zion Square. It stood there for some 45 minutes before the bomb went off.

#### KOL: ISRAEL SHOULD CONSIDER TALKS WITH JORDAN, PALESTINIAN ELEMENTS WILLING TO RECOGNIZE ISRAEL

JERUSALEM, Feb. 7 (JTA)--Minister of Tourism Moshe Kol proposed yesterday that the Cabinet consider possible negotiations with both Jordan and "Palestinian elements willing to recognize Israel." Kol offered the suggestion in a formal motion after Premier Yitzhak Rabin said that if such motion was presented, the Cabinet would meet in special session to discuss it.

Kol, a leader of the Independent Liberal Party, said he made the proposal in light of recent statements by President Anwar Sadat of Egypt and King Hussein of Jordan favoring a Palestinian state linked to Jordan and Hussein's meetings with PLO representatives. According to Kol, these developments would place the Palestinians in the same category as the Jordanians with respect to negotiations for a settlement.

Kol stressed, however, that Israel should not negotiate with the Palestinians in a context that excluded Jordan. Israel has insisted up to now that the Palestinians could participate in negotiations only as members of the Jordanian delegation to the Geneva conference.

#### SOVIET DOCUMENTARY ACCUSES ACTIVISTS OF ZIONIST CONSPIRACY

NEW YORK, Feb. 7 (JTA)--An hour-long nationwide TV broadcast from Moscow on Jan. 22, called "Traders of Souls," depicted Soviet Jewish activists and refuseniks as "soldiers of Zionism inside the Soviet Union," and accuses them of being part of a "Western based anti-Soviet conspiracy." The National Conference on Soviet Jewry (NCSJ) learned that the "documentary" which dealt heavily with the emigration of Soviet Jews to Israel, took the unprecedented step of naming several activists and claiming that they were involved in "subversive" activities.

The recent broadcast depicted Western writers, actors and Nobel Prize laureates who have in the past appealed to the Soviet authorities on behalf of Soviet Jews as dupes of Zionist propaganda. At the same time, American and British organizations helping Soviet Jewry were stigmatized as agents of Jewish finance.

Long-term refusenik Vladimir Slepak said that this broadcast has incited anti-Semitism among average Russians. "Zionism," Slepak pointed out, "is being used as 'cosmopolitanism' was used during the Stalin purge period in the early 1950s." Activist Anatoly Sharansky said: "There is always anti-Semitism among people in this country and as a Jew you learn to sense it, but now it is at a higher level than normal. Everyone in buses and subways are discussing these films and similar articles. It smells of a pogrom."

The film is only one arm of the media recently utilized by Soviet authorities. The latest issue of the illustrated magazine "Ogonyok," asserts that Adolf Eichmann, the Nazi SS officer in charge of rounding up Jews during World War II, was

kidnapped by Israelis in Argentina in 1960 to prevent him from divulging pre-World War II plans with the Zionists to set up a pro-Nazi Zionist state.

Four Soviet Jewish activists, Iosif Begun, Yuli Kosharovskiy in addition to Slepak and Sharansky, have filed a suit charging insult against the television network. A former Soviet Jewish broadcaster told newsmen in Rome of a second film called "Secrets and Other Things," which suggests that the Jews tried to kill Lenin, supported Hitler's rise to power and juxtaposed scenes of deprivation with pictures of prominent Jews.

It seems that in preparation for the Belgrade conference in June, 1977 on the fulfillment of the Helsinki accords, the USSR has prepared "an attack as its best defense," said Soviet Jewish scientist and refusenik Benjamin Levich who has been waiting for an exit visa since 1973.

#### U.S. ARMS MANUFACTURERS SEEN IN CAMPAIGN TO BLOCK SALE OF ISRAELI-MADE WEAPONRY ABROAD

By Yitzhak Shargil

TEL AVIV, Feb. 7 (JTA)--Israeli circles believe that American arms manufacturers are waging a campaign to block the sale of Israel-made weaponry abroad because they fear the inroads that Israel has made in the multi-billion dollar world armaments market. They are even more concerned that this campaign may make the Carter Administration reluctant to honor commitments for certain types of advance weapons previously approved by the Ford Administration.

Israel's Ambassador to the U.S., Simcha Dinitz, is meeting in Washington today with U.S. Secretary of State Cyrus R. Vance. The topics they are expected to discuss include U.S. opposition to the sale of 24 Israel-made Kfir jet interceptors to Ecuador and Israel's request for CBU-10 cluster bomb units, approved by Ford, which seems to have run into a snag. The U.S. has also refused so far to license Israel to produce American F-16 fighter planes or to manufacture parts for the American-manufactured jet engines that power the Kfir.

