

LABOR ALIGNMENT REJECTS LIKUD BID FOR NATIONAL UNITY GOVERNMENT IN LIGHT OF U.S.-USSR MIDEAST STATEMENT

By Gil Sedan and Yitzhak Shargil

JERUSALEM, Oct. 3 (JTA)—Hints that Likud may seek a national unity coalition government in light of the U.S.-Soviet joint declaration on the Middle East have drawn a sharp negative response from the Labor Alignment. The Democratic Movement for Change (DMC), the second largest opposition party, appeared to be divided on the matter.

Finance Minister Simcha Ehrlich discussed it with Premier Menachem Begin in his hospital room in Tel Aviv yesterday. They reportedly ruled out a formal call for a national coalition because Begin's invitation for an all-party government offered right after the elections last May still stands. Ehrlich, who is presiding over the government in Begin's absence, told newsmen yesterday that Israel might have to prepare for an emergency because of its mounting differences with the U.S. He said a national unity Cabinet might be considered.

But Labor Alignment leader Shimon Peres and former Premier Yitzhak Rabin flatly rejected the idea in speeches to Labor groups last night. Peres said that "such a government demands a common platform and conditions such as a state of war or a state of siege. Neither of these conditions exist at the moment." Labor MK Adi Amora'i said a national unity coalition headed by Likud would only strengthen a policy that leads nowhere.

But DMC MK Meir Amit favored the idea despite his party's decision last month not to enter the Begin government. Others within the DMC are now calling for a reversal of that decision and some have suggested a secret ballot of the party's leading members.

Knesset To Discuss Foreign Policy

Both Labor and the DMC agree with Likud that the U.S.-Soviet declaration favoring Palestinian representation at the Geneva conference and Israel's withdrawal to its 1967 borders represents a serious turn of events with grave portents for U.S.-Israel relations.

Although there is a nearly unanimous consensus in the Knesset against any dealings with the PLO and the establishment of a Palestinian state, the government is expected to come under heavy attack for its foreign policies when the Knesset convenes in special session Thursday. Robin and former Foreign Minister Yigal Allon have already blamed Likud and Begin specifically for the sharp deterioration of relations with Washington.

See Economic Aid From U.S.

The joint declaration has raised the question of how long Israel could sustain itself economically if the U.S. chose to withhold assistance as a form of pressure. Ehrlich, who returned Saturday night from a visit to Washington, told newsmen last night, however, that the Americans totally separate Israel's requests for economic aid from political matters.

Economic circles here said the U.S. might approve Israel's request for \$2.3 billion for the new fiscal year, compared to the \$1.8 billion it has received this year. Despite this optimism, the gov-

ernment is expected to discuss an economic emergency contingency plan in the event that Washington "tightens the screws."

Meanwhile, Cabinet Secretary Arye Naor would say nothing to newsmen last night on the substance of the joint U.S.-USSR Mideast proposals. He indicated, though, that Foreign Minister Moshe Dayan in New York and Begin at his Friday meeting here with U.S. Ambassador Samuel Lewis had immediately rejected those proposals—and that the Cabinet yesterday had in effect endorsed that rejection. Therefore, Naor said, there had been "no need for the Cabinet to take new decisions."

Foreign Ministry sources said yesterday that President Carter had asked Dayan to meet him for a second time in New York Wednesday afternoon. Observers here believe this meeting, to be preceded by another session with U.S. Secretary of State Cyrus Vance tomorrow night, will be the final last-ditch attempt by the two sides to break the log-jam over Palestinian representation.

(At the United Nations Vance said today that he was disappointed with parts of Israel's reaction to the joint U.S.-Soviet declaration on the Middle East because he thought there were some positive elements in the joint communique, especially its definition of peace.)

LEBANESE FM SOUNDS WARNING

By Yitzhak Rabi

UNITED NATIONS, Oct. 3 (JTA)—Lebanese Foreign Minister Fouad Boutros warned today that the unstable situation in southern Lebanon threatens the whole Middle East and possibly the entire world. Addressing the General Assembly, Boutros said that without appropriate solution to the Palestinian question there will be no peace in Lebanon.

He asserted that one of the major reasons for the Lebanese tragedy is the absence of a solution of the Palestine question. He observed that the excessive number of Palestinians in Lebanon and the unrest in the Middle East region made Lebanon "pay the price."

Boutros said that it is the duty of the world community to help the Palestinian people gain its rights, particularly its right to self-determination and a homeland in Palestine. Lebanon is determined to live as a unified country of a unified people, he said.

