

# JTA daily news bulletin

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

Vol. LVIII - 63rd Year

Tuesday, February 26, 1980

No. 39

## SCHINDLER SCORES ALLOCATING FUNDS TO WEST BANK TO DETRIMENT OF SETTLEMENTS WITHIN ISRAEL PROPER

By David Landau

JERUSALEM, Feb. 25 (JTA) — The government's concentration on the West Bank at the expense of Israel proper in the allocation of funds for settlement work came under sharp attack by an American Jewish leader here today and drew expressions of concern at a meeting of the Jewish Agency Board of Governor's budget committee this morning.

Rabbi Alexander Schindler, president of the Union of American Hebrew Congregations (UAHC) charged that the government's order of settlement priorities was "disadvantaging the nation." In remarks prepared for delivery at a plenary session of the 21st Conference of the World Union for Progressive Judaism, the Reform movement, Schindler said the government is diverting virtually all of its settlement funds across the "green line." "Is not the Galil important, and what of the Arava?" Schindler declared.

Schindler spoke after the surprise revelation at the conference that there was no budget earmarked to build homes at Yehel Bet, the second kibbutz of the Reform movement planned for the Arava district of the Negev. A building expansion program at Yehel, the first Reform kibbutz, has been suspended for lack of government building funds for the Arava region.

Schindler cited figures from the government's settlement housing budget. Of 1250 new housing units planned, 1000 are in the Judaea and Samaria districts of the West Bank, 200 on the Golan Heights, "a sprinkling for the Galilee hill-top settlements and nothing at all for the Arava," Schindler said. "This is not discrimination against Progressive Judaism, Schindler said. "Progressive Judaism is not disadvantaged, the entire nation is disadvantaged."

### No Funds For Infrastructure

The same problem was noted at the budget committee meeting where it was discovered that Jewish Agency funds earmarked for infrastructure work at settlements in Israel will not be spent because the government has earmarked the vast bulk of its available resources for settlements in the occupied territories. Without government funding of housing construction, the Jewish Agency cannot carry out its infrastructure work. The Agency does not operate outside of Israel. The settlement work in the territories is done by the World Zionist Organization's settlement department, at the government's behest, with government funds. Today's meeting of the budget committee was in preparation for the Jewish Agency Board of Governor's meeting which opens here later this week.

## ISRAEL REFUSES TO ALLOW HEBRON MAYOR TO TESTIFY BEFORE SECURITY COUNCIL

By Yitzhak Rabi

UNITED NATIONS, Feb. 25 (JTA) — Israel rejected today a request by the Security Council that the Mayor of Hebron, Fahed Kawasme, be allowed to come to New York to take part in the ongoing debate in the Council on Israel's policy

in the West Bank and its decision in principle, to allow Jews to settle in Hebron.

In a letter to Secretary General Kurt Waldheim, who submitted the Council's request to Yehuda Blum, Israel's Ambassador to the UN, last Saturday following the first meeting of the Council Friday evening, the Israeli envoy said his government decided not to permit the Mayor of Hebron "to travel abroad at this time."

Noting that Israel has followed "a liberal policy" regarding the travel abroad of the residents of Gaza, Judaea and Samaria, and that "Mr. Kawasme himself has been the beneficiary of this liberal approach on numerous occasions," Blum said that "the purpose of his (Kawasme) trip on this occasion will be to lend support to Israel's avowed enemies... in their unrelenting political warfare against Israel."

The Security Council was scheduled to resume its debate late this afternoon. Blum, an Israeli spokesman said, was scheduled to address the meeting and explain Israel's refusal to allow the Mayor of Hebron to attend the current debate.

## 2 NAZI WAR CRIMINALS SENTENCED

By David Kantor

BONN, Feb. 25 (JTA) — A Dutch-born war criminal who served with the SS and his German accomplice, were sentenced to prison terms by a district court in Hagen, West Germany today. Siert Bruins, 59, drew seven years in jail and August Neuhauser, 68, a German national, was sentenced to eight years. Both were found guilty of complicity in the murders of Dutch Jews during World War II. Neuhauser's sentence was reduced by four years in consideration of time already served.

Bruins, who was sentenced in absentia in Holland in 1949 to life imprisonment for murder, was convicted by the Hagen court of murdering two Dutch Jewish brothers, Lazar and Meyer Sleuterberg. The crime occurred in Groningen province where the brothers were hiding on April 25, 1945, only a few days before Allied forces liberated that part of Holland. Bruins escaped across the German border and took up residence in a nearby village. He was detected there last July by private investigators from Groningen as a result of information provided by Nazi-hunter Simon Wiesenthal. He claimed West German citizenship.

