

## SHARON DISCLOSES SEVERAL NEW WEST BANK SETTLEMENTS ESTABLISHED IN PAST MONTH By Yitzhak Shargil

TEL AVIV, Sept. 8 (JTA)—Minister of Agriculture Ariel Sharon has disclosed the establishment of several new settlements in the Judea and Samaria regions during the past month. He claimed the settlements had been approved by the previous government and noted that they were established without publicity, meaning apparently that there was no adverse reaction from abroad.

Sharon, who is also chairman of the Ministerial Settlement Committee, who made the disclosure in an interview scheduled for publication tomorrow in *Maariv*, said it was only natural that the present government would implement decisions adopted by its predecessor. The previous government restricted West Bank settlements to the Jordan Valley. Israel Galili, former chairman of the settlement committee, had proposed settlements in Western Samaria and other areas of the West Bank. But those plans were not implemented by the Labor government.

Sharon, who was the guest of the Galilee regional council yesterday, complained bitterly that the government and public were not reacting to alleged illegal housing and cultivation by Arabs in Galilee on government land. He claimed there was almost no room for Jewish settlement in Galilee.

Meanwhile, members of the Gush Emunim moved into Yotir, a new settlement between Hebron and Beersheba, where they have set up a 4000-acre sheep ranch. Yotir is one of three new settlements on the West Bank which was announced by the Ministerial Settlement Committee last month. All three officials stressed, were approved by the previous government.

## EGYPT VIOLATING SINAI ACCORDS

TEL AVIV, Sept. 8 (JTA)—Israel has complained again of alleged Egyptian violations of the Sinai interim accords. Defense Minister Ezer Weizman summoned the commander of the United Nations Emergency Force (UNEF), Gen. Ennio Siilasvuo, to charge that the Egyptians are deploying 10,000 more troops in their limited forces zone than allowed under the 1975 agreements. Siilasvuo promised to relay the complaint to Cairo and flew there today for a meeting with the Egyptian Minister of War Gen. Mohammed Gamasy.

A similar complaint lodged by Israel several months ago brought a promise from Gamasy in July that he would order the withdrawal of unauthorized troops from the Sinai zone. But Israel says that Egypt now has 18,000 troops in the narrow strip east of the Suez Canal where a maximum of 8000 is permitted. Sources here have indicated that if the Egyptians do not pull back their troops Israel would increase the number of soldiers in its limited forces zone in order to maintain the military balance in Sinai.

## U.S. INTENTION TO SELL EGYPT PLANES DRAWS MIXED REACTION By Joseph Polakoff

WASHINGTON, Sept. 8 (JTA)—The Carter Administration's notice yesterday to Congress that it intends to sell Egypt 14 more C-130 transport planes and 12 reconnaissance planes known as Firebee Drones in a \$250 million deal drew mixed

reaction from Capitol sources today. The House and Senate have 30 days to reject the sales.

Sources close to the House International Relations Committee indicated they will not oppose the sale strongly to avoid embarrassing Egyptian President Anwar Sadat, who is seen as requiring U.S. military support in view of his difficulties with the Soviet Union on military supplies.

Senate Foreign Relations Committee sources, however, indicated that the panel will insist on a hearing to obtain information on Egypt's need for the equipment and also use the opportunity for questioning on reports of secret military deals involving the British government.

## Arrangement With U.S., British Firms

These deals, it was said, include a reported arrangement for two American companies, identified as General Electric and Lockheed, and British suppliers, to provide Egypt with engines and fire control apparatus, such as radar and gunsights, to refit Egypt's fleet of Soviet planes, notably MIG 21s.

A Senate source said evidence has been procured that an advanced MIG 23 fighter in Egyptian hands is now equipped with a head up display (HUD) apparatus that enables the pilot to see ground situations on his windshield. This apparatus is highly classified and can be obtained only by license. The question is, the source said, how did it get on a MIG 23?

The U.S. sold Egypt six C-130 planes in 1975 but only two have been delivered. Four are still being built. The C-130s are said to be destined to replace Egypt's fleet of Soviet Antonov 12 aircraft which the Soviets describe as "assault transports" to support airborne operation. The C-130 and the Antonov are said to be similar in capabilities. Both are turbo-prop planes.

