



daily news bulletin

Published by Jewish Telegraphic Agency 165 West 46th St., New York, N.Y. 10036

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Vol. XLIV., 60th Year

Thursday, February 24, 1977

No. 38

VISITING SOCIALIST LEADERS URGE ISRAEL TO RECOGNIZE PALESTINIAN RIGHTS

By David Landau

JERUSALEM, Feb. 23 (JTA)—A succession of prominent European Socialist leaders, attending the Labor Party convention as guests, reaffirmed their friendship for Israel last night but at the same time spoke out strongly for the rights of the Palestinian people, including a state of their own.

With the convention focussed on the leadership struggle between Premier Yitzhak Rabin and Defense Minister Shimon Peres, to be decided tonight, there was little time to consider the significance of these remarks by Israel's Socialist allies. But to some observers it appeared obvious that on certain issues it regards as crucial to its future, Israel cannot count on the support of its traditional friends. (The 3000 delegates to the Labor Party convention began to vote this afternoon but close to midnight the ballots had not yet been officially tabulated.)

Premier Joop Den Uyl of Holland, told the convention "Our commitment to Israel is as firm as a rock." But he went on to say, "The time has come when the Palestinian people are entitled to some form of territorial expression of their national aspirations." Former West German Chancellor Willy Brandt had a similar message. "Israel does not stand alone," he declared to rousing applause. But, he observed later in his address, "The Palestinians must be enabled to develop the kind of national identity acceptable to themselves."

Palme Boosts PLO

Former Premier Olaf Palme of Sweden, speaking at a press conference in the convention hall, said the Palestinians had to be granted "territorial expression" and thought that should be done through the Palestine Liberation Organization. "I think the PLO is the most representative body of the Palestinian people," Palme said. "The PLO should be given the right to self-expression in accordance with the principle that everybody has that right even if you do not like it."

He claimed that the PLO was not a terrorist organization "even though there are terrorist groups within it," adding that it should "not be judged" by the activities of those groups.

Chancellor Bruno Kreisky of Austria confirmed to reporters when he arrived here yesterday that he had conveyed a plan for a Palestinian state to the Israeli government for its consideration. He said the plan, presented to him by PLO "moderate" Issam Sartawi, envisioned a Palestine state consisting of the West Bank, the Gaza Strip and two small enclaves within the pre-1967 Israeli borders.

CARTER REAFFIRMS U.S. WILL NOT IMPOSE SOLUTION ON THE MIDEAST

WASHINGTON, Feb. 23 (JTA)—President Carter reaffirmed today that the United States will not seek to impose a solution to the Middle East conflict. Answering questions at a press conference, Carter stressed that the U.S. will work to help Israel and the Arab states reach a solution, "but it has got to be done primarily by

those countries involved."

The President called Secretary of State Cyrus Vance's visit to the Mideast "very successful" and noted that Vance was able to obtain the views first-hand of the various parties involved. He said after the leaders of Israel, Egypt, Jordan, Syria and Saudi Arabia meet with him in Washington, "I hope I will have a clear picture of the role the American government" will be able "to play" in the Mideast. Carter said that Israeli Premier Yitzhak Rabin will lead off the visits March 12. A report from Israel today said it would be March 7-8.

The President refused to comment about reports that the Central Intelligence Agency paid millions of dollars to King Hussein of Jordan, noting that some of the reports about CIA payoffs were "erroneous." He said after reviewing information about CIA payoffs he had found nothing illegal or improper.

HUSSEIN RECEIVES FIRST GROUP OF ISRAELI ARABS TO VISIT AMMAN

JERUSALEM, Feb. 23 (JTA)—The first group of Israeli Arabs ever admitted into Jordan was received by King Hussein in Amman yesterday and expressed condolences over the death of Queen Alia in a helicopter crash two weeks ago. The group consists of 28 Moslems and three Christian Arabs from Haifa and Acre, headed by Kadi (religious court judge) Mohammed Hubeishi.

Many of them are prominent in the civil and religious life of Israel's Arab community. They visited the Royal Palace with other condolence missions from the West Bank. Until now, Jordan has refused entry to Arabs who are citizens of Israel though West Bank and Gaza Strip Arabs are freely admitted.

Jordanian television reported on their meeting with the King last night and quoted Hussein as expressing his pride at the "strong standing of the Arabs of Israel." The announcer did not mention the fact that the visitors were from Israel but identified them as a delegation from "Haifa and Acre." He did not quote their remarks to the King.

