

## NEW ECONOMIC PLAN SPARKS UNREST

By Yitzhak Shargil

TEL AVIV, Oct. 31 (JTA)—Strikes, work stoppages and preparations for mass demonstrations against the Likud government's new economic order swept over Israel today in a gathering storm of labor discontent. Consumers, meanwhile, descended on supermarkets, automobile showrooms, appliance stores and other shops in a panic buying spree to stock up on necessities and luxuries before prices soar out of their reach.

Ashdod, Israel's big port city south of Tel Aviv, was virtually paralyzed today. All factories and construction sites and most of the docks were deserted as workers left in buses for Jerusalem to demonstrate outside of the Knesset. The Haifa Bay industrial zone, site of Israel's major heavy industries, was paralyzed by a four-hour work stoppage that the workers said was only the first in a series of protests.

All work was suspended for the day at Ofakim and Shderot townships. Beersheba was girding for a general strike Wednesday. Three thousand El Al passengers were stranded as ground maintenance crews began a 24-hour work stoppage preventing the departure of eight flights.

## Ehrlich Under Fire

Labor wrath was aimed chiefly at Finance Minister Simcha Ehrlich, author of the economic plan which overnight decreed that Israel must abandon 30 years of planned economy in favor of a free market economy with minimal government regulation. The workers were not concerned with economic theory but that their pay checks, already diminished by inflation, will shrink even further as prices for such basics as food, shelter and fuel rise to record heights.

Angry crowds outside the Haifa industrial plants shouted for Ehrlich to resign and denounced him as anti-labor. The few who suggested that Ehrlich's plan be given a chance were shouted down and threatened with physical violence.

In an attempt to cool the heated atmosphere Ehrlich used a television interview last night to appeal to Histadrut Secretary General Yehoram Meshel for a meeting to work out a joint plan for labor peace. Television was an unfortunate choice for such an approach. A spokesman for Meshel retorted that "the Secretary General does not conduct Histadrut affairs through the mass communications media."

Ehrlich swallowed the rebuff and dispatched a telegram to Meshel urging a meeting before the situation reaches "a point of no return." A Histadrut spokesman said that "when Ehrlich's telegram arrives, he (Meshel) will consider it." A meeting between the two is expected shortly, but not before mass demonstrations in Jerusalem and other cities.

## Unions Setting Demands

Sources close to Ehrlich said today that he was prepared to listen to any complaints. Meshel said this morning that Histadrut will demand advanced payment of cost-of-living allowances and set a deadline of two weeks. Trade union statisticians are working on a formula to bring the c.o.l. allow-

ances in line with higher prices.

Political circles said that the approaching Histadrut convention which opens early next week was a factor in labor's strong reaction to the new economic measures. Histadrut leaders must appear tough and determined before their constituents, they said. Nevertheless, the situation in the next few weeks will be serious. The price of imported goods is expected to rise by 30 percent, food by 20 percent, clothing by 15 percent and hotel accommodations by 50 percent for Israelis although tourists will pay the same prices as before or even less.

## No Rush For Dollar Exchange

The only quiet places in Israel were the banks which reopened this morning in anticipation of a flood of dollar-hungry customers eager to take advantage of the lifting of foreign currency restrictions. But the deluge did not materialize. Israelis apparently are more interested in material products than greenbacks and the banks did not have to draw on the \$750 million reserve they amassed over the weekend to meet the expected demand for U.S. and other foreign currencies.

The banks sold dollars today at the rate of IL 15.50 - \$1 and bought them for IL 15.15. The bankers agreed last night on a uniform rate. The Bank of Israel carried out transactions today at the rate of IL 15.25 - \$1. More Israelis were selling dollars than buying them today. They used their windfall of Pounds to purchase all manner of goods while the current prices last. (See related story Page 3.)

## Goldmann's Valedictory At WJC Congress:

## HAILS GUSH EMUNIM, TERMS BEGIN THE MOST HONEST OF ISRAELI POLITICIANS

By Joseph Polakoff

WASHINGTON, Oct. 31 (JTA)—Nahum Goldmann, stepping down as president of the World Jewish Congress, said in a farewell address to the organization last night that Jewish leadership is "more complicated" at present than "in my time" and must shift its emphasis.

"Today, we have to oppose men of good will and convince them they are wrong," the diminutive 82-year-old leader said, in clear allusion to Middle East policies being pursued by Western democracies and voting in the United Nations. He noted that when Israel was founded, two-thirds of the United Nations General Assembly had voted for Israel.

