

**ISRAEL CLOSELY WATCHING MILITARY ACTIVITY BY SYRIANS, EGYPTIANS**

By Yitzhak Shargil

TEL AVIV, June 8 (JTA)—The Israeli army is keeping a close watch on intensified military activity in Egypt and Syria while Israel has lodged its third protest in recent days over alleged Egyptian violations of the 1975 Sinai disengagement agreements.

The Egyptian and Syrian armies have held extensive military exercises. Civil air defense exercises have been conducted in Cairo and other Egyptian cities and Egyptian forces have been deployed in some strength in regions close to the Gulf of Suez.

Western diplomats here believe the Egyptians are deliberately trying to create tension in the region. Some Israeli sources were quick to blame President Carter's recent remarks on the Middle East for encouraging extremists in the Arab camp leading to muscle-flexing by the Egyptians and Syrians. Israeli military circles do not regard Egyptian violations of the Sinai pact as a military threat but they are not certain whether the violations are inadvertent or are a means of testing Israel's reaction.

The protest lodged with the United Nations Emergency Force (UNEF) in Sinai claimed that Egypt was deploying more soldiers in its Sinai zone than permitted by the disengagement pact and that it had introduced SAM-7 (Sirela) ground-to-air missiles, also a violation.

**LABOR STILL UNWILLING TO JOIN BEGIN GOVERNMENT, BUT WILL TALK**

TEL AVIV, June 8 (JTA)—Shimon Peres said last night that he would accept an invitation from Likud leader Menachem Begin to discuss the possibility of the Labor Alignment joining a Likud-led national unity government. However, he made it clear that there has been no change in Labor's negative attitude toward an all-party coalition and said that Begin is fully aware of Labor's position.

Nevertheless, "If he invites us to a meeting we shall go," Peres said after the Labor Party named him its chairman. The post is a new one, established to replace the office of secretary general which has been vacant since Meir Zami resigned on the eve of the May 17 elections.

Meanwhile, Likud is studying an eight-point coalition guideline proposed to it yesterday by the Democratic Movement for Change (DMC). The two factions are scheduled to resume their coalition talks tomorrow and sources on both sides appeared to be optimistic that their differences can be bridged opening the way to formation of a broadly based government. The most serious obstacle, sources said, is the DMC's insistence that each party in the new coalition have the right to veto the establishment of new settlements on the West Bank.

If Begin is unable to draw the DMC into a coalition, he will be able to form a government based on Likud and the religious factions. The Aguda Israel has approved the draft of a coalition agreement with Likud, subject to final approval by the Aguda's Council of Sages. The latter is expected

to give its endorsement since Likud has accepted the Aguda's key religious demands. (By Yitzhak Shargil)

**SENATE ADOPTS ANTI-BOYCOTT BILL; HOUSE ACTION EXPECTED TODAY**

By Joseph Polakoff

WASHINGTON, June 8 (JTA)—The Senate last night adopted by a voice vote the Senate-House conference Export Administration Act with its provisions countering the Arab boycott of Israel, companies doing business with Israel and Jewish-managed concerns. No dissent was heard as the legislation was approved without debate. The House is expected to take up the legislation tomorrow with similar overwhelming approval forecast. It will then go to the White House for President Carter to sign the measure into law.

Edgar M. Bronfman, chairman of the World Jewish Congress Coordinating Committee on the Arab Boycott, described the legislation as "reasonable" and that "sensible legislation aimed at the Arab boycott" was reached in discussions between American business, the American community and the Carter Administration.

"From the point of view of the American Jewish community, the bill certainly is not perfect," Bronfman said. "But it is a good bill squarely putting the United States and its business community on record against boycott practices. From the standpoint of American business, the legislation may still cause some difficulties. But it is reasonable. Much is still to be worked out in the Commerce Department's implementation of the new policy. But both sides are—and have good reason to be—proud of themselves."

Stanley Marcus, the 35-year-old Connecticut lawyer who served as counsel to the Senate Banking Subcommittee that drafted the bulk of the legislation under the direction of Sen. Adlai Stevenson (D. Ill.), is the new Deputy Assistant Secretary of Commerce with responsibilities to implement the measure.

The bill is a result of a compromise approved by the Carter Administration and worked out by the Business Roundtable, a group of 170 corporate chief executives, and officials of the B'nai B'rith Anti-Defamation League, the American Jewish Committee and the American Jewish Congress.