The mission was initiated and arranged by Suhel Shukri, son of a former Mayor of Haifa. But until the last moment it was uncertain whether the Jordanian authorities would permit them to cross the Allenby Bridge. When permission was finally granted last Friday emotions ran high and the group was accompanied to the bridge by a throng of relatives and friends.

Jordanian officials greeted them "in the name of the King and the people." Hubeishi told reporters at the bridge that he hoped the visit portended a significant change in relations with Jordan that would lead to future contacts. Israeli observers also expressed hope that the liberalized policy in Amman would soon allow Israeli Arabs to make the religious pilgrimage to Mecca via the Jordan River bridges. The group is due back in Israel tomorrow.

CANADA CALLS FOR INTERNATIONAL 'PROTECTIVE SHIELD' VS. ARAB BOYCOTT

By Joseph Polakoff

WASHINGTON, Feb. 23 (JTA)—The Senate Banking Subcommittee considering new legisla-

tion to combat the Arab boycott has before it a Canadian proposal for an international "protective shield" for business and industry in all countries affected by the Arab movement to disrupt free international trade.

The proposal was presented by McGill University Prof. Irwin Cotler on behalf of the Commission on Economic Coercion and Discrimination, a private group of lawyers who have been investigating the effects of the boycott in Canada and on Canadians.

In a statement given the subcommittee as it concluded two days of hearings yesterday, the Commission said: "What is so necessary now is not only legislation within Canada that would put all Canadian firms on an equally competitive basis and enjoying equal protection of the laws, but a common front between countries that would put all countries--and firms within them--on the same competitive basis and enjoying a similar protective shield."

Cotler had pointed out in his testimony which included a 123-page report by the Commission of which he is chairman, that the Canadian government's policy to oppose the boycott "stands to be undermined" unless it is buttressed by legislation. In the absence of laws in Canada, he observed, Canadian companies complying with the boycott will enjoy a competitive advantage over companies which refuse to comply.

The Canadian government's first policy ever with regard to the boycott, Cotler's statement said, was announced last Oct. 21 by the Minister for External Affairs, Don Jamieson. The Canadian's suggestion was paralleled in a broad aspect by Americans testifying before the subcommittee yesterday. Some pointed out that the anti-boycott statutes adopted by six states are uneven and work hardships on companies which compete for overseas trade with concerns unaffected by the state laws.

Opposition By Business Groups

The New York Chamber of Commerce and Industry; the National Customs Brokers and Forwarders Association of America with affiliates in 22 U.S. ports; Maryland Attorney General Francis R. Burch; and the American Association of Port Authorities composed of port authority officials at virtually every American port of foreign entry all testified yesterday in favor of uniform national legislation that would preempt any state law.

W. Gregory Halpin, chairman of the AAPA who is also Deputy Administrator of Maryland's Port Administration declared "the AAPA wants all ports to be an equal factor in this matter." Maryland, California, Ohio, Massachusetts, Illinois and New York have anti-boycott statutes with varying penalties.

New federal legislation was strongly opposed by the U.S. Chamber of Commerce, the National Association of Manufacturers and other industry and business groups on the grounds, among others, that it would impede U.S. diplomatic efforts for a Middle East settlement.

On behalf of the NAM, Ingersoll Rand chairman William L. Weary testified that the proposed new laws are "largely unnecessary and could prove counter-productive to negotiation of a longer-term diplomatic solution of the Middle East political conflict" which he said offers "the only real viable solution" to the boycott.

Taking a similar position, the Chamber's chief economist, Jack Carlson, said that both the

Stevenson and Proxmire-Williams bills before the subcommittee "could be either potentially ineffective or harmful because, in some respects, they do not fully recognize the rights and power of other nations."

SHARON WARNS AGAINST NEW INTERIM AGREEMENTS WITH ARABS

By Yitzhak Rabi

NEW YORK, Feb. 23 (JTA)--Gen. (Res.) Ariel Sharon, leader of the Shlomzion movement in Israel, warned here last night against what he said is the Israeli government's intention to enter into negotiations with the neighboring Arab states on new interim agreements. "I am entirely against interim agreements," he said at a press conference.

