

# JTA daily news bulletin

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## SPECIAL ANALYSIS A DRAMATIC CABINET MEETING

By David Landau

JERUSALEM, March 24 (JTA) -- Behind the drama of last night's Cabinet meeting where Premier Menachem Begin allowed himself to be persuaded not to resign following the Knesset's 58-58 tie vote on a no-confidence motion, lay a political reality which, it seemed, Begin and his aides failed to predict.

In bold terms, this was the threatened rebellion of the three small coalition parties -- the National Religious Party, Aguda Israel and Tami. Begin had said before the Knesset vote took place that he would resign if there was a tie vote because it would deprive his coalition government of its moral mandate. Immediately after the vote the Premier called an emergency session of the Cabinet to tender his resignation, but the Cabinet rejected his move by a vote of 12-6.

While Begin and other Likud leaders seemed to think that the Premier's resignation, and the automatic fall of the government, would trigger new elections later this year, the coalition partners plainly did not share this prognosis. Nor did they share Likud's interest in early elections, and they made that exceedingly clear to Begin during that late-night extraordinary Cabinet session.

### Veiled Warnings By Cabinet Members

Yosef Burg, the veteran NRP leader, indicated that if Begin implemented his threat to resign because of the tied vote, when there was no constitutional necessity for him to do so, the NRP would be "open" to other ways of staying off early elections. This meant, of course, forming an alternative coalition with Labor.

Avraham Shapiro, the Aguda Knesset leader, gave similar hints. When Begin noted that the NRP and Aguda had pledged before the 1981 election not to align with Labor against Likud, Shapiro remarked pointedly that he "wouldn't build on such promises."

Aharon Abu-Hatzeira, leader of the three man Tami Party, spoke strongly against Begin resigning at this time. He said it was the Premier's historic national responsibility to carry through the Sinai withdrawal and stabilize relations with Egypt in the subsequent period.

Between the lines, Cabinet insiders read a readiness on Abu-Hatzeira's part, too, to switch his allegiance to Labor in order to set up an alternative government and avoid early elections.

### Facing A New Political Reality

Likud ministers found themselves looking into a chasm: Defeat and opposition stared back at them. Begin, apparently sensing the new political reality shaping up, indicated that he would not allow himself to be persuaded by a majority of the Cabinet not to resign.

A Cabinet source said later that had Begin remained adamant and gone to the President, "a government under Shimon Peres would have been functioning within a week."

The source reasoned that Labor would simply give the same undertakings and pledges to the religious parties as Begin had signed last year, justifying this to its constituency by the overriding need to remove Begin and set up an alternative government.

### Tough Tests Ahead

But, although the immediate resignation threat is now removed, the government still faces tough tests in the days and weeks ahead. Today there are two budget votes in the Knesset, and Rabbi Haim Druckman, the NRP MK who was responsible for last night's tied vote, said this morning he would again vote with the opposition. (See separate story P. 3.)

But the government Knesset floor managers were saying today that if the coalition can just hold on until after the Sinai pull-out, its position could be improved.

After the withdrawal has become a fait accompli, they calculate, Druckman will return to the coalition fold, and possibly even Tehiya will be prepared to cooperate with the government against the centrist-leftist Knesset oppositions instead of teaming up with the opposition as it did last night.

But there were other voices within the coalition predicting elections by the fall or at the latest by next spring. These people seemed to feel that last night's drama shook the political situation so violently that a return to the status quo was unlikely.

### WEST BANK VIOLENCE CONTINUES

By Gil Sedan

JERUSALEM, March 24 (JTA) -- Two West Bank Arabs were killed today, bringing to five the death toll since violence erupted in that territory last Friday. One of the victims was shot by an Israeli policeman in Jenin after he had stabbed and seriously wounded another policeman.

An Arab youth from Bani Naim village was dead on arrival at a Hebron hospital today. He was reportedly shot by armed Jewish settlers during a demonstration at the entrance to the village.

Another fatality was reported from Abassan village near Rafah in the southern Gaza Strip. A youth was fatally injured reportedly while preparing a Molotov cocktail and another was seriously wounded. The village was placed under curfew.

Violent demonstrations and a general strike continued today on the West Bank, the Gaza Strip and in East Jerusalem. Youths burned tires and threw rocks at Israeli vehicles. Four policemen were slightly injured. Rock-throwing incidents were also reported inside Israel.