Referring to himself as "a non-conformist" and one who has "often expressed ideas which others dislike or oppose," Goldmann hailed the Gush Emunim who are striving to settle in Judaea and Samaria as the "most idealistic group in Israel today." He also praised Israeli Premier Menachem Begin as "the most honest man of all politicians in Israel" and called himself a "good friend" of Begin.

Goldmann received standing ovations before and after his extemporaneous 50-minute address from the approximately 800 delegates from 41 countries at the WJC General Council Conference at the Hotel Capitol Hilton which opened yesterday. Among them are representatives of four countries in the

the Soviet orbit--Hungary, East Germany, Czechoslovakia and Poland--as well as from Rumania and Yugoslavia. One Arab country, Morocco, is also represented.

Goldmann, who was a co-founder of the WJC with the late Rabbi Stephen Wise in 1932 and remained a leader in it ever since, virtually discarded his prepared valedictory in keynoting the conference at its first night session. He warned that "If Israel remains a state like other states it will not survive." He added that "Israel must be a unique country because the Jewish people is unique."

He said that "If the people of Israel don't want to see this, I don't want to say what will happen to Israel." He observed "the ideal of a people is more important than a state," although "sovereignty is needed to implement it."

#### Jews Face Tremendous Danger

Goldmann warned world Jewry that it faces "tremendous danger" to its existence because of "the most revolutionary change" in its position. He noted that in the diaspora, Jews have solved their external problems with those among who they live but "our internal front" is eroding and "becoming weaker from year to year."

Jewish historical evolution, he said, in his prepared text, was dominated primarily by a conflict of political and theological ideas. "These ideological issues were the basis of our creativity," he said. "If we compare this with the situation in the Jewish world today, both in Israel and the diaspora, we find its main context a struggle for positions, fund-raising, protests of all kinds of injustices--all fully legitimate but unable to fill the life of such a talented and creative people as ours." Differences, he said, have "nearly disappeared" among Israel's political parties, he said, contending that there is only a "minimal difference" between the Likud coalition and the Labor Alignment it succeeded.

Goldmann criticized U.S. Jewry for having "too many organizations and presidents" and noted that in America "everything is superlative." Jews have a "great quality--over-optimism" and "also a tremendous genius for fooling ourselves, and we pay for this," he said, pointing to the Holocaust.

In a tribute to Zionism, Goldmann said that in an age "more destructive than constructive," Zionism "is one of the most constructive." Zionism's essence is to give Jews the possibility of a state with which to create the totality of their ideas," he said.

#### SPARKMAN SUPPORTS PALESTINIAN STATE

WASHINGTON, Oct. 31 (JTA)--Sen. John Sparkman (D.Ala.), chairman of the Senate Foreign Relations Committee, says he supports an independent Palestinian state that would provide a homeland and self-rule for the Palestinians, according to an interview which was conducted here by the Beirut daily, Al-Anwar and released yesterday in the Lebanese capital. He added, however, according to the interview, that for this, the Palestinians should recognize Israel's right to exist.

Sparkman also said he believes Israel "is fully interested in achieving permanent peace in the Middle East." Regarding U.S.-Israel relations, the legislator said differences of views between the two countries on the possible reconvening of the Geneva conference was "not a crisis but an obstacle in the difficult road." However, he added, the atmosphere has been "eased."

He observed that the U.S. has been earnestly working for permanent peace in the Mideast "and I am still sufficiently optimistic that we will be able to establish peace soon." He said he did not favor the adoption of additional UN Security Council resolutions on the Mideast problem and said Resolution 242 "is very suitable and should be maintained, since as soon as the Palestinians agree to recognize Israel's existence, we will achieve positive results."

#### CARANSA REMAINS IN CAPTIVITY

AMSTERDAM, Oct. 31 (JTA)--Jewish multi-millionaire Maurits Caransa began his fourth day in captivity today as police tried to establish that he had in fact been abducted by the West German terrorist Red Army Faction, the official name of the Baader-Meinhof gang. Caransa, a real estate tycoon, was seized here early Friday morning by five men. Several hours later, the Amsterdam daily, "Het Parool," received a phone call from a German-speaking man saying he was the representative of the Red Army Faction and that this group had kidnapped Caransa.

