



# daily news bulletin

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## NEO-NAZI PAPER BOMBED

BONN, Feb. 28 (JTA)--Munich police are investigating a bomb explosion that damaged the premises of the neo-Nazi newspaper Deutsche National-Zeitung published in that city. The blast in the early hours yesterday, caused no injuries but damage to the newspaper plant was estimated at 10,000 Marks (about \$4300).

Police said there might be a connection between the bombing and an attempted bombing on Jan. 24. At that time, a bomb was discovered in the building and removed before it went off. The Deutsche National-Zeitung is owned and edited by Dr. Gerhard Frey, one of the most notorious Nazis of the post-war era. It claims a circulation of 100,000 in Germany.

## ECONOMIC PACKAGE DEAL KILLED

By Gil Sedan

JERUSALEM, Feb. 28 (JTA)--The economic package deal to freeze wages, prices, profits and taxes until after the May 17 election suffered a decisive blow today when the National Religious Party Knesset faction said it would vote against it. The deal was worked out two weeks ago between the government and Histadrut in the hope that it would gain the support of some opposition factions. But with the NRP's announcement, there is no chance to adopt it in the Knesset.

NRP Knesseters told reporters today that originally they had their doubts whether to support the bill, but once the government opened its coffers to all comers--a reference to the recent massive wage raises--the NRP's doubts were removed. The government originally intended to implement the package deal in the form of regulations and ordinances in case it could not succeed in having the bill adopted in the Knesset. However, according to some legal experts such measures cannot be implemented by the Cabinet without Knesset approval.

In a sense, the freeze had already been killed before the Knesset action. Originally, the government announced the plan, in the words of a Cabinet communique, "to introduce an atmosphere of calmness" into the economy. The actual effect was the complete opposite. Worker groups, for fear of being caught by the general freeze before they got their raises, went on general strikes. In most cases, this proved effective. Some 300,000 civil servants received in recent weeks pay raises of up to 20 percent which under present estimates will cost the public IL one billion more than was originally planned.

## Civil Servants Strike Averted

The latest such increase came at dawn today when a strike of 55,000 civil servants was averted when the government agreed to provide them with increases of IL 100 to IL 800 a month. The increase also covers another 100,000 employees of municipalities, universities and the Jewish Agency. Industrial workers are now expected to ask the same increases given government employees. This means that the wage freeze has been broken and the Manufacturers Association is expected to demand price hikes.

Many companies have already raised their prices, for the very same reasons that the work-

ers groups demanded wage-hikes--fear of the freeze. The more money the public has, the greater demand is felt in the economy for consumer products, and there are already reports of revival in the generally slow market of consumer goods.

The government is likely to stick to its promise not to raise taxes until the election, but there is no doubt that drastic economic measures will be taken shortly after the election in an effort to curb the very inflation the government is now boosting.

## Government Rapped For Capitulating

Meanwhile, Yisrael Kargman, chairman of the Knesset Finance Committee and a veteran of the Labor Party, criticized the government party for giving in to labor pressure groups. He said that had he been asked he would have suggested that the government refuse to approve wage hikes. "A general strike for one month would have taught the public what this is all about," he said in a radio interview.

"Economically speaking, all those who have received raises live in an illusion, because who do you think is going to pay all this?" He suggested that the public sector would need much more than IL one billion to finance the payhikes. It will, he noted, in fact be closer to IL two billion. Kargman said it would be the public who would finally pay the raises, either because of the inflation caused by printing money or by large-scale tax hikes.

## ISRAEL SELLING NEW MISSILE BOAT

TEL AVIV, Feb. 28 (JTA)--The Haifa Shipyards which built the first Israel-made missile boats for Israel's navy, the Reshef class, is now offering a new improved model for sale abroad. Potential buyers are reported in three countries.

The new vessels, known as Q-9, are larger than the Reshefs, have almost double the cruising range--5000 miles compared to 3000--and carry a helicopter to assist in spotting and fire control. Their equipment also includes improved Gabriel surface-to-surface missiles and Harpoon missiles manufactured by the Macdonell-Douglas Co. The Q-9s require a 45-man crew compared to 40 in the Reshef class boats.

