

BEGIN WELCOMES U.S. MOVE TO SELL ISRAEL \$115 MILLION IN NEW ARMS

JERUSALEM, June 26 (JTA)—A report that President Carter has approved selling to Israel \$115 million in new arms was welcomed by Premier Menachem Begin today. "I would like to thank President Carter for his decision," Begin said as he emerged from the first regular meeting of his Cabinet. "Of course the citizens of Israel appreciate it and we hope it is a sign of real friendship between the United States and Israel."

Carter's decision was revealed in a story in The New York Times today and reported widely in Israeli newspapers. According to the Times story from Washington, Administration "sources" said that Carter will propose that Israel be sold 200 wire-guided antitank missiles, 700 M-13 armored personnel carriers and 15 M-728 tank bulldozers.

These weapons had been requested by former Defense Minister Shimon Peres but a decision had been held up. The Times said the Administration sources denied that the sale was an attempt to appease supporters of Israel and stressed that it was a "logical extension" of Vice President Walter Mondale's speech in San Francisco, June 17 in which he said the Administration would not "use our military aid as pressure on Israel."

Not Confirmed By White House

(In Washington, The New York Times story was not confirmed by the White House today. Observers noted it came two days after the White House acknowledged it had blocked a proposal for an American-Israeli co-production of a military communications system and before the start tomorrow of a debate in the Senate in which supporters of Israel will urge the Carter Administration not to further its blueprint for a Middle East settlement.)

(The sale is seen here as a carrot that followed a stick as well as a debating point to offset fears that the Carter Administration is relaxing its special relationship with Israel. One Congressional source termed the \$115 million sale as a "sop" to critics both in this country and Israel and as "window dressing" in advance of Begin's visit to Washington. Another source noted that the equipment involved is relatively insignificant.)

U.S. Decision Hailed

Begin's comments today came after he was asked if he was concerned about a possible reduction of U.S. arms to Israel. "Why should I be concerned?" he replied. "Just now President Carter decided to deliver us weapons to defend our country."

The afternoon daily Yediot Aharanot said in an editorial today that Carter's decision came after the Administration realized its reaction to the Likud victory could both strengthen Soviet influence in the Middle East and upset American Jews.

"Washington seems to have calmed down after the initial nervousness caused by the shock of Israel's general election results," Yediot said. The newspaper also noted that "This should be a lesson for Israel. (Former Premier) Yitzhak Rabin came back from Washington (earlier this year) empty-handed. But Mr. Begin, even before his visit to Washington (July 19-20), has been assured of the necessary arms supplies."

(Meanwhile, Carter told a group of newspaper

editors at a meeting in Washington yesterday that he is spending a lot of time preparing for the Begin meeting. "Our hope is that we can have an overall settlement by the participants in the Middle East discussions without delay, hopefully this year," he said. "Once that settlement is reached, then step-by-step implementation of the ultimate settlement is the best way to go about it.")

VIETNAMESE REFUGEES ARRIVE IN ISRAEL

TEL AVIV, June 26 (JTA)—A group of 66 Vietnamese refugees who were rescued by an Israeli freighter in the South China Sea June 9 arrived today in Israel. The refugees, who were greeted by Yehuda Avner, a special representative of Premier Menachem Begin, were happy to be in Israel, the only country that offered them a haven. But as one of them admitted to reporters, "The truth is I don't really know where we are. I'd never heard of Israel before the Yuvali (the Israeli freighter) saved us."

Dr. Tran Quang Hoa, a 32-year-old former surgeon in the South Vietnamese Army, speaking for the group, thanked Israeli authorities in an emotion-choked voice. He said that after the ship on which the group had fled Vietnam sank, five ships passed their raft by and "refused even to give us water" until the Israeli freighter rescued them.

The refugees, who included 16 children and several pregnant women, were given visas and work permits along with pocket money, toys for the children, and large quantities of fish, rice and vegetables which are Vietnamese staples. They were taken to an absorption center in Ofakim in southern Israel which usually houses Soviet immigrants. Officials here said about half of the refugees want to go to the United States, the rest will remain in Israel.

The refugees were taken off the Yuvali in Taiwan which along with Japan and Hong Kong, had refused them asylum earlier and flown from there to Hong Kong. The Vietnamese left the ship in tears thanking the captain of the freighter. From Hong Kong they were flown to Frankfurt by Lufthansa and then to Israel.

