

# JTA daily news bulletin

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Published by Jewish Telegraphic Agency / 165 West 46th Street / New York, New York 10036

Vol. XLVI — 62nd Year

Monday, August 13, 1979

No. 155

## CARTER SAYS NO TO PLO

WASHINGTON, Aug. 12 (JTA) — President Carter has ended his recent silence regarding his Administration's attitude toward the Palestine Liberation Organization and an independent Palestinian state and has affirmed that he is opposed to a Palestinian state and pledged that the United States will adhere to its position of not dealing with the PLO until that organization recognizes the right of Israel to exist and accepts United Nations Security Council Resolution 242. The President made this clear in an interview with editors on Friday. The text of the interview was released yesterday.

(Former Secretary of State Henry Kissinger said today he does not believe the Carter Administration is tilting toward the Arabs. See separate story.)

In recent weeks Israel has expressed concern that the Carter Administration was shifting its attitude toward the PLO and an independent Palestinian state. Although top Administration officials, including Secretary of State Cyrus Vance, have denied any change in American policy, Carter himself remained silent. The feeling among Israelis that the U.S. was, despite public denials, shifting its Mideast policy thinking, was expressed in its sharpest form by Israeli Foreign Minister Moshe Dayan last week when he charged that the American stance toward Israel and the Mideast was "not just an erosion, but a fundamental change in policy."

Carter, in response to questions from editors about his views on the Palestinians, declared, "I will not deal with the PLO unless they do two things: accept the right of Israel to exist, which they have not yet been willing to acknowledge, and accept the fact that United Nations Resolution 242 is a document binding on them. They have got to accept 242 and accept the right of Israel to exist. This is a commitment we have made. We have never deviated from it. We are not going to deviate from it."

## Opposed To Palestinian State

On the issue of a Palestinian state, the President affirmed: "I am against any creation of a separate Palestinian state. I don't think it would be good for the Palestinians. I don't think it would be good for Israel. I don't think it would be good for the Arab neighbors of such a state." He added that "we must address and resolve the Palestinian question in all its aspects" and that Palestinians "should have a right to a voice in the determination of their own future."

There had been concern in Israel that the U.S. was seeking to change Resolution 242 as a way to woo the PLO to the peace negotiating table. However, last week Sen. Richard Stone (D-Fla.), chairman of the Senate Foreign Relations subcommittee on the Middle East, said that Vance had assured him that the U.S. would veto a Kuwaiti-sponsored resolution on Palestinian rights pending before the Security Council because it would alter 242 by calling for granting Palestinian self-determination and for the right to an independent state.

Meanwhile, the State Department has said that it had no information regarding a reported visit to the U.S. next month by PLO chief Yasser Arafat. A newspaper in Kuwait, Al Qabas, reported yesterday that according to "authoritative Palestinian sources" Arafat would come to the UN General Assembly when it convenes and also meet with Vance. A State Department spokesman said that no U.S. official would meet with Arafat unless the PLO accepts Resolution 242 and Israel's right to exist.

## ANOTHER BEGIN-CARTER SUMMIT SEEN

By Gil Sedan

JERUSALEM, Aug. 12 (JTA) — The Egyptian magazine, October, said today that Robert Strauss, President Carter's special envoy for Middle East negotiations, has moved up his date for a Mideast visit in order to pave the way for another summit conference between Carter, Israeli Premier Menachem Begin and Egyptian President Anwar Sadat.

Strauss is scheduled to arrive in Israel Friday for talks with Begin and Interior Minister Yosef Burg, head of the Israeli delegation on the autonomy talks. He is then scheduled to go to Cairo.

Last week it was announced that Strauss would be coming to the Mideast Aug. 20 earlier than originally planned. But now he has informed Israel that he will be coming even earlier in an attempt to smooth out the strained relations between the United States and Israel over reported changes in the U.S. position on the Palestinian issue.

Observers here note that adding weight to the October magazine speculation is the scheduled visit this week of Egyptian Premier Mustapha Khalil to Washington. Meanwhile, Deputy Premier Yigael Yadin is going to the U.S. Wednesday to explain Israel's position to the media, leaders of Congress and the American Jewish community.

