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## CONFLICTING REPORTS OVER SECRET U.S.-ISRAEL DOCUMENT ABOUT PLO AT GENEVA TALKS AND PALESTINIAN STATE

By Gil Sedan

JERUSALEM, Oct. 16 (JTA)--Conflicting reports over the existence of a secret U.S.-Israel document specifically stating that no Palestine Liberation Organization members will participate in the Geneva conference and that the question of a Palestinian state will not be raised there puzzled Israelis today and added to the confusion over the state of relations with Washington.

Haaretz's U.S. correspondent, Yoel Markus, claimed today that such a document was executed in addition to the U.S.-Israel working paper on Geneva procedures which the Cabinet and Knesset approved last week. He also suggested that similar documents may have been signed between the U.S. and the Arab states.

Markus attributed his information to "knowledgeable sources." Political sources here immediately denied the existence of an unpublicized Israel-U.S. paper. Foreign Minister Moshe Dayan, who was directly involved in drafting the working paper and, allegedly, the secret document as well, said on a radio interview yesterday that there was nothing in writing. But he said, "There is, nevertheless, a clear understanding with Washington that Israel will walk out (of Geneva) if the terrorist group (PLO) is included." (Late story P. 3.)

Dayan stressed that the U.S. had not signed any documents accepting the Israeli view but noted that the original draft of the working paper that was unacceptable to Israel had been withdrawn. That draft, reportedly, would have permitted minor PLO officials to participate in the united Arab delegation at Geneva. "This section was taken out of the paper with U.S. consent," Dayan said.

### State Department View

On Friday, the State Department denied Dayan's statement in the Knesset the day before that there was full agreement between the U.S. and Israel that no PLO members would participate in the Geneva talks. The Department's chief spokesman, Hodding Carter, said the U.S.-Israel working paper did not imply such an understanding and that in fact there was no understanding with Israel that the PLO would not be represented at Geneva. (See separate story from Washington.)

According to Markus, that denial was inaccurate because of the separate paper alleged to have been prepared by Dayan. He said it was not a written agreement between the two parties but rather an American acceptance of Israel's position from which Israel was not expected to deviate in future peace talks.

Neither Dayan nor the Haaretz report clarified what is meant by an "American understanding of the Israeli view" or if it implied U.S. approval of a walk-out by Israel if the PLO is represented or the issue of a Palestinian state is raised at Geneva.

### Dayan Seeking To Mollify U.S.

Meanwhile, Dayan is seeking to mollify the anger in Washington over accounts of his appearance before the Knesset Foreign Affairs and Security Committee last Wednesday at which he was quoted

as having described his Oct. 4-5 talks with President Carter as "brutal." In a message to Carter transmitted by the State Department Friday, the Foreign Minister said their talks had been "decent, pleasant, useful, constructive and productive." He attributed the term "brutal" to a mistranslation of the Hebrew word that carries a connotation of "serious." U.S. Administration officials reportedly were satisfied with Dayan's explanation.

In yesterday's radio interview, Dayan said, "I don't know if brutal is exactly the right word to describe the negotiations (with Carter) but there were some very hard moments, especially when President Carter accused us of being more obstructive than the Arabs—that is Syria—and we know how difficult Syria can be." Dayan reiterated that if a PLO member appeared as part of the Arab delegation at Geneva, Israel would leave the confab.

In another development, reports from Cairo today said Carter has sent a message to Egyptian President Anwar Sadat assuring him that he will continue his efforts to reconvene the Geneva conference and reach a comprehensive peace settlement in the Middle East. According to the semi-official Egyptian daily, Al Ahrām, Carter's message was conveyed to Foreign Minister Ismail Fahmy by U.S. Ambassador Hermann F. Eilts.

### TWO INJURED IN EXPLOSION

JERUSALEM, Oct. 16 (JTA)—Two people were injured yesterday in a bomb explosion in the Old City market. Minutes later, another explosion took place near the Jaffa Gate in the Old City. Police investigated and bomb experts searched the area but no additional bombs were discovered.

A small bomb also exploded near an empty athletic field in Netanya just before dawn yesterday. Police reported finding pamphlets saying the bomb had been placed by a terrorist group calling itself "The Arab Revolutionary Movement." There were no injuries and no damage.