KEY GOP SENATORS CONCERNED OVER ADMINISTRATION'S MIDEAST POLICY

By Joseph Polakoff

WASHINGTON, June 26 (JTA)—Key Senate Republicans are expressing serious concern over the course of the Carter Administration's Middle East policy and its public elucidation by President Carter in recent weeks and by Vice President Walter F. Mondale in his June 17 San Francisco speech.

Sens. Jacob K. Javits of New York and Clifford Case of New Jersey, the senior Republican members of the Senate Foreign Relations Committee, contend that Presidential references to a "homeland" for the Palestinians and Israel's return to its 1967 borders with only "minor" adjustments, raise Arab expectations to unrealistic levels, feed Israel's apprehensions and thereby undermine progress toward a peace settlement.

Javits and Case had an hour-long meeting with Carter and Mondale at the White House Friday, also attended by Zbigniew Brzezinski, the President's National Security Affairs Advisor. Case released a statement afterwards and Javits described

the meeting at a Capitol Hill news conference.

A detailed elaboration of his views and criticism of the Carter policy is contained in a speech prepared for delivery on the Senate floor tomorrow, an advance copy of which was made available to the Jewish Telegraphic Agency. Similar criticisms were made a week ago by William E. Brock, the Republican National Chairman and a former Senator from Tennessee and Sen. Bob Packwood (R, Ore.) in a speech on the Senate floor.

Says Differences Remain

Javits declined to describe to reporters the President's responses to his and Case's views. He stressed that the meeting was "friendly and constructive" and a "discussion, not a confrontation". He said "we share the same objective" but "we did not reach agreements on how U.S. policy should be articulated". Javits added that "differences remain on how to achieve a just and lasting peace."

He said "The fundamental difference between us" is "raising Arab illusions beyond the realm of realization and contemporaneously raising Israeli fears that would compromise their security." Therefore, according to Javits, "further specificity" by the Administration would be "counter-productive" and "what is needed now is concentrating on going to Geneva and negotiate without preconditions with the U.S. as mediator."

Case said in his statement that he had "underscored" to the President "the importance for the United States to keep Israel strong and to help Israel's economy as far as possible." He said that in that connection he "raised a number of specific cooperation requests made by Israel which have not yet cleared through the State Department and Defense Department despite the President's commitment to do his best in this respect."

Will Issue A Warning

Javits' speech to the Senate tomorrow will be a warning to the Administration that "The Carter proposals will not succeed in their objective because they are unrealistic and fail to take account of certain key factors in the situation." According to Javits, "Chances for Mideast peace may be lessened and the danger of war enhanced by a breakdown in the peace-seeking process through over-reaching."

The President's "persistent public advocacy" of Israeli withdrawal to its pre-June 1967 borders and the establishment of a Palestinian "homeland or entity" before the convening of the Geneva conference "before there has been any meeting without preconditions between Israeli and Arab negotiators, even before Israel's new government took office — can only continue to feed Arab illusions that President Carter will deliver to them what they have been unable to deliver to themselves by any other means, including the recurrent recourse to war," Javits argues in his Senate speech.

He says further that the President's advocacy of these proposals are "putting the Israelis in fear of their survival and thus hardening the terms they feel they must insist upon. This in turn, will make it harder for the Arabs to agree. This clash of frustrated Arab illusions and burgeoning Israeli fears, when compressed into the pressure cooker of a short-term 'wrap-it-up' Geneva conference, can only produce more, not less tensions and the danger of yet another Middle East war."

Javits observes in his speech that "What had been hoped for as a move forward was a call upon all the parties to Geneva and all issues to be on the table for negotiation without preconditions and with the U.S. in a mediating role between the parties."

Even Prime Minister Begin accepts this approach" and "the highest quality of decision can only be made by an Israel which does not feel pressed to the wall."

Especially Hard On Mondale

Javits' prepared speech is especially hard on the Mondale speech which summarized the President's views and was intended to allay fears in Israel and in pro-Israel circles here. Javits says that "The use of the term 'homeland' establishes at once a parallelism with the Jewish national home in Israel and exactly contradicts an association with Jordan." In Javits' view, such an association "neither assures control of policy nor even its own continuity. As a precedent there is Syria's abrupt denunciation of its union with Egypt in the United Arab Republic."

Finally, Javits is critical of the President for remaining "silent on other crucial aspects" of the Mideast problem — Jerusalem, Lebanon and the Golan Heights. "Does the return of Israel to 'approximately' the 1967 borders mean that Jerusalem is again to be a divided city — a Middle East Berlin with Israeli access again as difficult as in the years before 1967?"

