JEWISH AGENCY URGES ISRAELI GOVERNMENT NOT TO MAKE ANY CHANGES IN LAW OF RETURN
By Gil Sedan

JERUSALEM, June 27 (JTA) — The Jewish Agency Assembly overwhelmingly approved today a resolution urging the government not to introduce amendments to the Law of Return in the Knesset. The resolution was adopted by a vote of 119-38 after a bitter exchange between the Orthodox delegates and the representatives of Conservative and Reform Judaism. The Orthodox have been pressing for years for an amendment that would invalidate conversions to Judaism not performed "according to halacha." The effect would be to deny Jewish status to immigrants converted by non-Orthodox rabbis abroad.

The amendment has been introduced in the Knesset several times in recent years and decisively defeated. It has been opposed on grounds that it is divisive and would create a serious rift between diaspora Jewry and Israel.

Leon Dulzin, chairman of the Jewish Agency and World Zionist Organization Executives, wrote Premier Shimon Peres recently demanding that the government consult with the Jewish Agency on any move to amend the Law of Return. Dulzin stressed that any changes could be harmful to the functioning of the Jewish Agency because aliya is one of its primary responsibilities.

Dulzin Proposes New University

Dulzin proposed to the Assembly yesterday the establishment in Israel of a prestigious American-Jewish university similar to the American University in Beirut. He maintained that such a university would attract most of the 40,000 American Jewish students now studying in Europe and bring them to Israel.

Dulzin said the main educational goals of the Jewish Agency are to offer tens of thousands of Jewish youths from overseas periods of study in Israel of varying lengths; training hundreds of teachers to improve the quality of Jewish education in the diaspora; and to send Israeli artists to Jewish communities abroad.

PERES WARNS ISRAELIS THEY WILL EARN LESS, BUT NO LARGE SCALE UNEMPLOYMENT
By Gil Sedan

JERUSALEM, June 27 (JTA) — Premier Shimon Peres appears to be preparing the country for drastic economic measures that will force lower living standards but, he insists, not mass unemployment.

Everybody will work but everybody will earn less, Peres told Labor Party leaders in Tel Aviv today, explaining that without severe budget cuts the country cannot overcome the present economic crisis. He spoke of Israel's widening balance of payments gap, increased foreign debt and the deficits registered by its health care and educational systems.

The wedge must be cut and wages and living standards will be cut too, Peres said. He spoke in a similar vein later in the day before the Israeli Center for Administration. He responded to critics who accuse his government of lacking the will to cut the state budget. "I have inherited an economy full of debts in which wages are higher than production. We have cut defense, education, health and welfare and there is nowhere else to cut," the Premier said.

Absorption Minister Yaakov Tsur urged that the Prime Minister be granted emergency economic powers so that he could take unpopular measures in face of pressure from his various coalition partners.

DIVISIONS WIDEN IN COALITION SPARKED BY TABA DISAGREEMENT
By David Landau

JERUSALEM, June 27 (JTA) — Deep divisions between the Labor and Likud partners in the national unity coalition government have become more pronounced, leading to speculation that its days are numbered.

The present cleavage is over how to approach a settlement with Egypt on the Taba issue, the tiny strip of beachlands east of Elat which both countries claim. Deputy Premier and Foreign Minister Yitzhak Shamir, the Likud leader, is sharply at odds with Premier Shimon Peres who believes a solution of the Taba dispute is the key to an overall rapprochement with Egypt and eventual peace talks with Israel's other neighbors.

Shamir made his position clear in a hard-line speech to the Jewish Agency Assembly here today. He accused Egypt of trying to avoid repairing relations with Israel. He blasted King Hussein of Jordan for "radicalizing" his own positions on negotiations.

Peres is prepared to accede to Egypt's demand that the Taba dispute be put to arbitration. Shamir insists that conciliation must be the first step, with arbitration only a last resort. Moreover, Shamir maintains that the economic crisis should be the government's top priority and Taba can wait.

