

NEW YORK STATE BANKING BOARD DENIES BID BY ARAB INVESTORS TO TAKE OVER TWO STATE BANKS

By Rochelle Sidel-Wolk

ALBANY, N.Y., Nov. 19 (JTA) -- New York State Senate Minority Leader Manfred Ohrenstein hailed the New York State Banking Board's decision today to deny a takeover of two New York State banks by a consortium of investors from Arab countries -- Saudi Arabia, Kuwait and the United Arab Emirates.

Financial General Bankshares is the holding company for the Bank of Commerce in New York City and Community State Bank in Albany, as well as 10 other banks in Virginia, Maryland, Tennessee and the District of Columbia. The consortium made a bid for the holding company.

Ohrenstein, who for the past eight months has spearheaded a drive to deny the representatives of the Arab countries their bid, called the vote a victory for New York State.

He said "the integrity of New York State banking system has been upheld. The policies of these countries could have at times been hostile to the interests of the United States. I think this was a pivotal fact in denying the application, although the main reason given was a lack of reciprocity which I have stressed for the last eight months."

The vote was five in favor of the takeover, five opposed, one member abstained and one was absent from the 12-member board. State Banking Superintendent Muriel Siebert was one of the five who voted in favor of the takeover.

The Main Issue

In a 40-minute debate, members of the board who opposed the takeover spoke of Arab control of petrodollars. Those in favor said that the takeover involved only a relatively small amount of money.

The main issue, as stated by Ohrenstein, was that the takeover would give the group a foothold in the banking system. Ohrenstein said the decision means that the process of taking over any of the banks of Financial General Bankshares in other states cannot be attempted.

Clark Clifford, former Secretary of Defense in the Johnson Administration, was counsel for the consortium, and former Missouri Senator Stuart Symington served as adviser.

A number of Jewish leaders supported Ohrenstein in his successful effort to prevent the takeover. Jewish Federations throughout New York State also supported Ohrenstein.

DUTCH FOREIGN MINISTER SAYS ISRAEL SHOULD NOT DEMAND EEC COUNTRIES ABANDON THEIR VENICE DECLARATION

By Henriette Boas

AMSTERDAM, Nov. 19 (JTA) -- Foreign Minister Max van der Stoep said today that "Israel should not demand" that the European Economic Community (EEC) countries abandon their Venice declaration of June, 1980 as a condition for participation in the Multinational Force and Observers

(MFO) in Sinai. At the same time, he said "we cannot link our possible participation in the Sinai force with the condition that Israel should wholeheartedly approve the Venice declaration."

The Venice document calls for the association of the Palestine Liberation Organization in the Mideast peace process. Israel has rejected it as a basis for negotiations and has also said it would disqualify any nation that refers to a formula other than the Camp David accords as the rationale for participating in the MFO.

Van der Stoep spoke to reporters here in connection with the EEC foreign ministers' consultations in Brussels on the Sinai peace force. "It is a misconception to believe that the EEC would be prepared to abandon the declaration of Venice on the Mideast in order to facilitate the establishment of the Sinai peace force. The EEC unconditionally adheres to this declaration," he said.

Problem Is To Reach An Agreement

According to the Dutch diplomat, the problem now is for the EEC to reach agreement on "formulas for the political framework of participation in the peace force." The MFO is to patrol Sinai after Israel completes its final withdrawal next April.

Van der Stoep refused to say which EEC country is opposed to a formula already drafted by the Foreign Ministers except that it is not Holland. The hold-out is believed to be Greece which reportedly refuses to endorse a declaration referring to the Camp David accords.

SOME 30 JEWISH REPUBLICAN SUPPORTERS OF REAGAN MEET WITH THE PRESIDENT

By David Friedman

WASHINGTON, Nov. 19 (JTA) -- Some 30 Jewish Republican supporters of President Reagan met with him at the White House for about a half hour this morning but refused to say what was discussed at the meeting.

The group, consisting of members of the Coalition for Reagan-Bush which supported the Republican ticket in the 1980 elections, denied they were asked not to make any comment to reporters. There was speculation that they declined to make a statement because the President is scheduled to meet this afternoon with a delegation representing the Conference of Presidents of Major American Jewish Organizations.