Javits also asks whether Lebanon is "to remain territorially intact under Syrian hegemony, and is the PLO to continue to have the right to exist as a 'state within a state' there? These questions are crucial in themselves and related inextricably to the Golan Heights issue and the 1967 borders issue."

GROWING OPTIMISM THAT DMC WILL JOIN GOVERNMENT COALITION

By Yitzhak Shargil

TEL AVIV, June 26 (JTA)—There is growing optimism in the Begin government that the Democratic Movement for Change will join the coalition, giving it 78 votes in the Knesset. Likud and the DMC have scheduled a meeting for tomorrow prior to a meeting of the DMC Secretariate. The reason for the renewed optimism is partly based on the DMC's poor showing in the Histadrut elections last week when it won only 8.2 percent of the vote. The DMC had hoped to have enough votes to play a pivotal part in the labor federation but instead the Labor Alignment maintained its control over the Histadrut.

In addition, the DMC which broke off talks with Likud prior to Premier Menachem Begin's formal presentation of the Cabinet, now sees some modifications in Likud's views. Begin's statement to the Knesset that his government was ready to meet the Arab countries at the Geneva conference based on Security Council Resolutions 242 and 338 was seen as a change from Likud's previously-held rigid attitude.

Begin met privately with DMC leader Prof. Yigael Yadin last Thursday. The Premier then met with the Likud leadership at his home Friday night to discuss the DMC and it was decided that Yadin's group would have a free hand to vote on religious issues. The DMC could also appeal any government decision establishing Jewish settlements in the West Bank by taking it to the ministerial committee on settlements and the Knesset Committee on Foreign Affairs and Security.

Begin had announced earlier that three Cabinet posts are being held open for the DMC — Welfare, Justice and Transportation and Communications, in addition to the Deputy Premiership.

ZIONIST GENERAL COUNCIL PLEDGES SUPPORT OF BEGIN GOVERNMENT

By Iuvia Mendelson

JERUSALEM, June 26 (JTA)—The Zionist General Council ended its meetings here with a pledge of support for the new government of Premier Menachem Begin and its promised efforts to seek peace at the Geneva conference on the basis of Security Council Resolutions 242 and 338. The sessions, which adjourned Friday, were the last to be held by the governing body of the World Zionist Organization until the 29th World Zionist Congress convenes here next February.

Meanwhile, the Jewish Agency's General Assembly will begin its annual meeting here tonight. It is expected to approve a \$457 million budget for the next fiscal year based on an estimated immigration of 20,000.

The General Council was addressed by Begin Thursday night. He reasserted Israel's claim to "Eretz Israel" — embracing the Judea and Samaria regions — which, he contended did not contradict Resolution 242. According to Israel's interpretation, that document requires its "withdrawal of forces from territories", not "the territories".

Begin said Israel has a right to claim the West Bank regions for itself and that the claim did not constitute a pre-condition for negotiations with its Arab neighbors. He told the assembled Zionist leaders that Israel has "a good chance" to prevail in its struggle against the establishment of a Palestinian state and against the return to its 1967 borders.

Stop Spread Of Communism

Begin painted a horrendous picture of what could happen if Israel, confined to its 1967 lines, was the target of a massive attack by the Arab countries. He stressed Israel's common interest with the free world which he depicted as stopping the expansion of Communism. He charged that the Palestine Liberation Organization serves Communist goals in the Middle East and that Cuba does the same in Africa.

Begin also dwelt at length on the differences between Israel's fighting forces, including the pre-State underground groups, and the "murderers" who used terror against Israel.

In a series of resolutions adopted at its closing session, the General Council expressed deep concern over the condition of Syrian Jews and called on world opinion to compel President Hafez Assad of Syria to honor his promise to allow Jews in his country their basic human rights. The Council also supported demands that Jews forced to leave Arab countries receive compensation on an individual and collective basis.

The General Council called on the Jewish Agency and its various bodies to strengthen its aliyah efforts by increased contacts with the aliyah movements in various countries. It endorsed the Jewish Agency's aliyah department's recommendation that the settlement department draft plans for a new collective absorption program.

WEIZMAN READY TO MEET WITH ANY ARAB LEADER, INCLUDING ARAFAT

TEL AVIV, June 26 (JTA)—Defense Minister Ezer Weizman told a group of Arab dignitaries from Jericho that he was ready to meet with PLO chieftain Yasser Arafat and engage in a shooting match with him if necessary. Weizman spoke with a broad smile and a figurative tongue-in-cheek as he greeted the Arab visitors during a reception in the Defense Ministry's rose garden.