The Tel Aviv-Jerusalem train was a target near Batir village on the outskirts of Jerusalem. A window was smashed and three passengers were slightly injured. Eleven Arabs were arrested on suspicion of incitement and disorderly conduct.

In Rafah, youths blocked the main roads with piles of burning tires and threw rocks at vehicles. Soldiers used tear gas to disperse the demonstrators and placed the town under curfew.

# REAGAN DENOUNCES THE 'OBSCENITY OF ANTI-SEMITISM AND RACISM' AND REAFFIRMS U.S. COMMITMENT TO ISRAEL

By Kevin Freeman

NEW YORK, March 24 (JTA) -- President Reagan, in accepting a controversial award from the National Conference of Christians and Jews (NCCJ) for "courageous leadership in government, civic and humanitarian affairs," denounced the "obscenity of anti-Semitism and racism" and at the same time reaffirmed the United States' "unshakable" commitment to Israel.

"In the Middle East in particular, a strong credible America remains the best guarantor of Israel's integrity and survival as a free nation," Reagan told the more than 1,000 people attending a black tie dinner at the New York Hilton Hotel here last night where he was presented with the NCCJ Charles Evans Hughes Award. The presentation of the award was contested by members of the NCCJ and non-members who object to Reagan's domestic and foreign policies.

"A strong credible America is also an indispensable incentive for a peaceful resolution of differences between Israel and her neighbors. America has never flinched from its commitment to the State of Israel -- a commitment which remains unshakable," the President declared.

The President's address also focused on "the rich diversity of our free, pluralistic society. He said that while the final policy decisions are determined by Congress and the President, "every citizen and every citizen's group is guaranteed the right to speak out -- and must be encouraged to do so without fear of reprisal or defamation."

## An Attempt To Allay Concern

Reagan's speech appeared as an attempt to allay concern in the American Jewish community which had been disturbed by the charges of dual loyalty and the anti-Semitic overtones which surfaced during last year's debate over the Administration's plan to sell AWACS reconnaissance planes and other military hardware to Saudi Arabia.

"No group should be bullied into silence by racial or ethnic slurs, or the fear of them," the President said. "The language of hate -- the obscenity of anti-Semitism and racism -- must have no part in the national dialogue."

Reagan interspersed his remarks with several references to secular and religious leaders, including Anne Frank, a victim of the Holocaust, who, the President noted, wrote in July 1944: "In spite of everything, I still believe people are really good at heart."

## Massive Demonstration Against Reagan

While the President was inside receiving his award from the NCCJ, making him the fourth President to receive it, an estimated 10,000 people demonstrated outside the hotel on Sixth Avenue in midtown Manhattan, choking rush hour traffic, singing, chanting and carrying banners protesting the Administration's foreign policy actions in Central America and his proposed budget cuts.

Earlier in the day, just hours before Reagan arrived in New York, the New Jewish Agenda, a newly formed progressive organization which claims 2,000 members throughout the country, held a press conference with more than a dozen Christian and Jewish leaders protesting the presentation of the Hughes Award to the President.

Declaring that "it is directly contrary to humanitarian and religious values to cut essential social services ... (for) a wasteful military budget," the statement released by the organization and lay leaders continued: "As Christians and Jews, we condemn the Reagan policies of slashing spending for human needs, lavishing tax breaks on the very wealthy, starving education programs and creating widespread unemployment."

At the same time, Rabbi Arnold Wolf, of the KAM Isaiah Temple in Chicago, protesting the award to Reagan, returned to the NCCJ the James Yard Brotherhood Award which he was given in 1962. "If Reagan is a humanitarian," Wolfe declared, "I am not."

## AID TO ISRAEL UNDER DISCUSSION

By David Friedman

WASHINGTON, March 24 (JTA) -- Two members of the House charged yesterday that the sale of sophisticated arms to Arab countries by the United States increases Israel's economic difficulties because Israel then seeks additional arms to meet what it sees as a new threat to its security.

Rep. Millicent Fenwick (R. N.J.) told a meeting of the House Foreign Affairs Subcommittee on Europe and the Middle East that if she were an Israeli she would want more arms following the sale by the U.S. last year of five AWACS surveillance planes to Saudi Arabia. Rep. Benjamin Rosenthal (D. N.Y.) declared: "We are going to drive the Israelis into bankruptcy."