## EHRLICH SAYS ISRAELI GOVERNMENT FAVORS FREE ENTERPRISE AND ELIMINATION OF CONTROLS ON ECONOMY Israel To Follow U.S. Economic Pattern

ATLANTA, Sept. 8 (JTA)—The economic policies of the government of Israel is to place greater emphasis on free enterprise and reduce government participation in major economic activities, according to Simcha Ehrlich, Israel's Finance Minister. One of the principle aims of the new government is to phase out government control and ownership of certain leading economic enterprises and to expand "government participation in building up the infrastructure for our economy."

The minister's view of Israel's economic problems and policy is spelled out in an advance text of an address he is to deliver here tomorrow at the opening session of the 1977 International Fall Leadership Conference sponsored by the Israel Bond Organization at the Hyatt Regency Hotel. This will mark his first public appearance in the United States since assuming the post of Finance Minister in the new government of Israel.

Ehrlich asserts that his government would seek "to abolish as far as possible all restrictions and controls on the economy," adding that it plans "to adapt our economic structure to the pattern of the American economy in keeping with the special circumstances prevailing in Israel."

According to the advance text, the Finance Minister places a high priority on private initiative and the need for a greater volume of private investment. At the same time he stresses that Israel Bonds have been a major financial instrument in providing capital for development.

#### Basic Problems Pending

While a great deal has been accomplished, the basic problems have not changed, Ehrlich declared. Israel is still only a small state, poor in natural resources, fighting a boycott, and carrying a heavy security burden, he states. Major economic problems are a huge balance of payments deficit and a high rate of inflation. Last year the deficit was reduced by \$800-million but that still left a gap of more than \$3-1/4-billion.

A further reduction in the deficit depends on a substantial rise in exports, which, he notes, increased five-fold since 1968—from \$1.1 billion to an estimated \$5.3-billion in 1977. He adds that agreements Israel signed with the European Common Market and the U.S. government have opened up unusual opportunities for enlarging the volume of Israel's export trade.

To reduce inflationary pressures, Ehrlich reports the government has made cuts amounting to 7 billion Israel pounds in its current budget. This was done by reducing subsidies on basic items of food, freezing the civil service and cutting defense spending.

Another problem is the temporary halt in economic growth. In the past the annual rate of growth in the national product was 8% to 9%. Over the past three years, this rate has dropped to 1% to 2% a year. The slowdown threatens Israel's ability to absorb immigrants, reduces the ability to carry a greater share of the security burden, and makes it more difficult to increase exports and solve social problems, Ehrlich declares.

These problems dictate the main objectives of the government's economic policies: to reduce economic dependence by reducing the current deficit in the balance of payments; to reduce inflationary pressures and the rise in prices; and to return as soon as possible to rapid economic growth.

#### 700 Leaders At Conclave

The three-day conference has assembled more than 700 Jewish leaders from the U.S. and Canada for the purpose of planning an intensive effort to provide increased economic aid to Israel through the sale of State of Israel Bonds. Since 1951, Israel Bonds have produced \$3.7 billion for the country's industrial and agricultural development program.

Sam Rothberg, general chairman of the Israel Bond Organization, who will preside at the opening session, noted that the period between the Jewish High Holidays and Dec. 31 would witness intensive activities in the Jewish community in behalf of the Israel Bond campaign. The closing months of 1977, he said, would also be marked by numerous events in the banking, business, and labor sectors which have participated in the Israel Bond program on an increasing scale during the past year.

#### PLO REPS RECEIVED UNOFFICIALLY BY DUTCH PARLIAMENTARY COMMITTEE

By Henriette Boas

AMSTERDAM, Sept. 8 (JTA)—Two representatives of the Palestine Liberation Organization were received unofficially today by members of the Dutch Parliament's foreign affairs committee. Ezidine Kalag and Naim Khader, heads of the PLO's Paris and Brussels offices, respectively, met with individ-

ual members of the committee. They were not received by Foreign Minister Max Van Der Stoep.

A Ministry spokesman said that officially there are no contacts between Dutch diplomats and the PLO nor is there any question of negotiations with the Palestinians. Yesterday, major Jewish organizations in The Netherlands protested to Parliament against the foreign affairs committee's contact with the PLO men. The protest was submitted to committee chairman Pieter Dankert by representatives of the Ashkenazic, Sephardic and Liberal congregations and The Netherlands Zionist Federation.