**DAYAN, FORMER JORDANIAN OFFICIAL SEE NO ROOM FOR AGREEMENT NOW BY ISRAELIS, ARABS ON WEST BANK**

By Uzi Benziman

JERUSALEM, June 8 (JTA)—Moshe Dayan, who may be Israel's next Foreign Minister, and Anwar Nusseibe, the former Defense Minister of Jordan who lives in East Jerusalem, indicated last night that for the time being there is almost no room for agreement between Arabs and Jews on a solution of the West Bank problem.

Dayan and Nusseibe participated in a panel discussion of the lessons learned during 10 years of Israel's administration of Arab territories captured in the 1967 Six-Day War. The discussion marked the end of a three-day seminar on Jeru-

and the administered territories sponsored by the Truman Institute of the Hebrew University.

Dayan claimed that the main lesson of the last 10 years was that Jews and Arabs could live together without any accepted agreements and that Israel's policies toward the administered territories should continue as they are. He noted that this policy allowed the Arabs free access to Israel to find work, free travel by Israelis in the Arab territories, the right of West Bankers to send their representatives to Jordan's parliament and the right of Israelis to buy land in the administered territories. Dayan also said that Israel should continue to establish settlements in the territories and that the Arabs should have the right to decide which passport they wish to hold.

Nusseibe said that Israel has three alternatives: to obtain real security through peace by withdrawing from the territories; to agree to establishment of a multi-racial state; or to continue to rule the territories by force. He warned that by following the latter course, Israel exposed itself to corruption. He objected to Dayan's concept of forcing Arabs to live under an Israeli administration while allowing them to vote for the Jordanian parliament. By implementing this system, the Israelis empty the West Bank of its political content, a prelude to emptying it of its Arab population, Nusseibe said. He also opposed the view that Israel has the right to establish new settlements in the territories.

#### Cites Link With Jordan

Another speaker, Dr. Clinton Bailey of Tel Aviv University, said that most West Bank Arabs link their future with Jordan. He said he reached that conclusion after talking to numerous West Bank residents. He said they consider Jordan their economic and political base but demand administrative changes that would "Palestinize" the Hashemite Kingdom. Bailey said the success of that approach would depend on the extent to which the Palestine Liberation Organization succeeded in its efforts to become the sole representative of the Palestinian people.

Earlier, Yehuda Zvi Blum, a professor of international law at the Hebrew University claimed that by rejecting the 1947 United Nations partition plan for Palestine and their subsequent aggression against Israel, the Arab states forfeited all claims to East Jerusalem and the West Bank. He maintained that under international law, neither Jordan nor any other Arab state could lay claim to any parts of Mandatory Palestine which they occupied by aggression in 1948 and from which they were ousted by Israel in 1967.

Blum noted that Israel had accepted the partition plan on condition that the Arabs also accepted it and that it was implemented peacefully. But the Arabs used force to prevent peaceful implementation of the plan, he said, and no rights accrued to them from that act. According to Blum, Israel's claims to what was Mandatory Palestine are better than those of any other state under international law.

#### KAHANE SAYS BEGIN WILL NOT STOP HIS SETTLEMENT EFFORT

By Nancy Chanin

NEW YORK, June 8 (JTA)—Despite the fact that the Israeli army ordered Rabbi Meir Kahane and his followers to turn back in two previous efforts to settle in the West Bank last month, Kahane said today that he plans to start a settlement in Nablus, the largest city in the West Bank, where Jews are currently not allowed and where 80,000 Arabs now live. Kahane, founder of the Jewish

Defense League, said in a press conference here today that he will not begin this effort until Menachem Begin, who is expected to become Israel's next Premier, has his first meeting with President Carter.

Although Kahane refused to say precisely how Begin's representatives reacted to his plan, he did say their response was "positive." Kahane, who failed to win a Knesset seat in Israel's recent elections, did not directly consult Begin, but said he "cannot conceive of Begin's stopping" him.

In this country to recruit 40 to 50 "young people" to settle with him and his family in Nablus, Kahane said that 20 Israeli families and 10 to 15 Israeli singles had already agreed to help him carry out his plan. If the Israeli army opts once again to thwart his efforts, Kahane said, there would be no "physical confrontation," but passive resistance. Kahane said he knew of 15,000 Jews who were prepared to block the Israeli army. In his last attempt to settle in the West Bank May 15, Kahane was arrested outside of Jerusalem for trying to get Israeli soldiers to disobey orders and allow him and his followers to go to the West Bank despite a military order barring them.