The previous interim agreements that Israel signed, Sharon claimed, did not bring peace any closer. "An overall settlement is the only solution" for solving the Mideast conflict, he said. He stated that Israel should talk to all Arabs, including the Palestine Liberation Organization even without a declaration from the PLO that it recognizes the existence of the Jewish State.

"As a Jew and Israeli I do not need the recognition of anybody of my existence. I know that I exist," Sharon said, adding that his agreement to talk with the Palestinians does not mean that he advocates a "softer" attitude on the part of Israel. "The problem is not with whom you talk, but what you talk about," he said. He stressed, however, that when Israel starts negotiating, the talks must be conducted with a unified Arab delegation representing a consensus of all Arab elements involved in the conflict.

Sharon, who is here for a two-week visit, said that he came to introduce his Shlomzion movement to the American public, especially American Jews. Asked about the prospects of his movement in the May 17 general election, Sharon said he hoped to get "many votes" but he declined to predict how many Knesset seats his movement will get.

He said that he would be willing to join a Likud coalition government after the election but added that he would do so only if Likud agreed to his demand to change the electoral system in Israel. He also expressed the wish that the Gush Emunim movement, advocating the retention of the West Bank, would support Shlomzion. Sharon's scheduled to meet tomorrow in Washington with Sens. Richard Stone (D. Fla.) and Henry Jackson (D. Wash.). He said he did not ask to meet with President Carter whom he met before the Presidential election.

ARAB BOYCOTT HURTS ISRAEL IN SEARCH FOR MARKETS OUTSIDE U.S., EEC

MIAMI BEACH, Feb. 23 (JTA)--Zeev Sher, Israel's Economic Minister to the United States, expressed the hope here that Congress will adopt the measures now before it aimed at preventing the use of the Arab boycott in the United States.

Speaking at the opening session of the 11th annual economic conference of the Histadrut Foundation at the Fontainebleau Hotel Sunday night, Sher said that the boycott has made it difficult for Israel to find markets outside of the U.S. and the European Common Market countries. "That is why all of you must promote the sale of goods made in Israel," he told the some 1500 persons attending the conference.

Sher said the economic situation in Israel is still bad even though Israel reduced its foreign exchange debt by \$500 million last year. He said the Israeli Pound has been devalued by 110 percent since 1974, the cost of goods and services have risen by more than 200 percent, the inflation rate was 38 percent last year and investments in the economy have fallen, particularly in housing.

The three-day conference, which ended yesterday, marked the \$45 million milestone for the Israel Histadrut Foundation, which helps support the vast network of health, education and welfare programs of the Histadrut in Israel.

REPORT THREE SOVIET JEWS ARRESTED

TORONTO, Feb. 23 (JTA)--Genya Intrator, vice-president of the Canadian Committee for Soviet Jewry, reported yesterday that three Soviet Jewish activists were apparently arrested while they were conversing with her Monday via telephone from Moscow. She said the phone conversation was interrupted when one of the activists said that several men entered their apartment ordering them to come along.

The three activists, she said, were Vladimir Prestin, Pavel Abramovitch and Viktor Yelistratov. The three have not been allowed to work since applying for exit visas to Israel. They were among the more than 60 refusniks who earlier Monday staged a sit-in at the Supreme Soviet office in Moscow demanding to know why they were being refused permission to emigrate and when the ban on their emigration would be lifted.

(Meanwhile, in New York, the National Conference on Soviet Jewry (NCSJ) said that it had learned of the numbers and names of Soviet Jewish refusniks who had demonstrated at local office offices across the Soviet Union in the past few days to obtain reasons for their exit permit refusals.

(According to information received, eight Jews demonstrated in Riga, 22 in Kishinev, two in Tiraspol, five in Bendery, 26 in Kharkov, 62 in Moscow and six in Kiev. Among those demonstrating in Kiev Feb. 18 and 21 were activists Vladimir Kiselik, Isaac Tserferblit, Ina Mizrukhina Elbert, Lev Elbert, Vadim Sheinlis, Yan Monastyraki. The Kiev activists were told that within one month they would receive an answer with the reason for their refusal, the waiting period before they would receive visas and the citation in Soviet law which allows for such treatment, the NCSJ reported.)

