Published by Jewish Telegraphic Agency / 165 West 46th Street / New York, N.Y. 10036-2574

Vol. LIX - 64th Year

Wednesday, December 30, 1981

No. 246

PERCY CRITICIZES ISRAEL FOR ITS 'SURPRISE' ACTIONS By David Landau

JERUSALEM, Dec. 29 (JTA) -- Sen. Charles Percy (R. III.) and Foreign Minister Yitzhak Shamir disagreed sharply over the current rift in relations between the U.S. and Israel. The American lawmaker, who is chairman of the Senate Foreign Relations Committee, was critical of Israel's annexation of the Golan Heights and made it clear, at a meeting with Shamir, that Washington resented Israel's failure to consult or inform the U.S. in advance of its action.

He spoke of two earlier "surprises" this year -- Israel's bombing of Iraq's nuclear reactor and its bombing of Palestine Liberation Organization headquarters in Beirut which resulted in heavy civilian casualties. He urged Israel to exercise restraint even in the face of possible PLO provocations in south Lebanon so that the six-month-old cease-fire there can be sustained.

Shamir answered Percy with an impassioned defense of Israel's actions, sources here said today. The Foreign Minister, at his meeting with Percy yesterday, contended that all of Israel's "surprises" were actions taken to protect its security. He stressed that Syria's intransigence and vital strategic needs prompted Israel's action on the Golan. He also objected to the U.S. "punishing" Israel whenever differences of opinion arose between them.

Israel was paying for its peace treaty with Egypt, an example of which was the violent protests by the residents of northern Sinai who will have to evacuate their homes when the area is returned to Egypt next April. According to Shamir, Israelis naturally are apprehensive over the future of the peace process once the withdrawal from Sinai is completed.

Sees New Leaf In U.S.-Israel Relations

Percy also met with Premier Menachem
Begin at his Jerusalem residence late today and
remarked afterwards that a new leaf had been
turned in U.S.-Israel relations. He promised to
issue a statement on his visit when he leaves tomorrow. Percy said he and Begin discussed three topics -- Lebanon, the annexation of the Golan
Heights and the autonomy talks with Egypt.

He said that Begin spoke of "full autonomy" but did not use the word "annexation" with reference to Israel's action on the Golan Heights.

"I expressed myself frankly about the issue, Percy said. He added: "It was a cordial, fine meeting. We came together on many, many misunderstandings of the past and I hope it will characterize the new spirit, the new beginning that we are going to make in this special friendship between the U.S. and I srael."

Percy also had differences with Deputy
Foreign Minister Yehuda Ben-Meir who escorted him
on a tour of the Lebanese border area today. When
the Senator spoke of Saudi Arabia's role in helping secure the cease-fire, Ben-Meir claimed it

was the Israel army that made the cease-fire possible and that the Saudis had "as is their wont" jumped on the bandwagon at the last minute to exploit the situation for their benefit.

An unpleasant incident occurred when Maj. Saad Haddad, commander of the Israel-supported Christian militia in south Lebanon turned up at the border to meet Percy but was prevented from doing so by the U.S. Embassy officials. Haddad stalked off in anger, refusing to heed Ben-Meir's efforts to mollify him.

Percy, who is on a tour of Middle East countries, met yesterday with Shimon Peres, chairman of the opposition Labor Party. He was quoted as telling Peres that U.S.-Israeli relations have sunk to their lowest level since the ill-fated Sinai campaign of 1956 and that something must be done to break the "vicious circle."

Percy also met yesterday with former Defense Minister Ezer Weizman who is now a private businessman. Weizman told an army radio reporter later that he did not want to attack the Israeli government too forcefully in front of a foreign visitor but at the same time he could not support the government's actions.

3 TERRORISTS TO GO ON TRIAL IN VIENNA FOR ATTACK ON SYNAGOGUE By Monika Brenner and Reinhard Engel

VIENNA, Dec. 29 (JTA) -- Three Arab terrorists will go on trial here January 18 for an attack on the Jewish community center and synagogue last August in which two people were killed and 18 injured. One of the accused, Mohammed Husham Radjih, is also expected to be charged with the murder of Heinz Nittel, a Vienna city councilman and friend of Israel who was fatally shot last May I.

Radjih and Hassan Marvan, arrested on August 29, confessed to the attack and implicated another Arab, Bahij Younis, who they said planned the operation and provided them with weapons. Younis was subsequently arrested in Salzburg

arrested in Salzburg.