## BEHIND THE HEADLINES

ISRAELI PARTIES ARE TRYING TO GET THEIR ACTS TOGETHER FOR MAY 17  
By Yitzhak Shargil

TEL AVIV, Feb. 28 (JTA)--Israel's political factions have been concentrating on internal matters during the past few days. Their aim is to project at least the appearance of party unity and to develop coherent positions on major domestic and foreign policy issues that will give the voters a choice when they go to the polls May 17.

The big problem for the Labor Party is to assure peace between the supporters of Premier Yitzhak Rabin and those who backed his challenger, Defense Minister Shimon Peres, at the convention last week. The Independent Liberal Party, which opened its convention yesterday, faces the problem of survival as a party.

Likud is trying to soften its hardline image, but not to a degree that would alienate its hawkish constituency. Prof. Yigal Yadin's new Democratic Movement for Change (DESH), which some political pundits believe will give Labor its most serious opposition on election day, has defined the terms under which it would join a coalition government with either Labor or Likud.

The dramatic focus is on Labor, the biggest party, which heads the care-taker government. Its convention chose to retain Rabin as leader, but only by the barest of margins. It went on to adopt a controversial platform plank by an equally slim margin, emphasizing that on the issues of leadership and foreign policy the Labor Party is split down the middle.

It has, in fact, coalesced from three factions—Mapai, Rafi and Achdut Haavoda—into two: the Rabin camp and the Peres camp. The fact that the incumbent Rabin could muster only a 41-vote margin (out of some 2800 ballots cast) to edge out Peres was symptomatic of a dangerous cleavage that could come apart before election day.

#### Peres Group Making Demands

Rabin and his followers are doing their utmost to avoid a split and the Peres backers are taking full advantage of their strong position. When the convention reconvened Thursday after its climactic vote Wednesday night, the Peres camp demanded equal representation with the Rabin faction on all party bodies; on the Knesset list, in the next Cabinet and in such Labor-dominated institutions as the Jewish Agency, the Histadrut Executive and the various local workers' councils. They are also insisting that Uzi Baram, the vigorous secretary of the party's Jerusalem branch, be made Secretary General of the party when incumbent Meir Zarmi's term ends.

The Peres people won their first victory Thursday night when the party's nominating committee convened to elect one-third of the delegates to the new Central Committee which consists of 816 members compared to 601 on the old mittee. The other two-thirds are elected by the various district branches. But the Peres group was given 60 percent of the delegates appointed by the nominating committee, which put them on an equal basis with the Rabin group. They appeared to be satisfied.

Nonetheless, Peres warned on Friday that he would protect his supporters from possible reprisals for having backed him against Rabin. He implied that he would refuse to stand for the Knesset on the Labor list or participate in the next government unless Knesset seats were assured for representatives of the younger generation and women and unless Cabinet portfolios were offered to his most prominent supporters, Gad Yacobi, Abba Eban and Yitzhak Navon.

Some Peres supporters also demanded that Rabin retain Peres as Defense Minister in the next government and award him the additional post of Deputy Premier, now held by Foreign Minister Yigal Allon. These demands were advanced again today by Peres supporters in a meeting between them and Rabin supporters. The atmosphere at today's meeting was described as constructive and Zarmi undertook the task of presenting the two party leaders with specific representation in party and government bodies.

The almost 50-50 split over the party platform plank stating Israel's readiness for territorial concessions in "all sectors" has alienated for-

mer Defense Minister Moshe Dayan. Dayan, who led the opposition to the plank, said after its adoption that he could not campaign for Labor under these circumstances.

#### Nuances Of Platform Changes

Meanwhile, Rabin hopes to include the ILP in the next coalition government. He and President Ephraim Katzir attended the ILP convention opening yesterday. Rabin expressed appreciation for the ILP's cooperation in the past and said he looked forward to a continued relationship in the future. Party secretary Itzhak Barakat conceded, however, that the ILP was going through a period of crisis. But he claimed it was now united and strong.

Likud, reportedly, is re-writing its election platform to eliminate such blunt statements as "Palestine will not be divided anymore." It is also adding a plank that states that a Likud-led government would go to Geneva and support all efforts to prevent a new war and direct negotiations for peace treaties without preconditions and without outside interference.