Among those at this morning's meeting were Max Fisher of Detroit, George Klein of New York, Gordon Zacks of Columbus, Ohio, Albert Spiegel of Los Angeles, Laurence Tisch of New York and Sylvia Hasenfeld of Barrington, R.I.

Early last September, 38 leading Jewish Republicans, including some who were at today's White House meeting, joined in a public statement "strongly" opposing the Reagan Administration's proposed sale of five AWACS surveillance aircraft, enhancement equipment for 62 F-15 jet fighters and other advanced weaponry to Saudi Arabia.

ISRAELI MKS IN SUCCESSFUL MISSION

Yitzhak Rabi

NEW YORK, Nov. 19 (JTA) -- Two senior

members of the Israeli Knesset delegation to the United States, Likud MK Moshe Arens, head of the delegation, and Labor MK Chaim Herzog, said today their mission was "in many ways a success" due to the bi-partisan nature of the six-member delegation and the recent turn of events in the Mideast, such as the assassination of President Anwar Sadat and the Senate approval of the AWACS sale to Saudi Arabia -- events which focused attention on the delegation.

Arens and Herzog, speaking at a press conference at the Israeli Consulate here, said that in view of the "unprecedented interest" by the American media in the delegation -- which came to the U.S. to explain Israel's opposition to the eight-point plan of Crown Prince Fahd of Saudi Arabia -- they are going to recommend, upon their return to Israel, that more MKs be sent to the U.S. for information purposes.

Arens said that the main message of the delegation to American officials in Washington and the media was that the "Mideast peace process is in danger of being derailed," and that the Saudi plan was primarily designed for the "dismemberment" of the State of Israel.

"We felt a considerable amount of interest and concern over our concerns," Herzog said. He added that he found a special concern in the American Jewish community regarding the recent developments affecting the Mideast, particularly among "grass-root Jews." He also said that the Jewish community showed "a great sense of identity" with Israel.

U.S.-Israel Relations Assessed

Asked to assess the present state of relations between Israel and the United States, Arens said that the two countries "have a very significant difference of opinions" on certain issues, such as the AWACS or the Fahd plan, but at the same time there is a "high degree of affinity" between the two countries which is indicated by the upcoming discussions on American-Israeli strategic cooperation.

Herzog said that the Israeli delegation found in official circles in Washington "a tendency to accommodate us-- at least with words." He said there was "no indication of hostility" toward Israel or the Jewish people in Washington.

Herzog and Arens appeared last night before a meeting of the Conference of Presidents of Major American Jewish Organizations, where they reiterated Israel's total objection to the Saudi plan. They said that Israel is willing to negotiate with Saudi Arabia, and any other Arab country, but without preconditions.

Both speakers warned of the massive arms purchases by Arab countries, especially Saudi Arabia, which, according to Herzog, has contracted for military projects totalling about \$38 billion since the 1973 Yom Kippur War.

Arens and Herzog also said that in their Washington talks they stressed the extremism of the Saudis, in opposition to a somewhat widespread view in the Administration and Senate that the Saudis are a moderate force in the region. In that connection, Herzog said the PLO receives financial support from Saudi Arabia "to the tune of one million dollars a day."

At a breakfast meeting today, Arens and Herzog told members of the AFL-CIO Executive Council, that the current Mideast peace process was endangered by the Saudi plan. The meeting with 40 major union leaders, prior to their session

of the AFL-CIO centennial convention here, was held in cooperation with the labor division of the Israel Bond Organization.

BLUM: THE 'FINGERPRINTS' OF THE PLO ARE ALL OVER THE FAHD PLAN

By David Friedman

WASHINGTON, Nov. 19 (JTA) -- Yehuda Blum, Israel's Ambassador to the United Nations, charged last night that the eight-point plan proposed by Crown Prince Fahd of Saudi Arabia was neither a "peace" plan nor the Saudis' own proposal.

"There is every indication that these eight points were drafted, if not by, certainly with the cooperation of the PLO," he told some 400 members of the National Council of Jewish Women (NCJW) attending the organization's 1981 Joint Program Institute here.

Blum said the "fingerprints" of the PLO are all over the Fahd plan, which he charged was aimed at bringing about an end to U.S. support of Israel.

He declared that the plan was designed for the liquidation of Israel. He said that it calls for a Palestinian state controlled by the PLO which he said in turn would be a Soviet (satellite), a sort of "mini-Afghanistan."