They commented as Morris Draper, Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs, testified before the subcommittee on the Reagan Administration's proposal to provide Israel with \$1.7 billion in foreign aid for the 1983 fiscal year, a \$300 million increase over the current year, and \$785 million in economic aid.

## Maintaining Israel's 'Technical Edge'

Draper said the U.S. aid program was committed to maintaining Israel's "technical edge" and "qualitative military advantage" in the Middle East. He contended that the U.S. believed Israel was in a stronger position today than it was on the eve of the Yom Kippur War, but implied that this was because Egypt was weaker militarily.

In discussing Israel's economic problems, Draper noted that Israel's foreign debt totals \$18.2 billion, 40 percent or about \$8.8 billion of which is owed to the U.S. He said Israel's annual debt service to the U.S. is nearing \$1 billion. But Draper noted that Israel has always paid its debts to the U.S. "on time." He said that the Israeli Defense Ministry has cut its budget twice in the last six months and that Defense Minister Ariel Sharon has announced that he does not want to increase Israel's military strength quantitatively, only qualitatively.

Committee members pressed for more of the aid to Israel to be given in grants. The 1983 allocation provides for \$500 million of the military aid to be in grants and the rest in a 30-year loan. Rep. Benjamin Gilman (R. N.Y.) noted that in the current appropriation, Congress raised the military aid grant to \$550 million. Rep. Stephen Solarz (D. N.Y.) said that in the previous two years all the economic aid to Israel was a grant but this year the Administration only proposes two-thirds as a grant.

Draper replied that this was an attempt by the Administration to demonstrate to the American taxpayers that Israel and other countries were repaying the aid they received. He indicated that Congress could always increase the amount of the grant.

The State Department official agreed with Solarz that the Administration had promised Israel additional arms after the AWACS were sold to the Saudis. But Draper denied there was any "quid pro quo" between the AWACS sale and the additional \$300 million for Israel.

Draper stressed that neither this Administration nor any other would ever withhold aid to Israel as a means of pressuring the Jewish State. He noted that Israel is dependent on the U.S. as the sole source of aid and this places a "special responsibility" on the U.S.

At the same time, he warned Congress against cutting the Administration's proposed allocation for Israel. He said this would lead to a traumatic situation in Israel which already is confronted by many problems. He said it might also lead to a "miscalculation" by adversaries of the U.S. as to "what we intend to do in the world."

Draper defended the U.S. policy of selling arms abroad and said that careful consideration is given before any sale is approved. He revealed that the Saudis have bought \$44.6 billion in arms from the U.S. in the last seven years, including \$12 billion this year and \$6 billion in 1983. But he stressed that much of these funds are for construction of bases.

#### Assesses Role Of Jordan

As for Jordan, Draper said that "on the whole we are very pleased with Jordan's help for the peace process." He explained that Jordan accepts United Nations Security Council Resolution 242, has kept its borders with Israel "generally peaceful" and has been a moderate voice at Arab forums. Draper admitted that Jordan has not supported the Camp David peace process but expressed confidence that it would join the process in some manner.

The Administration is also asking for a \$6.5 million appropriation for the West Bank and Gaza Strip. Gilman noted that this has gone up from \$2.5 million in 1981. Draper explained that this was done to demonstrate to the Palestinians that the U.S. "cares about their well-being." Much of these funds go to private voluntary agencies, Draper said.

#### BEGIN: EARLY ELECTIONS UNAVOIDABLE By Gil Sedan

JERUSALEM, March 24 (JTA) — Premier Menachem Begin declared today that early elections are unavoidable and predicted that "objective circumstances" would send Israelis to the polls again "within a year." Israel held its last elections on June 30, 1981 when the Likud government was returned to office for another four-year term, though with a substantially reduced majority.

Begin spoke to reporters in the aftermath of last night's tied vote in the Knesset on a motion of no-confidence which had brought him to the brink of resigning. He said he had been determined to quit but deferred to a Cabinet majority which voted 12-6 to remain in office at an emergency session late last night.

Begin explained to the reporters that it would be very difficult to pass any bills in the Knesset where government and opposition forces are, at least for the moment, evenly divided and therefore early elections are a must.

