

GALILI, YESHAYAHU DROPPED FROM LABOR'S LIST OF KNESSET CANDIDATES

By David Landau

JERUSALEM, April 7 (JTA)--Veteran Cabinet Minister Yisrael Galili and Knesset Speaker Yisrael Yeshayahu were dropped today from Labor's list of Knesset candidates in a vote by the party's Central Committee. Others not elected at the meeting in Tel Aviv were Knesseters Ari Ankorian and Shalom Levin, also veteran party key men.

Those dropped were among the Laborites who, under an earlier ruling of the party's National Convention, required a 60 percent majority vote in the Central Committee to be included on the candidate list because they had already served two terms or more in the Knesset.

Galili, who is Minister-Without-Portfolio, fell narrowly short of the 60 mark, while Yeshayahu managed only 30-odd percent.

Among those easily re-elected were Defense Minister Shimon Peres, Foreign Minister Yigal Allon and former Foreign Minister Abba Eban. The man who came out on top, with 92 percent, was popular Jerusalemite Yitzhak Navon, a Sephardic leader and chairman of the Knesset Foreign Affairs and Defense Committee. All the ministers except Galili were re-elected. Former Defense Minister Moshe Dayan got 69 percent.

Some years back Navon ran unsuccessfully for election by the Central Committee as a candidate for President of Israel. The party then preferred Ephraim Katzir. But Navon's strong showing today, according to observers, virtually ensured him a Cabinet post after the elections--and high office if he chose to run for it again. (Navon also lost to Yeshayahu in the Labor Knesset faction for the post of Knesset Speaker.)

Complaints Over 60% Rule

Immediately after the vote there was a welter of complaints against the new 60 percent rule--not only, as might have been expected, from the men who lost out, but also from others who won. "Nowhere in a democracy is length of service a handicap if the people of the country still want you," Eban said. "Churchill served as an MP for more than 50 years and Gladstone for not much less." Yeshayahu said the 60 percent barrier was "too high" and the rule as a whole "unfair."

Another loser, veteran Haifa party leader MK Moshe Wertman pointed to the paradox that his party branch had overwhelmingly supported him for Knesset candidacy, and now the party Central Committee had thwarted the wishes "of hundreds of thousands of voters." Galili's reaction was not immediately known, but it was pointed out that he, too, was solidly supported by his party wing, the Kibbutz Hameuchad of Achdut Ha'Avodah, and now finds himself stymied by the Central Committee.

Galili, 66, has been Minister-Without-Portfolio since 1964 and is known as the formulator of all delicate or important government documents. He was second in command in the pre-State Hagana hierarchy and active as leader of Achdut Ha'Avodah since then. He can still,

theoretically, be appointed a minister in a new government since no minister except the Premier need by law be a Knesset member. **RABIN RESIGNS FOLLOWING PROBE INTO ILLEGAL BANK ACCOUNTS HELD BY HIM AND HIS WIFE IN WASHINGTON**

By David Landau

JERUSALEM, April 7 (JTA)--Premier Yitzhak Rabin announced tonight that he was resigning following an investigation into illegal bank accounts he and his wife, Leah, held in Washington. In a special radio announcement Rabin said he accepted full responsibility for the joint offense.

Rabin heads a caretaker government which cannot resign and must serve until the next general elections May 17. But his announcement almost certainly means that he will not lead the party in the next elections. Defense Minister Shimon Peres, Rabin's arch-rival, now seems to be the person to take the party reins.

Earlier in the day, a Finance Ministry administrative penalty committee fined the Premier and his wife IL150,000 for holding the illegal bank account, according to Maariv. The newspaper also reported that the Rabins held two accounts in Washington, not one, containing \$10,000 not \$200,000 as Mrs. Rabin had claimed.

Mrs. Rabin closed the account some weeks after a newsman discovered its existence. At the time she said there was \$2000 in it, deposited while Rabin was Ambassador to Washington, and she donated the money to charity for autistic children. The Israeli radio report today said that as far as it was known, there were no deposits into the account since the Rabins left Washington in 1973, only withdrawals. Under Israeli law, citizens of Israel must close all foreign accounts within six months of their return to the country.

Maariv said that at one point between March, 1973, when the Rabins left Washington and should have closed the account, and the present time, there was \$20,000 in the account. It was not clear from the newspaper report whether this referred to both accounts together. Mrs. Rabin, according to the Premier, took out sums of money during her several visits to Washington.

