

# JTA daily news bulletin

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## SETTLEMENT POLICY REMAINS INTACT: EXISTING SINAI SETTLEMENTS TO BE 'THICKENED'; WEST BANK SETTLEMENTS TO BE CONFINED TO MILITARY BASES

By Gil Sedan

JERUSALEM, Feb. 26 (JTA)--The Cabinet announced today that it saw no reason to take new decisions with regard to settlement policy. An official communique to that effect was released after today's Cabinet session, the second within a week devoted largely to that issue.

Cabinet Secretary Arye Naor told reporters afterwards that there were no plans for future settlements in Sinai but there would be a "thickening" of existing settlements there. On the West Bank, he said, the government will continue settlement activity within the confines of military bases.

The Cabinet's deliberations appear to have resulted in a victory for the hardliners, led by Minister of Agriculture Ariel Sharon, over the moderates who reportedly have been urging a freeze on settlement activity as long as the negotiating process continues. The latter are said to include Defense Minister Ezer Weizman and ministers of the Democratic Movement for Change.

The Cabinet debated settlement policy at a special session last Monday at which it sat as a ministerial security committee. Although discussions held in that guise are classified, it became apparent, when the matter was deferred until today's regular weekly session, that the earlier debate had been inconclusive. Naor refused to say if today's decision was unanimous. "That is what was decided," he told reporters.

Political analysts here believe today's Cabinet announcement was a cover for further operational decisions. Those decisions, they said, would probably be linked to the progress made by U.S. Assistant Secretary of State Alfred L. Atherton in his attempts to secure Israeli and Egyptian agreement to a joint declaration of principles for resumption of their direct talks. Premier Menachem Begin's talks with President Carter in Washington next month are also expected to have a bearing on the government's future settlement policies.

## ADMINISTRATION FAILS TO SWAY JEWISH LEADERS TO ITS VIEWS ON ISRAEL

By Joseph Polakoff

WASHINGTON, Feb. 26 (JTA)--The Carter Administration's efforts to bring the American Jewish community leadership closer to its views on major U.S.-Israel policy differences apparently were unsuccessful at last Thursday's White House luncheon and briefing for 31 Jewish community officials from 19 cities across the country, according to information obtained. (See Feb. 24 Bulletin for original story.)

While those present refused to discuss the substantive matters when the Jewish Telegraphic Agency approached them after the luncheon, it was learned that the guests firmly took issue with the Administration's proposed "take it or leave it" planes sale package for Saudi Arabia, Egypt and Israel and its attitude toward Israeli settlements which the Administration has termed "ob-

stacles to peace." No guest sided with the Administration's positions on these two matters, JTA was told.

Zbigniew Brzezinski, President Carter's National Security Advisor, was the principal spokesman on Middle East political issues at the luncheon, while Energy Secretary James Schlesinger stressed the importance of Saudi Arabia to the U.S. economy and fuel requirements. James McIntyre, director of the Office of Management and Budget, discussed the new budget without entering into the facets of U.S. assistance to Israel or her Arab neighbors.

## Defends Aircraft Sale Package

In his hour-long period of briefing and responses to questions, Brzezinski opposed the Israeli position that its settlements in areas won in the Six-Day War constitute a security matter. He said Israel's position was fallacious and that Israeli military officers acknowledge that settlements are not security-related.

Regarding the \$4.8 billion aircraft package, Brzezinski reportedly noted that if Egypt did not receive the proposed 50 F-5Es it would again turn to the Soviet Union for planes and President Anwar Sadat would be overthrown. The Saudis, he reportedly said, could acquire aircraft equivalent to the proposed 60 F-15s from France and then thumb their noses at the U.S. Should Egypt and Saudi Arabia not receive U.S. military equipment, Soviet-supported Libya would strike at them Brzezinski was said to have asserted.

He was also said to have stressed that for the first time, moderates are in positions of influence in Egypt and Saudi Arabia and the U.S. wants moderates in control. Regarding the settlements, United Nations Security Council Resolution 242 applied to all frontiers, Brzezinski implied, while the Israelis take a contrary position toward the West Bank.

The Jewish guests, who were mainly representatives of local welfare federations, resisted many of his contentions. "They were very vocal, especially on the settlements," according to one source. A White House source said there was "nothing unusual" about the event which he described as a "dialogue-type of meeting" and one of many held at the White House on national affairs.