They said that even unofficial contact would create the impression that the PLO is a moderate organization. They consider it unacceptable that Dutch members of Parliament should have any contact with an organization that, according to its charter, aims at the destruction of Israel. Members of the committee, however, are apparently interested in continuing the Euro-Arab parliamentary dialogue. They also want to start a Euro-Israel dialogue on the parliamentary level.

#### NEW MISSION FOR YOUTH ALIYA: TO RE-ABSORB CHILDREN OF YORDIM

By Gil Sedan

JERUSALEM, Sept. 8 (JTA)—Youth Aliya has embarked on a new mission—the re-absorption in Israel of the children of yordim, Israelis who have settled abroad. Yosef Klarman, head of the Jewish Agency's Youth Aliya department disclosed at a press conference here that he has instructed its emissaries to encourage yordim who are considering returning to Israel to send their children here immediately, even if the parents are not yet ready to return.

"Youth Aliya will now absorb whatever number of children will come and there will be no budgetary limitations," Klarman said. The Jewish Agency official, who just returned from a visit to the United States, estimated the number of children of yordim at about 60,000 out of some 300,000 former Israelis living in the U.S.

According to Klarman, about 80 percent of yordim children do not receive any Jewish education. Most of the yordim cannot afford to send their children to a Jewish school even if they want to, he said. They attend public schools. He said he met children of Israelis parents who were unable to read or write Hebrew.

Klarman said that yordim who want to send their children to Israel but cannot afford to would receive assistance from Youth Aliya to cover travel expenses, board and education in Israel. He proposed as a first step that Youth Aliya organize a nucleus of 10 families which would send their children to Israel. He believes that the families would follow and the movement would widen into a general return of yordim.

#### Cites Lack Of Cooperation

Klarman claimed that the yordim problem stemmed from lack of cooperation on the part of the Israeli establishment to encourage their return. He said that even yordim who wanted to return were discouraged by representatives of the Jewish Agency and Israeli Consulates. Youth Aliya served some 18,000 students this year, of whom 16,000 were from underprivileged families. "If they had not been absorbed by Youth Aliya they would not have been absorbed by any educational framework in Israel," he said.

Youth Aliya has extended educational services to settled Israelis as well as to immigrants. It has absorbed about 12,000 youths since 1972 and, according to Klarman, another 10,000 will be absorbed in the next four years.

## **PARDON OF FORMER BANK OFFICIAL STIRS POLITICAL OPPOSITION, ANGER**

By Gil Sedan

JERUSALEM, Sept. 8 (JTA)--The Labor Alignment and the Democratic Front for Peace (Communist) have demanded a special recess session of the Knesset to discuss the pardon of Yehoshua Benzion, former director general of the Israel-Britain Bank, who was released from prison today after serving two years of a 12-year prison term for embezzlement. The pardon was signed by President Ephraim Katzir Monday on the recommendation of Premier Menachem Begin who acted in his capacity as Minister of Justice.

Benzion was convicted in 1975, seven months after the government seized the Israel-Britain Bank that was tottering on the brink of failure. The government eventually lost several hundred million Pounds honoring the bank's commitment. Benzion was found guilty of having stolen \$47 million from the bank and transferring it to his wife's family. In addition to the prison term he was fined IL 25 million, the largest fine ever imposed by an Israel court.

The opposition factions charged that Begin favored Benzion for political reasons. The former bank official was a prominent supporter of the Greater Israel Movement and, reportedly, a generous contributor to the militant Gush Emunim. Charges that he also contributed heavily to Begin's Herut party were denied in a statement issued yesterday by the Premier. Begin said that he had once approach Benzion for contributions but was turned down.

### **Medical Report Prompts Release**

Begin based his recommendation for Benzion's release on a medical report by two physicians, Profs. Moshe Rahmilevitz and Ezra Zohar, who said that the prisoner, 52, was suffering from a serious and possibly fatal illness. But Black Panther members of the Communist faction today released a secret report by a medical committee which stated that Benzion's condition did not justify a pardon on health grounds.

The Black Panthers said they publicized the report which had been written at the request of the Health Ministry because "thousands of prisoners rot in their cells while others are pardoned because of their political affiliation."

A spokesman for Begin acknowledged today that the Premier had seen both medical reports and chose to act, on the one that found Benzion a very sick man, for humanitarian reasons. Benzion appealed to the Supreme Court twice in the past for a pardon on grounds of health. In both instances the court rejected his appeal because it was not convinced that he could not receive adequate medical treatment in prison.