Police investigators speculated that Caransa, 61, may have been abducted to force the release of Knut Folkerts, 25, a West German terrorist who is imprisoned in nearby Utrecht for a shooting in which a Dutch policeman was killed on Sept. 22. However, investigators, did not rule out the kidnapping as a purely criminal affair and said they still have no evidence that Caransa's kidnappers are the same who abducted and murdered West German industrialist Hanns-Martin Schleyer. Caransa is said to have personal enemies.

Caransa was abducted after leaving the Continental Club near the Amstel Hotel which he owns. He was seized by the five men while walking to his car in the fog. Caransa, a judo expert, was overpowered by the five after briefly wrestling with them. Only one eye-witness saw the abduction and reported that the kidnappers drove off in a red car. A massive police hunt, dragnet and roadblocks along the border and on major highways failed to detect the kidnappers or the car.

Born of extremely poor parents, Caransa started dealing in American army surplus goods after the war. In the early sixties, he started dealing in real estate and became one of the largest real estate owners in Amsterdam, owning several big office buildings and several of the foremost hotels such as the Amstel, the Doelen and the Caransa. He has been often in the public eye and is known to be a generous contributor to Israeli causes.

#### MARRYING LESS, DIVORCING MORE

JERUSALEM, Oct. 31 (JTA)--The marriage business is in a slump but divorce is booming in Israel according to the 1976 "Statistical Abstract" published by the Central Bureau of Statistics yesterday. About 29,500 marriages were performed last year compared to 32,300 the year before, a decline of nine percent. But divorces were up more than nine percent in the same period and the fewer-weddings-more-divorces trend is expected to continue this year.

Married couples are also having fewer children. According to the published figures, the average Israeli family dropped from 3.9 to 3.7 persons during the past 12 years.

This poses a serious problem for advocates of population growth. The latest census recorded a total population of 3,636,000 of which 3,065,000 were Jews. Natural increase is expected to add about 75,000 to the population this year, about

the same as last year. Immigration this year is estimated at 20,000 but 15,000 are expected to leave the country, a net increase of population through immigration of only 5000. The Bureau of Statistics also reported that the largest Jewish ethnic group in Israel is Moroccan, numbering 428,000. The second largest consists of 346,000 Jews of Polish origin.

#### JEWISH AGENCY TO ASSESS EFFECT OF NEW ECONOMIC POLICY ON FUND-RAISING AND INVESTMENTS IN ISRAEL

By Tuvia Mendelson

JERUSALEM, Oct. 31 (JTA)--The Jewish Agency is expected to begin discussions shortly assessing the effects the new economic order might have on fund-raising campaigns and investments in Israel. An Agency spokesman told the Jewish Telegraphic Agency, however, that no discussion will take place until the Agency's treasurer, Leon Dulzin, returns from abroad.

According to various reports and estimates, the new economic policy might encourage more investments in Israel because the economy is no longer strictly regulated. It is also assumed that the new economic policy will have a beneficial effect on many potential immigrants in the West.

Absorption Ministry sources said they were not sure how the new policy will effect immigrants from the Soviet Union and Eastern Europe. Absorption Ministry officials held long sessions with Finance Ministry officials yesterday and today to study the new system and its repercussions on the Absorption Ministry.

Immigrants from the West who receive social security pensions in dollars will benefit considerably from the better exchange rate. Absorption Ministry sources said that the removal of controls on foreign currency accounts will decrease nervousness among potential immigrants about coming here with their accumulated dollars.

In any event, it seems that both in the Jewish Agency and Absorption Ministry, officials will "wait and see" how the new system works in order to have a better idea of its effects on immigrants, fund-raising campaigns and other Agency and world Jewish affairs.

#### BRZEZINSKI TERMS ISRAEL'S ATTITUDE TOWARD GENEVA TALKS 'CONSTRUCTIVE' Rules Out PLO Participation At Talks

WASHINGTON, Oct. 31 (JTA)--Zbigniew Brzezinski, President Carter's National Security Advisor, said yesterday that the Israeli attitude toward a reconvened Geneva peace conference is "constructive" while the Arab attitude is "mixed" and noted that Carter's target date for a conference as early as December may now take place later.

He also stated that the Palestine Liberation Organization could not be represented at the conference because of its position regarding Israel's existence and because of strong Israeli opposition to its participation. However, he added, "There have been ways of taking care of problems such as these in the past."

#### Talks May Not Be In December

In an interview on CBS-TV "Face the Nation," Brzezinski said that the U.S. is now discussing a formula with Mideast leaders aimed at reconvening Geneva talks as quickly as possible. "We have talked it over with the Israelis and now we are talking it over with the Arabs," he said. However, he stated, "I don't think it all that important whether it is necessarily December, January or

February." This gave rise to speculation here that the issue of the PLO remains a sticking point on the road to Geneva.