## ISRAEL TO REPLY TO EGYPT'S LATEST PROPOSALS FOR JOINT DECLARATION

By David Landau

JERUSALEM, Feb. 26 (JTA)--Israel has received Egypt's latest proposals for a joint declaration of principles and will present its formal reply tomorrow to U.S. Assistant Secretary of State Alfred L. Atherton to convey to Cairo, Foreign Minister Moshe Dayan indicated today. Dayan was briefed last night by Atherton on his return from the Egyptian capital.

He told reporters later that Israel would register its points of agreement and disagreement at a special Cabinet session tomorrow after which Atherton will return to Cairo. The American diplomat said before leaving Egypt Friday that he had been given "concrete" and "helpful" ideas by the Egyptians which he would present to Israel. But he also indicated that his shuttle diplomacy was far from over.

Israeli leaders were apparently unhappy with what they heard from Atherton. According to some

sources, there has been no substantive movement on the difficult "Palestinian clause" of a proposed joint declaration nor has Egypt softened its demand for an Israeli undertaking in principle to withdraw from all occupied Arab territories.

#### Dayan: Egypt's Position Has Hardened

Dayan, interviewed Friday on Israel Radio, claimed that the Egyptian position has hardened and attributed it in part to the absence of support for President Anwar Sadat's peace initiative in the Arab world, especially from Saudi Arabia and Jordan.

He said that during the talks between Premier Menachem Begin and President Carter in Washington next month, Israel should be open to new ideas and conceptions but not yield on any issues vital to its security. In that connection, Dayan said Israel could never accept Egyptian demands for Palestinian self-determination and withdrawal from all occupied areas.

#### Fresh Approach Is Necessary

Dayan said, in addition, that Israel must keep in mind long range military and political considerations and adapt its positions to reality so as not to lose momentum in the peace talks with Egypt. But he stressed that Israel must resist stubbornly any compromises inimical to its security and survival.

He said a fresh approach is necessary because, he believes, it is no longer possible to conclude a separate peace with Egypt and a comprehensive peace embracing Jordan and Syria is improbable because both those countries insist on preconditions unacceptable for Israel. However, Dayan said he was not pessimistic over the prospects for an eventual break in the present impasse.

#### Egypt And Israel Share Blame

Meanwhile, former Premier Yitzhak Rabin, also interviewed Friday on Israel Radio, apportioned blame equally between Israel and Egypt for what he termed the failure of the recent attempts at direct peace talks between the two countries. "Unfortunately, this system has now failed, at least for the time being," he said.

Rabin said there were "too many misunderstandings" between Begin and Sadat at their private meetings. He also criticized the "show business" methods used by both leaders and what he termed "the ghost settlements" erected by Israel "in Sinai and tricky settlements under cover of archaeological excavations or military camps on the West Bank." He said such moves "put too many question marks on Israel's credibility in its attempts to achieve peace."

#### JAPAN RETURNS ORANGES WITHOUT INSPECTION; ISRAELI OFFICIALS ANGRY

TEL AVIV, Feb. 26 (JTA)--Israeli officials reacted with anger today after Japan ordered 600 crates of oranges returned to Israel without an inspection. Many here saw it as an indication that Japan is moving more and more into a pro-Arab position. They noted that last week Japanese delegates voted to oust Israel from the Asian Games. The Japanese decision came just as Israel's citrus sales to Europe were returning to normal following a 33 percent drop in the wake of the discovery of mercury in oranges in Holland and West Germany.

In Italy, after mercury was reportedly found in two grapefruits in the north, Israeli grapefruits were given a clean bill of health by inspectors in Milan last week. They were immediately released

for sale on the market. Also last week, United States health authorities, outside Philadelphia, approved the shipment of seven million Israeli oranges after inspecting them. The contamination scare in Europe resulted in a \$30 million loss for the Israeli citrus industry, according to officials here.

#### MARCHERS PROTEST IMMINENT TRIAL OF SHCHARANSKY, REFUSAL OF SOVIETS TO ALLOW HIM, LAWYER OF HIS CHOICE

NEW YORK, Feb. 26 (JTA)--Several hundred New Yorkers marched to the Soviet Mission to the United Nations today to protest the imminent trial of Soviet-Jewish activist Anatoly Shcharansky and the refusal by Soviet authorities to allow him to be represented by an attorney of his choice. Shcharansky has been charged with treason which carries a possible death sentence. Allegations in the Soviet press that Shcharansky had worked for the CIA were specifically denied by President Carter last July.