Begin's remarks came after a tumultuous Knesset session today during which the government managed to pass an interim budget bill on

first reading by a vote of 57-2. The opposition Labor Alignment, in a fury over the way the government handled the budget debate, didn't bother to raise hands for or against the measure.

Knesset observers described the scene as pandemonium when Knesset Speaker Menachem Savidor suddenly halted debate and called for a vote despite roaring protests from the opposition. He used that tactic because MK Haim Druckman of the National Religious Party was temporarily absent from the chamber. It was Druckman whose defection from the coalition yesterday, brought about the 58-58 tie on the no-confidence motion critical of the government's handling of unrest on the West Bank.

Druckman, a bitter opponent of Israel's impending withdrawal from Sinai, cast his vote against the government on that ground and indicated that he would oppose that government from now on regardless of the issue. It was to avoid a deadlock similar to what occurred last night that Savidor interrupted debate, a move the Laborites charged was unprecedented and illegal.

The interim budget will allow the government to function when the new fiscal year begins April 1 until a permanent budget is adopted. It must survive two more readings in the Knesset. If all of the opposition factions, plus Druckman, reject it, Israel for the first time in its history may enter a new fiscal year without a formal budget.

#### THREE TERRORISTS CAPTURED

TEL AVIV, March 24 (JTA) — An army patrol today captured a three-man terrorist group which had infiltrated into north Israel near Kibbutz Hanita. The patrol pursued the infiltrators a short distance into southern Lebanon and captured them without firing a shot, army sources said. The group to which the captured terrorists belong was not immediately ascertained.

#### CONGRESS ASKED TO PROVIDE \$12.5 MILLION TO AID RESETTLEMENT OF EAST EUROPEAN IMMIGRANTS IN ISRAEL By David Friedman

WASHINGTON, March 24 (JTA) — The Reagan Administration is asking Congress to provide \$12.5 million to assist in the resettling of Soviet and East European immigrants in Israel for the 1983 fiscal year, the same amount as was appropriated this year. The money will be given to the United Israel Appeal.

Richard Vine, director of the Department Bureau for Refugee Programs, told the House Appropriations Subcommittee on Foreign Operations today that even though the rate of Soviet Jewish immigration has dropped, the department is asking for the same amount as this year "in recognition of the long-term costs incurred by Israel in caring for refugees who have arrived in recent years."

The Administration is also asking for \$72 million as the United States contribution to the United Nations Relief and Works Agency for Palestine refugees in the Mideast (UNRWA). Vine said that this is an increase of \$5 million over the 1982 appropriation in order to "help UNRWA deal with the effects of inflation and a constantly increasing population."

He noted that UNRWA, "which provides basic services to the nearly two million Palestinian refugees, contributes towards a political atmosphere within the Mideast which is conducive to the long-term peace process."

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TEL AVIV (JTA) — Golan Druze who have accepted Israeli identity cards report that they are experiencing a social boycott by other members of the community.

## BEHIND THE HEADLINES ISRAEL'S PRICE FOR PEACE

By Uzi Benziman

**JERUSALEM, March 24 (JTA) —** With Israel's final withdrawal from Sinai now just one month away, Israeli officials believe the time is right to emphasize, once again, the huge assets and benefits that Israel is forfeiting in the peninsula as its price for peace.

This emphasis is especially relevant, they feel, in view of the increasingly common image of Israel abroad as tough and intransigent. People in the United States and elsewhere should be reminded, say the Israeli officials, of the enormous concession Israel has made by handing back to Egypt the strategic, and economic assets represented in Sinai.

Strategically, as a barren and largely uninhabited area Sinai is an ideal staging ground for the deployment and movement of large armored forces. Israel's brief history proves that Egypt has been able to take advantage of the open spaces in Sinai in order to prepare and launch attacks on Israel.

### Peninsula Valued As A Buffer Zone

The crucial value of the peninsula as a buffer zone was dramatically demonstrated in the Yom Kippur War when the Israel Defense Force managed to withstand the Egyptian onslaught — despite the worst possible conditions of surprise and unreadiness — until reserve reinforcements could be mobilized and deployed.

Israel has argued since then that had the Egyptian strike been launched from the old — and now new — international borderline, the massive tank battles would have had to be fought in the very heart of Israel's populated areas, with casualties immeasurably higher and the ultimate repulse of the invading forces far from assured.