Meanwhile, a lawyer representing convicted Nazi war criminal Ernst Heinrichsohn has lodged an appeal with the Supreme Court in Karlsruhe against the conviction and sentencing of his client by a Cologne court on Feb. 11. Heinrichsohn, the former Mayor of Buerstadt in Bavaria, was one of three former Gestapo officials found guilty of deporting French Jews and others to Nazi death camps during the war. He was sentenced to six years. His co-defendants, Herbert Hagen and Kurt Lischka, received 12 and 10-year sentences, respectively. They are also expected to appeal.

## CARTER STILL OPPOSED TO PALESTINIAN STATE

By Joseph Palakoff

WASHINGTON, Feb. 25 (JTA) — President Carter assured a national Jewish audience here today that he is "opposed to an independent Palestinian state" and that the United States will always stand by Israel "in time of crisis."

In a short address to the National Young Lead-

ership Conference of the United Jewish Appeal, punctuated many times by applause from the 1500 delegates from nearly every state of the union, Carter declared, "I am opposed to an independent Palestinian state because in my judgement and in the judgement of many leaders in the Middle East, including many Arab leaders, this would be a destabilizing factor in the Middle East and certainly will not serve U.S. interests."

The three-day conference, which opened yesterday, gave Carter a three-minute standing ovation when he made his appearance. The applause was thunderous when he declared, "I won't negotiate with nor recognize the Palestine Liberation Organization until it recognizes Israel's right to exist and accepts United Nations Security Council Resolutions 242 and 338." The President declared further, "it is past time to put a total end to terrorism against Israel and the people who live there."

Noting that the U.S. has provided \$10 billion in military and economic assistance to Israel since he took office in 1977, Carter said, "we will continue to supply sufficient aid to Israel to enable it to defend itself against any possible adversary -- you can depend on that." The President observed that the U.S. has been assisting Israel for 30 years and said, "I can say, without reservations, speaking on behalf of the American people, that assistance will continue "not just for 30 years but forever."

#### Aid In U.S. Interest

The President said that he wanted "to emphasize in the strongest possible terms, our aid is not only altruistic but . . . in the moral and strategic interests of the United States. There is a mutual relationship, there is a mutual benefit and there is a mutual commitment which has been impressed very deeply in my mind and my government and the government of Israel," he said.

Pledging to continue to "strengthen even further our common commitment and our common goal," the President added, "We know that in time of crisis we can depend on Israel and the people of Israel know that in time of crisis that Israel can depend on the U.S. Israel is an important force for stabilization in the Middle East. It has a vital role to play in meeting threats in that vital region," Carter said.

Noting that tomorrow Israel and Egypt will exchange ambassadors, Carter declared, that is "another great day for you and me." He called it "an incredible event" and "a hopeful beginning for peace and reunification among nations in the Middle East." The President said, "Peace has become not just a hope but a living reality on one of the major frontiers of that beloved country. In the days ahead, we will work to solidify peaceful relations between Israel and Egypt and expand that peace to encompass all the nations of the Middle East."

#### Will Continue Working On Palestinian Issue

The President said he would continue to work for the "resolution of the Palestinian issue in all its aspects and achieve a comprehensive peace on the basis of Resolutions 242 and 338 and the Camp David accords because that is the best way in the long run to insure Israel's security."

Referring to the tripartite talks between Egypt, Israel and the U.S. for "a self-governing authority" on the West Bank and Gaza Strip, the President said this is for the "Palestinians who live in the West Bank and Gaza to enable them to par-

ticipate in the determination of their own future" and to make "an arrangement to preserve Israel's security not only by us but by all nations."

Carter added, "As we work for the legitimate rights of the Palestinians" under the Camp David accords, "we won't hurt Israel's security because Israel's security is so closely linked to the security of the United States of America."

Carter did not refer to the issues of Jerusalem, settlements on the West Bank, the Golan Heights and Lebanon which have given rise to differences between Washington and Jerusalem from time to time. Praising the young Jewish leaders, he said, "Your support for Israel is an example for the American people" and "this is a commitment which I share with you now and in the future. You represent the finest aspects of the future of our country."