Brzezinski pointed out that the formula was aimed at finding a way to overcome Israeli objections to the PLO at the talks, adding, he did not want to be too specific on this issue. "We are dealing with a situation in which excessive precision is an enemy of accommodation." Hinting that the West Bank Arab mayors might be an acceptable compromise to Israel and the Arab countries involved in the Geneva talks, regarding Palestinian representation, Brzezinski said that Israeli Foreign Minister Moshe Dayan "has frequently drunk tea with the mayors of the West Bank. He knows very well the relationship between these mayors and the PLO."

#### 50,000 AT ISRAEL SOLIDARITY RALLY

By Edwin Eytan

PARIS, Oct. 31 (JTA)--Over 50,000 people assembled here yesterday for a 12-hour mass demonstration of solidarity with Israel. Tens of thousands listened to public debates, ate Israeli and Jewish food, subscribed to Jewish publications and just stood and sang Israeli songs in a sign of solidarity and support for the Jewish State.

Dozens of French political leaders from the opposition Socialist Party to members of the Gaullist government coalition came to address the crowd and either to defend their policies or to promise a more pro-Israeli stand should they be elected.

Socialist leader Jean Poperent told the crowd "the Socialists will not let you down." He stressed that a Socialist-led government would "help Israel by all available means." Another member of the opposition, Roger-Gerard Schwartenberg, said his party, the left-wing Radical Party "is against a Palestinian entity, against a third state between Israel and Jordan and against a PLO presence in Geneva."

Members of the government coalition said the current government "is doing its best to help Israel," but were booed and whistled by a very lively crowd.

The mass rally, a mixture of a popular fair, discussion group and mass demonstration, was organized by an independent group, the "Jewish Action Committee," acting independently from the traditional Jewish organizations. The main Jewish organizations, the French United Jewish Appeal and the Fonds Social Juif Unifié organized last year a "12 Hours For Israel" demonstration. These organizations decided to hold the next meeting in the spring of 1978, after the forthcoming French general election so as to avoid giving the impression of taking sides in the electoral fight.

The Jewish Action Committee decided to go ahead with its project and won the support of a number of other major organizations such as the WIZO, the Zionist Organization and the Representative Council of French Jews which a fortnight ago decided to "wish success to all pro-Israeli demonstrations." Israeli Ambassador Mordechai Gazit and members of his staff attended yesterday's and last year's rallies.

NEW YORK (JTA)--The National Conference on Soviet Jewry has learned that Soviet Jewish Prisoner of Conscience Mikhail Korenblit has been released from prison. Sentenced to seven years at the second Leningrad trial in May, 1971, Korenblit was charged with "anti-Soviet propaganda and anti-Soviet organization." He first applied to emigrate to Israel in September, 1969. Korenblit's wife, Polina, lives in Haifa.

## ANALYSIS SHOWS NAZIS IN U.S. POSE NO SERIOUS DANGER BUT CAN LEAD TO VIOLENCE BY THOSE ACCEPTING VIEWS

ATLANTA, Oct. 31 (JTA)—Although the recent upsurge of activity by Nazi groups in the United States constitutes no serious danger to American political institutions, their "sick fantasies and hate-filled rhetoric" prompt disturbed persons to deeds of violence, a danger that all Americans should be concerned with. This conclusion was reached in a preliminary analysis of data on American Nazis, which was made public here Saturday at a session of the American Jewish Committee's National Executive Council meeting here this weekend.

The analysis, compiled by Milton Ellerin, director of the AJ Committee's Trends Analyses Division, pointed out that though noisy Nazi activities have cropped up in many major cities recently, the total number of Nazi members in the entire country is probably no more than 1500 or 2000. But the analysis cited a number of instances in which violence has resulted from local Nazi activities including:

New Rochelle, N.Y., where a demented admirer of Hitler and the Nazis killed five persons, and then shot himself; Charlotte, N.C., where a half-crazed youth with a swastika armband shot up a church gathering, killing two persons; Chicago, where an acknowledged Nazi killed a Jew by forcing him to inhale cyanide, and then killed himself in the same way; and Milwaukee, where Nazis clashed with death camp survivors.

These incidents have occurred concurrently with organized activity by a dozen or so purportedly national Nazi parties and other strictly local groups, the paper reports. All have splintered off from the original group of Nazis organized in Arlington (Va.) by George Lincoln Rockwell in the mid-1950s.