Also under the heading of major strategic concessions in Sinai, Israeli officials refer to the ceding of eight airfields in the peninsula, two of them among the most sophisticated in the Middle East. In addition, there are the electronic early warning stations on the Sinai mountains and the naval base at Ophira. The lack of Ophira, according to these officials, must impair Israel's ability to protect its merchant shipping to and from Eilat.

### Assets Being Left Behind

The return of Sinai to Egypt entails, too, enormous economic expenditure, say the officials. Israel has made huge investments in the peninsula, in oil and other infrastructure, that cannot be recovered. In addition, the relocation of military facilities and of the Jewish settlers has proved to be an exceptionally expensive process.

Other assets that Israel has to leave behind in Sinai include:

- \* A network of modern roads covering over 1,000 miles, built up since 1967.
- \* Power lines, water systems and communications networks which today span the entire peninsula.
- \* Homes, factories, farms, schools, hotels and health clinics.
- \* New oil fields discovered and developed by Israeli experts.
- \* High technology and agriculture, especially in the northeast that has been created over the past decade and a half.
- \* A military infrastructure consisting of airfields, security roads, communications and logistics installations, headquarters and bases.

According to official data, Israel has spent \$17 billion on development projects in Sinai. Most of this infrastructure, whose value approaches that of Israel's

entire foreign debt, is being forfeited. The cost of the IDF redeployment in the southern part of Israel (the Negev) and of relocating the Israeli civilian settlers in Sinai comes to about \$6 million.

## CJC SEEKS ASSURANCES THAT SAUDI WILL NOT DISCRIMINATE AGAINST JEWS IN UNIVERSITIES EXCHANGE PROGRAM

By Ben Kayfetz

**TORONTO, March 24 (JTA) —** The Canadian Jewish Congress has asked the Ontario government for assurances that Saudi Arabia will not discriminate against Jewish students and faculty under the exchange program instituted last week between the University of Toronto and King Faisal University in Riyadh.

Irwin Cotler, president of the CJC, also wired James Ham, president of the University of Toronto, expressing serious concern over the implications of the exchange program involving scores of foreign students and a possible flow of millions of dollars in Saudi investments to Toronto in the form of research funds.

Cotler's telegram cited "well known discriminatory policies of the Saudi government which offend Canadian values in the domain of human rights." He suggested that the University terminate the exchange contract if it is discriminatory.

### Cites Saudi Arabia's Prohibitions

The five-year contract between Toronto University and the Saudi institution calls for the exchange of Canadian experts in many areas of the engineering profession for students in the same field. Norman May, legal counsel of the CJC, noted that Saudi law prohibits the entry of Zionists and "since Saudis consider all Jews as Zionists, it is a distinction without difference."

Gordon Slemon, Dean of Engineering at Toronto University, said the possibility of anti-Jewish discrimination did not arise in the negotiations for the exchange agreement and that he would not have signed any agreement containing discriminatory clauses. At the same time, he acknowledged that the granting of visas is a matter for the Saudi government.

A similar controversy is going on in Montreal over an exchange agreement between Concordia University there and King Faisal University.

## INTERNATIONAL JEWISH THEATER FESTIVAL SET FOR JULY IN TEL AVIV

**NEW YORK, March 24 (JTA) —** The First International Conference and Festival of Jewish Theater will convene July 3-9 in Israel on the campus of Tel Aviv University. Performing groups from ten countries including the U.S., Israel, East and West Germany, Norway, England, France and Canada will offer an exciting array of theater based on Jewish themes. This was announced here by the National Foundation for Jewish Culture.

American sponsors for the Festival include The National Foundation, the Kinneret Foundation in Washington, D.C., and the Emet Foundation in Los Angeles.

Participants from this country will include Joseph Papp, producer of the New York Shakespeare Festival; Herschel Bernardi, Elizabeth Swados, Joseph Chaikin and Nobel Prize winner Isaac Bashevis Singer, who will receive an honorary doctorate from Tel Aviv University, according to the National Foundation.

The festival program will also include workshops and seminars dealing with issues such as traditional storytelling, the theater of the Holocaust, and the exploration of theatrical elements in Jewish mysticism.