The NCJW members had attended a briefing at the State Department earlier yesterday in which they were told that the Fahd plan implies Saudi recognition of Israel. Blum rejected this view and declared that it was an "outrage that such excitement can be aroused" in the U.S. and elsewhere by the Saudis implying Israel's right to exist. "Israel has no need for recognition by Saudi Arabia of its right to exist" or by "any other country," Blum declared.

He praised the relationship that has developed between the Israeli Mission to the UN and the U.S. delegation headed by Jeane Kirkpatrick, the U.S. Ambassador to the UN. He said he was pleased by the "favorable developments of the last few months" in which the U.S., sometimes standing alone, has supported Israel against anti-Israel resolutions in the General Assembly.

Warns Against 'Spirit Of Intolerance'

At today's concluding luncheon session, Sen. Bob Packwood (R. Ore.) warned against what he called a "spirit of intolerance" by people who believe "God speaks to them" on social issues, such as busing, equality of opportunity, school prayer and abortion.

"God did not speak to any one of us and make us perpetually right," he said as he received the NCJW's Social Action Award. Packwood said he would fight to oppose those who want to impose their "idea of how we should pray, to whom we should pray or whether we should pray at all on the American people." He said it is "not the government's business" how Americans pray or whether they pray at all.

In receiving the award from Shirley Leviton, NCJW president, Packwood noted that Mrs. Leviton was invited to the White House this afternoon to meet President Reagan as part of a delegation of the Conference of Presidents of Major American Jewish Organizations. He quipped that she is possibly in better favor with the President than he is and asked Mrs. Leviton to tell the President, "I'm still around."

The Republican Senator was praised by Mrs. Leviton for leading the fight against the sale of AWACS reconnaissance aircraft and other advanced weaponry to Saudi Arabia. Last September, Packwood incurred the President's personal displeasure when he refused an appeal from Reagan to stop gathering Senators' names for his resolution opposing the \$8.5 billion arms sale.

PERES REJECTS UNITY GOVERNMENT BID

By Hugh Orgel

TEL AVIV, Nov. 19 (JTA) -- Persistent rumors that Labor might join Likud to form a national unity government were decisively put down today by Labor Party chairman Shimon Peres. He told a press conference here that before Labor could even consider such a move, the basic guidelines of the present government would have to be changed and this Premier Menachem Begin absolutely refuses to do.

According to Peres, Begin's only interest in a national coalition would be to humiliate the Labor Alignment by making it a junior partner. It is not his intention to call on Labor to help overcome the country's intractable problems which, Peres said, developed or were worsened by the faulty measures taken by Begin and his Likud colleagues.

The only national coalition in Israel's history was formed after the Six-Day War when the ruling Labor Party joined forces with the opposition, including Begin's Herut party. It was a short-lived government. Begin himself suggested a unity government after his narrow electoral victory last June but Labor rejected the idea.

More recently, Education Minister Zevulun Hammer of the National Religious Party, Likud's coalition partner, has been trying to convince the leaders of Labor and Likud that a broad coalition is necessary at this time. He met with Begin on the subject last Sunday and subsequently talked with Peres who, at the time, reportedly did not dismiss the possibility out of hand.

The idea was favored in principle by former Premier Yitzhak Rabin in interviews over the weekend and was said to be supported by rightwing and hawkish elements of the Labor Party. But Mapam threatened to pull out of the Labor Alignment if it joined the Likud coalition.

Begin's Reaction Is Reserved

Begin's reaction to Hammer's proposal was reserved. He said that he had always favored a national coalition in principle but in order to materialize, Labor must make no pre-conditions such as Rabin's insistence that a new government be formed with new guidelines. The same condition was made by Peres today.

Transportation Minister Haim Corfu of Likud proposed Monday that a national unity government should be established for a period of five to eight years in order to solve the country's economic problems. He said this could not be completed within the span of one four year Knesset term. According to Corfu, the government must have the backing of an absolute majority of the people "with no opposition from one side or another," if it is to set the national economy right.

REPORT LATIN AMERICAN JEWRY IS AT THRESHOLD OF A RENAISSANCE

NEW YORK, Nov. 19 (JTA) -- An Israeli educator who attended a five-day Congress on Jewish Education in Latin America held in Rio de Janeiro last week, said here that he found Latin American Jewry at the threshold of a Jewish renaissance based on Jewish education and the centrality of Israel to Jewish life.