The Arabs appeared flattered to be among the VIPs attending and surprised by the new defense

chief's informal, easy-going manner of speech. "You can rest assured that from this government you will hear very clear words," he told them. "I am glad we can enjoy this evening together. We shall be together for many years to come," he said, an obvious allusion to Likud's intention to retain permanent Israeli control of the West Bank.

Weizman said he was ready to meet with the leaders of any Arab country and with Arafat. "I shall tell Arafat what I think of him and he may tell me what he thinks of me. If he shoots me, I shall shoot back." The reception last Thursday was tendered by the Defense Ministry's Director General and former Defense Minister Shimon Peres. Peres, confined to bed with a slight fever, was unable to attend but listened to the speeches by a special radio hook-up.

TALENT AVAILABLE, POSITIONS ARE NOT

By Nancy Chanin

NEW YORK, June 26 (JTA)—Israel is currently producing more than 100 Ph.D.s in the biological sciences each year but is unable to provide sufficient positions, facilities and equipment to take full advantage of this talent because of the heavy financial burdens related to defense, according to the Israel Cancer Research (ICRF), which held its first awards luncheon last week. The ICRF said that as a result too many such well-trained Israelis have emigrated to other countries looking for better opportunities, while others have had to enter unrelated fields to find employment.

Ameliorating this situation by creating in Israel major new programs for cancer research and care ultimately intended to benefit the entire Middle East is the ICRF's stated purpose. The ICRF is backed in this effort by a Scientific Advisory Board which includes many of the leading scientists in American cancer research, both Jewish and non-Jewish.

Cancer research can be conducted in Israel at far less cost than several other countries, according to the ICRF. The ICRF claims that while a major research project in the United States costs from \$300,000 to \$500,000, it would run from \$100,000 to \$150,000 in Israel. Israel's diverse population affords an unusual opportunity to study genetic, ethnic, cultural and psychological influences in the development of cancer, according to the ICRF.

Receiving fellowships at last week's awards luncheon were five young Israeli scientists who are beginning careers in cancer research. They were: Shmuel Ben-Sasson, Louise Chen, Ami Klein, Ben-Ami Sela, and Baruch Velan. Two of these scientists have recently completed a period of training in the United States. Sela spent three years in the laboratory of Nobel Prize winner, Gerald M. Edelman at Rockefeller University, and Ben-Sasson is completing a year with William Terry at the Laboratory of Immunology, National Cancer Institute in Bethesda, Maryland. Ephraim Biegun, Counselor of Scientific Affairs at the Israel Mission to the United Nations, presented the awards.

NEW YORK (JTA)—The Information and Public Affairs Committee of the American Zionist Federation cited "the recent reaction" to the Israeli election and "the subtle but significant shift in the American diplomatic posture" in declaring that the AZF respected and supported "the democratically arrived-at election results of the Israeli people." The statement also called on all American Jews to reaffirm their support of Israel.

ONLY FEW OF DISMISSED JEWISH CIVIL SERVICE EMPLOYEES IN NYC BEING REHIRED

By Ben Gallob

NEW YORK, June 26 (JTA)--Only a few of the thousands of Jewish civil service employees dismissed in the city's massive 1975-76 austerity cutbacks have benefitted from limited recent rehiring, an expert in such employment reported.

Louis Weiser, president of the Council of Jewish Organizations in Civil Service, said the proportion of Jews among dismissed civil service workers had remained constant at around 50 percent as the number of layoffs rose from around 24,000 in March, 1976, to around 30,000 at the end of 1976 when some rehiring was started by the administration of Mayor Abraham Beame. Both city funds and money from the federal Comprehensive Employment and Training Act (CETA) is being used in the rehiring, Weiser said.

Weiser told the Jewish Telegraphic Agency that the largest number of layoffs of Jewish employees were among those employed by the Board of Education, which is not controlled by the city administration. He said some 6000 such workers had been laid off, including teachers, administrative workers and guidance counselors. They did not include some 5000 Jewish substitute teachers who were not included among the Board of Education's permanent civil service employees.

He estimated that about 1000 of the dismissed Jewish education department workers have been rehired, adding this meant that about 5000 such Jewish city workers had not regained their jobs, "as of now." Throughout his comments, Weiser stressed the difficulty of obtaining complete and reliable data on both the dismissals and rehiring in the various city departments.