## KISSINGER DOES NOT BELIEVE THE U.S. IS TILTING AWAY FROM ISRAEL

NEW YORK, Aug. 12 (JTA) — Former Secretary of State Henry Kissinger said today he did not believe that the Carter Administration was tilting away from Israel and toward the Arabs because of the United States' need for Middle East oil. "I would say that the Administration is obviously looking at the oil question," he said in response to a question on NBC-TV's "Meet the Press." "I could not say from what I see that there is a tilt against Israel."

Kissinger also opposed including the Palestine Liberation Organization in the current Middle East negotiations. "I do not believe that the strategy of getting the PLO into direct negotiations with Israel, or with us, is the best way of solving the West Bank issue," he said. "I believe that any attempt to bring about a direct negotiation between the PLO and Israel is going to stalemate the negotiations." He said negotiations between Israel and Jordan would be the best way of resolving the West Bank problem.

The Carter Administration is following the promise of the Ford Administration, in which Kissinger was Secretary of State, not to negotiate with the PLO until it recognizes Security

Council Resolution 242 and Israel's right to exist.

But when PLO chief Yasir Arafat was asked in an interview with the Washington Star today whether he could acknowledge the existence of Israel, he declared, "Don't ask me this question. I'm not going to put my cards on the table. I'm not going to uncover my cards." Arafat told the Washington Star that the Palestinians could use oil to force talks with the U.S. "I want it now," he said.

#### TERRORISTS BEING TRAINED IN LIBYA FOR KAMIKAZE MISSIONS AGAINST ISRAEL

TEL AVIV, Aug. 12 (JTA) -- Defense Minister Ezer Weizman has revealed that Palestinian terrorists are being trained as pilots in Libya for suicide missions in which they would crash explosive-laden planes in Israeli cities. Weizman's statement was in response to a question by Housing Minister David Levy at last Sunday's Cabinet meeting as to whether reports about this new type of terrorist acts were true.

Weizman confirmed the reports and added that "we are preparing ourselves against the possibility of such attacks." Ahmed Jibril, head of the Popular Front for the Liberation of Palestine, a component of the Palestine Liberation Organization, was quoted by a Lebanese newspaper last week as saying that his men were training for suicide raids such as those undertaken by Japanese kamikaze pilots during World War II if Israel continued its ground and aerial attacks in south Lebanon.

#### ARSONISTS DESTROY JEWISH HOME, PAINT ANTI-SEMITIC SLOGANS ON WALLS

BONN, Aug. 12 (JTA) -- The home and business of a Jewish restaurant owner in West Berlin was destroyed by arson Friday night, a day after a West Berlin court sentenced 70 neo-Nazis to prison terms ranging from six months to three years on a charge of forming a secret Nazi Party chapter. The arsonists also painted the walls of the apartment with anti-Semitic signs.

According to police, the arsonists poured gasoline into the building and ignited the structure. Police said they found swastikas, the Star of David and the slogan "Jews get out" smeared on the walls of the restaurant and the upstairs apartment. The owner, Gunther Alon, his wife and three children, were on vacation and the restaurant was closed. There were no injuries.

In sentencing the 10 neo-Nazis, Judge Wolfgang Hueller of the Berlin district court said he wanted "all to see and make sure that the Nazi gas chamber party can never again raise its head." Two other men were sentenced to 18 and 14 months in prison, and others in the group -- five men and two women -- received suspended sentences and fines ranging up to \$500.

Manfred Kittlaus, the West Berlin inspector in charge of political crimes, reported that neo-Nazi offenses and activities in the city had nearly tripled, to almost 300, in the first half of 1979 over the same period in 1978.

#### GERMAN PARLIAMENTARIAN UNDER FIRE FOR MIDEAST PLAN GIVEN TO ARAFAT

By Alfred Schroeder

BONN, Aug. 12 (JTA) -- Juergen Moellman, a foreign affairs expert of the Free Demo-

cratic Party (FDP), is back from a touchy and controversial trip to the Middle East during which he had two long meetings with Palestine Liberation Organization chief Yasir Arafat in Beirut and Syrian Deputy Foreign Minister Nasser Kaddour in Damascus. Moellman, a member of West Germany's Parliament, is a confidant of Foreign Minister Hans-Dietrich Genscher who is himself a member of the FDP. The FDP is the minority coalition partner of the ruling Social Democratic Party.

In his talks with Arafat, Moellman proposed an eight-point program which was understood to include a guarantee by Germany for the creation of a Palestinian state; the establishment of West German-Palestinian diplomatic relations; the renunciation by the PLO of terrorism inside Israel and the administered territories; the PLO's recognition of Israel's right to exist with secure borders, namely, within the 1967 borders; and an appeal to Israel to recognize in principle the PLO.