The penalty committee, according to Maariv, imposed an IL 100,000 fine on the \$10,000 that had apparently been spent over the years in the U.S., and another IL 50,000 on the \$10,000 that had been brought home after the affair was revealed by Haaretz some weeks ago.

New Embarrassments To The Rabins

The new embarrassments to the Rabins caused by these latest developments are, one, they show Mrs. Rabin was not telling the truth when she said there was only \$2000 in the account, and two, they show she was again inaccurate when she indicated that the account had been effectively dormant since they had left Washington and had been left open "by oversight," according to newspaper reports.

The Premier himself, expressly or by implication, confirmed all his wife's explanations of the affair and admitted that the account was

owned jointly by him. Suspicions were aroused early in the affair when Dan Margalit, the Haaretz correspondent who first discovered the account, reported that Leah Rabin's uncle in New York, to whom the bank sent periodic statements, had told him the account was used by Mrs. Rabin for "pocket money" during her frequent U.S. visits. This did not jibe with her explanation that the account had been inactive.

Likud Knesseters kept up pressure on the Finance Ministry to investigate the affair expeditiously and Rabin himself demanded that it be handled just the same as any ordinary case. However, in most ordinary cases, if the sum involved is more than \$5000, the file is turned over to the police for a criminal investigation which can result in charges being filed. The decision to turn over the file is one of discretion, and is usually in the hands of the Attorney General.

Meanwhile, Likud MK Yeheskel Flumin, who has spearheaded the opposition's involvement in the affair, has publicly called on the authorities to turn over the case to the police—as would, he said, be done normally when such sums were involved. It would be "absolutely wrong," Flumin said, to make do with the administrative penalty that had reportedly been imposed.

Political pundits, meanwhile, are seeking links between the account and the reports in 1973 that Rabin, while serving as Ambassador, had taken large fees for appearances at Bar Mitzvahs and other private Jewish occasions.

TWO JOURNALISTS ACCUSE YADIN OF SMUGGLING FOREIGN CURRENCY OUT OF ISRAEL; YADIN FILES LIBEL SUITS

By Gil Sedan

JERUSALEM, April 7 (JTA)--Uri Avneri, editor of Haolem Hazeh, and reporter Yigal Laviv, this week for the second consecutive week ran stories in the popular news weekly that Prof. Yigal Yadin, head of the Democratic Movement for Change, has smuggled foreign currency out of the country. They charged that Yadin was involved in a foreign currency and antiques export scandal in 1972.

Last week, Haolem Hazeh charged that the noted archaeologist had sold antiques to an American bank without the proper export license and without paying the necessary taxes. Laviv has also submitted an official complaint against Yadin to the police. Yadin, who filed a libel suit against the two journalists last week, filed another one this week.

Immediately after the original story was published, Yadin said that the antiques in question were exported by a Jerusalem antique dealer, after he had paid the necessary taxes. The exported antiques were part of a collection owned by David Rowen in the United States. A \$6000 check which arrived to the order of the Archaeological Institute at the Hebrew University at the time Yadin was its head, was endorsed to the order of the Jerusalem dealer, who deposited it in a local bank.

No Breach Of Law Seen

The Ministry of Education and Culture, which is in charge of antiquities, said there was no breach of law in this transaction.

But at a press conference in Tel Aviv Tuesday, Avneri insisted that even Yadin's own version of the story meant a violation of the law. Yadin was not authorized to transfer the check to another Israeli citizen, but had to deposit it

immediately in a local bank, Avneri charged.

"Furthermore," said Laviv, "this check turned up in the U.S. again, which means that Yadin is guilty of an illegal transaction in foreign currency. The penalty for smuggling \$6000 is a fine of \$18,000 and a three-year jail sentence," Laviv said.

Says It Is Pure Libel

Following the press conference by Haolem Hazeh, Yadin issued the following statement to the press: "Avneri's and Laviv's accusation that I smuggled foreign currency is pure libel. Both publicized this lie although they know full well that the check in question was deposited in a Jerusalem bank on December 25, 1972. The reverse side of the check was stamped both by the Hebrew University and by the Discount Bank."