Boutros added that although the Lebanese were aware of the effects of the Palestinian question on the tragedy in southern Lebanon, they could not accept that Lebanon alone should bear the burden of "the consequences of the hesitations and evasions which prevent a solution of the Middle East crisis."

10 GERMAN ARMY OFFICERS FACE EXPULSION FOR PARKING IN ANTI-SEMITIC INCIDENT

By Jon Fedler

BONN, Oct. 3 (JTA)—Ten young German army officers who took part in a symbolic burning of Jews and sang Nazi songs at a drinking party last February may be expelled from the Munich military college they are attending where the incident occurred, official sources said here.

today. Disciplinary action was also promised against the officers' superiors if an investigation now underway shows that they knew of the episode but tried to conceal it.

A Defense Ministry spokesman, speaking on behalf of Defense Minister Georg Leber, said that if press reports of the incident were verified there would be "immediate and severe" consequences. But the spokesman said the Minister had confidence that most soldiers "held unblemished loyalty for our democratic state and constitution." A student spokesman at the military college said the students were "surprised and dismayed" and "emphatically dissociated themselves from fascist tendencies."

There have been two incidents at the college involving neo-Nazi and anti-Semitic acts, neither of which was immediately reported to the military authorities. On May 21, a student officer was caught smearing swastikas on a list of participants in a seminar at the college. A statement by the college said the officer was given "disciplinary punishment" but did not elaborate.

Those involved in the February incident were not punished but were required to attend a special seminar on "teaching under national socialism," the college reported. It said that they were neither convinced nor incurable anti-Semites or Nazis but immature young men with a regrettable deficit of information and insight.

Deputy Inspector General Ruediger von Reichert, who is responsible for army educational institutions, ordered an investigation of the burning incident after the liberal socialist daily Frankfurter Rundschau said the fact that the Defense Ministry knew nothing of the occurrences at the college created the "false impression" of a "cover up."

'Let's Burn The Jews'

According to informed sources, several lieutenants became drunk and went to a small disposal plant where garbage was being burned. Someone shouted, "Let's burn the Jews." The word "Juden" was scrawled on pieces of paper and cardboard which were thrown into the fire. The officers chanted "sieg heil" and sang the Nazi song "Die Fahne Hoch" (Raise the Flag High) until another group of officers intervened to stop the incident. They reported it to the head of the college, Prof. Horst Engert, but he did not inform his army superiors.

Paul Neumann, chairman of the ruling Social Democratic Party's defense committee, said the "Jew-burning" and later swastika-smearing incidents at the college were disgraceful and called for measures to improve the political education of army officers. Wolfgang Zink, spokesman for the Association for Christian-Jewish Cooperation, said the incidents showed that "more national socialist undercurrents are alive in our nation than meets the eye." He said these attitudes included "despising human dignity."

BEGIN RESPONDING WELL TO TREATMENT

By Yitzhak Shargil

TEL AVIV, Oct. 3 (JTA)—Premier Menachem Begin's physician disclosed today that he is being treated for an inflammation of the membrane surrounding the heart in addition to fatigue which caused his hospitalization last Friday. Dr. Shlomo Landiado said, however, that his patient was responding very well to the treatment and seems very much better although he may have to stay in the hospital a day or two longer than originally expected.

Landiado said an inflammation of the type diagnosed in Begin was a normal phenomena that appears in the aftermath of a heart attack. Begin suffered a heart attack three months ago.

The Premier was admitted to Ichilov Hospital here suffering from exhaustion after a grueling week of speeches, a tour of northern Sinai, and meetings on domestic and foreign matters. He had complained of chest pains during farewell ceremonies for Panamanian leader Omar Torrijos at Ben Gurion Airport Friday. But doctors at Ichilov who examined Begin assured the public that he had not suffered another heart attack.

The Premier conducted government business from his hospital bed Saturday night. He was visited by State Attorney Aharon Barak and Ephraim Evron, director general of the Foreign Ministry, to draft Israel's reply to the joint U.S.-Soviet declaration on the Middle East.

Yesterday, aides brought Begin the text of Zbigniew Brzezinski's Canadian television interview in which President Carter's National Security Advisor said the U.S. would come to Israel's aid if it was "mortally threatened, especially by an external power." The Premier issued a statement that "I have heard that Mr. Brzezinski said the U.S. would rush to the aid of Israel when it is endangered. The question is, who will decide when there is such a danger to the Jewish State." He noted that the Lebanese Christians were in danger of extermination but no one came to their aid except Israel.