Kahane said he hoped to have a textile factory in the Samaritan city in about six months, that the products from this factory would be exported to the United States and elsewhere and that he hoped Jews would buy the products for "nationalist" reasons. Because of the amount of money involved IL 2.5 million, Kahane refused to disclose the name of the individual investing in the textile factory. He said he plans to set up similar settlements with light industry in several other "liberated" areas.

Rabbi Alexander Schindler, chairman of the Conference of Presidents of Major American Jewish Organizations, and others who are responsible for "making Begin look moderate" were criticized by Kahane. Kahane said he did not believe that Begin would change his hard line position on the West Bank and that those who thought he would do so were engaging in "wishful thinking."

#### SOVIET SCIENTISTS IN ISRAEL

TEL AVIV, June 8 (JTA)—A delegation of 12 leading Soviet scientists arrived here last night to attend the international meeting of the Committee on Space Research (COSPAR). The group, headed by Prof. Roald Sagdeev, insisted that there was no political significance in their visit to Israel to attend a purely scientific gathering. Scientists from East Germany, Czechoslovakia and Poland are among the 600 delegates.

All of the Communist bloc visitors received their entry visas on landing at Ben Gurion Airport since their countries do not have diplomatic relations with Israel. The COSPAR meeting, which opened last night, will deal with various aspects of space research. Over 100 lectures will be delivered. A replica of the American Viking space craft that landed on Mars was on display in the entrance hall.

JERUSALEM (JTA)—Foreign Minister Yigal Allon met with Japan's Deputy Minister of Defense Koichi Hamada Tuesday. He urged the Japanese government to increase its trade with Israel, following the example of Western European states, which maintain trade with both Israel and the Arab states. The visitor said he would report to his government on his discussions with Allon.

### LOWENSTEIN SAYS SOVIETS NEVER STOP CRITICIZING U.S. ACTION

NEW YORK, June 8 (JTA)--Allard K. Lowenstein, U.S. representative to the United Nations Commission on Human Rights, says that while Russian leaders accuse the U.S. of "meddling" in their country's internal affairs, "the Soviet Union has never stopped criticizing" the United States. "Read Pravda any time you want to find out about violations of human rights in the United States, as viewed by the Soviet Union," Lowenstein told a luncheon meeting sponsored by the American Jewish Congress at the Harmonie Club.

"Brezhnev talks all the time about the right to pursue the ideological conflict in ways that are not military," he said. The Russians support Communist parties all over the world as a sort of given right. "If you compare whatever meager support may be ascribed to us in dealing with dissidents in the USSR with what the Soviets do all over the world for the people who agree with them, you will realize how irrational it is to say that we are somehow doing something inconsistent with what they do," Lowenstein said.

He rejected the idea that President Carter's statements on human rights had slowed progress on strategic arms limitation talks with the USSR.

### CAGE SYMBOLIZES SYRIAN JEWS' PLIGHT

TEL AVIV, June 8 (JTA)--A large cage erected in the center of Tel Aviv's busy Dizengoff St. attracted throngs of spectators today. Locked inside were two young women students who were demonstrating for the right of Syrian Jews to emigrate, especially women of marriageable age who are unable to find Jewish husbands in Syria.

The demonstration was organized by the Israeli Students Association as a mark of solidarity with Syrian Jewry. They called on President Hafez Assad of Syria to grant Jews the same right to leave the country that is enjoyed by other Syrians.

### ATHERTON TELLS HOUSE COMMITTEE THAT U.S. MIDEAST POLICY UNCHANGED

By Joseph Polakoff

WASHINGTON, June 8 (JTA)--The U.S. commitment of friendship to Israel was described to Congress by a top State Department policy-maker today as "a constant of American policy which will continue to sustain the relationship" between the two countries and which "we believe is understood and accepted by all of the governments" in the Middle East.

Alfred L. Atherton, Assistant Secretary of State for Near East and South Asian Affairs, made that statement during an exhaustive two hours of testimony before the House International Relations Committee's subcommittee on the Middle East chaired by Rep. Lee Hamilton (D. Ind.). Atherton said that "Along with the underlying U.S. commitment to peace in the Middle East and to Israel's security goes the belief that the basis for a settlement between Israel and the Arab states is in UN Security Council Resolutions 242 and 338."