### INDIA NIXES ISRAEL PHILHARMONIC TOUR

TEL AVIV, Oct. 16 (JTA)—The new government in India has decided against allowing the Israel Philharmonic Orchestra to tour India and notified Zubin Mehta, the Philharmonic's director, of its decision. Mehta made a special visit to India after the new government was installed to try to convince its leaders to allow the tour. Despite indications by the new government of a changed attitude toward Israel, compared to that of Indira Gandhi's government, the new regime was negative in its response to Mehta's request.

### U.S. SEEMS INTENT TO MAKE ISRAEL THE HEAVY IN GENEVA TALKS MOVES

By Joseph Palakoff

WASHINGTON, Oct. 16 (JTA)—The U.S. initiative to bring about a Middle East peace conference in Geneva by year's end has entered its fourth week of diplomatic maneuvering with another Israeli-American flareup and indications that attempts would be continued by Washington to pin responsibility on Israel if failure to convene on schedule develops.

Publicly, the U.S. soft-pedalled angry sounds from Israel and blurred differences with Israel, par-

ticularly on how to handle Arab demands for the Palestine Liberation Organization to be represented at an establishment of a Palestinian state, but unofficially U.S. officials did not hide their chagrin at Israel's refusal to deal with the PLO or countenance a Palestinian state.

### Says No Damage Done

The State Department on Friday echoed Secretary of State Cyrus Vance's view Thursday that "no damage was done" by the release by Israeli Foreign Minister Moshe Dayan of the U.S.-Israel "working paper" which Israel's Cabinet approved Wednesday night. The paper has been transmitted to the governments of Egypt, Syria and Jordan and their reactions are awaited. After a delay, the paper also was given to the Soviet Union Friday. With the paper having been published in full, it is now considered academic when Lebanon, Saudi Arabia and others may be getting it as a formality.

(In Moscow, the official news agency Tass said it was clear that the working paper's main point was "to split Arab ranks" and exclude the PLO from peacemaking efforts. The working paper, Tass added, "keeps silent on the crucial question of participation" of the PLO in the Geneva talks, "which, according to decisions by Arab summit meetings, is the sole legitimate representative of the Arab people of Palestine.")

Vance also took a soft approach to Dayan's alleged description of President Carter's expressions in their long meeting in October in New York as "brutal" and "extremely rough" and spoke about Israel's isolation. Vance said he would not agree with the word "brutal" or "extremely rough," saying he thought "we will be able to communicate with each other very well."

Regarding reports that the U.S. was upset over the publication of the agreement, State Department spokesman Hodding Carter said he was "not prepared to answer" whether the U.S. had understood Israel was not to make it public until the Arabs had responded to it. Both here and in Israel, however, Carter Administration officials were irritated by the publication, saying Dayan had promised that Israel would not publish the document during the time the Arabs were considering it.

The U.S. officials were concerned, they said, that it will be harder for Arab countries to agree to the document now that it has been published. However, this contention was offset by Thursday's official State Department position that the agreement in any case is not final and represents nothing more than a paper that would undergo revisions when the Arabs gave their views.

### Conflicting Views Expressed

At the Capitol, Congressional sources took conflicting views. One well-placed source said the Carter-Vance-Dayan talks did include Israel's isolation with enough implication to be taken as a Presidential warning to Dayan to go along with some U.S. positions or face rising resentment. Another, however, said he thought that the Dayan language was an interpretation that could vary with the individual hearing the comments.

Meanwhile, the State Department reiterated in strong terms that the U.S. and Israel "do not have agreement" about the PLO. Spokesman Carter said "The question of representation of the Palestinian people is still to be decided." He added, however, that "what still stands and remains in effect is that all the parties, and that includes Israel, have to agree on the shape, the identity, the form of additional participation on the change of any of the

terms of reference of the original agreement on the convening of the Geneva conference."

Carter was pressed by reporters for clarification and possible verbal understandings in view of Israeli opinion that the working paper indicates the PLO is not a party to the talks but that non-PLO Palestinians could be involved in the Arab delegation. Carter replied that "we still have a great deal of negotiating to do on both the procedure and organizational questions not only with the Arabs but with Israel."

Both Israeli and U.S. officials appear to agree that no understanding or agreements exist beyond the working paper but there were indications that differences exist in the interpretation of the working paper's six points. Carter said "We don't have agreement on those points that go beyond" the statement, when he was questioned about its first point which states:

"The Arab parties will be represented by a unified Arab delegation which will include Palestinian Arabs. After the opening session the conference will split into working groups."