The platform reiterates Likud's position that the Judea-Samaria regions remain permanently under Israel's sovereignty. But political observers detect a certain softening of language which they say indicates a slight concession by the militant Herut faction to the more moderate Liberals.

The Democratic Movement for Change was thrown into an uproar by a Washington Post story claiming that Yadin had said he would prefer to join a coalition with Labor. A spokesman for the movement said the report was erroneous. He said the DESH was prepared to join either Labor or Likud on three conditions.

These were a pledge for election reforms; an undertaking to establish government ministries to deal with existing problems instead of creating portfolios to pay off party obligations; and top priority for measures to close Israel's social gap.

Meanwhile, a prominent Soviet Jewish emigre, former Maj. Grisha Feigin of the Red Army, announced that he would stand for the Knesset on the Labor Party list. Feigin claimed to have the support of at least 50,000 Jewish immigrants from the Soviet Union. It was also reported that Tzofia Goren, wife of Ashkenazic Chief Rabbi Shlomo Goren, may seek a Knesset seat on the National Religious Party list as a representative of religious women.

#### SYNAGOGUE OPENS DISCOTHEQUE

GENEVA, Feb. 28 (JTA)--The basement in the new and luxurious Hechal-Hanes (Palace of Miracle) Synagogue here has been transformed into a lively discotheque replete with dim lights, comfortable arm chairs and the latest dance records. There is even a bar providing soft drinks and snacks. The Jewish community decided to utilize the synagogue facilities which, except for the holidays, was not used. The feeling was that by opening a discotheque which would also function as a social club, young Jewish boys and girls would have a place to meet, fall in love and marry. Apparently it worked. Several young people who met at the discotheque are about to get married.

NEW YORK (JTA)--Eminim, the American counter-part of Israel's Gush Eminim, was founded here last weekend.

# **VANCE URGES DELAY ON BOYCOTT BILLS UNTIL NEW LEGISLATION OR AMENDMENTS TO EXISTING BILL CAN BE WORKED OUT**

By Joseph Polakoff

WASHINGTON, Feb. 28 (JTA)--Secretary of State Cyrus Vance asked Congress today to delay action on three bills aimed at the Arab boycott until the Administration and Congress can work out new legislation or suggest amendments to the existing bills.

Appearing at the Senate Banking subcommittee on international finance's third and last hearing on the bills, Vance said he agreed in principle with the three bills. But he asked the subcommittee to delay action on them until this week's meeting between the Anti-Defamation League of B'nai B'rith and The Business Roundtable, a group of leading American business executives. Vance also proposed having the Administration's experts work with the subcommittee's staff to "formulate new legislation on which we can agree."

But Sen. William Proxmire (D-Wis.), chairman of the full Banking Committee, emphasized the subcommittee will write the legislation beginning March 17 as scheduled. He said that the State Department should submit any suggestions before that time.

Vance, under questioning from the five members of the subcommittee who were present, told them that the Administration has "in mind a fresh draft, but if that is not possible" he would be prepared to offer amendments. Sen. John Heinz (R.Pa.) urged Vance to make his suggestions "public" as soon as ready.

## **Clarification Would Be Helpful**

Vance said that the bills "as presently drafted" would not harm the present negotiations on the Arab-Israeli conflict, "but it would be helpful" to clarify some of the provisions. He also denied that oil prices would be affected by the legislation since, he said, Saudi Arabia based its decision on oil prices on inflationary repercussions and the effect the prices would have on developing countries. However, Vance noted that "no one can predict for the future on how the boycott will affect the climate" in the Mideast.

Asked by Proxmire whether the State Department "is influencing" the ADL-Roundtable discussion, Vance replied that "We made known our efforts" in the Mideast to them and urged them not to be "detrimental of our foreign policy interests." He added, "I believe they are working in that direction."

Committee sources said after today's hearing that the Administration's objections center on the "extraterritorial" provisions of the bills that would bar American subsidiaries abroad from complying with Arab demands; visa requirements such as those in Saudi Arabia which bar most Jews, and the question of how to deal with American-made equipment which includes components manufactured by firms on the Arab blacklist.