Radjih reportedly also confessed to killing Nittel with a Makarov pistol found in Younis' apartment. He said Younis had given him the weapon for the murder. Ballistics tests proved Nittel was shot with that gun. But Radjih, facing a possible life sentence, changed his story.

He admits to attacking the community center but claimed he was not in Austria when Nittel was shot and that he does not know who killed him. The authorities have discounted this. Police say Radjih gave them certain details of the murder which establish that he was the assassin.

Several lawyers have refused to handle Radjih's defense on grounds that they have Jewish clients. The court is expected to appoint a defense attorney.

YAMIT HOTHEADS SET FIRE TO MORE ABANDONED BUILDINGS By Hugh Orgel

of Yamit last night set fire to four more abandoned houses in the northern Sinai town on the Mediterranean coast. Members of the Yamit Actions Committee, merchants and residents holding out for higher compensation for having to abandon the town than the govern-

ment is prepared to pay, started setting houses ablaze last week.

spread of the fires to neighboring houses still occupied was prevented by the town's lone fireman. Last week's fires were only put out when an Arab firefighting truck arrived from Gaza town. Yamit committeemen said they could not use their own fire engine as it was out of fuel.

Yamit residents were due to meet with the ministerial committee on Sinai compensation, headed by Deputy Premier and Agriculture Minister Simcha Ehrlich late today.

Warning To Actions Committee Members

Some Yamit residents who are prepared to accept the compensation offer complained to the Actions Committee about the activities of the hotheads who, they said, were endangering their lives and those of their children by setting fire to buildings. They threatened to set fire to the homes of the Actions Committee members.

Other residents of Yamit, including Gush Emunim squatters who have moved in to bolster the population and make it more difficult for the government to evacuate the area in preparation for its handing over to Egypt by next April, are also opposed to the arson, but for different reasons.

They want life to continue as normally as possible, thus indicating to Israel and the world that they are opposed to evacuation and handing over in principle. They hope to gather one million signatures of Israelis who are opposed to Sinai withdrawal, even if that endangers the peace treaty with Egypt.

KNESSET UNIT APPROVES 240 MILLION
SHEKELS IN GOVERNMENT FUNDING FOR
AGUDA ISRAEL, NATIONAL RELIGIOUS
PARTY RELIGIOUS INSTITUTIONS
By David Landau

JERUSALEM, Dec. 29 (JTA) -- The Knesset's Finance Committee today approved 240 million Shekels in government funding for yeshivas, and other religious institutions affiliated with the Aguda Israel and the National Religious Party. The measure is expected to end the quarrel between Premier Menachem Begin and his Aguda coalition partners who complained that the government was moving too slowly to provide the funds it promised as part of the coalition agreement.

Their differences were aggravated when Begin castigated the Aguda's four-man Knesset faction for abstaining in the vote to apply Israeli law on the Golan Heights. The MKs were acting on the instructions of the party's Council of Sages which considers the move needlessly provocative. Begin accused them of violating the coalition pact.

The Finance Committee vote, only hours before the Aguda Israel's World Executive (Vaad Hapoel) convened here, is expected to forestall further criticism of the government by Aguda leaders. Economic sources said Begin promised the Orthodox faction a total of 700 million Shekels for its religious institutions. Finance Committee chairman Shlomo Lorincz, an Aguda MK, said the monies voted would be shared with the NRP.

Labor Alignment members of the committee abstained. Labor sources explained that they didn't want attention focussed on the division within the faction between members who strongly opposed the religious grants on principle and others prepared to go along with them provided the monies are closely supervised by State agencies. Labor is interested in maintaining good relations with the Aguda MKs who have expressed doubts about some of Begin's policies.

BRONFMAN TO VISIT EGYPT AS OFFICIAL GUEST OF MUBARAK

NEW YORK, Dec. 29 (JTA) -- Edgar Bronfman, World Jewish Congress President, will hold wide-ranging talks with Egyptian President Hosni Mubarak and other governmental authorities during a three-day visit to Cairo next week as official guest of the Egyptian President, it was announced here today by the WJC. Bronfman will also be welcomed by the leader-ship of the Egyptian Jewish community at a reception in his honor, according to the announcement.

The invitation to Bronfman for an official visit to Egypt was originally extended by the late President Anwar Sadat during the last private meeting between the two at the time of Sadat's trip to New York last August. Mubarak subsequently confirmed the invitation and shortly after assuming office communicated to the WJC his personal desire to meet with Bronfman.