According to Benzion, he entered prison "almost a healthy person except for a lung disease but subsequently suffered two strokes and developed a heart ailment and high blood pressure."

Benzion was freed this morning almost surreptitiously. He reportedly did not know himself of the pardon until yesterday. When newsmen were told that prison authorities were still waiting for a car to pick him up, Benzion was actually at his home. He said in a radio interview later that his main objective was to clear his name. He claimed to have new evidence from Switzerland disproving the charges against him and said he might demand a new trial.

## **REPORT CONFIRMS WIDESPREAD CRIME IN ISRAEL BUT NO ORGANIZED UNDERWORLD**

Burglary Heads List Of Crime Activities  
By Gil Sedan

JERUSALEM, Sept. 8 (JTA)--A police report submitted to the Cabinet confirmed the widespread incidence of crime in Israel but claimed there was no organized underworld such as exists in many Western countries. The 158-page report by an ad hoc police committee headed by deputy commander Michael Buchner, said that crime, nevertheless, was professional and sophisticated and cost the public huge sums annually.

The report was made public at a press conference following the weekly Cabinet session. Interior Minister Yosef Burg told newsmen that lack of funds was one of the major obstacles to waging war on crime. According to the Buchner committee report, burglary heads the list of criminal activity in Israel.

The report said there were 48,000 burglaries in 1976 resulting in the loss of some IL 200 million. Only 13 percent of the cases were solved. The second most prevalent crime, the report said, was trafficking in drugs; financed mainly by money from other criminal activities. Other crimes, in descending order of frequency were threats to potential witnesses; robberies accompanied by violence; murder; malicious arson as a means of "settling accounts"; blackmail; and large-scale violations of economic regulations.

The report said there were several groups in Israel engaged in crime but no one specific group or person that controlled underworld activity. The report said there were only a few attempts to enlist civil servants in the criminal system. Those cases uncovered were dealt with by standard legal procedures, the police said.

The report faulted the police and the judicial system for not initiating appropriate changes to combat crime. Burg said crime was financed by "tens of billions of Pounds" which makes it difficult to fight with funds available to the authorities. A few days earlier, Premier Menachem Begin, addressing a swearing-in ceremony for judges, expressed concern about the rising crime rate in the country and urged that strong measures be taken to end it.

### **PALOMA EFRON DEAD AT 66**

BUENOS AIRES, Sept. 8 (JTA)--Burial services were held at the Jewish cemetery in Liniers Sunday for Paloma Efron, a well-known Argentine radio and television personality, who died Sept. 3 of heart failure at the age of 66. Ms. Efron was born in Basavilbaso, Entre Rios province where her parents and grandparents had immigrated at the turn of the century.

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BRUSSELS (JTA)--The Mayor of Liege has banned the sale of former Nazi insignias, uniforms and mementos in order to try and stem the rise of Nazi propaganda and resurgence. The municipal ruling banning such sales in the city was passed at the suggestion of the War Veterans Association which protested against the rise of Hitlerite nostalgia.

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JERUSALEM (JTA)--The Jewish National Fund will help prepare the infrastructure for every new settlement in the Golan Heights, Moshe Rivlin, JNF Directorate chairman, said.

## U.S., ISRAEL ZIONISTS PREPARE UNITED STATEMENT FOR WORLD ZIONIST CONGRESS

NEW YORK, Sept. 8 (JTA)--"Despite different trends, there is something basic to all Zionists. Thus it is possible to prepare a single Zionist statement which avoids banalities yet is acceptable to all factions; something like the American Constitution which serves as the basis for all law yet does not preclude varying interpretations.

This is how Faye Schenk, president of the American Zionist Federation, summed up a week of talks between a special delegation of the World Zionist Organization ideological commission and the AZF ideological commission. Each group had spent two years developing its own position paper. The purpose of the week-long deliberations was to narrow the gap between the two positions and pave the way for a single statement which could be presented at the World Zionist Congress next February in Jerusalem.

The Israeli delegates were Shlomo Derech and Zvi Yaron, chairman and secretary, respectively, of the Israeli commission. Heading the AZF commission was Rabbi David Polish, president of the Chicago Zionist Federation and past president of the Central Conference of American Rabbis. Also on the American commission were Mrs. Rose Halprin, Prof. Melvin Urofsky, Prof. Manfred Vogel, Rabbi Mordechai Waxman, Prof. Allan Pollack and Rabbi Emanuel Rackman.