Yadin also showed the press photocopies of the check and of a receipt from the Discount Bank in Jerusalem showing that the check had been duly deposited according to law. The photocopies also showed that the check was not made out to Yadin at all, but only to the Hebrew University Institute of Archaeology.

At the press conference Avneri insisted that the charge had no connection with the political rivalry between his Shell list and Yadin's movement. He said he would try to speed up legal steps against Yadin because otherwise he might be elected to the Knesset and enjoy parliamentary immunity. Yadin countered by instructing his attorneys to see that Avneri is brought to trial at the earliest, so that he would not escape justice either.

DUPONT BOARD URGING STOCKHOLDERS TO REJECT ANTI-BOYCOTT PROPOSAL

By Joseph Polakoff

WASHINGTON, April 7 (JTA)--The Board of Directors of I.E. DuPont de Nemours Companies is urging stockholders to reject a five-part proposal calling on the Board to report the company's current policy "with respect to compliance" with the Arab boycott of Israel. Among the points in the proposal, to be considered at the company's annual meeting in Wilmington, Del. April 11, is whether DuPont has agreed or will agree not to establish a plant in Israel or to enter into licensing agreements with Israeli companies.

The proposal also asked what steps the company has taken to assure that it will not tacitly refuse to do business with blacklisted firms or do business with Israel.

The stockholders who joined in the proposal are Alexander Annes, of Chicago; Boris Feinberg of Charleston, S.C.; Annabel W. Kaye, of Berkeley, Calif.; and Frances F. Buchsbaum, of Brooklyn, N.Y. Together they own 305 shares of DuPont stock.

They said they do not "oppose expansion of legitimate Arab-American trade" but "the effort of certain Arab governments to involve Americans in their boycott of Israel and to impose their anti-Jewish prejudices on the business community of the U.S. must be resisted." The proposal is part of an on-going effort by the American Jewish Congress to persuade companies to reject Arab boycott pressures.

Will Not Stop Dealing With Israel

In its recommendation to stockholders, the Board said: "Under no circumstances does

DuPont agree to refrain from dealing with Israel or refuse to deal with any person or entities because their names have appeared or may appear on any Arab League list of blacklisted persons or corporations." The Board also said that "the volume of business done by DuPont and its consolidated subsidiaries with members of the League of Arab States and Israel is insignificant" and "are quite similar in amount."

It added that "The fundamental purpose of this proposal (by the four stockholders) is not related to the advancement of DuPont's business but is an attempt to politicize our annual meeting and is not in the interests of our stockholders. Our annual meeting is not an appropriate forum for resolution of issues of this kind." The proposals and the Board's response are contained in the notice of the annual meeting.

Irving S. Shapiro, chairman of the DuPont Board of Directors and chief executive officer of the company, is chairman of the Business Roundtable which has been conferring with the Anti-Defamation League of B'nai B'rith for the establishment of a set of principals on which federal legislation to combat the Arab boycott may be based. It is understood, however, that friction has developed between the Roundtable and the ADL over the interpretation of principles.

PRESIDENT AND MRS. CARTER MARK PASSOVER AT LIPSHUTZ HOME

WASHINGTON, April 7 (JTA)--President and Mrs. Jimmy Carter participated in a traditional seder on the first night of Passover last Saturday night at the Washington apartment of his close friend and counsel, Atlanta lawyer Robert Lipshutz and Mrs. Lipshutz.

Lipshutz, who was president for three years of The Temple, a Reform congregation in Atlanta formed two years after the Civil War ended, led the service. The Union of American Hebrew Congregation's Haggadahs which have been in the Lipshutz family for years, were used. Both the President and Mrs. Carter read from them at the service. The usual symbols of the Passover seder were in evidence. It is believed to have been the President's first seder. Mrs. Carter, however, had attended a seder previously, at least once.

At the dinner, which lasted more than two hours, were Lipshutz's daughter, Judy and a stepson, Bobby Rosenberg; a cousin, Andy Marks, who is a Washington lawyer; Joyce Starr of the White House staff; and Robbie Altschuler, of Boston, a George Washington University student who is the son of Mrs. Harriet Altschuler Zimmerman. Both Dr. Starr and Mrs. Zimmerman served in the President's election campaign headquarters in Atlanta. (By Joseph Polakoff)

CAMPAIGN AGAINST SOVIET JEWS

NEW YORK, April 7 (JTA)--In a series of moves against Jewish prisoners, detainees and activists, Soviet authorities have launched a new campaign ranging over the entire USSR, the Greater New York Conference on Soviet Jewry reported.