Trip's Central Purpose

Israel Singer, WJC executive director, who will be accompanying Bronfman to Egypt, summed up the trip's central purpose as "reinforcing the ongoing process of normalization between the largest Arab country and the Jewish world."

According to Singer, Bronfman and Mubarak will meet privately to review general developments and assess the current political scene. Working sessions are also scheduled with Deputy Prime Minister Kamal Hassan Ali, Boutros Ghali, Minister of State for Foreign Affairs; and Dr. Abou Taleb, Speaker of the People's Assembly. Prior to the meetings with Egyptian governmental officials, the Bronfman party will be receiving American Ambassador Alfred Atherton for in-depth discussions and briefings, Singer said.

A highlight of the visit will be the affiliation of the Egyptian Jewish community as a member of the WJC. "The "symbolic return of Egypt's Jews to the fold of world Jewry will most certainly be the emotional high point of the journey," Bronfman said. Among the topics he will discuss with Jewish community leaders is the progress in the restoration of the historic Ben-Ezra Synagogue in Cairo. From Cairo, Bronfman is scheduled to fly directly to Jerusalem to meet with the Israel section of the WJC.

MAJOR U.S. BUSINESS ADVISORY AGENCY PREDICTS 'WARMEST' U.S.-ISRAEL RELATIONS AFTER TEMPERS COOL

NEW YORK, Dec. 29 (JTA) -- The Holt Executive Advisory, a major investment information service for businessmen, has told its readers not to be surprised if, "when tempers cool," the relationship between the United States and Israel "becomes the warmest in years."

The newsletter, published twice a month in Westport, Conn., in its latest issue to "Dear Executive" discusses the current low in the U.S.-Israel relationship stemming from "the bitter exchange of words" between Premier Menachem Begin of Israel and Reagan Administration officials, a reference to Begin's sharp attack of the Administration following its suspension of the strategic cooperation agreement with Israel.

The newsletter points out that the exchange of words did not "stem entirely" from Israel's extension

of its law to the Golan Heights and the Reagan Administration's hostile reaction to it, including a U.S. vote for a United Nations Security Council resolution condemning that action.

Sees Begin's'Blow-Up' As Justified

Asserting that from the Israeli point of view, "Begin's blow-up was surely justified," the newsletter says that since its 1967 Six-Day War victory, Israel's superior military position has been "substantially eroded," partly because the United States has "demanded" that Israel practice "restraint."

The newsletter refers to Syrian missiles in Lebanon, Arab war chests "generously filled by both the Soviets and OPEC members," and the fact that the White House, "the friend" Israel has long counted on, went all out to push the sale of AWACS planes to Saudi Arabia.

"Little wonder, then, that Jerusalem now feels both abandoned and insecure," the news-letter adds. "It sees an urgent need to stop any further erosion of its position. The Golan Heights move was made to strengthen its future bargain-

ing power."

Declaring that the U.S. too, has had "its share of frustrations," the newsletter states the Reagan Administration's Mideast defense strategy involves joining forces with "moderate Arabs" and with Israel. Currently the Reagan Administration is "trying hard" to win Saudi support for that strategy, in "a highly delicate diplomatic mission" not helped by "unilateral moves" by Israel.

U.S. Can't Really Break With Israel

Nevertheless, according to the newsletter, "the fact is, America won't and can't really break with Israel" because the U.S. wants "a strong defense belt against Soviet aggression in the Mideast" and cannot count on Riyadh "to serve as the center of that belt." While Egypt is considered relatively more dependable than Saudi Arabia, Egypt's new leaders, with President Anwar Sadat gone, resist going "all the way" to support U.S. strategy, the newsletter noted.

"Thus, Israel is the only country able and willing to cooperate without stint," the news-letter declared. "New air bases in the Negev will be open to the American forces. So will be the port of Haifa, a first-class anchorage for the Sixth Fleet. These are the realities of the strategic

cooperation memorandum."

Israel's dependence on the U.S. "is no longer a one-way street," the newletter states. As U.S. policy shifts toward the Third World and Asia, "the value of local bases and reliable troops is rising sharply." Against that background the recent "lovers quarrel" may be "a good thing," according to the newsletter." Both sides have had a chance to speak their minds. Don't be surprised that, when tempers cool, the relationship between Washington and Jerusalem becomes the warmest in years."