30 GUSH MEMBERS SETTLE THEMSELVES IN AN ARMY CAMP ON THE WEST BANK

By Yitzhak Shargil

TEL AVIV, Oct. 3 (JTA)—About 30 Gush Eminent settlers established themselves at the Shomron army camp on the Nablus-Tulkarem highway on the West Bank yesterday afternoon. They are the vanguard of a group that will remain at the camp indefinitely as civilian employes of the army. Yesterday's arrivals were all men. They will be joined later by their wives and children.

The army camp settlement was authorized by the Cabinet yesterday after proposals that the Gush men be enlisted in the army were dropped. As employes of the military, their presence in occupied territory is presumably sanctioned by international law.

Meanwhile, the government attempted to dissociate itself from the storm of criticism raised by the announcement last week that Gush settlers would be mobilized into the army reserve as the legal pretext for occupying six unused army camps on the West Bank. That idea was a compromise reached between Premier Menachem Begin and the Gush leaders after the government prevented several settler groups from establishing new settlements in the Samaria and Judaea regions after the Succot holiday.

Minister of Agriculture Ariel Sharon, a strong supporter of West Bank settlements, said the government never promised to enlist the Gush in the reserve. The Defense Ministry said officially that there would be no call-up of the settlers because such a move was not permitted by law. But the Gush leaders insisted that the suggestion had been made by Begin and said they accepted it reluctantly as the only way to remain on the West Bank with government approval.

KEEGAN EXPRESSES DISTRESS AT U.S. 'DELUSIONS' IN THE MIDEAST

NEW YORK, Oct. 3 (JTA)—Maj. Gen. George Keegan, a retired former Chief of Intelligence for the United States Air Force and a renowned intelligence expert, has expressed "profound distress that my government is, in its pursuit of peace in the Middle East, guided by illusions and delusions." Keegan, who was addressing a meeting here of the

national executive committee of the Zionist Organization of America, chaired by Ivan J. Novick, told the group in his judgement the principal counter to Soviet "imperial" interests in the Middle East is Israel.

According to Keegan, who recently returned from a trip to the Middle East, "the goals of the Arab leadership are unchanged." Basing himself on intelligence information which he said he had seen, Keegan said: "I am convinced beyond any reasonable doubt that the elimination of Israel looms in the mind of the Arab leadership. The only thing that has changed is their strategy."

Continuing, Keegan observed: "I don't think my government realizes that we double the risk of war when we weaken Israel, for no Israeli leader will ever again permit a surprise attack."

ADMINISTRATION STIRS UP ANGER By Joseph Polakoff

WASHINGTON, Oct. 3 (JTA)--The Carter Administration poured oil on the angry waters in Israel and the American Jewish community today over the joint Soviet-American declaration on a Middle East settlement. But it continued to leave hanging what U.S. intentions are.

Responding to questions arising from the declaration and National Security Affairs advisor Zbigniew Brzezinski's warning that the U.S. would use its "leverage" to bring a settlement, the State Department reiterated its pledges of commitment to Israel's security and that a Geneva conference would determine particulars of a settlement.

In a Canadian National Television interview a few hours before the joint statement was released--Brzezinski taped the interview Saturday and the program was broadcast yesterday--Brzezinski said that "We have created the conditions for going to Geneva," and that the "United States has a legitimate right to exercise its own leverage, peaceful and constructive, to obtain a settlement. And that's exactly what we will be doing."

Leverage Of World Opinion

Today, Assistant Secretary of State Hodding Carter, the chief spokesman at the State Department, looked upon the Brzezinski comments as part of the Administration's belief that "world opinion" constitutes "a form of leverage to make compromises all around."

Replying to a reporter who noted that Israel considers the declaration "unacceptable," Carter said that Jerusalem and Washington "disagree on some approaches" to a settlement but "I would not want to phrase this at all as a crisis."

Regarding Israel's view that Jerusalem was not consulted in advance on the Soviet-American statement but was provided with a copy of it only 24 hours in advance of announcement, Carter claimed that "We believe we had sought" to do that but "I suspect by their point of view this was not completely adhered to." Carter said the "moral commitment made" by the Ford Administration to Israel is one "that we intend to follow." This is in respect to U.S. refusal to deal with the PLO until it abides by Security Council Resolution 242 and recognizes Israel's right to exist.