Moellman was also understood to have proposed that Germany and the European Economic Community should exercise an influence on both sides in order to achieve a lasting Mideast peace and to initiate negotiations between Israel and the PLO.

#### Claim It Was A Private Mission

When the news about Moellman's program reached Bonn from the Mideast, the Foreign Ministry immediately declared that the FDP parliamentarian was on a private mission and acting on his own, sanctioned neither by his party nor by the German government. A Foreign Ministry spokesman affirmed that West Germany had no plan of the kind Moellman discussed with Arafat and that in fact Moellman had not informed the Foreign Ministry of his intentions before he left.

However, according to Palestinian sources in Beirut, Moellman's eight-point program had Genscher's support. Genscher is due to visit Beirut Aug. 28.

Moellman's plan was under sharp attack in the press. In addition, the opposition Christian Democrats charged that Moellman had damaged Bonn's reputation and demanded that Genscher muzzle the "political youngster." A spokesman for the Christian Democrats referred to Moellman's plan as a scandal and called on the government to issue a strong statement condemning the parliamentarian who has been in office three years.

#### COHEN NAMED NEW EXECUTIVE DIRECTOR, OF SA BOARD OF JEWISH DEPUTIES

JOHANNESBURG, Aug. 12 (JTA) -- Mark Cohen, a distinguished educator, has been appointed executive director of the South African Board of Jewish Deputies, succeeding Denis Diamond. He will assume office in December. Cohen was born in 1934 in Muizenberg and obtained his BA degree at the University of Cape Town. He also holds a teaching certificate from the Hebrew University in Jerusalem.

He is considered an erudite commentator and lecturer on Jewish scholarly subjects with specific expertise in Hebrew literature and the Bible. He is a Hebrew linguist and grammarian and is bilingual in English and Afrikaans.

Cohen has held a number of prestigious posts in the Jewish day school system, including vice principalship of Herzlia School in Cape Town and nine years as headmaster of the Theodor Herzl School in Port Elizabeth. Since 1977 he has served as headmaster of Yeshiva College in Johannesburg. His election as chairman of the Headmasters Associ-

ation of the Jewish day schools in South Africa and as chairman of the Headmasters Association of the Eastern Cape is indicative of the high esteem in which he is held by his professional colleagues. —

#### BEGIN TO CONSIDER CABINET CHANGES

By Gil Sedan

JERUSALEM, Aug. 12 (JTA) — Premier Menachem Begin is due to conduct separate talks with most Cabinet Ministers this week on the possibility of reorganizing the Cabinet, it was learned here following today's weekly session of the Cabinet.

The Cabinet did not discuss possible changes, and it seems that the decision to let Begin "feel out" the scene was the formula agreed by all Ministers in order to avoid personal clashes. It was the first Cabinet session headed by the Premier since his hospitalization. Begin was absent from the Cabinet conference room for three weeks.

In his opening remarks today, Begin suggested that the Ministers "open a new leaf in the relations among them and in the manner the Cabinet is functioning." Begin noted that the government had received from the people a mandate to rule four years. "We have two years and three months of work ahead of us," he said. "We shall not give up this mandate even for one day," he said, ruling out the possibility of early elections.

#### Further Confrontation Avoided

Begin declared that from now on the Cabinet would discuss only substantial issues, and not personal differences between Ministers and irrelevant opposing views by the various Ministries. It was agreed that Ministers will try to work out their differences in meetings among themselves. Only after they fail to reach an agreement will they bring the matter up before the Premier or his Deputy.

It was further agreed that only if the Premier failed to bring about an agreement between disputing Ministers, would the entire matter come up for a general debate in the Cabinet. Thus, by giving Begin "carte blanche" to work out an agreed formula of a possible reshuffle in the Cabinet, the Cabinet avoided further confrontation over its functioning.

When Begin arrived at the Cabinet meeting he was toasted with wine in honor of his recovery. Also present was Foreign Minister Moshe Dayan who underwent surgery yesterday for an injury to his left vocal chord. Dayan's doctor said that the vocal chord, which was damaged in 1968 when Dayan was trapped in an archaeological excavation and seriously injured, was irritated during his recent operation for cancer of the intestinal tract. Dayan's voice is expected to return to normal in a few days, but he is expected to undergo further treatment to strengthen the vocal chord.