### DULZIN WARNS ON DEARTH OF ACADEMIC JOBS

By David Landau

JERUSALEM, Oct. 16 (JTA)--"Cuts in the budgets of institutions of higher learning can only mean that the Russian scientist arriving in Vienna today who knows that his colleague of yesterday is jobless in Israel is not likely to choose it as the place to make his future." That somber warning, in light of currently high dropout rates at Vienna, was voiced by Jewish Agency Treasurer Leon Dulzin in an address to the United Jewish Appeal 1978 Study Conference here last night.

Referring to social problems, Dulzin said: "The inadequacies of yesterday's resources created our problems of today, and the inadequacy of today's resources will just as surely create the hardships and problems of tomorrow." Speaking of the Agency's two-fold task of rescue and helping to build Israel's society in terms of housing, education, work, health and welfare, he paid tribute to American Jewry's unflinching support and spontaneous generosity, from the first difficult days of the State of Israel.

Study Conference members have been able to visit underprivileged areas in Jerusalem and in Galilee development towns. Irving Bernstein, UJA executive vice-chairman, remarked: "There is a darker side to Israel's social fabric, and Jewish leaders in the United States must be fully aware of this in order to help deal effectively with the short-comings."

After a visit to the development town of Hatzor in Galilee, Gordon Zacks, UJA vice-chairman and Study Conference chairman, said that "The positive spirit among the residents of Hatzor has been a heartening experience. There are still many problems, here as in other development areas, which American Jewry consider it their responsibility to help solve."

The Conference members visited Hatzor's new metal plant with its sophisticated technology, and a brand new comprehensive school, one of the educational institutions set up by the Israel Education Fund with funds raised by UJA. The dearth of residents and skilled workers at Hatzor were among the problems the Study Conference heard about during the visit. Last week Conference members joined 50,000 Israelis in the annual Jerusalem March and visited high schools in Jerusalem established by UJA's Israel Education Fund.

# REPORT OF SECRET ACCORD AND DAYAN'S KNESSET REMARKS THREATEN TO FURTHER COMPLICATE U.S.-ISRAEL RELATIONS

By David Landau

JERUSALEM, Oct. 16 (JTA)--Foreign Minister Moshe Dayan's careless formulation in a Knesset address Thursday, coupled with a Haaretz report today from Washington of a "secret agreement" between the U.S. and Israel threatened to complicate relations between the two capitals. Dayan and his aides today sought to correct erroneous impressions that had arisen from his Thursday speech and to scotch the Haaretz report.

The speech, and the report, seemed to suggest that, beyond the U.S.-Soviet joint statement of Oct. 1 and the U.S.-Israel working paper of Oct. 5, both drawn up in New York, there was an additional secret agreement or understanding in which the U.S. actually subscribed to the known Israeli position rejecting outright any PLO participation at Geneva or any talk there of a third state--on pain of Israel's immediate withdrawal from the confab.

But officials here told newsmen tonight that there was no such written agreement. What there was, they said, was "clear understanding" by the U.S. of the Israeli position as enunciated by Dayan during his talks with President Carter and Secretary of State Cyrus Vance and as recorded in the minutes of those conversations.

The officials indicated that they expected a similar statement to be issued, in answer to questions, by an authoritative Washington spokesman. The State Department denied Friday that the U.S. had agreed with Israel on barring the PLO in any circumstances and in keeping the Palestinian issue off the Geneva agenda.

At today's Cabinet meeting--a brief one presided over by Finance Minister Simcha Ehrlich while Premier Menachem Begin is resting at home--Dayan gave the same explanation to Ministers who wondered at the discrepancy between his Thursday Knesset statement and the State Department spokesman's reply to questions Friday.

## GROWING CONCERN OVER BREAKDOWN OF CEASE-FIRE IN SOUTH LEBANON

By Yitzhak Shargil

TEL AVIV, Oct. 16 (JTA)--Israel has expressed its growing concern over the breakdown of the cease-fire in south Lebanon where Palestinian terrorists have resumed shelling Christian enclaves. Heavy artillery fire over the weekend hit Christian villages in the border region opposite Dovev and north of Metullah. A Christian mother and daughter were reported to have been killed.

The deteriorating situation was the subject of a meeting here Friday between Defense Minister Ezer Weizman and U.S. Ambassador Samuel Lewis. Weizman was accompanied by Deputy Defense Minister Mordechai Zipori. He reportedly stressed that while Israel has refrained so far from resuming its intervention on behalf of the Christians, it regards the latest developments as serious. He urged the U.S. to intervene with the Syrian authorities to force the Palestinians to observe the cease-fire.