YITZHAK SHIMKIN DEAD AT 72

TEL AVIV, Feb. 23 (JTA)--Yitzhak Shimkin, a Hagana veteran who planned and almost carried out an attempt to assassinate Hitler in 1939, died at his home in Haifa last night at the age of 72. Shimkin was born near Odessa in 1905 and settled in Palestine in 1921 where he studied at the Herzliya Gymnasium and joined the Hagana. Later he studied electrical engineering in Europe and became a manufacturer of electrical appliances in Palestine, many of which he invented and patented.

In 1938, he saw films of Hitler's triumphant entry into Vienna after the Anschluss. After the Munich pact, he predicted that the Nazis would soon take over all of Czechoslovakia and presented a plan to the Hagana command to assassinate Hitler when he entered Prague.

The plan was rejected but Shimkin decided to attempt it alone. In 1939 he went to Europe by

way of Beirut with two hand grenades concealed in a pillow. He was in Prague when Hitler entered the city but had to abandon his plan at the last minute because Hitler rode in a closed car. Shimkin was awarded the anti-Nazi fighters medal by Israel.

LATE NEWS BULLETIN

RABIN WINS ELECTION BY 41 VOTES

TEL AVIV, Feb. 23 (JTA)--Premier Yitzhak Rabin won the Labor Party's nomination tonight to head its list in the May 17 elections. The margin of his victory over Defense Minister Shimon Peres was an unexpected 41 votes. The official results of the balloting by the 3000 delegates to the Labor Party convention here was officially announced after midnight, local time. Observers here attributed Rabin's victory in large measure to the growing momentum of Middle East diplomacy aimed at Israel-Arab peace talks later this year in which Rabin is deeply involved.

Before the balloting both he and Peres delivered impassioned speeches for the support of the convention delegates. Rabin spoke for only 20 minutes of the hour allotted him while Peres used his full hour. The Premier emphasized his military and diplomatic record. He recalled his service as a battalion commander during Israel's War for Independence in 1948, his rise to the rank of general and Chief of Staff in the 1967 Six-Day War and later his tenure as Israel's Ambassador to the U.S.

Rabin stressed his efforts, as Premier, to rebuild Israel's military strength after the Yom Kippur War and strengthen its ties with America. He said that under his leadership the Labor Party was undergoing the healthy process of democratization. He said that if he no longer headed the party, the opposition could claim that Labor had repudiated its own leader and therefore its own policies.

Peres stressed in his speech that the Labor Party needed new vision and pledged that under his leadership it would enact new social and economic policies aimed at giving workers a larger share of the fruits of their labor. He said the forthcoming elections would be decided on domestic issues such as the social gap, 'alya, yerida (emigration from Israel), education and labor relations. Although he did not specify his role, he claimed by implication responsibility as Defense Minister for the growth and success of Israel's military establishment since the Yom Kippur War.

The vote tally was, for Rabin, 1445, Peres 1404. A total of 2780 ballots were cast. There were 16 abstentions. After the results were known, Rabin and Peres shook hands on the convention hall stage. In a brief speech, Peres pledged his solidarity with the chosen party leadership. Labor Party sources said after the vote that had the balloting occurred a week ago, Peres would have been victorious, though by a very slim margin. Peres seemed to be ahead in the campaigning but Rabin supporters launched a strenuous effort on his behalf during the final week.

Nevertheless, the closeness of the vote is expected to put Rabin on the defensive in the May elections. The opposition parties are expected to seize on his tiny margin to argue that he is not fully accepted by his own party.

ZIONIST GROUP URGES PROBE INTO REPORT THAT ARAB STUDENTS IN U.S. TURN INSURANCE CLAIMS \$ OVER TO PLO

NEW YORK, Feb. 23 (JTA)--Rabbi Joseph P. Sternstein, president of the Zionist Organization of America, has called for a full investigation of reports that Arab students in the United States have turned over to the Palestine Liberation Organization millions of dollars they received through fraudulent insurance claims.

Sternstein referred to a report this week that students from Arab countries have systematically defrauded more than a dozen national insurance companies through phony claims for auto thefts, disability payments for faked injuries, staged burglaries and arson. An estimated \$5 million has been funneled to the PLO since 1970 through these methods. Some 60 Arab students have already been arrested in California on this charge.

The ZOA leader said the investigation should be conducted by the Justice Department, the Federal Bureau of Investigation, the Immigration and Naturalization Service, the insurance companies and the appropriate Congressional committees.

Urges Steps To Recover Funds

Sternstein said that any Arab student found guilty of participating in the insurance fraud should be expelled from the United States and legal action should be taken to recover the funds from the PLO. He also called for an investigation of all Arab students in the U.S. to determine if they were connected with the insurance frauds.