#### SUBSIDY SLASH INCREASES PRICES BY 50 PERCENT

By David Landau

JERUSALEM, Aug. 12 (JTA) — The prices of basic foodstuffs rose by an average of 50 percent at midnight Saturday as the government slashed its subsidies on these items. Finance Minister Simcha Ehrlich said today there would be no further subsidy slashes this year, but there would be two more within the next 12 to 15

months and they would bring the government to its desired goal: stabilizing subsidies at no more than 30 percent of the cost of these basic items.

The government announced immediate relief payments for the poorest sections of the populace — those living on welfare and national insurance payments. Ehrlich also said there would also be a special cost-of-living increment paid to all salaried and wage-earning people next month — in advance of the scheduled October payment.

But Histadrut has called for a nationwide two-hour protest strike tomorrow morning against the subsidy slashes. Histadrut Secretary General Yeruham Meshel claimed that the new economic steps would turn hundreds of thousands of workers into welfare cases because they would no longer be able to make ends meet.

#### Cabinet To Get Treasury Plans

The government's move was welcomed in economic circles and by the Manufacturers Association — on a condition that it was to be part of a broader program to prune the national budget and thereby avoid printing money which has no cover. Ehrlich pledged that it indeed was. He told an interviewer today that the Cabinet would shortly be presented with Treasury plans for an additional cut of IL 3 billion in the state budget (although economists have been urging a slash of IL 4 or 5 billion).

Ehrlich also revealed that Premier Menachem Begin proposed to sell government-owned land to private developers and thereby achieve two goals: raise funds for the public coffers and reduce the spiralling price of apartments. Ehrlich said the Premier's proposal would come this week or next.

The Finance Minister explained that the midnight subsidy slash was in fact a followup of the infamous "decide not to decide" nocturnal Cabinet meeting of nearly a month ago. That meeting, Ehrlich said, while it had decided not to remove all subsidies at once, had empowered a ministerial committee to embark upon a phased cutback of subsidies — of which last night's action was the first phase.

Some examples of the price hikes are: a "regular" brown bread, up from IL 2.59 to IL 3.50; a challa, from IL 3 to IL 4.80; sliced white bread, from IL 4.50 to IL 7.80; a litre of milk, from IL 5.10 to IL 7.60; a bottle of oil, from IL 8.30 to IL 12.50; cottage cheese, from IL 5.00 to IL 8.5; and frozen chicken, from IL 40 per kilo to IL 58. Treasury experts said the rises would produce a 3.5 percent increase in the cost-of-living. But independent experts put the figure considerably higher.

A television team worked out that the subsidy slashes would cost an average family, which buys one bread, one chicken, one cottage cheese and one litre of milk each day IL 900 a month.

TEL AVIV (JTA) — Thirteen Gaza Strip students returned home from Egypt for their summer vacations last week and became the first group to cross into Gaza from Egypt without the good offices of a third party. The crossing took place after Foreign Minister Moshe Dayan said he would resign if the Cabinet agreed to Egypt's request that the crossing be conducted by the International Red Cross. He said with the Israeli-Egyptian peace treaty border crossings should now be handled between the two countries without the need of the Red Cross or United Nations personnel. The students crossed through the El Arish checkpoint with only Israel and Egyptian officers dealing with the matter.

## SPECIAL TO THE JTA

## THE SITUATION OF JAIME LOCKMAN

By Helen Silver

WASHINGTON, Aug. 12 (JTA) -- A press attache of the Argentinian Embassy here told the Jewish Telegraphic Agency Thursday that Jaime Lockman -- known to be the first Argentinian Jew to be arrested after the 1976 military coup -- was detained on charges of "youth political indoctrination for the 'Montoneros' terrorist group (and) acting as financial agent for the terrorist group 'Comandos Revolucionarios' through the use of a checking account on the First City National Bank of the city of Panama."

In a letter addressed to Joseph Polakoff, the JTA Bureau Chief in Washington, the Argentinian official, Herman Massim-Ezcurra, said that he was responding to a JTA report in which it was alleged that Lockman remained in prison without formal charges filed against him. The report also expressed fear that Lockman would not be able to survive the harsh prison conditions because of his heart condition. After his arrest, Lockman was transferred to Dawson prison in South Argentina, known for its harsh conditions.