Last week the Inner Cabinet -- five Labor and five Likud ministers -- deadlock on a motion to follow the course on Taba recommended by Peres. The vote kills the motion. Peres and Shamir met privately afterwards but were unable to resolve their differences. They agreed to meet again in a few days.

Peres Believes Settlement Crucial

Sources close to Peres say the Premier regards a settlement with Egypt both crucial and timely and will not allow himself to be neutralized in the management of foreign policy. The sources said he is not ready to precipitate a crisis with Likud at this time but is prepared for a showdown if his efforts to reach an agreement with Shamir fail.

Peres believes he has good reason to expect that flexibility on Taba -- an agreement in principle to go into arbitration -- will lead to a summit meeting between himself and President Hosni Mubarak of Egypt. If his interpretation of signals from Cairo is correct, the meeting will result in a package deal encompassing all outstanding differences between the two countries including normalization of relations and the return of the Egyptian Ambassador to Tel Aviv.

Sources here recalled that Shamir himself had always insisted that the Taba dispute be settled
context of an overall package. They say the Egyptians are showing signs that they want to further the process. Trade with Israel is picking up gradually, anti-Israel propaganda in the Egyptian media has become somewhat less strident recently, and a long series of bilateral agreements have been concluded in talks between officials of the two countries.

Confrontation Appears Unavoidable

At a meeting of the Labor Party's Knesset faction this week, Peres received solid support for his approach to Egypt, formalized in a resolution adopted by the faction. Enthusiasm ran so high that the party whips had to restrain some of their colleagues who wanted a paragraph in the resolution charging that the Likud members who opposed the original peace treaty with Egypt—Shomir notably among them—are now trying to destroy the peace.

Labor's Knesset faction, following Peres' lead, does not want to inflame Likud at this time. But a confrontation appears unavoidable in the not too distant future. It may be precipitated by Taba which in itself has no strategic or economic value but has become a symbol of the antithetical policies of the two government partners.

CONNECTICUT OFFICIAL SEES HOPE FOR ACCOMMODATION IN COURT RULING

NEW YORK, June 27 (JTA) -- Connecticut Attorney General Joseph Lieberman said that yesterday's Supreme Court decision on a Connecticut Sabbath work statute indicated that the court realizes that government can play a role in accommodating people's religious beliefs.

"I disagree," Lieberman said in a statement issued today, "with the court in the degree to which that accommodation should take place but I am pleased that they do not reject the very notion of accommodation."

The high court ruled by a vote of 8 to 1 against a Connecticut state law that required private employers to give Sabbath observers the right not to work on their Sabbath.

While saying he was "personally not as disappointed by the decision as I might have expected," Lieberman said, "It is the friendliest rejection I have ever seen." He also said, "In this time when more families are working... I do not want the worker to have to choose between putting bread on the table for the family and religious observance."

The American Jewish Congress, meanwhile, indicated that it did not anticipate that the Court's ruling on the Connecticut statute would have an effect on other state and federal laws that protect religiously observant employees from discrimination on the job and "require employers to accommodate, within reasonable limits the religious observance of employees."

"Although we disagree with the specific result in this case, we take comfort in the Supreme Court's willingness to vindicate the principles of the Establishment Clause, and to reject efforts to weaken the principle of Church-state separation in the guise of religious accommodation," the AJC said.

UAJ CAMPAIGN INCREASES 12 PERCENT

JERUSALEM, June 27 (JTA) — The United Jewish Appeal Federation Campaign for 1985 has raised $548.1 million, an increase of 12.2 percent over Campaign 1985 and a dollar gain of $59.6 million, Alex Grass, the UA's national chairman, told the Jewish Agency leadership here yesterday. Grass said the campaign pace is $40 million ahead of last year. Currently the campaign is 78 percent completed with Campaign 1985 pledges open from persons who pledge $150 million to Campaign 1984. Grass added.