Although the Kfir was designed and built in Israel, the fact that it is equipped with an American engine gives the U.S. veto power over the sale to Ecuador. The pretext given is the general prohibition against the sale of arms to Latin American countries. But Israelis believe the U.S. government has been influenced by a spate of articles in American publications claiming that Israel was utilizing American know-how to export military hardware in competition with American manufacturers.

#### Hopes U.S. Decision Not Final

Israel Aircraft Industries, which manufactures the Kfir, expressed hope that the American decision is not final. It noted that the U.S. raised no objections when the Austrian air force appeared interested in buying Kfirs. Although preliminary negotiations were opened with the Austrians some months ago, it appears that Vienna has decided against the deal for political and strategic reasons.

The sale to Ecuador would have helped IAI produce a second generation Kfir, an aircraft that is said to equal the performance of the best Western combat jets but sells at a much lower price. This, apparently, inspired the scare campaign in American periodicals, some Israelis

believe.

The campaign was begun in a series of articles in Aviation Week and appeared in several newspapers and other periodicals. One allegation was that the Shafir air-to-air missile was a copy of the American M9L "side-winder" produced by the Raytheon Corp. It was subsequently acknowledged that the Shafir was a genuine Israeli development.

The articles did not claim that the Gabriel sea-to-sea missile was a version of something else or that the Uzzi submachinegun and Galil all-purpose rifle were not bona fide Israeli products. But their success on the world market was noted. Meanwhile, Ecuador's option to buy the Kfirs expired on Feb. 5 and the sale may be lost. IAI hopes it can be retrieved if the Americans are persuaded to withdraw their opposition.

#### DAYAN SEES AN END TO STATE OF WAR

NEW YORK, Feb. 7 (JTA)--Former Israeli Defense Minister Moshe Dayan said here yesterday that he was optimistic that an agreement would be reached in 1978 to "end the state of war" between Israel and its Arab neighbors. He said he expected President Carter to continue the efforts of the Nixon and Ford Administrations "to bring the parties together to make peace."

Dayan addressed Israel Bond leaders at a reception given in his honor at Gracie Mansion by Mayor and Mrs. Abraham D. Beame. He said he based his optimism on changes in the Arab world which indicated that the Arabs were prepared for negotiations. One of these was the emergence of Saudi Arabia as "the banker of the Arab world."

He said the Saudis "will back pro-Western countries such as Jordan and now Egypt to help them negotiate with Israel." He said that Saudi Arabia, by virtue of its close relationship with the U.S. "will not push the Arabs to another war which would mean becoming closer to Russia."

Dayan predicted that the Geneva conference would not yield "an all-out peace" that "would establish normal relations between Israel and the Arabs. But I believe there is a good chance for ending the state of war, which is a lot," he said. He said he expected that after Israel's elections May 17 "confidential talks" would ensue with the encouragement of the U.S. that might result in a draft agreement to be brought to Geneva next year. He stressed the necessity of a prior draft agreement because "You can't go to Geneva right away. If you do, you will fail." He thought that the Carter Administration's Middle East diplomacy would be conducted "with the same persistence and dynamics" as during the Kissinger era though "not in such an obvious way."

Beame lauded Dayan as one of the "few men (who) have won the praise of their contemporaries" and a man who has given new meaning to the word "hero." David H. Zysman, New York executive director of the Israel Bond program, said the reception at Gracie Mansion "will help us launch a \$75 million campaign in the Greater New York area for 1977." The reception was attended by more than 200 Jewish and municipal leaders.

JERUSALEM (JTA)--Tourism Minister Moshe Kol told the Cabinet Sunday he expects some 900,000 tourists to visit Israel in 1977.

### COLUMNIST CALLS ON CARTER TO RENEGE ON PROMISE TO AID ISRAEL

NEW YORK, Feb. 7 (JTA)--Nicholas von Hoffman, the syndicated newspaper columnist and television and radio commentator on current events whose views have frequently been characterized as intemperate and acerbic, delivered a no-holds barred attack on Israel and a fawning adulation of Saudi Arabia on a recent program of CBS Radio Network "Spectrum" produced under the supervision of CBS News.

"During the campaign President Carter promised that, if elected, there was nothing he wouldn't do for Israel. That's one campaign promise he might think about going back on," von Hoffman said Jan. 29. "There are a number of reasons, the first of which is oil."

In a slick attempt to deal with the energy shortage, the increased cost of fuel, talk about energy independence or cutting back on energy use, von Hoffman called attention to the need for the American people "to be very grateful to the Saudi Arabians who have busted the price of oil down for us. In return the Saudis have indicated they wish us to use our good offices to bring peace in the Middle East--which isn't going to happen until we make it clear to Israel that in the next war over there, they are on their own, that we will help in getting a permanent peace, but no more shooting--by anyone."