Carter said "absolutely" in denying a "shift" in U.S. policy toward Israel. "Whatever interpretation might be put on the Soviet American phrase 'legitimate rights' of the Palestinians, he said, would have to be defined by the parties. 'We are not going to define them, A, B, C, D, E, F.' The phrase, he said, 'basically restates' the U.S. position in its Sept. 12 statement that a "true peace" is unattainable without "consideration of the pres-

ence and rights of Palestinians."

Since the U.S. has previously spoken of Palestinian "interests" while "rights" are interpreted as code language for return of Arabs from abroad to Israel itself as well as establishment of a Palestinian state probably under PLO domination, Carter conceded that "clearly that is a change of words." But he insisted that determination of "rights" are "precisely for those who live" in the area.

DAYAN, SCHINDLER TO TEST PUBLIC REACTION TO U.S.-USSR DECLARATION

NEW YORK, Oct. 3 (JTA)--Rabbi Alexander Schindler, chairman of the Conference of Presidents of Major American Jewish Organizations, will accompany Israeli Foreign Minister Moshe Dayan on visits to three major American cities this Thursday and Friday to test public reaction to the U.S.-Soviet joint declaration on the Middle East and to brief Jewish community leaders on the meaning of the declaration and its significance.

The trip was announced following an emergency meeting of the Presidents Conference here today at which a variety of ways were discussed to express the Jewish community's concern over the course the Carter Administration is pursuing in the Middle East. Dayan and Schindler will visit Atlanta and Chicago Thursday and Los Angeles on Friday.

They will meet with Jewish and non-Jewish community and civic leaders and with newspaper editors and other opinion makers to try to assess their response to the U.S.-Soviet declaration. They will also stress the major concerns expressed by the constituent organizations of the Presidents Conference at today's meeting.

Schindler expects to emphasize four points: The Soviet intrusion as a guarantor of any Mideast settlement which alters the unique role the U.S. has been playing with both the Arab states and Israel over the past few years; the broken promises of the Carter Administration with respect to no changes in Security Council Resolutions 242 and 338; the apparent acceptance of the PLO as a legitimate participant in Middle East peace talks; and procedures outlined in the U.S.-Soviet declaration seen as leading to the creation of a Palestinian state under PLO domination.

Criticism Of Declaration Continues

Meanwhile, Jewish leaders and organizations continued to criticize the joint declaration. Rabbi Arthur Hertzberg, president of the American Jewish Congress, said it marks a "major reversal" of U.S. policy and "brings into question the reliability of our country's solemn international obligations." He said "We deeply regret that the U.S. has now appeared to join with the USSR in the disastrous alteration of the terms of the Geneva conference" to confer "legitimate rights" on those who define them to mean "the liquidation of the State of Israel."

Faye Schenk, chairman of the American Zionist Federation, said "The joint Soviet-American statement represents an about-face in America's long-standing pledge to Israel's security and survival and can only be viewed as an obstacle to peace in the Middle East.... Trading in other people's security can only threaten the loss of one's own."

Rabbi Saul I. Teplitz, president of the Synagogue Council of America, called on President Carter "to repudiate the destructive implications of this joint statement and to reaffirm America's traditional commitment to Israel's security and survival."

BEHIND THE HEADLINES**WEST BANKERS' VIEW OF ISRAEL**

By David Landau

JERUSALEM, Oct. 3 (JTA)--Years of working in Israel does nothing to improve the negative view most West Bankers have of the Jewish State, a research project by Bar-Ilan University sociologists has found. On the contrary, in some instances at least, the experience actually heightens the West Bankers' antipathy or hostility towards Israel--this despite the better living standards that Israeli salaries have undoubtedly brought.

Preliminary findings of the Bar-Ilan team, led by Prof. Yehuda Amir, were reported in Yediot Achronot this week. Amir and his team selected Israeli Arabs from among the university faculty staff to aid them in interviewing hundreds of West Bank workers over a period of two years. The interviewees were invited to the campus and interviewed in the open, as informally as possible, in order to allay suspicions that their words might be recorded or otherwise used against them.

In order to overcome fears and suspicions advanced techniques were used whereby the interviewees were ostensibly required to assess what other West Bankers' reactions would be to given situations, rather than their own. For instance, the interviewees were presented with drawings of situations involving West Bankers and Israelis, and asked to put reactions into the mouths of the West Bankers in the drawing. In this way, the researchers felt, the interviewees would feel less awkward about airing their true feelings.