Grass also reported that $658.5 million has been raised for Campaign 1984 by this juncture, "This even exceeds the projection we made in our April report to the Agency," Grass noted. "And it represents the largest sum ever raised by UJA/Federation Campaigns in any peace-time year in our history. Many communities have finished their '85 campaigns and we are working with the remainder to help them complete theirs successfully."

Turning to cash collections — and pledges mean nothing if they are not paid, he noted — Grass said these were up too. So far in calendar 1985, $171.2 million has been received, an increase of $30.3 million over the same period in 1984. $161.4 Million Raised for Project Renewal

Project Renewal, the partnership program by which Jews in American communities provide financial aid and support to distressed Israeli neighborhoods with which they are linked, or "twinned," has raised $161.4 million to date, including $9 million in Campaign '85, he said.

"The officers of the United Jewish Appeal, at their retreat in May," Grass said, "concluded that the United Jewish Appeal reaffirms its commitment to Project Renewal and recognizes the obligations to raise the necessary funds to complete the program."

He said he will appoint a special task force of UJA national officers to examine Project Renewal fundraising, community by community, to help maximize the campaign. The task force will also explore the potential for Project Renewal fundraising to help Israeli neighborhoods not yet twinned to American Jewish communities.

Grass said plans are being formulated for Campaign '86, including major full missions for large contributors. He said that 24 officers have already made pledges to Campaign 1986 totalling $2,104,000, along with two additional Project Renewal gifts totalling $60,000.

2 MORE JEWISH ACTIVISTS ARRESTED

NEW YORK, June 27 (JTA) -- Two more Jewish activists have been arrested by the KGB in a recent wave of imprisonments in the Soviet Union.

Ari (Leonid) Valovsky, a long-term refusenik leader who has suffered continuous harassment including dismissal from jobs, confiscation of property, and exile to Gorky, was arrested in Gorky according to the Coalition to Free Soviet Jews. "The arrest is particularly frightening," commented Herbert Kronish, chairman of the Coalition, "because he is a major figurehead in refusenik circles."

The 47-year-old Dnepropetrovsk poet Evgeny Koffman was also arrested during a raid by the KGB on his home for alleged "drug possession" on June 18, the Student Struggle for Soviet Jewry reported. The secret police confiscated his Bible, Hebrew books and typewriter.

With the arrest occurring around the 10th anniversary of the signing of the Helsinki Accords, Kronish believes that "The Soviets seem to be flaunting the fact that they have no intention of abiding by the human rights commitments that they made in signing these Accords."
POLL FINDS ISRAELIS SEE THEMSELVES AS JEWS, ZIONISTS; WANT MORE ALIYA
By David Landau

JERUSALEM, June 27 (JTA) — A public opinion poll released yesterday showed that the vast majority of Israelis consider themselves part of the Jewish people, define themselves as Zionists and regard aliyah as important to the future of the country.

The poll of 1,200 adults of all ages and occupations in Israel's larger cities and towns, was conducted by Dr. Ninaz Zeremoch of the Dahaf Research Institute. It was commissioned by the Zionist Council of Israel, headed by Arye Zimuki, a veteran journalist.

Leon Dulzin, chairman of the World Zionist Organization and Jewish Agency Executives, called the results "a pleasant surprise." He said they showed that Israel was "not just a Jewish state but a Zionist state." He and Zimuki agreed that the responses to the poll contrasted sharply with the often negative image "Zionism" evokes in the Israeli media.

According to the poll, 92 percent of the respondents considered aliyah "very important" or "important" for Israel's development; 90.1 percent agreed with the premise that aliyah is one of the purposes for which Israel was founded; 56 percent believed each Israeli family should "adopt" a family of olim.

The survey found that 85 percent of Israelis feel part of the Jewish people to a greater or lesser degree and 90 percent think Israel should be involved in struggles to rescue Jews from lands of oppression; 86 percent of the respondents defined themselves as Zionists.