The American Embassy disclosed that Damascus has in fact been approached by the U.S. The American Ambassador in Beirut is in contact with the Lebanese government in an effort to get the terrorists to end the shooting and withdraw to their cease-fire positions.

## Israel Suspends Talks

Weizman announced that Israel has suspended its

talks with Lebanese army officers until the situation calms down. He said this was done in order to stress to the Lebanese authorities the gravity with which Israel views the cease-fire violations. Israeli officers met with a Lebanese colonel and two majors at the coastal border post of Rosh Hanikra 10 days ago. At that time, the cease-fire was still effective and the two parties discussed the Lebanese army's plans to take over strongholds in the southern region as agreed under the cease-fire terms.

It was disclosed that the Lebanese officers from central headquarters in Beirut were unable to reach Rosh Hanikra directly because the coastal road south of the capital was blocked by terrorists. Instead, a United Nations plane flew them to Mahanayim Airport at Safad from where they were driven to the border post. The Lebanese reportedly suggested that future meetings be held at Rhodes because of the difficulty of travelling from Beirut to the Israeli border.

## HIKE IN CONSUMER PRICE INDEX

JERUSALEM, Oct. 16 (JTA)--Israelis bracing for a new round of price hikes before the end of the year, learned today that the consumer price index rose by 20.6 percent during the first nine months and, at the present rate, will rise by more than 30 percent by year's end.

Figures released by the Central Bureau of Statistics showed price index increases of 3.9 and 3.8 percent in the last two months, respectively. In September, the biggest increases were in the prices of fruits and vegetables which contributed 40 percent of the total inflationary spiral because of increased demand over the High Holidays. Education expenses rose with the beginning of the school year. University tuition is expected to go up next month and warm clothing will cost more this month as people prepare for winter.

The Treasury has announced a reduction of subsidies for basic consumer products which is expected to push the price index up further. It is not clear whether gasoline and its by-products will be affected. The only hopeful sign has been the failure of an expected rise in construction costs to materialize. They actually declined by 0.8 percent in September when summer hours for construction workers were abolished.

## JACOB JACOBS DEAD AT 86

NEW YORK, Oct. 16 (JTA)--Funeral services will be held tomorrow for Jacob Jacobs, a major figure in the Yiddish theater who died here Friday at the age of 86. He acted in and produced hundreds of musicals and wrote lyrics for countless songs. His biggest hit song, "Bei Mir Bist du Schoen," which he wrote with Sholom Secunda in 1931, became world famous.

A master showman who sought to entertain through original Yiddish musicals and comedies, Jacobs also brought to the Yiddish theater plays originally written in English, including "Detective Story," "Johnny Belinda," and "Anna Lucasta." During the 1920s and 1930s he owned a string of theaters throughout New York. In 1971 he brought the Yiddish-American theater to Broadway with the production of "The President's Daughter," which he directed and in which he played.

Born in Czechoslovakia, Jacobs came to this country in 1904 at the age of 13. After working for a while in the garment industry he went into vaudeville in 1908. In 1969 he was cited by New York City as "first in the hearts of all who love Yiddish theater."

# YADIN SAYS HIS PARTY IS UNITED WITH BEGIN GOVERNMENT IN SEEKING SETTLEMENT OF ARAB-ISRAEL CONFLICT

NEW YORK, Oct. 16 (JTA)—Prof. Yigael Yadin, leader of the Democratic Movement for Change, Israel's third largest party in the Knesset, assured American Jews tonight that his new party was united with the government of Premier Menachem Begin in seeking a just and lasting settlement of the Arab-Israel conflict. This assurance came in his address to 1500 persons, including nine Nobel Laureates, at the 32nd Annual Weizmann Dinner sponsored by the American Committee for the Weizmann Institute, at the New York Hilton Hotel.

"Let no one, be he friend or foe, be deluded into thinking political diversity, such as represented by my party and the party leading the movement, will result in strife and political upheaval," Yadin declared. "Nothing can be further from the truth. The history of the Zionist movement and the actions of the various political forces in the State of Israel is our best assurance that so-called 'political upheaval' always results in the strengthening of Israel internally while maintaining a unified front externally."

It was the first official appearance in this country by Israel's leading archaeologist and former Chief of Staff of its army, since his party won 15 seats in the Knesset in last May's election.