Sternstein also urged an investigation of all PLO representatives in the U.S. to see if they were connected with the frauds and an investigation of American citizens who may have participated in this. He demanded that the State Department reject any request by the PLO to open an office in Washington or any other city.

"The international criminal activities of the PLO, extended by the use of agents within the United States, confirms that American foreign policy is correct in refusing to recognize the PLO, as is the State of Israel's determination not to deal with international criminals," Sternstein said.

HAUSNER PROPOSES U.S. INITIATE PROGRAM TO COMBAT TERRORISM

NEW YORK, Feb. 23 (JTA)--Gideon Hausner, MK and Israeli Cabinet Minister who was the prosecutor of the Nazi, Adolf Eichmann, presented a five-point plan to counteract international terrorism. Speaking at a press-conference preceding the banquet of the annual Mid-Winter Conference of the National Board of Hadassah at the New York Hilton Hotel, he pointed out that international arrangements to bring terrorists to trial and extradition treaties have failed.

"With the moral approach adopted by President Jimmy Carter to international problems, I expect the U.S. to take the lead in developing effective action against terror, not necessarily within the framework of the UN, but by bringing about a multilateral agreement between all states prepared to join in cooperative endeavors to suppress terrorism by taking practical action," Hausner said.

Among the steps he said should be taken are: cooperation among security services, in the pooling and exchange of information about terrorists; treating an act of terror against one of the contracting states as an act of terror against all of

them; refusal of landing rights for the aircraft of countries harboring or protecting terrorists and mutual punishment and extradition of terrorists.

Hausner concluded: "I believe that a treaty of this kind will hold out more hope for the individual, who will not be left helpless when a gun is pointed at him. It is a matter of elementary self-defense. But an incidental by-product of such an arrangement would be a new approach to human rights. The treaty would mean that the contracting parties are accepting the basic human rights of others as their responsibility, even when some of the people needing protection are not their own nationals."

In introducing Hausner, Bernice S. Tannenbaum, national president of Hadassah, charged that "a disturbing pattern has emerged in which terrorists and Nazi war criminals are escaping due process of law because of moral apathy and because certain powerful groups are being influenced by the Arab propaganda machine." Mrs. Tannenbaum said that nations have allowed themselves to be coerced into releasing terrorists, there is a conspiracy to deny the Holocaust and the death of millions of Jews and non-Jews at Nazi hands and nations have neglected their duty to track down and prosecute Nazis responsible for atrocities. She said that even the United States has not fulfilled its obligations and has tacitly provided asylum to Nazis who should be extradited to Germany.

KOCH URGES CHANGE OF DATE OF CARTER'S CBS TALK SHOW

WASHINGTON, Feb. 23 (JTA)--Rep. Edward Koch (D,NY) has urged President Carter to change the date of his CBS radio talk show to enable Sabbath observers to participate. Koch was referring to an announcement earlier this month that Carter would answer questions from callers on the CBS program, "Ask President Carter," on March 5 which is a Saturday. While applauding the President's intent to be accessible to the nation by instituting this program, Koch called the President's attention to the fact that his current plans would "exclude a substantial part of the American public from this historic event." He noted that Orthodox Jews, Seventh Day Adventists and Seventh Day Baptists all observe Saturday as their Sabbath.

YESHURUN KESHET DEAD AT 84

TEL AVIV, Feb. 23 (JTA)--Funeral services were held on the Mount of Olives today for the Israeli writer and literary critic Yeshurun Keshet who died in Jerusalem yesterday at the age of 84. Keshet, born Yaacob Kopelevitz, was one of the last survivors of the generation of Israel's Poet Laureate, Chaim Nachman Bialik and was prominent in his own right as a man of letters. He was a recipient of the Bialik Award, the Tchernovsky Award and the Brenner Prize for his poems, essays and books on literature. He translated many European classics into Hebrew, among them works by Franz Kafka, Romain Rolland, Thomas Mann and Winston Churchill.

NEW YORK (JTA)--The National Conference on Soviet Jewry has learned that Soviet Jewish Prisoner of Conscience Eduard Kuznetsov has been confined to a prison hospital for what allegedly has been diagnosed as tuberculosis. His wife, former POC Sylvia Zalmanson, is now living in Israel.