#### KENNEDY AGAIN BLASTS CARTER FOR 'FLIRTIATION' WITH PLO

NEW YORK, Feb. 25 (JTA) -- Sen. Edward M. Kennedy (D. Mass.) last night called American support for Israel "not a gift of charity but an act of national security." The Massachusetts Senator, who is challenging President Carter for the Democratic nomination for the Presidency, attacked what he called Carter's "on-again, off-again flirtation" with the Palestine Liberation Organization.

Speaking at a dinner of the American Jewish Congress where he received its Stephen Wise Award for "distinguished contributions to the cause of social justice at home and human dignity around the world," Kennedy said no member of a Kennedy Administration would ever deal "openly or covertly" with the PLO. "America must never barter the safety or future of Israel for a barrel of oil," he said.

Noting that this was an election year, Kennedy asked "how soon after the election would this President resume his attempt to amend UN (Security Council) Resolution 242 to appease PLO demands?"

Kennedy said he believes "our bonds with Israel are deeply rooted in a moral commitment and common values. And they are founded on a realistic view of America's own security interests." He said Israel has "the most powerful armed forces in the Middle East," it has "protected American interests in the past, and . . . will do so in the future." He added that "peace is all that Israel asks."

Kennedy noted that "in Argentina, in Syria and in other Arab countries, anti-Semitism has been condoned by governments. It has been made into a weapon against the State of Israel. Indeed, Israel is the ultimate target of which all the attacks on the Jewish people are now aimed." He pledged that "in the years ahead, I will stand, as I always have stood with Israel, our surest ally and our closest friend in the Middle East."

The dinner, marking the 35th anniversary of the AJCongress' Commission on Law and Social Action (CLSA), also honored three former directors of CLSA, Will Maslow, Leo Pfeffer and Joseph B. Robinson.

JERUSALEM (JTA) -- The controversy over who will be Ambassador Elisha Ben-Elissar's private secretary remained unresolved as the first Israeli Ambassador to Egypt arrived in Cairo Sunday, accompanied by Fanny Ashkenazi, his personal secretary for the past seven years. A Jerusalem Labor Court decided before their departure that Ms. Ashkenazi could remain in Cairo for three weeks, pending a decision in the angry dispute between Ben-Elissar and the Foreign Ministry's staff committee.

## ISRAELIS LIMITED TO \$500 IN FOREIGN CURRENCY AS HURWITZ PRESENTS BUDGET TO KNESSET

By Gil Sedan

JERUSALEM, Feb. 25 (JTA) — The amount of foreign currency Israelis are permitted to hold in cash was reduced sharply today from \$3000 a year to only \$500. The rest can be held only in traveler's checks or a bank check.

This move against black capital was a surprise by Finance Minister Yigal Hurwitz as he presented next year's 63.5 billion Shekel (IL 653 billion) budget to the Knesset. He also announced the ban on the transfer from one foreign currency account to another.

In presenting the budget, Hurwitz said he would have liked to cut the budget even more, but the defense and housing needs had to be considered. The budget was believed to forecast a very difficult year for Israelis with major cuts in services. Sharp price increases were therefore expected in public transport, basic commodities, municipal services, health and national insurance fees and fuel prices.

For instance, during 1980 fuel prices are expected to double. In dollar terms imports will cost 65 percent more. The budget in real terms forecasts a freeze in the standard of living, a cut in manpower, in the public services and a rise in unemployment from 38,000 to an average of 55,000 which is 4.2 percent of the labor force.

### Curb On Inflation Predicted

All these measures are geared toward one goal -- a reduction of inflation. Prof. Ezra Sadan, director of the Treasury's Economic Planning Authority, said inflation should be curbed by next December. Local defense expenditure will go up 9 percent, but civilian public spending should not increase at all. "We expect a reduction in private consumption," said Sadan, "and we expect a total reduction in investments, particularly in public investments, in inventories, not so much in the business sector and not at all in the sector which is exports oriented."

Although the Treasury had no forecast regarding the price rises for next year, in order to keep public expectations low, Sadan expressed his confidence that the budget would not be increased in real terms, when it is updated in six months' time.

Sadan declared that the Treasury intended to maintain real wages without deterioration. "We do not intend to let wages decline because of inflation."

### Labor MK Challenges Forecasts

Labor Knesseter Adi Amora took the podium following Hurwitz's statement, and attacked the government for still printing too much money. He said the Finance Minister had only managed to frighten everybody, but had not done anything constructive. He charged that the present budget was based on a fallacy. "The government drew a rosy picture based on very optimistic assumptions, which are entirely unrealistic."