One scene depicted an Arab and his two wives, all in traditional dress, watching Israelis in bikinis and swimming trunks sporting on the beach. Some of those asked put in the Arab's mouth such reactions as: "Shameless conduct--let's get away from here." A minority, though, had the Arab in the drawing react more positively, even suggesting that this carefree way of life might be better than the more closed existence required by strict Moslem traditions.

Stereotype And Hostility

While the reactions to such apolitical issues were divided and varied, the closer the questions got to the vexed political problems of the area, the more stereotyped--and hostile--the responses became. Such questions as What is Israel's place in the world? Can Arabs and Jews live together in peace? How do you think Israelis regard you? received almost uniformly negative replies. Summing up the project, Prof. Amir said:

"Most of the responses varied between an attitude of Kabdehu Vehashdehu (respect him but suspect him) to one of outright negativism. To my great regret we found virtually no really positive responses. The best responses we received were those expressing neither enthusiasm nor downright hostility.

"That was true regarding the less politically-oriented issues, such as, Has Israel contributed to the West Bank economy? Should Israelis be able to visit the West Bank? Is the Israeli wife generally faithful to her family? But there was a generally negative response to such substantive questions as, Can Jews and Arabs live together in peace?"

While the research team implies that the basic attitudes result from objective considerations, they note, nevertheless that interviewees' answers, even to politically-oriented questions, are noticeably affected by their individual experiences at their Israeli work places. This is particularly true in connection with the grade of responsibility that the West-Banker feels he has at his work.

What is important here, the team says, is not

necessarily the actual level of responsibility but the subjective feeling of the individual.

MULTI-MILLION DOLLAR FIRE PROBED

TEL AVIV, Oct. 3 (JTA)--Fire department and police experts are investigating the cause of a fire last Friday night that destroyed the Cargal Cardboard Factory in Lod, Israel's largest manufacturer of cardboard. The fire caused damage estimated at tens of millions of dollars, the largest loss by fire in Israel's history.

The fire broke out when only several watchmen were in the building. Two fire companies from Ramleh were unable to control the blaze and eventually hundreds of firemen and 30 engines from Tel Aviv were called in. They were assisted by many of the 550 workers in the plant who left their dinners in an attempt to save the building.

Arson is suspected because, after a major fire some eight years ago, a modern fire protection system was installed but it failed to check Friday's fire in time. Joe Schwartz, of Boston, president of Cargal, said that experts from the American International Paper Union are scheduled to arrive today to investigate the cause of the fire and also plan the reconstruction of the plant. One problem will be finding work for the 550 Cargal employees while the plant is being rebuilt.

Meanwhile, there was some concern that the shipment of agricultural products abroad might be hurt by the lack of cardboard since Cargal supplied about two-thirds of the cardboard used in Israel. Most of the cardboard needed for the citrus industry had already been shipped to packing houses. Ministry of Agriculture officials said other cardboard manufacturers will be asked to increase production and a large number of wood cases would be used. However, there is not enough cardboard for the other fruits and vegetables that are to be exported.

HANS HABE DEAD AT 66

GENEVA, Oct. 3 (JTA)--Funeral services will be held Thursday in Ascona, Switzerland, for Hans Habe, a leading European novelist and editor and an early foe of the Nazis who died in Locarno last Friday at the age of 66. He was the author of more than two dozen novels, several of which were among the first to be burned by the Nazis. He was also a close friend of Israel which awarded him the Herzl Prize. He visited that country a number of times and was a Governor of Haifa University.

Habe, born Jean Bekessy in Budapest, was of Jewish origins. He graduated from the Franz Joseph College in Vienna and also studied at the University of Vienna and at Heidelberg University where he had his first encounters with the evils of Nazism. A journalist by profession, he worked as the Vienna correspondent for Hungarian newspapers and from 1929-1933 served as editor of the Wiener Sonn & Montagszeitung. At the age of 21 he was editor of the Vienna newspaper Der Morgen, the youngest chief editor in Europe.

Habe came to the United States during World War II and as a private in the U.S. Army he saw combat in Africa, Italy, Luxembourg and Germany. He became a U.S. citizen after the war. His novels included "A Thousand Shall Fall," about the defeat of the French army in 1940; "The Cross of Lorraine," which was made into a movie; "Our Love Affair With Germany" and "The Wounded Land: Journey Through a Divided America."