"With regard to Mr. Lockman's health," the letter by Ezcurra stated, "this Embassy has been informed that he has a coronary condition with a soft systolic murmur. He is being treated with persantin and valium. According to his last periodical medical check up (June 28, 1979), he has been found to be in good physical condition." The Argentinian official also claimed that Lockman, who had been a car dealer in Cordoba, was detained June 15, 1976 by "order of the Executive National Power according to decree 941."

According to Morton Rosenthal, director of the Latin-American Affairs Department of the Anti-Defamation League of B'nai B'rith, no formal charges have been filed against Lockman and the Argentinian government refused four times Lockman's request to leave the country. The right of option clause in the Argentinian constitution, Rosenthal noted, guarantees the right of emigration for citizens held in prison without being charged with a crime.

#### PROTESTS MOUNT AGAINST JUDGE WHO ORDERED RABBI TO REMOVE SKULL CAP

NORFOLK, VA., Aug. 12 (JTA) -- An order by a Norfolk traffic court judge to a Queens rabbi to take off his yamulke stirred widespread protests against Judge Vernon Hitchens from local political and Jewish officials.

When Rabbi Joshua Sackett walked into the traffic court last week to challenge a traffic ticket, the judge said "I don't care what your religion is, no one wears a hat in my courtroom." The 24-year-old Queens Village rabbi complied but said later "If I had to do it again, I would have kept my yamulke on. I am disappointed by my action. My people have withstood much harsher pressure than one judge."

Norman Olshansky, regional director of the Anti-Defamation League of B'nai B'rith, called the judge's order "an affront to all the citizens of Virginia and to the Jewish community in particular." He said the ADL executive board would consider possible legal action.

Hitchens said he could not understand

why people were making such a fuss over the incident. He said he ordered Sackett to remove his skullcap because "a man does not practice his religion in the courtroom." He added that if he had known Sackett was a rabbi, "I might have made an exception." Sackett said he told Hitchens he was an Orthodox rabbi.

#### DAVID HOROWITZ DEAD AT 80

JERUSALEM, Aug. 12 (JTA) -- Funeral services were held today for David Horowitz, one of Israel's leading economists, who died in Jerusalem Friday. He was 80 years old. Horowitz was the first Governor of the Bank of Israel, and for years one of the top economic advisors to the government.

Horowitz was associated with the economics of the Jewish "yishuv" in Palestine much before there was the Bank of Israel or even the State of Israel. He arrived in Palestine at the end of World War I as a halutz. While emerging as one of Israel's leading economists, he also developed a world status as a economist and humanitarian. He won world fame when he developed the "Horowitz Plan" for international aid to underdeveloped countries.

Horowitz was born in Drohobycz, eastern Galicia, Feb. 15, 1899 and was educated in Lwow. Following the 1919 pogroms on the Lwow Jews, Horowitz immigrated to Palestine with Hashomer Hatzair. In 1932 Horowitz was appointed financial advisor to the American Committee of Palestine, a position which placed him fairly and squarely at the nerve center of all the economic problems of the yishuv.

Between 1935 and 1948 he served as director of the economic department of the Jewish Agency, the yishuv's Ministry of Finance. It was very much due to him that following World War II the yishuv emerged with a modern economy which made it ready to face the challenges of independence. With the establishment of the State on May 14, 1948, Horowitz became the first Director General of the Finance Ministry.

From 1952 to 1954 Horowitz worked to establish the Bank of Israel, becoming its first Governor in 1954. He served in this post until 1971. Until recently he was the chairman of the bank's advisory board.

#### WORK BEGUN ON NEW ISRAEL EMBASSY

WASHINGTON, Aug. 12 (JTA) -- The State of Israel has awarded the contract for its new Embassy in Washington to the Blake Construction Co. and work has already started on the new structure at the corner of Reno Road and Van Ness Street in the upper northwest section of Washington. The new building, which will embody suggestions of both Mediterranean and Middle Eastern architectural design, is scheduled for completion in 1980. Stanley Prill, president of the Blake firm, stated.

At present the Israel Embassy is located in an old Washington mansion acquired soon after the State of Israel came into being in 1948, and in several outlying offices. This has created problems of increased expense, lack of security and inefficiency which the new Embassy building is expected to solve.

RICHMOND (JTA) -- A complaint from the Anti-Defamation League of B'nai B'rith has led the Richmond Police Department to discontinue using an employment form which asked an applicant's religious affiliation.