Vance, who discussed the boycott with Arab leaders on his recent trip to the Middle East, said today the "principle concern" of the Arab countries is that the U.S. not "dictate to them how to draft their laws."

The Secretary agreed with the provision in the Williams-Proxmire bill which allows "positive" certificates naming the country of origin or manufacture of a product but prohibits "negative" certificates which state that goods being

shipped to Arab countries are not of Israeli origin. The Stevenson bill allows "negative" certificates. This is the principal difference between the two bills. Jewish groups have favored the Williams-Proxmire version.

The Bingham bill in the House is identical to the Williams-Proxmire legislation. All three measures forbid American companies from complying with Arab demands not to deal with Israel or American firms that trade with Israel.

# **WALDHEIM SAYS PROSPECTS FOR MIDEAST PEACE TALKS THIS YEAR LOOK GOOD**

By Yitzhak Rabi

UNITED NATIONS, Feb. 28 (JTA)--Secretary General Kurt Waldheim told the Security Council today that prospects for reconvening Middle East peace talks this year were good but they required changes in attitude on both sides.

In his report to the Council on his recent Middle East trip to explore the possibilities of resuming peace talks, Waldheim emphasized that he had no doubt that all parties concerned "are honestly desirous of moving toward a negotiated settlement." But he warned that if this opportunity is not seized, "there are grave dangers that the situation will deteriorate once again with incalculable consequences, not only for the Middle East but for the international community as a whole."

The Secretary General, who met last week with President Carter in Washington, said that the U.S. has found a consensus that all concerned should work toward reconvening the Geneva conference in the second half of 1977.

With respect to the changes of attitude, he said, "Such changes would involve mutual recognition of the legitimacy of the claims of the different parties in suitable forms with adequate guarantees and an effort on all sides to define clearly the shape of an ultimate peace settlement in the Middle East." He added:

"Obviously, the attitude of the PLO toward Israel as reflected in the Palestine National Charter (formerly called the Covenant) and the attitude of Israel to the PLO and the nature and context of the Palestinian entity in a future settlement are among the key issues where adjustments of attitude will have an important bearing on the prospects of success of the peace conference."

Waldheim said he would continue to maintain contacts with the parties and the two co-chairmen of the Geneva conference, the U.S. and USSR "in order to keep myself informed of their positions in the light of developments since my visit to the Middle East."

Sources here said today that the Security Council meeting to discuss Waldheim's report, originally scheduled this month, may not take place. They said the U.S. did not favor such a meeting at this time on grounds that it would be counter-productive. It is assumed that if there is no open meeting of the Security Council on the Waldheim report, closed door discussions would take place.

JERUSALEM (JTA)--Rabbi Gad Navon, 55, was appointed Monday chief army rabbi. He replaced Mordechai Piron, who took a post in the National Security College. Navon, who was born in Morocco, is the first Sephardi rabbi in this position. He helped find the halachic solutions for allowing "agunot" (war widows), whose husbands' bodies had not been found, to remarry.

## RABBI, FEDERATION OFFER DIFFERING VIEWS ON AID TO JEWISH DAY SCHOOLS

NEW YORK, Feb. 28 (JTA)--Rabbi Moshe Sherer, executive president of the Agudath Israel of America, has accused the New York Federation of Jewish Philanthropies of "glaring insensitivity to the root causes of Jewish assimilation" by a "topsy-turvy sense of priorities" which allocates only a meager portion of its budget for Jewish education. He called for the impaneling of "a special commission of distinguished Jews" to investigate the Federation's policies and priorities.

The Federation, meanwhile, put out a statement "to present the facts about the significant growth of its support for Jewish education in the Greater New York Jewish community." The statement, which was not in response to Sherer's attack, noted that "In 1970, Federation provided \$1.1 million for the support of Jewish education in Greater New York. In the current year, Federation is expending \$2.7 million for aid to Jewish education--an increase of 145 percent since 1970."

### Charges Glaring Insensitivity

Sherer claimed that "The Jew is dropping out of the fold not because he lacks hospitals or community centers but because he lacks the type of Jewish education necessary to enable him to withstand the ravages of a secular society." He contended that "during the past seven years, a period when the Federation has been professing greater concern over Jewish education, it has increased its budget for education by a cumulative total of only six percent." He said that in 1976-77, the agency allocated "27.4 percent to community centers and only 6.1 percent for education."