PERES CANCELS PARIS VISIT

TEL AVIV, Dec. 29 (JTA) -- Labor Party leader Shimon Peres has cancelled a visit to Paris due to have begun yesterday, and has sent former Foreign Minister Abba Eban in his stead, to attend a meeting of the French Socialist Party. Peres' last-minute decision was semi-officially said to be due to the political situation within Israel.

But some party sources said the cancellation followed criticism in party circles that Peres was out of the country too much and left the party leaderless at a time when crucial minute-by-minute decisions had to be taken, such as how to vote when sudden legislation came up in the Knesset. Peres was away when the Golan Heights bill was voted on.

CLUB FORMED TO AID WEALTHY ARABS
By Tamar Levy

GENEVA, Dec. 29 (JTA) -- A special club called the Imperial Falcon Club has opened here to cater to the oil millionaires from Saudi Arabia, Kuwait, Bahrain, Oman and the United Arab Emirates. The office in Geneva is at the President Hotel. There will also be offices in Lausanne, Zurich and Basel.

The aim of the club is to provide advice and guidance to wealthy Arabs when they are in Europe. At a later date branches are also to be opened in London, Paris, the United States and the Far East. Some 2,000 Arab millionaires have already received their gold and black embossed membership cards.

The club will aid the Arab millionaires with any problem they might have, including investments, renting cars, making hotel reservations, hiring secretaries or babysitters, buying theater tickets and where to shop. Members will receive a monthly news-

letter published on glossy paper.

Apparently, a number of personalities in France's jet set and haute couture circles have already sent in their fees to be included on this list of prestigious emporiums distributed to members of the Imperial Falcon Club. Among those on the list are Cartier and Dior.

RESOLUTION CALLS ON WORLD JEWRY TO ENCOURAGE ALIYA

JERUSALEM, Dec. 29 (JTA) -- A resolution calling on world Jewry to encourage aliya, on the Soviet Union to allow its Jews to emigrate and on yordim to return to Israel was adopted by the Knesset yesterday by a vote of 47-39.

Although the intent of the resolution was hardly controversial, its wording was the subject of a dispute between the coalition and the opposition Labor Alignment. The latter demanded that the draft include a clause blaming the government for the drop in immigration to Israel and the high rate of emigration.

The coalition refused this and also rejected an Alignment proposal calling on the government to submit a plan to combat the present situation within three months. Because of the disagreement the vote was far

short of unanimous.

MOVE TO REDUCE THE NUMBER OF CHILDREN OF EMISSARIES ABROAD WHO STUDY IN NON-JEWISH SCHOOLS

JERUSALEM, Dec. 29 (JTA) -- The joint government-Jewish Agency coordinating body will discuss ways to reduce the number of children of official emissaries abroad who study in non-Jewish public and

private schools.

The issue was raised at the weekly session of the World Zionist Organization Executive Monday by Eli Tavin, chairman of the department of education and culture in the diaspora. He claimed that many Israeli youngsters whose parents were sent abroad on government or other public missions do not attend Jewish schools in their local communities. According to the written contract signed by all emissaries these school-age children must be given a Jewish and Zionist education while abroad.

EL SALVADOR'S JEWISH POPULATION IS DOWN TO TWENTY FAMILIES

NEW YORK, Dec. 29 (JTA) -- Continued internal strife and an uncertain political and economic situation has resulted in the exodus of most of the I30 Jewish families of El Salvador, shrinking the Jewish population to 20 families, it was reported by Rabbi Arthur Schneier, president of the Appeal of Conscience Foundation and spiritual leader of the Park East Synagogue, who recently returned from a study mission to El Salvador, as a member of the Citizen's Committee on the El Salvador Crisis.

It was headed by Clark Kerr, President Emeritus of the University of California, and Angier Biddle Duke, former U.S. Ambassador to El Salvador, chairman of the National Committee

on American Foreign Policy.

In a joint statement, the committee declared: "While we see no easy road ahead for El Salvador, some essential steps toward peaceful democratic solutions to the current and often violent conflicts are under way — the sweeping land reform program enacted by the Christian Democratic government in March and April of 1980, and the elections that are scheduled for March 28, 1982, to name a Constituent Assembly.

"However, the success of these processes is endangered by the violence and terror which are ripping apart the fabric of this society, not only due to the conflict between the rebel forces and the government but also to the violence against the people of El Salvador perpetrated by terrorists of the extreme right and left, and by elements of the government's own security forces."