According to Polish, the meetings were successful and, pending final approval by both commissions, the principles which could lead to a joint statement have been agreed upon. "An example of joint influence," he said, "is a clause which affirms aliyah as the ultimate goal of Zionism while recognizing the reality of Jewish existence in the diaspora and the need for strengthening its well-being and viability."

### Three-fold Purpose of Statement

Prior to returning to Israel Tuesday, Yaron pointed out that the last Zionist Congress has requested the preparation of a broader ideological consensus which could then be enlarged upon and interpreted by the various political parties and groups. The purpose of this statement, which would amplify upon the Jerusalem Program of 1968, was viewed as threefold:

To generate a sense of a single movement within Zionist ranks, to arrive at a definitive distinction between those who are merely pro-Israel and those who are declared Zionists; and finally, to present a united front in the international campaign to preserve the name of Zionism as the positive and legitimate national aspiration of the Jewish people.

"It is hoped that this cooperative effort will yield a useful basis for the future development of Zionism in a rapidly changing society," said Carmella Carr, AZF executive director. "Despite the obvious differences of approach which are to be expected between an ideology originating in Israel and one which comes from the diaspora, we are hopeful that a nearly unified posture will emerge from these deliberations and will be approved in time for the World Zionist Congress."

### GREET MOVE TO NOMINATE GOLDBERG

WASHINGTON, Sept. 8 (JTA)--President Carter's intention to nominate Arthur J. Goldberg as chairman of the American delegation to the East-West conference in Belgrade scheduled for Oct. 4-Dec. 22 was received warmly today at the

Capitol. The White House announced the President's intention yesterday and Goldberg disclosed he had accepted the appointment.

At the office of Rep. Dante Fascell (D.Fla.), it was revealed that Goldberg had been in communication with Fascell about the appointment and Fascell was delighted to know Goldberg would head the delegation. Fascell is chairman of the U.S. Commission on Security and Cooperation in Europe, a 15-member body that has responsibility for monitoring the Helsinki Act signed by 35 nations, including the U.S. and the USSR in 1975. Fascell will be a vice chairman of the delegation as will Sen. Clairborne Pell (D.RI).

Pell is one of the six Senators on the Commission, which includes six House members and three Administration officials. Typical of Capitol reaction was the comment of Sen. Clifford Case (R.N.J.), also a Commission member, who said he could not think of a better choice and that he was pleased the President had named Goldberg because the issues involved the broad question of the rights of all peoples.

Goldberg, former chief counsel for the AFL-CIO, had been an Associate Justice of the U.S. Supreme Court and United States Ambassador to the United Nations. He was a principal author of Security Council Resolution 242. Goldberg, 69, has been out of public life for nine years although he has maintained keen interest in international and national affairs and has spoken out on them. He is a former president of the American Jewish Committee.

### HALEY SEES PARALLELS BETWEEN JEWS AND BLACK AFRICANS SOLD INTO SLAVERY

JERUSALEM, Sept. 8 (JTA)--Alex Haley, author of the best seller, "Roots," was awarded an honorary degree by the Hebrew University in recognition of the special significance his book has for the Jewish people. He ends his week-long visit to Israel tomorrow. "Roots" is the account of Haley's search for his ancestry in Black Africa.

He said, in accepting the fellowship, that "it spoke to all those who have suffered persecution and have been discriminated against." The author, a descendant of slaves in the American South, said he found parallels between the plight of Jews in history and that of Black Africans who were sold into slavery. "Both have proven that by courage and perseverance they can surmount whatever difficulties they encounter," he said.

During his stay in Israel Haley met with President Ephraim Katzir, who he described as a "grand old patriarch who spoke with such emotion when describing the roots of Israel." He met with other officials and toured the country. Last Sunday he planted a tree in the Jerusalem Forest, escorted there by Mayor Teddy Kollek.

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BUENOS AIRES (JTA)--President Jorge Rafael Videla of Argentina, in a Rosh Hashanah greeting to the Jewish community, addressed to Dr. Nehemias Resnizky, president of the DAIA, said: "I wish to express to you, on this occasion, very special wishes of peace and well-being due to this community on this noble Argentine soil which has received it for a long time in its midst. May I renew the assurances of my highest esteem."

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TEL AVIV (JTA)--Uzi Narkiss, head of the Jewish Agency's aliyah department, reported that 21,000 people had made aliyah during the Jewish calendar year 5737.