Although philosophical differences between himself and Begin have prevented him from accepting several of the Cabinet posts offered to his party, he nevertheless affirmed that the DMC and the government were united on certain basic issues relating to Israel's relationships with her Arab neighbors.

## Internal Problems Noted

Speaking of internal problems that Israel's political parties must join in solving, Yadin called attention to Dr. Chaim Weizmann's own perspectives on this same matter: "Our (Israel's) security will, to a great extent, depend not only on the armies and navies which we can create, but on the internal moral stability of the country, which, in turn, will influence its external political stability."

"This means that citizenship must transcend party interests," Yadin noted. "It follows from this that our other urgent priorities call for our parties to create a democratic framework that will improve the election system in Israel and thus return government to the people. This will require the democratization of our political parties, granting the rank and file a greater voice in the decision-making processes."

Political parties, he added, "will have to make the finding of solutions for our social problems the nation's number one priority, regardless of ideologies. Furthermore, we must require of the government greater measures emphasizing and encouraging the production of goods and services for export purposes—economic policy which also must be supported by the utmost efforts on the part of business, industry and labor."

Yadin warned that the continuing disparity between imports over exports was a deterrent to Israel's economic development and social progress. (These balanced payment deficits amounted to \$4,050,000 in 1975; \$3,268,000 in 1976 and a projected \$3,490,000 in 1977, according to figures released at the dinner.)

The dinner guests also paid tribute to Meyer W. Weisgal, chancellor and architect of the Weizmann

Institute of Science, in Rehovoth, who died Sept. 29 at the age of 83. He was buried in a small grove adjacent to the home of Weizmann on the campus at Rehovot early this month.

## Tribute To Weisgal

Saul Bellow, 1976 Nobel Laureate for Literature, and a personal friend of Weisgal, in his tribute, said: "The famous Institute at Rehovot, one of the world's greatest centers of scientific research, bears the name of its founder, Chaim Weizmann, the first President of Israel, but it was the child of Meyer Weisgal. It was he who was the planner, the builder, the fund-raiser, the organizer and the directing spirit of this place."

Israel's President, Ephraim Katzir, cabled his condolences to the committee's officers and their guests. In his cable, read by Morris L. Levinson, board chairman of the American Committee, Katzir said, in part: "The world, without Meyer Weisgal is a poorer place, and surely Israel is destitute. To carry his vision forward is the tribute we must pay." Homage was also paid by the honorary chairman of the American Committee for the Weizmann Institute, Abraham Feinberg.

The annual medallion for "Distinguished Service to Science, Israel and the Jewish People" was presented to Mrs. Abraham Jaglom and family in tribute to the late Abraham Jaglom, New York business and philanthropic leader. Bearing his name is the Institute for Biomedical Research just dedicated on the Institute campus in Israel, which will be devoted to the development of new methods and on improving older techniques for producing the substances necessary for treating disease—hormones, antibiotic drugs, vaccines and essential enzymes.

## CATHOLICS, JEWS IN INNOVATIVE PROGRAM

NEW YORK, Oct. 16 (JTA)—Two of the country's foremost houses of worship—St. Patrick's Cathedral and Congregation Emanu-El of the city of New York—have jointly announced an innovation in religious education for adults. Starting tomorrow evening, each institution will exchange their senior clergyman for a series of five lectures open to the public without cost.

At 5:30 p.m., and continuing on successive Monday evenings, Rabbi Ronald B. Sobel, spiritual leader of Congregation Emanu-El, will begin his five lecture series on "The Essence of Judaism" in the Parish House of St. Patrick's Cathedral.

Msgr. James F. Rigney will then start his five lectures on successive Tuesday evenings on Nov. 15 at 7:30 p.m. in the Community House of Congregation Emanu-El. Rigney, the Rector of St. Patrick's Cathedral, will speak on the theme, "The Essence of Catholicism."

The lectures are an outgrowth of the dialogue between the two famed organizations that began in February 1975. At that time Rigney and Sobel exchanged pulpits for what was considered an historic occasion to announce plans for the start of dialogue on a formal basis to be conducted by lay members of both organizations who would participate in joint discussions on a structured basis. Through the one-hour sessions, which will include the lecture and discussion, St. Patrick's Cathedral and Congregation Emanu-El hope for increased basic understanding and knowledge of both religions.

There will be no Daily News Bulletin dated Oct. 24 due to Veteran's Day, a postal holiday.