The march was organized by the Greater New York Conference on Soviet Jewry (GNYCSJ) as an emergency response to the latest developments in the Shcharansky case. The Jewish activist, who first applied for an emigration permit in April, 1972, was arrested in Moscow last March 15 and held incommunicado since then. His mother, Mrs. Ida Milgrom, was informed Thursday that the KGB (secret police) has appointed a defense lawyer. The KGB, however, refused to reveal the lawyer's name.

The move indicated that the preliminary investigation is over and that Shcharansky will be brought to trial within a month. Under Soviet law, trial must take place within 28 days of the end of the preliminary investigation.

The protest march followed an emergency rally at the Minskoff Cultural Center where the speakers included several present and former New York City officials, Shcharansky's brother-in-law, Mikhail Stiglitz and Mervin Riseman, associate chairman of the GNYCSJ, who presided. Gov. Hugh Carey, of New York, expressed "great shock and dismay" over the developments in a statement read at the rally. "Citizens of New York will not remain silent but will join the efforts of men and women of good will throughout the world and pledge to continue to exert every effort to obtain Shcharansky's freedom," Carey's statement said.

The marchers carried a letter addressed to the Soviet Ambassador to the UN, Oleg Troyanovsky, protesting the denial of Shcharansky's right to select his own defense counsel. Over 140 Moscow lawyers turned down Mrs. Milgrom's pleas that they represent her son. The Shcharansky family had asked that a French lawyer, Roland Rappaport, be allowed to act as co-counsel but the Soviet authorities rejected their request. The letter was signed by Riseman and by Dr. Haskel Lookstein, vice-chairman of the GNYCSJ. It was not immediately known whether the Soviet envoy received the letter.

Meanwhile, Riseman dismissed rumors that Shcharansky might be exchanged for a political prisoner in another country. "This report could be just a ruse aimed at confusing all those in the West who care about Shcharansky's fate," he said. (See related story.)

#### REPORT EFFORTS UNDER WAY TO EXCHANGE DISSIDENTS FOR COMMUNIST PRISONERS

BONN, Feb. 26 (JTA)--In a dramatic bid to aid jailed Soviet Jewish dissidents, Israeli Knesset

member Samuel Flatto Sharon is seeking to arrange for the exchange of such prisoners in return for Communist spies or political prisoners jailed in the West; the Jewish Telegraphic Agency learned last week. The USSR is understood to have hinted--via an East German intermediary--that it is willing to carry out such deals.

The go-between is the prominent East German lawyer, Wolfgang Vogel, who helped arrange the famous exchange between jailed Chilean Communist leader Luis Carvallo and Soviet prisoner Vladimir Bukovsky. He has also secured the release of hundreds of East German political prisoners and their right to emigrate to West Germany in return for cash payments by the West German government. One of those Sharon is seeking to aid is Anatoly Schcharansky. (By Jon Fedler)

#### WORLD ZIONIST CONGRESS DISCUSSES VARYING SHADES OF ZIONIST THOUGHT

By Tuvia Mendelson

JERUSALEM, Feb. 26 (JTA)--The subject was "The Jewish People and Zionism" and the Jewish leaders from abroad who addressed themselves to it at a special plenary session of the 29th World Zionist Congress here last night, reaffirmed their solid commitments to Israel and Zionism but made it clear that within that framework there was room for many "varying shades" of thought and opinion.

The speakers included Philip Klutznick, president of the World Jewish Congress; Rabbi Alexander Schindler, chairman of the Conference of Presidents of Major American Jewish Organizations; David Blumberg, president of B'nai B'rith; and Baron Alain de Rothschild, of France, chairman of the Representative Council of French Jews (CRIF). Their remarks went beyond the immediate political issues that have occupied the 550 delegates from 40 countries since the Congress opened last Monday and touched on the sensitive relationships between diaspora Jewry and the Jewish State.

Klutznick referred to Zionism as an "unfinished symphony." "Unless we are fiercely discontent with the enormous evils that still beset us and unless we find excitement and joy in fighting them, we will sink into a placid acceptance of a self-pity and acid frustration," he warned. "It is not the unprincipled attacks of our enemies that I fear. It is our acceptance of the status quo that can defeat us."

#### Question Of Moral Responsibility

Schindler spoke not only for the umbrella organization he heads but for the Reform movement in Judaism which only recently affiliated with the World Zionist Organization and is fighting for equal rights in the WZO and in Israel. "We are all of us Jews, we proclaimed to the world in 1975," he said. "We are all of us Zionists. At no time in our history have we ever stopped praying or longing or working for Zion and we shall continue to do so unto the rest of eternity."