Sherer maintained that "With Jewish assimilation on the increase, it is incredible that those who hold the purse-strings of the Jewish charity dollar in New York City continue to display such glaring insensitivity" to the problem. He demanded that the Federation "show that it has the courage to accelerate its snail-like pace of increase in funding for Jewish education." Otherwise, he said, it "will be responsible for the loss of thousands of Jews from the Jewish faith simply because the dollars which should be spent to educate them as Jews are being diverted to less important services."

### Federation Pinpoints Aid Areas

The Federation statement noted that of the current \$2.7 million budgeted for education, \$1 million is from the Program Development Fund for Jewish Education established in 1973. "Approximately 90 percent of this fund is distributed as direct aid to Jewish day schools," the statement said.

"These funds are used for scholarship aid to children in 165 Jewish day schools and for building renovation and emergency repairs which have kept a number of Jewish day schools from closing their doors." The statement added that "In sum, of every dollar it disburses for community services, Federation now gives 10 percent to Jewish education as compared with under five percent in 1970."

The statement also observed that "Federation assistance to Jewish education takes many forms above and beyond direct aid to Jewish schools." It listed support for Jewish education in children's residential institutions; in sleep-away and day camps; and in community centers where it

offers Jewish educational programs for children and adults.

## JEWISH, CHRISTIAN SCHOLARS ASSESS HOLOCAUST TO PREVENT REPETITION

SAN JOSE, Calif., Feb. 28 (JTA)--Nearly 400 Christian and Jewish scholars from the United States and Canada who met here this month to discuss the Holocaust agreed that it must be remembered, studied and taught in order to prevent any repetition. The conference, called "The Significance of the Holocaust for Western Civilization," was sponsored by Stanford University's Hoover Institution; the Universities of Santa Clara and San Jose and the National Conference of Christians and Jews (NCCJ).

"The Holocaust presents to Christianity the most serious credibility crisis in history," said Rev. Franklin Littell, head of the department of religious studies at Temple University in Philadelphia. "We have to face the naked truth that one-third of the world's Jewish population was murdered by baptized Christians. Herman Goering died a Protestant in good standing. Hitler died a Catholic in good standing."

Donald McEvoy, NCCJ vice-president, said, "Christians bear much responsibility for the Holocaust, which fed on the church's centuries-old contempt for Jews." Several theologians expressed concern about hate-producing Christian texts. "Our scriptures may be the source of Christian anti-Semitism," said Rev. John Pawlikowski, acting president of Chicago's Catholic Theological Union. He added, "Are we using the wrong exegesis? Or should the exegesis be changed? Perhaps Christians should stop using parts of the New Testament--like John."

Dr. Raul Hilberg, political science professor at the University of Vermont, reported on his 30-year study of the complicity between Nazis and the German nation. He documented how the Nazi Party, the German civil service, the army and the industrial network found a willing German middle class. All cooperated to identify and ostracize Jews, to isolate them into ghettos, to transport them to extermination camps; and to devise and carry out methods of mass murder, he said. Some courageous Christians, who protested Hitler's acts, met the same fate as Jews.

Those who survived death camps suffered permanent, irreparable trauma, said Dr. Samat Davidson, visiting psychiatry professor at Stanford Medical School. "Their particular mental and emotional symptoms--unlike that of other 'survivors'--are passed on to their children and grandchildren," he said.

"I'm very glad I came," said one conference member who seemed to express the prevailing feeling. "It was terribly important. To remember the Holocaust is to remember that we can never again permit ourselves to be indifferent to the suffering of other people."

NEW YORK (JTA)--Soviet authorities have granted permission to emigrate to Alexander Boguslavsky; whose brother, Victor, had been a Prisoner of Conscience until his release and emigration to Israel in 1973, the Greater New York Conference on Soviet Jewry announced. Permission was also granted to the 48-year-old ship-building engineer's wife, Irina, and two children, Nina, 17, and Vladimir, 14, thus ending a three-year wait for permission to emigrate.