But the poll results also registered some contradictions. Of the 92 percent who favored aliyah, 41 percent indicated that while they want immigration, they do not want olim, reflecting a negative attitude toward individual newcomers.

Another troubling finding was that the highest proportion of Israelis who did not define themselves as Zionists was among the younger, better educated sections of the population.

MUHAMMAD ALI STEPS INTO RING
By Hugh Orgel and Gil Sedar

TEL AVIV, June 27 (JTA) — The 700-odd Shiite Moslem prisoners in the Atlit detention camp have a real champion. He is Muhammad Ali, who held the world heavyweight boxing title from 1964-67 and 1974-78.

Ali arrived in Israel today "to arrange for the freeing of the Muslim brothers imprisoned by Israel." He said he would be discussing the release of "all 700 brothers" with the "highest level in the country."

But Israeli officials have politely declined to enter the ring. Israel does not intend to negotiate through boxing champion Muhammad Ali but will welcome him warmly as a private guest, a Foreign Ministry spokesman said today.

He said certain preparations have been made to make Ali's stay in the country as pleasant as possible but did not elaborate. The former champ is expected to be received by Deputy Foreign Minister Ronnie Millo, a Likud MK, but no other official meetings have been scheduled for him.

Asked at the airport if he would also try to obtain the release of the American hostages held by Shiites in Beirut, Ali replied, "I didn't come here for that."
scholarly work attempting to interpret recent political events. "I don't think the Pope himself is an outright supporter of Marxist doctrine," he said.

But, according to Carmichael, the Pope has never supported Israel and also failed to issue a condemnation of Fr. Leonardo Boff, who was finally reprimanded by the Vatican for his advocacy of liberation theology. He admitted that the article has its "shortcoming," but felt it is Midstream's responsibility to alert the Jewish community of this new phenomenon.

Midstream, with a circulation of some 15,000, is published by the Theodor Herzl Foundation of the WZO. A statement of purpose says the magazine is committed to "free inquiry" and hopes to "offer critical interpretation of the past, searching examination of the present and afford a medium for considered and independent opinion and for creative cultural expression."

Editorial Independence Cited

It is not intended to serve as an official organ of the WZO, although interviews with Hertzberg and Konvitz suggest that no organization can totally disassociate itself from a magazine it publishes. Kalman Sultanik, chief New York executive of the ZOA and a member of the Midstream board, supported the magazine's independence.

He said Midstream is an "independent journal. Even the editor has the right to express his own opinion. It is a signed article. Mr. Joel Carmichael expresses his own opinion, not the opinion of the editorial board nor the World Zionist Organization. And we are open to opinions to the contrary," Sultanik said in a telegram from Jerusalem.

But for Hertzberg, to allow the article's conclusions "to stand in a responsible Zionist journal given the Zionist movement a black eye," the issue, Hertzberg said, "is not him or me. The issue is the article. I refuse to let him make this into a leftwing, rightwing Zionist fight."

"His rightwing convictions are his own business," said Hertzberg, "and I have not run after him because of his political views. But he has the right as an editor to print whatever he wants provided that it is responsible. This is editorially irresponsible."

Board To Take Up Issue

The editorial board is expected to discuss the controversy created by the article's publication at its next editorial board meeting, scheduled for September. Konvitz said the editorial board does not review articles prior to publication, and that no one on the editorial board had read the Carmichael article prior to publication.

Konvitz said in a telephone interview from Cornell University where he is professor emeritus that the article does not speak for the WZO and that it represents the personal opinions of the author, "who happened to be the editor."

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JERUSALEM (JTA) -- The founder and longtime head of the America-Israel Public Affairs Committee (AIPAC), I.L. Kenen, was honored here this week with a grove planted in his name in the U.S. Independence Forest near Jerusalem. Jewish National Fund chairman Moshe Rivlin and JNF U.S. President Charlotte Jacobson were among the many guests at the ceremony, which marked Kenen's 80th birthday.