However, he cautioned, "All this does not relieve us or Israel from moral responsibility. There are issues of conscience which must be faced: the problem of the Palestinian Arabs.... And mistakes are made--most tragic in their consequences. We still have some way to go before Israel becomes the pattern of our ideal vision. We know this. The Israelis know this. There are qualms and there are doubts and many self-accusing lines are spoken."

Blumberg referred to the "varying shades" of

Zionist thought, reminding the delegates that Zionist thought and Zionist thinking exist and are an ongoing process. "The experience of these past 30 years have reinforced the reality of diaspora life," he said.

"The Zionism that at one time perceived the deterioration of the diaspora, that regarded statehood as a total revival and not part of the continuity of Jewish life, and that interpreted its role as the liquidation of the diaspora, is now confronted with the task of encouraging the continuity and viability of the diaspora." Israel, he continued, "has to decide by its own perspective. But it also needs to understand--not necessarily agree with but understand--the diaspora perspective."

Baron de Rothschild sounded a similar note. He said that "Israel must pay attention to the opinion voiced in various parts of the world, especially France, a country well acquainted with the world of Islam." He emphasized that "French Jewry is deeply attached to the State of Israel and concerned with Israel's fate... and we must be given the means, in the form of dependable information on events in Israel, so that we may publicly defend Israel's position."

#### ACCORD REACHED ON EXCHANGE PROGRAM

MONTREAL, Feb. 26 (JTA)--All seven Israeli universities have agreed with seven French language universities in Quebec, Ontario and New Brunswick to support the cultural exchange program sponsored by Amitie, the Society for the promotion of cultural relations between Israel and French Canada.

This resolution was announced by the newly-elected co-chairmen of Amitie, Rene J.A. Levesque, dean of the faculty of the arts and sciences of the University of Montreal, and Dr. Stephen Barber, founder of the Canada-Israel Chamber of Commerce, at a meeting at the University of Montreal.

Mordechai Shalev, Israel's Ambassador to Canada, addressed the audience in French recalling Dr. Chaim Weizmann's prophecy that "The university will be our spiritual fortress." (By Michael Solomon)

#### MORDECHAI MAKLEFF DEAD AT 58

TEL AVIV, Feb. 26 (JTA)--Military funeral services were held Friday for Gen. Mordechai Makleff, former Chief of Staff, who died last Tuesday in West Germany at the age of 58. He had been hospitalized earlier in the week after suffering a heart attack. On Tuesday he suffered his second, fatal, heart attack. Makleff was in West Germany on a business trip as general manager of the Israel Chemicals Company. The funeral was held at the Military Cemetery in Tel Aviv.

Makleff was Israel's third Chief of Staff. After holding that post he was the general manager of the Israeli Citrus Marketing Board, the director general of the Dead Sea potash works and the general director of the Israeli Chemicals Co.

GENEVA (JTA)--The Arab states have requested the World Health Organization to grant the Palestine Liberation Organization the same sums WHO gives to Israel. This request was part of the resolutions adopted during the Arab health ministers conference in Kuwait last week. The Arab ministers also requested that Arab contributions should not be allocated to medical research programs in Israel. They also asked that WHO appoint an Arab doctor as deputy vice-director of the organization.

### NAZIS FILE \$28 MILLION SUIT AGAINST A JEWISH EDITOR

SAN FRANCISCO, Feb. 26 (JTA)--Geoffrey Fisher, managing editor of the San Francisco Jewish Bulletin, said he had been served with a notice of a suit for damages totalling \$28 million filed in federal district court by the local National Socialist White People's Party.

Fisher said the suit grew out of the destruction last April of a Rudolf Hess bookstore set up by the Nazi Party opposite a synagogue. The building in which the store was opened is owned by a Jew, Nathan Green, who said he had not known at the time that the renters were Nazis who intended to open a Nazi bookstore.

Fisher told the Jewish Telegraphic Agency that he was charged in the suit with defamation of the Nazi group, based on editorials he had written about the party in connection with the bookstore. He said the Nazis also were seeking damages from James Ruderman, director of the northern California regional office of the Anti-Defamation League of B'nai B'rith; and Joel Brooks, director of the regional American Jewish Congress office here.