Consequences Of Dwindling Community

Because of the dwindling Jewish community, San Salvador's only synagogue has been rented to a newly organized private Evangelical University, Schneier said. The Comunidad Israelita de El Salvador has rented a small home where services are held only on Friday nights, conducted by an Israeli who had opened a language school in San Salvador. There is no rabbi, shohet or mohel. El Salvador's only rabbi left two years ago.

The rallying force is a 90-year-old woman, originally from Germany, who motivates her fellow Jews to hold Friday Shabbat services and holiday observances, most recently the Chanukah observance, Schneier reported. There are about 20 children between the ages of 6 and 17. Of the Jewish families, 12 are intermarried. The Jewish community maintains a well-preserved cemetery

with a Chevra Kadisha.

"The remaining Jewish families face the ambivalence and tension between economic well-being and the realization of the dearth of Jewish life for their children and for themselves."

Schneier said.

The delegation met with President Jose
Napoleon Duarte and Defense Minister Garcia
as well as Archbishop Rivera y Damas, who succeeded the assassinated Archbishop Romero. They
also visited refugee camps and representatives of the
Campesinos.

ISRAEL AND EGYPT SIGN JOINT TOURISM AGREEMENT

NEW YORK, Dec. 29 (JTA) -- Since the opening of the Israel-Egypt border in January 1980 over 100,000 tourists have traveled between the two countries, it was announced here by the Israel Ministry of Tourism.

At a recent Cairo conclave, tourism officials of each country signed an agreement designed to speed the process of further normalization in the field of tourism, unifying a region whose historic, cultural and religious attractions are unmatched anywhere in the world. The date for the agreement's implementation is April 1982, in the wake of the return to Egypt of the remaining Israel held sector of the Sinai Peninsula.

At the present, the Tourism Ministry said eight flights operate weekly in each direction between Tel Aviv and Cairo: by El Al Israel Airlines and Egypt's Neferititi Aviation. A large proportion of passengers on these flights is American vacationers.

In addition, tourists travel overland on the Sinai highway between the two countries, crossing the border at the Neot Sinai terminal. There will be additional bus service from Tel Aviv to Cairo, also from Eilat to Sharm-el-Sheikh, as well as air service by both Israel and Egyptian airlines from Tel Aviv and Eilat to Mt. Sinai Airport, and to Ras Nasrani on the Red Sea Coast.

Possibilities For Combined Vacations

The new possibilities for combining Israel-Egypt vacations will be endless -- and Israel and Egypt will conduct joint promotional activities, such as seminars for travel agents, joint publicity campaigns and familiarization tours, according to the Ministry. Israel and Egypt will have opened government tourist offices in their respective countries -- the Israelis in Cairo, the Egyptians in Tel Aviv -- by the end of April 1982.

Agreement was also reached on transit arrangements for charter passengers on wide-bodied aircraft from Europe, destined for the Israel resort of Eilat, arriving at Etzion/Ras El Nagb Airport. Travelers will receive Egyptian transit cards and then continue by road to Eilat Airport for Israel immigration formal-

ities.

The Tourism Ministry also reported that additionally, land traffic will be open for various types of vehicles along the Mediterranean coastal road from Gaza to Kantara, across the desert from Beersheba to Ismailya and along the Red Sea coast between Eilat and Sharmel-Sheikh; appropriate check points will be estab-

lished for this purpose.

This will make the various tourist centers in Sinai accessible, such as Mount Sinai with St. Catherine's monastery, and the east coast of the Sinai with its beaches and underwater flora and fauna. Egypt will acquire the tourist facilities built since 1967 by Israel along the coast, and continue to operate them. Another step in the normalization process is the opening up of the two new consulates, an Egyptian one in Eilat and an Israel consulate at Sharm-el-Sheikh.

NEW YORK (JTA) -- Kalman Sultanik, President of the Federation of Polish Jews in the U.S. and a vice president of the World Jewish Congress, today hailed the Polish government for releasing Dr. Marek Edelman, the last surviving commander of the Warsaw Ghetto uprising, who chose to remain in Poland following the tragic events of World War II. Marek, who was a commander of the underground Jewish resistance movement in Poland during the war and is now one of the country's leading cardiologists, was among the thousands of Solidarity officials arrested by Polish authorities since martial law was declared two weeks ago.

REMINDER: There will be no Daily News Bulletin dated Jan. I due to New Year's Day, a postal holiday.