

## DROP CRIMINAL PROCEEDINGS AGAINST MAN WHO BETRAYED JEWS TO NAZIS

AMSTERDAM, July 18 (JTA)--The Hague Public Prosecutor will drop criminal proceedings against Johan A. Van Tilburg who allegedly betrayed wealthy Dutch Jews to the Nazis during World War II so that he could appropriate their art treasures when they were deported to death camps. The Prosecutor concluded after an investigation of more than two months that insufficient evidence exists because none of the eye-witnesses is alive. The case file will not be closed.

Van Tilburg, 88, was formerly an Alderman in Dordrecht, south of Rotterdam. A Dutch de-Nazification court sentenced him to 13 months imprisonment after the war for collaborating with the Germans. He has lived in Pretoria, South Africa, for the past 25 years. The investigation was ordered by The Netherlands Minister of Justice after articles appeared in The Times of London and the South African Star describing his alleged wartime activities. The articles were published after Van Tilburg bequeathed his art collection, valued at some 20 million Guilder, to the University of Pretoria.

According to the papers, Van Tilburg befriended certain Dutch Jews and convinced them to place their valuables in his safe-keeping after which he reported their hiding places to the Gestapo.

## DRASTIC FISCAL MEASURES ADOPTED

By Tuvia Mendelson

JERUSALEM, July 18 (JTA)--Drastic fiscal measures that include a sharp reduction of government subsidies for basic goods and services and an IL 1.4 billion slash in Israel's defense budget were announced by Finance Minister Simcha Ehrlich last night. The measures are aimed at combatting inflation but will result in an immediate 25 percent price hike for fuel, electric power, water, telecommunications, transportation and basic food items.

The announcement caught Israelis by surprise. The fact that the government took a major economic step that affects the daily lives of all citizens without consulting with or even informing Histadrut, brought cries of outrage from the trade union federation and the Labor Party.

Histadrut Secretary General Yeruham Meshel said the subsidy cuts would reduce many thousands of moderate wage earners to the ranks of the needy. Some economic commentators agreed with him that the lowest income brackets would be hit hardest while the affluent would hardly feel the pinch. Others said, however, that Israel's inflated economy needed even harsher measures.

Ehrlich said that Histadrut was not consulted because to have done so would have been time consuming and would have compromised the secrecy of the plans. He contended that secrecy was vital to prevent hoarding. It did not prevent traffic chaos in the larger cities and towns as motorists lined up and sometimes fought each other to fill their tanks before the 25 percent increase in gasoline prices took effect at midnight. The price of gasoline went up from \$1.71 to \$2.10 a gallon.

Ehrlich announced at the same time another 2 percent devaluation of the Pound, now at 9.75 to the U.S. dollar; a 2 percent rise in interest rates

on development loans and installment credit; and a net budget cut of IL 2.1 billion. Two-thirds of the budget cut will be realized from the reduction of subsidies. The balance will come from reduced defense expenditures and some IL 900 million from reducing spending by government offices whose budgets will be cut 3 percent across the board, Ehrlich said.

## Inflation Rate To Soar

The Treasury expects the new measures to cause a 4.6 percent rise in the consumer price index now and a six percent rise in the near future. This will result in an inflation rate of over 16 percent since January. The Central Bureau of Statistics announced only last Friday that inflation had increased by 10.2 percent during the first six months of the year, the most rapid increase occurring in the second quarter--April-June.

Ehrlich said that the price increases were inevitable. He claimed that the rise in the costs of basic items justified price hikes of 40 percent. But they were held to 25 percent for the time being in order to prevent too sharp an impact on living standards and the general price level, the Finance Minister said.

The Ministry of Commerce and Industry announced later that the price controller has authorized a 20 percent increase in the price of milk and 25 percent for bread. Manufacturers whose products are subject to control will not be permitted to raise prices automatically but will have to apply for a permit.

## Israelis Caught By Surprise

Few Israelis had expected drastic steps to be taken in the absence of Premier Menachem Begin who is in the U.S. this week for talks with President Carter. The surprise bore the imprint of Begin's penchant for secrecy in domestic no less than foreign policy matters. Labor Party leader Shimon Peres said last night that Likud has now broken every one of its pre-election promises. He noted that when Likud was in the opposition it had opposed any cut in defense budgets which it has now slashed.

Former Minister of Commerce and Industry Haim Barlev called the new measures a badly thought-out program that would harm all citizens. Some economic commentators observed that the "measures" did not constitute a program at all.