The suit also names Mayor George Moscone; Diane Feinstein, a member of the board of supervisors of San Francisco city and county; and Joseph Freitas, the United States Attorney, for alleged failure to protect the Nazi property and to prosecute those who had wrecked the bookstore.

#### First Suit Of Its Kind, Locally

Fisher said that the suit was the first filed by the local Nazis against any of their foes. Two Jews, Martin Weiss, and his son, Allan, happened to be near the bookstore when a crowd dismantled it, and became involved. They were arrested on misdemeanor charges and released. One of the charges of the suit is that the defendants were involved in destruction of private property belonging to the Nazis. The bookstore was not reopened.

The suit seeks general damages of \$2 million; punitive damages of \$1.5 million; \$15 million for threats on the life of the plaintiff, Allen L. Vincent, head of the Nazi group; and the balance for miscellaneous damages. Altogether, 12 defendants are named in the suit, most of them local political figures, Fisher said. He stated that after a consultation with attorneys, it was agreed that he, Ruderman and Brooks would be defended separately from the others.

The subpoena requires an answer within 20 days and May 25 has been set as the date for initial hearings in the District Court here for the Northern District of California.

### JEWISH REFUGEE FROM NAZI GERMANY GETS FIRST AWARD BY U.S. AGAINST THE GDR FOR EXPROPRIATED PROPERTY

WASHINGTON, Feb. 26 (JTA)--George L. Rosenblatt, a Jewish 68-year-old naturalized American citizen, residing in New York City, will be the recipient of the first award by the U.S. Foreign Claims Settlement Commission against the German Democratic Republic (GDR) for property expropriated by the Nazis and later taken over by the East German Communist regime.

Under a federal statute adopted in 1976, the Commission is empowered to adjudicate claims by American citizens for such property and determine the amounts to be paid. Rosenblatt, who became a citizen in 1943, filed his claim with the Com-

mission last May 31 for loss of a family home in Gotha, East Germany.

The Commission awarded him \$20,000. It also awarded Rosenblatt interest at six percent from September, 1952 when the East German authorities took over his property, until such time as funds for payment are made available by the GDR. The principal and interest are both subject to negotiations between the U.S. and the GDR.

#### May Have To Wait Several Years

David Rogers, director of the Commission's claims program, told the Jewish Telegraphic Agency Friday that Rosenblatt "may have to wait several years and he may not get 100 cents on the dollar" of his award. Rogers explained that when the U.S. recognized East Germany several years ago, the GDR agreed in the future to negotiate claims. The negotiations are conducted by the State Department after claims are filed and the agreed sum goes to the U.S. Treasury. He said payments would mostly be made on a pro-rata basis because the total fund will probably be smaller than the Commission's awards.

Rogers said that more than 1000 claims have been filed with the Commission since the filing period began on May 15, 1977. The deadline for filing under the present program is May 16, 1978. He urged prospective claimants to contact the Foreign Claims Settlement Commission at 1111 20th St. NW, Washington, D.C. 29579 for claim forms.

Rogers said that a great many Jewish claimants may come under the U.S. statute. Because of the Nazi racially discriminatory laws, he said, Jews had to sell property generally for small amounts. While the Commission, Rogers said, cannot pay for a loss suffered in 1938, the Commission may rule that a sale made in 1938 was not "free" and could therefore consider the Jewish owner still owns the property if he can show it was taken over by the GDR after World War II.

### AMICHAH PAGLIN DEAD AT 55

TEL AVIV, Feb. 26 (JTA)--Amichai Paglin, Premier Menachem Begin's advisor on counterterrorism, died here yesterday at the age of 55 of injuries he sustained in an automobile accident Jan. 28. His wife, Zipora, was killed in the accident, and his son, Nuriel, who was driving, remains in the hospital with injuries.

Paglin, a native of Tel Aviv, joined the Irgun at an early age. He soon became known for his military activities against the British and was made operations chief of the Irgun. Among other actions, he helped confiscate arms from British camps and participated in planning the bombing of the King David Hotel. Funeral services were held at the Kiryat Shaul Cemetery.

### JNF TO PREPARE LAND FOR SETTLEMENTS

JERUSALEM, Feb. 26 (JTA)--The Jewish National Fund will prepare in the next five years some 130,000 acres of land for settlements throughout the country, a JNF official told the World Zionist Congress settlement committee Sunday. He said the JNF will also prepare hundreds of miles of new roads and build water reservoirs which will contain some 130 million cubic meters of water for use in the new settlements. In the last five years, the JNF has prepared some 50,000 acres of land for new settlements.