Under questioning by Rep. Stephen Solarz (D. N.Y.), Atherton specifically ruled out the partition resolution of 1947 as having any consideration in U.S. policy. "I assure you in no sense is it our intent to endorse that resolution," he said.

With respect to President Carter's statements on compensation for Palestinians, Atherton said this is "generally accepted." He pointed out that the U.S. always voted for re-affirming such compensation but he was not aware of any comparable UN legislation for Jewish refugees. Atherton added,

however, that "This is not automatically excluded" and that in his personal opinion "this is perfectly reasonable to put on the table."

Atherton insisted that the U.S. will not impose settlement terms on any of the Middle East parties. He said "We have said many times we won't impose a settlement." When Hamilton pointed out that former Undersecretary of State George Ball has said that the U.S. should use pressure on Israel, Atherton replied, "He (Ball) hasn't explained how you are going to impose a settlement." He added that "At some point if we see a reasonable and rational way of resolving an issue we'll make it known to both sides. The very fact of making judgements known has certain weight."

He agreed with Hamilton's view that an imposed settlement would not be successful because the parties would resent it and it would ultimately break down. "Our thinking goes in the direction of logic and persuasion that alternatives to a settlement are much worse" than failure to reach agreement, Atherton said.

He said that Israel's new Premier-designate, Menachem Begin, may not get to Washington for talks with President Carter before July. He said that after Begin and Carter meet, Secretary of State Cyrus Vance would re-visit the Middle East "to discuss with the parties suggestions of our own if this seems useful. But I want to emphasize that we will not be seeking to impose our ideas on the parties," Atherton said.

### Moscow Kept Informed

Asked about the Soviet role in the Middle East, the Assistant Secretary of State said that Moscow was informed each month on the situation in the region. He said the Soviets are not pressing for any particular date to reconvene the Geneva conference except "the sooner the better." He said he had "no judgement" and "no indication" whether Moscow would resume diplomatic relations with Israel.

Atherton said that Israel's conception of a Palestinian-Jordanian entity "would not be incompatible with the U.S. outlook for a settlement. He said that in the U.S. view Israel is not required to return precisely to its 1967 borders. He said "the history" of Resolution 242 "is clear. The big argument is what is practical." He would not define what a "secure border" is, observing that there are many options.

However, he said that borders close to population centers are "particularly sensitive." He said that "In recognition of this, we give serious thought to arrangements that accompany borders." In that connection he mentioned early warning systems and demilitarized zones. He said Egypt and Syria "do concede minor alterations on the West Bank but none on the Golan or in Sinai." Atherton added that "This is pretty much their bottom line. But we have to see what the final negotiations produce."

He said the U.S. would be inclined to "consider favorably" a request from President Elias Sarkis of Lebanon for weapons. Asked about the oil factor, Atherton recalled that Crown Prince Fahd of Saudi Arabia "went out of his way to delink oil from the political process in his meeting with President Carter." Recalling the November, 1975 statement by the then Deputy Assistant Secretary of State Harold Saunders about the essentiality of Palestinian self-determination, Atherton said, "On our part, the concept of a homeland could mean self-determination" but "it has to come out of the negotiations."

### DINITZ SAYS ISRAEL'S POLICY TO SEEK PEACE IS UNCHANGED

WASHINGTON, June 8 (JTA)--Simcha Dinitz, Israel's Ambassador to the United States, declared here yesterday that whatever party governs Israel, Israel's fundamental policy will always be to seek a peace settlement in the Middle East. "There will never be a government in Israel that does not give peace its highest priority and be wholly dedicated to that national goal," Dinitz said.

The envoy addressed some 900 participants in the annual meeting of the National Conference of Jewish Communal Service at the Shoreham-Americana Hotel. Another speaker at the gathering, Howard M. Sacher, professor of history and international affairs at George Washington University, exhorted American Jews to exercise "restraint" in criticism of the new Israeli regime headed by Likud leader Menachem Begin and "in assuming the spokespersonship for Israel" in the current phase of the Middle East political process. Sacher also lashed out at "elements among our own people that have arrogated to themselves the right to criticize Israel publicly on its diplomatic stance."