#### Says Israel Is Major Obstacle

In a survey of the Middle East situation, the columnist-commentator noted that in addition to the Saudis helping the U.S. on oil, Egypt has kicked the Russians out and has indicated that it wants to be America's friend, Syria has tamed the Palestinians and the Jordanians have done likewise. Israel, therefore, he asserts, "is no longer confronted with an unchecked and unchained Palestinian army egged on by other Arab nations."

"In short," the columnist-commentator turned historian-diplomat stated, the prospects "for a reasonable peace have never looked better from the standpoint of the Arabs' willingness to compromise. The major obstacle is Israel; a country whose domestic political situation seems to prevent it making peace. Only an American warning that arms and credits will be shut off can push the Israelis to the negotiating table, and this is Nicholas von Hoffman with Spectrum, hoping Mr. Carter will break his campaign promise and start cooking with a little Saudi Arabian gas."

"Spectrum" is described by CBS Radio as a program presenting "varying shades of personal opinion on current issues." A number of persons who heard von Hoffman's commentary told the Jewish Telegraphic Agency they were protesting against what some described as a "diatribe" and "a noxious infestation of our ecology."

A spokesman for "Spectrum" confirmed that responses from the Jewish community have been negative but that comments from other communities have been favorable. Asked if the program would provide either equal time or fair time to answer von Hoffman, the spokesman said "we don't feel von Hoffman said anything that would warrant this. Since we began six years ago many favorable things have been said about Israel on this program." Von Hoffman has been a commentator on the program since its inception, he added. (By Murray Zuckoff)

### CARTER SAYS HE IS COMMITTED TO PRESERVE ISRAEL'S SECURITY

NEW YORK, Feb. 7 (JTA)--President Carter has assured the Anti-Defamation League of B'nai B'rith of his abiding commitment to "preserve the integrity and security" of Israel in a peaceful Middle East.

The statement was made in a telegram to Burton M. Joseph, ADL's national chairman, to mark the opening of the ADL's national executive committee meeting at The Breakers Hotel, Palm Beach, Florida. The policymaking body, consisting of ADL leaders from all over the country, concluded its meeting yesterday.

After praising the ADL's "efforts to eradicate not only anti-Semitism, but all forms of prejudice and discrimination," the creed "which my Administration is fully dedicated to uphold," Carter added: "I also welcome this opportunity to assure you of my abiding commitment to preserve the integrity and security of the State of Israel in a peaceful Middle East."

#### HAIFA THEATER TO TOUR U.S., CANADA

TEL AVIV, Feb. 7 (JTA)--The Haifa Municipal Theater will bring to the American and Canadian Jewish and non-Jewish public a four-part program in English, "Voices from Israel," reflecting the moods of modern Israel. The theater will conduct a six-week tour of 43 U.S. cities and university campuses beginning Feb. 27 in the YMHA in Clifton, N.J.

The program will include excerpts from four documentary plays: "The Seventh Day," which deals with conversations with Israeli soldiers following the Six-Day War; "Co-Existence," dealing with Jewish Arab relations; "Women of War," which related the feelings of mothers and wives following the Yom Kippur War; and "Coming of Age," which deals with the problem of aging. "Co-Existence" was written by Mohammed Wadat, an Arab. The other plays were written by Yehoshua Sobel. The five-member cast is directed by Nola Chilton.

Community centers to be visited by the theater include New York, New Jersey, Connecticut, Massachusetts, Ohio, Michigan, Illinois, Wisconsin, Iowa, Oklahoma, Texas, Tennessee, Alabama, Florida, South and North Carolina, Pennsylvania, Ottawa and Toronto. The tour of the Haifa Theater in the U.S. is being sponsored by the American Zionist Youth Foundation and the World Zionist Organization.

#### GREECE USING ISRAELI SOLAR DEVICES

TEL AVIV, Feb. 7 (JTA)--An Israeli company that manufactures solar energy collector plates has licensed a Greek firm to produce the devices to provide hot water for hotels and other public buildings. Two Greek hotels, one on Crete and the other on the island of Myconos, are now deriving their energy from solar plates patented by the Miromit Co. of Israel. The Israeli firm has also supplied plates for one of the largest hotels on Corsica and for Israeli hotels at Eilat on the Red Sea.

The rise in fuel prices has caused two kibbutzim to shift to solar energy. Beth Hashita in the Jezreel Valley and Maagan Michael, on the Mediterranean coast, have installed solar energy systems based on the patents of Prof. Harry Tabor.

There will be no Bulletin dated Feb. 21 due to Washington's birthday, a postal holiday.