There is no question, however, that Israel is suffering from inflation. The June price index was 128.8 compared to the base of 100 set in 1976, according to the Central Bureau of Statistics. There was a 13-percent increase in the price of fruits and vegetables during the second quarter which ran counter to the normal seasonal trend. Aggregate food prices rose 2.5 percent in June, not including the price of coffee which jumped 335 percent since the start of the year.

## CONGRESSMAN WHO MET WITH ARAFAT IN CAIRO SUGGESTS U.S.-PLO DISCUSSIONS

By David Ettinger

WASHINGTON, July 18 (JTA)--Rep. Lee Hamilton (D. Ind.) confirmed here today that he met with Yasir Arafat in Cairo last week and got

the impression that the PLO chief "accepts Israel" and is willing to live in peace with it. Hamilton, who is chairman of the House International Affairs Committee's Subcommittee on Europe and the Middle East, also suggested that the U.S. should initiate discussions with the PLO although he did not regard Arafat as "the only Palestinian leader we ought to contact."

Hamilton was a member of a Congressional group that visited the Middle East this month and met with President Anwar Sadat of Egypt, Hafez Assad of Syria, King Hussein of Jordan and Premier Menachem Begin of Israel. He said all of the Arab leaders expressed "a strong desire for peace" and a "willingness to go to Geneva."

Hamilton described Arafat as "a friendly and courteous man" who is "passionately committed to the Palestinian cause" and "speaks strongly of Palestinian suffering." But he characterized Arafat's statements as "circutious" and stressed that the PLO leader's views were inferred rather than explicit.

#### Says Arafat Has Toned Down

"I have the impression that he (Arafat) said in a variety of ways he had come to accept the State of Israel," Hamilton told reporters at a press conference. He said that he also gained the impression that any Palestinian state would be "satisfactory" to Arafat. "I think he has come to the view that the best he could achieve is a mini-state," Hamilton said.

But Hamilton reported that Arafat finds UN Security Council Resolution 242 "objectionable" because it contains no reference to the Palestinian people, only to refugees. He said that "whoever eventually talks to Mr. Arafat is going to have to be a very patient negotiator." Hamilton said his meeting with Arafat was at the latter's request and was arranged by a third party whom he did not identify.

#### Believes Arabs More Forthcoming

Hamilton said that the Congressional group "tried to get the Arabs to focus on what constitutes normalization of relations" with Israel. "I think Arab leaders are just beginning to become forthcoming," he said. He said they did not like the concept of a trade-off. "Although they all insisted on total withdrawal" of Israel from the occupied territories, "as you talk with them you get the impression they are more flexible than that," Hamilton said.

He said the "Arab leaders would be disappointed" with any resumption of step-by-step diplomacy without the fixed goal of complete Israeli withdrawal. He said "The Arab leaders have great confidence in the ability of the U.S. to pull off a settlement" but "any settlement is going to come hard and come slow."

Hamilton stressed the importance of reconvening the Geneva conference. He warned that if that is not done this year there will be "a loss of U.S. credibility" in the Arab world "that would have a significant impact over a period of time." He also said he agreed with the positions of previous administrations that the U.S. should facilitate a Middle East agreement but not impose a solution. He said the U.S. should say to Israel we are "sincerely interested" in its viability and are prepared to give Israel security assurances in return for which "we hope for Israeli flexibility."

#### BEGIN'S SCHEDULE IN WASHINGTON

WASHINGTON, July 18 (JTA)--Israeli Premier Menachem Begin arrived at Washington's An-

draws Air Force Base at 2:25 p.m. July 19 aboard a U.S. Air Force plane that brought him from New York.

Begin made a brief statement when he alighted from his plane. In a reference to his meetings with President Carter which start tomorrow, he said, "We all hope, as a result of these talks, that friendship will be deepened between the United States of America and the State of Israel and that progress will be made toward real peace in the Middle East." The Israeli Premier was greeted at the airport by Secretary of State Cyrus Vance and other senior U.S. officials.

Begin's schedule for the next three days, released by the State Department, is:

**TUESDAY--10:30 a.m.** -- Arrives at White House. Begin will be greeted by President and Mrs. Carter, Vice President Walter Mondale, Secretary of State Cyrus Vance, Undersecretary of State for Near Eastern Affairs Alfred L. Atherton and the U.S. Ambassador to Israel, Samuel Lewis.  
**11:00 a.m.** -- First Carter-Begin meeting; 1:00 p.m. -- Working luncheon at State Department, hosted by Vance; 4:15 p.m. -- Meeting with Defense Secretary Harold Brown at Blair House; 5:15 p.m. -- Meeting with Treasury Secretary S. Michael Blumenthal at Blair House; 7:30 p.m. -- President Carter hosts working dinner at White House.