He further argued that the government's intentions to move workers from the services to the industry was but wishful thinking. "The first unemployed will come from the industry," he said. Contrary to Treasury expectations to curb inflation by the latter half of the year, Amora charged that as a result of the injection of money into the economy, Israel faces an economic boom from April on

and not a recession.

## PERES REPEATS OPPOSITION TO ELON MOREH-TYPE SETTLEMENTS

JERUSALEM, Feb. 25 (JTA) — Labor Party leader Shimon Peres repeated today his opposition to settlements such as that founded by Gush Emunim in Elon Moreh. Speaking before the convention of Progressive Judaism here, Peres said the key was to protect the Jewish majority of the State. He repeated his party's view that it would be a mistake to annex the administered territories and bring in more than one million Palestinians against their will. This, he said, was the danger of settlements like Elon Moreh.

Peres also expressed his support for the Reform movement and its struggle for recognition in Israel.

He gave particular praise to the movement's settlement of Yohel -- a kibbutz in the Arava.

Peres was asked if his party would work toward a recognition of the Reform movement if it returned to power. "Labor is traditionally against any sort of coercion," Peres replied, "religious or anti-religious. We are for recognizing all streams of Jewish life." Referring to Labor's failure to do so in the past, Peres noted that his party had always kept a sort of relation with the Reform movement, and that if his party returned to power, "I hope we shall be able to make progress." (By Gil Sedan)

## CONCERN EXPRESSED OVER PLANES FOR EGYPT

By David Landau

JERUSALEM, Feb. 25 (JTA) — Several Cabinet members have expressed concern over American plans to supply Egypt with sophisticated weaponry, including F-16s and the even more advanced F-15 combat planes. Israel has kept a low profile on this matter so far and Defense Minister Ezer Weizman is counseling a measured reaction rather than hasty comments.

Informed sources told the Jewish Telegraphic Agency that Israel would soon launch a campaign to persuade Washington to moderate the supply of arms to Egypt in terms of quantity, quality and the pace of shipments. The sources conceded that Israel has to expect the U.S. to sell arms to Egypt in the wake of its peace treaty with Israel and the fact that it has been virtually cut off from the Soviet Union as a source of military supplies. However, they believe Israel can seek to influence the U.S. to reduce the quantity of weapons and extend their delivery over longer periods than presently planned.

Meanwhile, Justice Minister Shmuel Tamir declared publicly yesterday that Israel has "the right and duty to make its voice heard" on the issue and hinted that Israel should ask the U.S. to provide it with additional arms to maintain the military balance. Tamir argued that Egypt is a newcomer to the pro-Western camp and the U.S. should bear that in mind. Washington also must take into account Israel's arms requirements to protect its eastern front and the statements sometimes made in Cairo envisaging possible Egyptian involvement, under certain circumstances, in a future Arab-Israeli war, Tamir said.

NEW YORK (JTA) — A group of 10 Argentinian Jewish Community Center professionals are studying the operations of American Jewish Community Centers on a 10-day study mission in the metropolitan areas of New York and Washington. The study mission is sponsored by the American Jewish Joint Distribution Committee (JDC) as part of its program in Latin America. The visit in the United States is jointly sponsored by the JDC, the Jewish Welfare Board and the World Confederation of Jewish Community Centers.

## INVESTIGATION OF TRIFA BROADCAST ON RFE FINDS ADMINISTRATIVE SHORTCOMINGS BUT UPHOLDS FIRING OF COMPLAINANTS

By Joseph Polakoff

WASHINGTON, Feb. 25 (JTA) -- A special investigation into Radio Free Europe's two broadcasts of its interview last spring with alleged Nazi war criminal Archbishop Valerian Trifa concludes that the "administrative shortcomings" of the director of RFE's Rumanian service who arranged them, presents "a serious problem" to the radio's management, while "the conduct" of two employes who had denounced him "is complete justification for their discharge."

According to the report of the investigators, the employes, Jacob Popper and Edgar Rafael, had "acted in bad faith in taking the position that they were shocked and alarmed at the Trifa broadcasts and they genuinely believed that Iron Guardism and anti-Semitism were infiltrating the Rumanian service (of RFE). No one in the service has such a suspicion."

Rather, according to the investigators -- Roy Q. Minton, an Austin, Texas lawyer and Edward Alexander, of the U.S. International Communications Agency -- Popper and Rafael were motivated by bitter personal animosities toward Noel Bernard, the director, and their superior in the RFE's Rumanian service. In extensive oral testimony, supplementing the report before the House Subcommittee on International Operations, Minton said he and Alexander agreed that if they were to criticize RFE's management it would be "why didn't you fire them (Popper and Rafael) a long time ago."