Dr. Eli Tavin, head of the World Zionist Organization's Department of Education in Jerusalem, said the Congress demonstrated "the deter-

mined efforts of Latin American Jewry to achieve a robust and creative Jewish life based upon Jewish knowledge and understanding, a positive Jewish identity and strong personal and communal ties to and identification with the State of Israel."

He said, in his report released by the WZO-American Section, that the gathering had attracted a record 224 educators from 11 countries, including Argentina, Brazil, Chile, Colombia, Mexico, Paraguay, Peru, Uruguay and Venezuela. He said "the Jewish elan, vigor and determination" they displayed "expressed a dedicated commitment to Jewish education as the instrument to create a Jewish renaissance in Latin America."

Basis For Jewish Survival

Tavin said the event "confirmed the fact that Jewish education and the centrality of Israel bound together in an unbreakable and mutually helpful diaspora-Israeli partnership are the basis for Jewish survival and a creative and positive life, both in the diaspora and in our beloved homeland."

The five days of plenary sessions and workshops were devoted to pedagogical methods and means to ensure a positive Jewish identity among 45,000 pupils in 130 schools and kindergartens and to forge intimate personal ties to and identification with Israel.

The Congress, organized by the WZO, petitioned the WZO's Department of Culture and Education to set up two central pedagogical centers in South America to expand the activities of the Jerusalem Center to Latin American Jewry.

It also called on the WZO to assist the Mexican Jewish community to establish a Jewish teachers college similar to the one in Buenos Aires and to establish a third in-service program for the Western nations of South America that would parallel the program it conducts in Argentina for southern Latin America and in Mexico for the countries in the northern part of the continent.

Tavin said the participants in the Congress recommended the organization of a second Congress on Latin American Jewish Education to be held in 1983.

REPORT POPE INTERESTED IN VISITING JERUSALEM

ROME, Nov. 19 (JTA) -- An Israel Radio report that Pope John Paul II expressed interest in visiting Jerusalem has not been confirmed by Vatican sources. Father Pierfranco Pastore, assistant director of the Vatican Press Office, declined to comment. But Papal trips are never announced at the Vatican until all details have been completed.

According to the Israel Radio report Nov. 14, the Pope spoke at some length to the Israeli delegation to the UN Food and Agriculture Organization (FAO) conference here the day before and expressed the hope of visiting Jerusalem. The delegation was headed by Deputy Premier Simcha Ehrlich who is also Minister of Agriculture.

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GENEVA (JTA) -- The Intergovernmental Commission for Migration reported that only 368 Jews were allowed to leave the Soviet Union during October, the lowest number in recent years. A spokesman for the Commission forecast that the figure for November will be even lower. Of the 368 Jews, 83 went to Israel, the commission reported. In September, 405 Jews were allowed to leave the USSR and of this number, 105 went to Israel.

SPECIAL TO THE JTA CCAR LEADER MORE HOPEFUL ON SOLUTION OF 'WHO IS A JEW' ISSUE AFTER BEGIN PROMISES SECOND TRY

By Ben Gallob

NEW YORK, Nov. 7 (JTA) -- The president of the American Reform rabbinate said today he was a little more optimistic about the outcome of a second attempt promised by Premier Menachem Begin to try to bring together Orthodox, Conservative and Reform rabbis to seek a settlement of the explosive "Who is a Jew" issue other than by a Knesset vote.

Rabbi Herbert Schaalman of Chicago, president of the (Reform) Central Conference of American Rabbis (CCAR), expressed that restrained optimism in a telephone interview with the Jewish Telegraphic Agency.

His comment was an elaboration of his president's column in the October issue of the CCAR News Letter in which he described a meeting in New York City Sept. 13 at the hotel Begin was staying at during his most recent visit to the United States. Attending that meeting were Donald Day, Board Chairman of the (Reform) Union of American Hebrew Congregations (UAHC); Rabbi Alexander Schindler, UAHC president; Rabbi Joseph Glaser, CCAR executive vice president; and Schaalman.

Schaalman wrote that the Reform leaders had asked Begin for the Sept. 13 meeting "to put before him our urgent feelings concerning the proposed amendment to the Law of Return, the tenure of religious pluralism in the State of Israel" and the issue of governmental funding of American Reform Judaism's planned second kibbutz.