Dinitz emphasized the basic continuity of Israeli policy. He said that "every Israeli government will compromise for peace," negotiate with the Arabs "without prior conditions" and make territorial concessions consistent with Israel's security needs. But no Israeli government would agree to a new Palestinian state on the West Bank, Dinitz said, contending that such a PLO-dominated entity would be dedicated to the destruction of both Israel and Jordan.

Dinitz said he welcomed U.S. efforts to encourage peace negotiations but warned that "even with the best intentions" the U.S. could not "devise a formula" that would be a substitute for direct negotiations. "Negotiations not pressures are the component of peace," he declared, warning that "creating conceptions" of American intentions can have "a cumulative effect in Arab minds that the U.S. will force Israel back to the 1967 lines." He said that such perceptions can frustrate "the peace process."

### Urges Self-Restraint

Sacher claimed that "the current political upheaval in Israel is being seized upon not by the Arab governments alone but also by influential elements within the White House and the State Department who regard Begin's election as the principal obstacle to peace." He said that against that background, American Jews "can perform the service of verbal restraint in criticism" of the Begin government. He said an "equivalent service we can perform for Israel and for ourselves as American Jews" was "the service of exercising restraint and discrimination in the techniques by which we express our support for Israel."

Sacher said that "movement" in the "form of easy spectaculars, sensational demonstrations or pro-Israel advertisements in the secular American press" becomes "counter-productive." He added, "We can understand the motivations behind these gestures--our frustration, our sense of helplessness, even our sense that we are living here and the Israelis are on the battle line there. But all too often these sentiments have led us into behavior that does not serve Israel's long-term interests."

### ARGENTINA REJECTS ANTI-SEMITISM

BUENOS AIRES, June 8 (JTA)--The Foreign Minister of Argentina, Vice Admiral Oscar A.

Montes, said at a press conference here that his government has repudiated "any action attempting to disturb the social order by discrimination based on faith or ethnic origin." He made the statement when asked about press reports abroad of anti-Semitism in Argentina.

Montes said "The Argentine government's position on this matter is quite clear and those who attempt to distort it are serving objectives not related in any way with the concerns of some of these foreign publications." He cited specific instances, such as the government's closure of two publishing houses that were distributing Nazi and anti-Semitic literature and other material "contrary to the national spirit and vision of our society."

He said "the fight against subversion and corruption has involved Argentine citizens of different religious and ethnic origins, but such origin is a purely circumstantial question. Those who derive conclusions beyond the fight against subversion and corruption are aiding elements anxious to attack the objectives pursued by the government." He said the government has stressed "its firm will to stop those who wish to disturb the harmonious co-existence of the Argentine people, whatever their faith or origin."

### CASTRO ACCUSED OF WAGING CAMPAIGN TO DESTROY ISRAEL

WASHINGTON, June 8 (JTA)--A B'nai B'rith study released this week accuses Cuban Premier Fidel Castro of embarking on a systematic campaign to discredit and destroy Israel in an attempt to win leadership of the Third World and continued financial aid from the Soviet Union. The study, by Dr. Harris Schoenberg, deputy director for United Nations affairs of the B'nai B'rith International Council, is titled "Betrayal of an Ideal: Cuba's campaign against Israel."

According to Schoenberg, Cuban armed forces "have served with and trained Arab forces and terrorist groups committed to Israel's destruction." He said Cuba trained Arab pilots and troops, served as spokesman for the Soviets at various conferences and attacked Israel repeatedly during Castro's tour of Africa. At every opportunity Castro "appeared as the unofficial sponsor of the Palestine Liberation Organization," especially at the UN where Cuba co-sponsored the resolution equating Zionism with racism," Schoenberg said.

The study said that Cuba's policy toward Israel was characterized by "correctness and near cordiality" until 1973 when Cuba announced at the Algiers summit conference of non-aligned states that it was breaking off relations with Israel. Schoenberg claimed that the Cuban about-face was an attempt by Castro to divert attention from his nation's economic problems and "unspeakable political oppression." The study said that late in 1972, Castro returned from a visit to Moscow with "extraordinary" new economic agreements which by now is reported to amount to \$1 billion a year. "In return for this bonanza, the Cuban government was ready to serve Soviet interests in the Third World," Schoenberg said.

NEW YORK (JTA)--Fourteen persons, including 10 rabbis, were charged with disorderly conduct Tuesday after they chained themselves to a fence outside the Soviet Mission to the United Nations here to protest the charge of treason that has been made against Soviet Jewish activist Anatoly Sharansky. They were released pending a hearing June 21.