**WEDNESDAY--8:30 a.m.** -- Breakfast with National Security Advisor Zbigniew Brzezinski at Blair House; 10:00 a.m. -- Second Carter-Begin meeting at White House; Noon -- Luncheon in Begin's honor hosted by House International Affairs Committee at the Rayburn Office Building; 3:00 p.m. -- Begin will hold press conference in the Executive Office Building; 4:00 p.m. -- Senate Foreign Relations Committee will host coffee meeting at the Capitol.

5:00-6:30 p.m. -- Israeli Ambassador Simcha Dinitz will host reception for Begin at the Shoreham-American Hotel; 8:30 p.m. -- Dinitz will host a black tie dinner for Begin at the National Portrait Gallery.

**THURSDAY--8:30 a.m.** -- Breakfast meeting with members of the Senate at Blair House; 9:30 a.m. -- Meeting at Blair House with members of Congress; 3:45 p.m. -- Meeting with AFL-CIO president George Meany at AFL-CIO headquarters; 5:30 p.m. -- Departure ceremonies at the Washington Monument; 5:40 p.m. -- Begin leaves Andrews Air Force Base in a Presidential plane.

#### IMPACT OF THE WOMEN'S MOVEMENT ON THE JEWISH COMMUNITY

NEW YORK, July 18 (JTA)--The women's movement presents both religious and secular challenges to the Jewish community, according to Leona Chanin, president of the American Jewish Congress national women's division. Speaking at the 13th annual American-Israel Dialogue entitled "The Individual Under American, Israeli and Halachic Law," which was held in Jerusalem two weeks ago, Mrs. Chanin said she believed the women's movement will serve to strengthen organized Jewish life.

"American Jewish women are seeking new interpretations of Halacha that will give recognition to women's new role in society," said Mrs. Chanin. "But law alone cannot end social discrimination against women, she observed, adding, "only a strong women's movement can do this." The women's movement in the United States must serve as an example for Israeli women, Mrs. Chanin said. She called the struggle for women's rights "the great auto-emancipation movement of our day,"

# SIR ZELMAN COWEN, LEADING MEMBER OF AUSTRALIA'S JEWISH COMMUNITY, TO BE COUNTRY'S NEXT GOVERNOR-GENERAL

By Sam Lipski

MELBOURNE, July 18 (JTA)—An eminent academic, lawyer and a leading member of the Jewish community, Sir Zelman Cowen, was appointed last Thursday as Australia's next Governor-General. The appointment was announced simultaneously in London and Canberra by Queen Elizabeth on the advice of Australia's Prime Minister, Malcolm Fraser.

Sir Zelman, 57, is Vice-Chancellor of the University of Queensland, Brisbane, a former Dean of Law at the University of Melbourne, and has taught at Harvard and Oxford Universities. He replaces Sir John Kerr whose surprise resignation was announced Thursday after serving only three years of the designated five-year term allotted to the Head of State. Sir Zelman is the second Jew, after Sir Isaac Isaacs in the thirties, to hold the office. Sir Zelman was Sir Isaac's biographer.

In Australia, as in Canada and other dominions of the British Commonwealth, the Governor-General is the Queen's representative whose duties as Head of State are both constitutional and ceremonial. Although traditionally the position has been limited in its powers, Sir John Kerr became a figure of great controversy during a constitutional deadlock over appropriations in 1975.

He dismissed the then Labor Prime Minister, Gough Whitlam, from office, appointed the Liberal Party's Malcolm Fraser as caretaker Prime Minister and called a national election which brought Fraser to office. Bitter public debate and widespread demonstrations followed the decision. Constitutional lawyers remain divided on whether Sir John went beyond the prescribed powers assigned to the Governor-General.

It is against this background that Sir Zelman's appointment takes on a significance much greater than that normally associated with the figurehead role.

## Brilliant Academic Career

Born in Melbourne, Sir Zelman was a teenage prodigy who had a brilliant academic career at the University of Melbourne which has never been equalled. He was appointed to the faculty as a professor of political philosophy at the age of 19, served in the Navy during World War II, went to Oxford as a Rhodes Scholar, and became Dean of Law at the University of Melbourne at the age of 31. He has published widely in public and constitutional law. Active in the Jewish community, Sir Zelman has served on the Board of Governors of the Hebrew University in Jerusalem.