The proposed amendment to the Law of Return would add the phrase "al pi Halacha" -- according to Halacha -- which non-Orthodox rabbis have argued would be applied by the dominant Orthodox rabbinate to reject conversions of would-be immigrants to Israel who had been converted by a Reform or Conservative rabbi. The American Reform and Conservative rabbis have strongly opposed the proposed amendment.

Says Begin Personally Is Committed

Schaalman wrote that Begin left no doubt that he was "personally committed to the amendment," and that he had entered agreements with Orthodox elements in the formation of his second government "which obliges him to work for the introduction of the amendment" in the Knesset.

"Mr. Begin made it very clear that he would not do so unless he was assured of a majority" in the Knesset "and expressed the opinion that at this time he did not see such a majority in the offing," Schaalman wrote. He added that the Premier indicated he was "perfectly willing and able to withstand undue pressure from the Orthodox segment in the absence of such a majority" for Knesset adoption of the amendment.

Schaalman also wrote he felt that he and his colleagues had impressed on the Premier "that serious conflicts and resentments would arise in both the Conservative and Reform movements should the Knesset alone" determine which procedures were legal for conversion for immigrants.

The Sept. 13 conversation ended with the Premier again offering his good offices to attempt to bring together representatives of "the Orthodox, Conservative and Reform movements to seek a settlement" of the amendment struggle "other than by a Knesset vote."

Schaalman noted, in his account, that "while we knew a prior attempt of this kind had failed in (August) 1977, we were nonetheless eager to have Mr. Begin try this road to the settlement of the issue in preference to the legislative one."

Rabbi Stanley Rabinowitz, president of the Rabbinical Assembly, the association of Conservative Rabbis, and Rabbi Wolfe Kelman, RA executive vice president, had been invited to attend the Sept. 13 meeting but were caught up in schedule conflicts and could not be present.

Rabinowitz and Kelman were present at the 1977 meeting with Begin in Jerusalem. Rabbi Ely Pilchik then CCAR president, attended with Glaser. No American Orthodox rabbi was present.

Reason For More Optimism

Asked by the JTA why he felt more optimistic, even if only mildly so, after the failure of the 1977 meeting, Schaalman said it seemed clear, at the Sept. 13 meeting in New York, that Begin might prefer such an approach to resolution of the issue than a bitter and divisive struggle in the Knesset, particularly since the Premier had indicated he did not believe the Orthodox parties in the Knesset had the votes to pass it.

Pilchik told the JTA that the 1977 event took place in two stages. During a 1977 summer visit to the United States, Begin met at his New York hotel with Pilchik, Rabinowitz and Kelman. Efforts to induce American Orthodox leaders to designate representatives to that meeting failed.

Pilchik said the Premier and the three rabbis discussed at length the "disastrous implications" for American Jewry of the proposed amendment. Begin suggested that all persons present review the conversation with him or his Jerusalem office later.

At that 1977 Jerusalem meeting, Glaser and Dr. Alfred Gottschalk, the Reform educational leader, were present as were Rabinowitz and Kelman. They were the American Jewish representation. Present to defend the official Orthodox state position were Interior Minister Yosef Burg and Religious Affairs Minister Aharon Abu Hatzeira.

No agreement emerged at the session and Begin said he would consult with Halachic authorities in the United States, there being no American Orthodox representation present.

Previous Meeting Described

Kelman reported that during the 1977 meeting with Begin in Jerusalem he had reminded the Premier that, in 1953, a Jewish law committee functioned for the Commission on Jewish Chaplaincy of the National Jewish Welfare Board (JWB), made up of a Conservative, a Reform and an Orthodox rabbi.

Kelman told the JTA that he had suggested to Begin that, as a possible solution, the three rabbis could be asked to reconstitute themselves as a Beth Din (rabbinical court) which would establish a "universal visa for admission of the Jewish people" to Israel.

Kelman said the Premier liked the idea very much, calling it "a wonderful solution." The problem, then as now, was agreement by the American Orthodox leadership to participate.

Kelman, asked about the prospect of the Premier getting Orthodox participation, said there were American Orthodox rabbis of stature who privately would support the idea but would not do so publicly because they were intimidated by the "extremists" in the Orthodox rabbinate.