### Committee Holds Off Decision

Minton and Alexander reported that termination of Rafael and Popper was "based on the content of two letters, one written by Popper on Aug. 10, 1979, and distributed to members of Congress by Rafael, and the other written by Popper and Rafael on Oct. 12, 1979, and sent to Alan Schwartz, of the Anti-Defamation League of B'nai B'rith." The report said the letters contained "the same kind of venom."

The subcommittee, of which Rep. Dante Fascell (D., Fla.) is chairman, is looking into the matter at the request of Rep. Elizabeth Holtzman (D., N.Y.), who both praised and challenged aspects of the report and complimented the investigators for their efforts. Members of the subcommittee also complimented Minton and the report, but made no immediate recommendations on the issues. Fascell adjourned the hearing late Thursday "subject to the call of the chair." Four other Congressional and governmental bodies have been asked by Holtzman to examine the circumstances of RFE's activities and accountability.

Popper and Rafael were notified of their dismissal Dec. 27 before Minton and Alexander began their 15-day investigation in Washington, New York and Munich. The investigation was ordered by former Postmaster General John Gronouski, chairman of the U.S. Board for International Broadcasting which oversees the operations of RFE and Radio Liberty, both of which broadcast from Munich to Communist countries.

### Explain Reason For Dismissal

Gronouski and RFE's top officials deplored the interview when it came to light in Washington through reports in the Jewish Telegraphic Agency. Trifa, of Grass Lakes, Mich., and head of the

Rumanian Orthodox Church in the U.S., is accused by the U.S. Department of Justice of having failed to disclose his membership in the fascist Rumanian Iron Guard during World War II. He is charged with being a leader of a pogrom against Jews in 1941 in Bucharest in which 4000 Jews were killed. The RFE interview was based on the 50th anniversary of the U.S. church.

Glenn Ferguson, RFE's president, told the subcommittee that the dismissals of Popper and Rafael were made despite Gronouski's request that no action be taken against Popper and Rafael until the investigation was concluded because under German law an employe has six months notice that can be given only in December or June. If dismissals were delayed until January the effect would have been to have given them a year's notice at full pay.

While noting Bernard is outstanding as a broadcast journalist, "and fully aware of who Bishop Trifa was," the report said "it did not occur to him that he could be arranging a program that would lend some dignity to a war criminal about to go on trial in the United States."

### Cite 'Bad Judgement'

The investigators reported that "it is the conviction of the radio (RFE) from top management, clear down and through the Rumanian staff that in initiating the Trifa broadcast Bernard exercised incredibly bad judgement." Minton testified that Bernard's motive was to attempt to drive "a wedge" between the church Trifa heads and another Rumanian church in the U.S., which reportedly adheres to the Budapest Patriarch. Ferguson testified that Bernard exceeded his responsibility in attempting the wedge.

Responding to questions from subcommittee members why no reprimand was placed in Bernard's file, Ferguson replied, "Because we don't have such a mechanism" in the Munich operation and Bernard has not been replaced because the Rumanian service "has no one to take his job."

Former Ambassador John Hayes, who is chairman of the RFE and RL boards, testified "it is difficult to put statements in his file; he is the director of the service" which was described both in the report and by Ferguson and Hayes as performing excellently.

Holtzman pointed out to the subcommittee that "in addition to being outraged that RFE would provide a suspected mass murderer with a public forum, I was disturbed about the potential effect of the broadcast on the pending litigation and the willingness of foreign governments to provide judicial assistance to the U.S. in other cases involving Nazi war criminals." Testifying "to our government's 35-year history of indifference and inaction to investigating alleged war criminals in the U.S.," Holtzman said, "the broadcast could only be viewed as further evidence of our government's ambivalence on this issue."

The Minton-Alexander report said that after the 31-minute Trifa interview was broadcast on April 30 and May 1 "it was by no means considered a matter of great importance" at RFE in Munich. "No one blew the whistle, certainly, not Popper and Rafael," the report said. Popper made "his first outcry" on May 25 "when he wrote a letter to Dr. Charles Kramer of the Nazi War Criminal Committee with a copy to Congressman Holtzman." Gronouski and Holtzman both said they learned of the matter from the JTA.

TEL AVIV (JTA) -- Three people died Monday morning in Haifa when their house collapsed. Police said the two-story building exploded because of a gas leak. Terrorism was ruled out.