## REPORT BEGIN PROMISES SEPHARDIC GROUP HE WILL ELIMINATE SOCIAL INEQUITIES

NEW YORK, July 18 (JTA)—Liliane Levy Winn, president of the American Sephardi Federation, who returned from a brief trip to Israel several days ago, revealed that Premier Menachem Begin assured American and world Sephardi leaders with whom he met in Jerusalem that he intends "to live up to my campaign platform and take every necessary step to eliminate the social and cultural inequities which affect so many Israeli citizens—especially of Sephardi and Oriental origins."

At the meeting, a three-point program was submitted to Begin by a delegation consisting of World Sephardi Federation President Nessim D. Gaon of Geneva, Mrs. Winn, Stephen Shalom of New York, Raymond Mallet of Los Angeles, Albert Benotat of France, MK Shlomo Hillel of Israel and

delegates from Latin America.

The program called for: the convening of an international Prime Minister's conference on Jewish solidarity for the elimination of the social gap; increased representation by Sephardim on all levels of the Jewish Agency, the World Zionist Organization and the Israeli government; and the development of emergency methods for solving the social gap through the establishment of a special department or superministry which would deal exclusively with this issue.

According to Mrs. Winn, "The Prime Minister, in an obvious display of emotion, accepted the proposal and promised 'to eliminate within four years the intolerable housing conditions in which 60,000 Sephardi families now live.'" She said Begin then added, "My ears and doors are always open for full cooperation with the Sephardi Federation."

The Sephardi leaders, who had been in Jerusalem as delegates to the Jewish Agency Assembly, were unanimous in their opinion that Begin was sincere. "The world Sephardi community generally, and the American Sephardi Federation, especially," said Mrs. Winn, "are absolutely convinced of Mr. Begin's sincerity and will be watching closely to monitor the social progress that will be stimulated by Israel's new government."

## 5 COPS INJURED IN Bnei BRAK VIOLENCE

By Yitzhak Shargil

TEL AVIV, July 18 (JTA)—Five policemen were injured by bottle-hurling religious zealots as Sabbath violence erupted for the third consecutive week in the Orthodox township of Bnei Brak north of Tel Aviv. Two of the policemen required hospitalization. No civilians were hurt but 13 were arrested.

The disorders began shortly after sundown Friday and continued intermittently through the night and all day Saturday, exploding into a barrage of bottle and rock throwing by Orthodox elements when the Sabbath ended. The issue, as on the previous occasions, was the closing of Hashomer Street, a major traffic artery which passes through non-Orthodox and Orthodox neighborhoods.

An agreement appeared to have been reached two weeks ago between the Orthodox and non-Orthodox communities to permit local traffic on the thoroughfare during the Sabbath. But police who opened the barriers to cars belonging to residents or their visiting friends or relatives, were assaulted by Orthodox youths.

Police, trying to keep the crowds in check were shoved, punched and hit by stones. The favorite missile was bottles thrown from windows. Last week, the trouble in Bnei Brak was sparked by non-Orthodox youths from outside the area. This week, the Orthodox were the aggressors. Some fist-fights broke out with non-Orthodox Jews but the main target was the police. They were called "Nazi" by the Sabbath observers who claimed the police acted provocatively.

Police chief Moshe Tiomkin said he was appalled: "We come here to protect people and we become the victims of the situation," he said as he left the street in disgust late last night.

TEL AVIV (JTA)—The first load of vegetables from Christian villages in southern Lebanon has reached Israeli markets by way of the open fence. The Lebanese farmers expect to sell some 5000 tons of fruits and vegetables to Israel. They will be paid a price similar to that paid Israeli farmers for the same produce.

## BEGIN HAS HECTIC SCHEDULE MEETING JEWISH COMMUNAL, RELIGIOUS LEADERS

NEW YORK, July 18 (JTA)--Israeli Premier Menachem Begin continued to maintain a tight-lipped silence on the Middle East plans he intends to present to President Carter tomorrow and Wednesday. But in meeting here yesterday with Jewish leaders the Premier said he would make these plans public Wednesday at a press conference in Washington after presenting them to Carter.

Begin, who arrived here Friday for a weekend of meetings with Jewish communal and religious leaders, was under heavy security protection at the Waldorf-Astoria Hotel where he and his wife were staying. Jewish leaders who met with Begin at his hotel suite for at least two hours included Rabbi Alexander Schindler, chairman of the Conference of Presidents of Major American Jewish Organizations and president of the Union of American Hebrew Congregations; Max Fisher, chairman of the Jewish Agency Board of Governors; Frank Lautenberg, national president of the United Jewish Appeal; and some 25 other Jewish leaders.