After Rockwell's murder by a disgruntled follower in 1967, his mantle of leadership was inherited by Matt Koehl, but others have set themselves up as leaders of Nazi-like groups in various cities. These include Frank Collin, in Chicago; Gerhard Lauck, in Lincoln, Nebraska; Allen Lee Vincent, in San Francisco and George Dietz, in Reedy, West Virginia.

### How Much Attention To Give Nazis

The analysis pointed out the Nazi groups have not been successful in their attempts to build alliances with the Ku Klux Klan. In addition, it continued, "no attempt has been made to create ties between Nazi groups and the National States Rights Party," a neo-fascist, anti-Semitic and anti-Black group in the South.

Summing up their potential menace, the analysis asked: "Given the ineptitude of the Nazi groups, their rivalries, their lack of anything resembling a program, their tiny membership, how much attention do Americans, Jewish or otherwise, need to pay them?" While understanding the sensitivity of Holocaust survivors, the report is skeptical that what happened in Germany could occur in the United States.

However, it cautions, "Nazism in America, for all its political impotence, releases certain poisons into the nation's bloodstream. Though it cannot significantly influence the electorate, let alone capture our government, its sick fantasies and hate-filled rhetoric can and do appeal to some disturbed persons, prompting them to act out their accumulated hatreds in deeds of violence. And that is a danger for all Americans to think about."

## MEMORIAL TRIBUTE TO HOLOCAUST VICTIMS

NEW HAVEN, Oct. 31 (JTA)—The New Haven "Memorial Tribute to the Six Million" was dedicated yesterday in public ceremonies at its site in Edgewood Park. More than 3000 people participated in the event. The memorial, in concrete, is in the form of a Star of David, and has a steel and barbed wire center. It was conceived and designed by Cheshire architect Augustus J. Franzoni. The memorial was built under the direction of the municipality, in cooperation with a local Jewish Federation, and with funds contributed by the citizens of the New Haven area.

Participating in the dedication ceremonies, chaired by Dr. Philip Felig, Professor of Medicine at Yale University, was Mayor Frank Logue, chairman of the Mayor's Holocaust Committee; Congressman Robert N. Giaimo, and Jerzy Kosinski, the noted author, whose classic, "The Painted Bird," follows closely his personal survival experiences during the Holocaust; Dr. Irving Greenberg, a noted authority of the Holocaust era and chairman of Jewish Studies at City College of the City University of New York; and Solomon Zynstein, president of the American Federation of Jewish Fighters, Camp Inmates and Nazi Victims.

The New Haven Memorial Tribute to the Six Million is in the form of a raised Star of David, the symbolic center fence of iron and simulated barbed wire points upward, denoting the terror and the suffering of the victims. Buried within the center is an urn of ashes from the Auschwitz death camp. A yew tree planted at each of the star's six points represents the death of six million Jews.

In remembrance of the Eastern European ghettos where the majority of the victims lived, the visitors area around the memorial and the center part of the monument itself will be paved with cobblestones, which are being symbolically purchased by individuals and organizations.

In the spring, the New Haven Park Department will plant a grove of 16 trees in a horseshoe shape around the memorial. Fifteen large pine trees will bear the names of the largest death camps, and the sixteenth, a copper beech, will be named in honor and memory of "Righteous Christians" who risked and gave their lives to save Jews during World War II. The memorial will have two plaques attached, one in English and the second in Yiddish and Hebrew, bearing the simple inscription "In Memory Of The Six Million Jews Who Were Murdered By The Nazis - 1939-1945."

### Memorial Plans Began Last Year

The concept of the memorial was developed by Lew Lehrer, a Holocaust survivor who is chairman of the New Haven Jewish Federation's Holocaust Memorial Committee. Coordinating the wishes of the local area survivors and the Federation, he approached Logue, after the Mayor reported on his visit to Yad Vashem during his tour of Israel in 1976.

The concept of the memorial originally conceived by the Jewish community was to be a grove of six trees, donated by Cheshire nurseryman Marvin Cohen. However, when Cheshire architect Franzoni learned of the proposal, he sat down and formulated his expression of sorrow and outrage in the form of a memorial.

JERUSALEM (JTA)—Experiments are going ahead on the commercial possibilities of growing coffee in Israel. Agriculture Minister Ariel Sharon said results had been satisfactory so far from a purely agricultural-professional standpoint.