3 Categories On Preferred List

He said the Jewish teachers were being rehired on the basis of three categories: recertification, preferred list, and under the Aspira consent decree. He said recertification means that a teacher trained to teach in an area now in oversupply undertook to learn a different field and was rehired to teach in his or her new field.

Teachers on the preferred list are those with experience and are rehired on that basis. The Aspira consent decree, entered into about two years ago, requires the Board of Education to provide bilingual teachers for Spanish-speaking children. Some Jewish teachers proficient in Spanish have been hired under that agreement, Weiser said.

He said he did not know how many of the non-Jewish Board of Education employees had been rehired. But, he said, all of the laid-off Hispanic teachers had been rehired under the Aspira agreement. Weiser described the situation of Jewish civil service workers in the city's social services programs as largely unchanged from March 1976 when about 400 and 500 had been laid off.

He said there had been some rehiring, with CETA funds, in the police department, where about 150 Jewish men and women police were dismissed but that only 10 of those Jewish police had been rehired. There had been around 800 Jewish police men and women before the layoffs began. Weiser said limitations in use of CETA funds were affecting rehiring of Jews.

Rehiring Order Being Appealed

Another factor, he said, was a local federal court injunction requiring the city to give preference to Spanish-speaking and Black workers in rehiring, which the city is appealing to a federal appeals court.

Weiser said about 45,000 city employees have left the city payroll, mainly by attrition. He said most of the retirees -- up to 95 percent -- were white and of those, he said, at least half are Jews. He said this meant that most of the Jewish top and middle management personnel have left the city's civil service.

Many of them, he said, declared they could see no future in city employment. Others claimed they had been asked to leave, he said. He added that, under normal circumstances, such Jewish management officials might have remained in city service.

Weiser said five ethnic groups had joined in a friend of the court brief in support of the city's appeal against the injunction mandating preference for Spanish-speaking and Black workers. He listed them as the Shomrim Society of Jewish police; the Columbia Association, representing Italians; the Pulaski Society, representing Polish police officers; the Emerald Society, for Irish employees; and the Steuben Association for German employees.

UJA'S 'OPERATION PONY EXPRESS'

DALLAS, June 26 (JTA)--In an effort to collect much needed cash on pledges made to 19 United Jewish Appeal Federation campaigns throughout the Southwest, Leon H. Brachman, UJA southwest region cabinet chairman and private pilot from Fort Worth, is initiating "Operation Pony Express" tomorrow and Tuesday. He will fly Mitchell Rasansky, regional cash chairman from Dallas, and other regional leaders 4,000 miles on the two-day cash collection mission.

"We're following the modern tradition of airborne Jewish rescue," explained Rasansky. "Almost 30 years ago, UJA's Operation Magic Carpet flew 50,000 Yemenite Jews to Israel on the wings of eagles." The next year, the Operation Ezra airlift brought more than twice that number from Iraq. Now, UJA's "Operation Pony Express" will collect desperately needed cash to keep programs of immigrant aid and absorption going, as part of the ongoing Jewish lifeline linking the American Jewish communities with our brothers and sisters overseas.

"Operation Pony Express" will make stops tomorrow in El Paso, Laredo and Corpus Christi, and will be met by Jewish community leaders at the airport for brief 15-minute check presentations. On Tuesday, the group will fly to San Antonio, Austin, Waco, Oklahoma City, Wichita, Tulsa, Little Rock, Pine Bluff, Shreveport, Alexandria, Baton Rouge, New Orleans, Beaumont, Galveston, Houston and Tyler. The UJA is seeking to collect \$150 million in cash by June 30. Total cash goal for calendar year 1977 is \$300 million.

WASHINGTON (JTA)--Milton Wolf, a Cleveland business executive and construction specialist, has been confirmed by the Senate in a voice vote without dissent to be the United States Ambassador to Austria. Wolf, president of the Zehman Wolf Construction Co. Inc., of University Heights, Ohio, is a native of Cleveland and prominent in its civic and Jewish affairs. He is vice president and a trustee of the Cleveland-Jewish Community Federation. He is also a vice president and trustee of Cleveland's Mt. Sinai Hospital. He is expected to be sworn in shortly as the envoy to Vienna and will leave for his post soon thereafter.

ATTENTION: There will be no Daily News Bulletin dated July 4 due to the postal holiday that weekend.