Begin reportedly presented these leaders with what Schindler called "a conceptual framework" of his views. Schindler also said that those present appeared "more than satisfied with his approach, with the reasonable manner with which he expressed himself and with his strength."

The Premier also met with some 30 American Jewish businessmen at a luncheon in his suite which a Begin aide said was sponsored by the UJA. It was reported later that a renewed drive for encouraging investment in Israel was discussed.

### Tumultuous Ovations For Begin

Travelling under tight security, Begin received tumultuous welcomes on the Lower East Side where he met with Rabbi Moshe Feinstein, chairman of the Council of Torah Sages, and other leaders of the Council in the rabbi's apartment and at the world headquarters of the Lubavitch movement in Brooklyn where he met with Rabbi Menachem Schneerson. Some 1000 Jews applauded Begin on his arrival at the Lubavitch headquarters where he greeted the throng with the words "shalom rav."

Begin described Schneerson as "a great master and teacher" and said he wanted the rabbi's blessing before going to Washington to meet with Carter. After his two-hour meeting with Schneerson, Begin said what had been discussed was confidential. He added, however, "This time the Jewish community is more united than ever."

An estimated 1000 Jews also assembled on the street when word spread on the Lower East Side that Begin was at Feinstein's home. Among the other Council of Torah Sages members present were Rabbi Yaakov Kamenetzky, Rabbi Yitzchok Hutner and Rabbi Moshe Sherer, executive president of Agudath Israel of America. During the one-hour meeting, the rabbis discussed with Begin the broad range of issues on Israel's domestic and foreign agendas and Begin's mission in the U.S.

At a dinner Friday night at the Waldorf-Astoria Hotel, hosted by UN Ambassador Chaim Herzog, Begin said that during his talks in Washington with Carter he will describe his Mideast peace plan in detail orally before presenting the President with a short document outlining the peace plan. The document, Begin said, was unanimously approved by the Israeli government.

On the expected visit to Israel of Secretary of State Cyrus Vance a few days after Begin returns from Washington, Begin said he would ask Carter to postpone Vance's trip for about two weeks in order to

enable the Israeli government to prepare for his visit in view of possible new developments after the Begin-Carter talks.

## AGUDAH WOMEN BLAST STATE WOMEN'S CONFERENCE

NEW YORK, July 18 (JTA)--Resolutions backing the Equal Rights Amendment and liberalized abortion laws adopted by the New York State Women's Meeting which took place July 8-10 in Albany, was criticized by Mrs. Josephine Reichel, national co-chairwoman of Agudah Women of America. The Agudah Women leader also charged that Orthodox women were purposely excluded because of their differing position on these key issues affecting women. Mrs. Reichel pointed to the meeting's holding its main sessions on Saturday as the best example of the attempts of the conference to exclude women with different ideas.

The Albany conference is a prelude to the National Women's Conference which will take place from Nov. 18-21 in Houston and is authorized by a \$5 million appropriation from Congress. Mrs. Reichel warned that "without the participation of Orthodox Jewish women, the conference automatically spoke without the collective voice of thousands of women in New York State."

Mrs. Reichel continued, "The process of electing delegates and forming positions on the major issues affecting women is further in doubt when it did not represent the views of all the women it purports to represent. One must wonder whether Orthodox Jewish women are not somehow purposely excluded from conference participation because of their differing views on such major issues as the Equal Rights Amendment and abortion legislation."

### Basis For Opposition To ERA, Abortion

An Agudah Women position paper emphasized its opposition to the ERA because it feels that "no separate amendment to the constitution is necessary when that doctrine already provides for equal treatment under the law for all citizens of our great land regardless of sex." The paper continued: "In fact, there is every reason to believe that the ERA would actually negate some of the protection women currently have under the law. It would further seem ludicrous for the conference to adopt a pro-ERA position when in fact New York State voters rejected that amendment at the polls."

On the issue of abortion, the position paper noted that "the liberalization of abortion laws violates some of the basic moral and religious principles of the value of life itself. The sanctity of life, which begins with conception, is by far a more important issue than the convenient benefits of such relaxed laws."

Agudah Women of America is a national organization affiliated with the worldwide movement of Agudath Israel and is also part of the Agudath Israel of America.

GENEVA (JTA)--The United States government has donated an additional \$22 million to the United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA). This is in addition to the \$26.7 million which the U.S. has already contributed to the agency for 1977. Despite this, UNRWA's deficit is still \$17.6 million on an annual budget of \$135 million.

JERUSALEM (JTA)--The Cabinet has approved the appointment of Shmuel Katz as the Prime Minister's adviser on information abroad.