The actions included the levelling of new charges against a Jewish Prisoner of Conscience an attempted arrest, stepping up of interrogations, new apartment searches, and the simultaneous firing of four refusniks from their jobs. The actions seem to bear out the words of Jewish activists a few weeks ago who expressed fear of an impending campaign of anti-Jewish hatred

throughout the Soviet Union, the Conference said.

In Moscow, the Conference learned that the home of Anatoly Sharansky's parents was searched for seven hours by KGB agents who claimed they were looking for foreign currency but eventually confiscated the Jewish activist's driver's license and military discharge papers. Sharansky, a leading press spokesman for Soviet Jewry, is being held in Moscow's Lefortovo Prison where he is being questioned on charges of treason and espionage. If tried and convicted, he would face the death penalty.

In Central Asia, the Conference reported, the newest Jewish Prisoner of Conscience may be facing additional charges even as he begins his three-year sentence. Amner Zavurov, a 26-year-old watch repairman from the Uzbek city of Shakhrizab, told his father in a prison visit that he may well be charged with assaulting and beating an Uzbek individual several months prior to his imprisonment. This incident is alleged by Soviet authorities to have occurred in March, 1976. Zavurov flatly denied any validity to the charges.

Try To Arrest Gendin

In Moscow, the Soviets tried to arrest a long-term refusnik on charges of parasitism. Lev Gendin, a young engineer whose wife has waited for him in Israel for several years, was away from his home when a policeman confronted his parents looking for the activist. He has since gone into hiding, according to the Conference.

Gendin was fired from his engineering job when he first applied to emigrate five years ago. He has since held odd jobs and most recently worked for a grocery store until the KGB pressured its management into firing him. He is now sought for the Soviet crime of being unemployed.

In Kharkov, Victor Lender was given an exit visa only to have it revoked a few days later without apparent cause. Lender is in a precarious situation as those in receipt of permission to emigrate generally sell their possessions, resign from their jobs (if they have not already been dismissed), and give up their apartments.

In Moscow, the Conference reported, four prominent activist-refusniks were fired from their jobs at roughly the same time. Pavel Abramovich, Iosif Bellin, Vladimir Prestin and Lev Ulanovsky--all without employment now--fear that they were fired as a pretext to charging all of them with parasitism.

INTERNATIONAL BIBLE CONTEST

NEW YORK, April 7 (JTA)--Seven Bible students, first and second prize winners in the U.S. National Bible Contest which was held in New York last year, are leaving for Israel April 12 to take part in the International Youth Bible Contest held annually in Jerusalem as part of the Independence Day celebrations. The contest will be held April 24.

The contestants are: David Glatt, Princeton, N.J., of Yeshiva University High School; Snader Ellach, Brooklyn, N.Y., of Yeshiva of Flatbush; Esther Schreiber, Brooklyn, N.Y., of Prospect Park Yeshiva for Girls; Miriam Sobolofsky, Riverdale, N.Y., of Ramaz High School, N.Y.; Stephanie Pollak, East Hanover, N.J., of Central Hebrew High School, South Orange, N.J.; Elliot Schwartz of Levittown, Pa., of Manhattan Hebrew High School, Riverdale, N.Y.; and Todd Werner, Minnetonka, Minn., of the Talmud Torah of Minneapolis.

BEHIND THE HEADLINES

SADAT'S LOST OPPORTUNITY

By Joseph Polakoff

WASHINGTON, April 7 (JTA)--When Joseph Sisco was the State Department's Middle East expert before becoming American University's president last summer, he was fond of saying that the Arab-Israeli conflict was a history of "lost opportunities." The latest of the losers appears to be Egyptian President Anwar Sadat. In his three-day Washington visit, with the world media focussed on him, political analysts saw him fumbling the finest chance of his long campaign to win over America by being a champion of a just Middle East peace.

Instead, analysts indicated, he chose to be a partisan advocate of his own country and his immediate interests without perceptible movement towards that full settlement of which he himself spoke of but failed to implement. The best pro-Egyptian American officials could say of Sadat's visit was that they were satisfied with the tone of his detailed talks with President Carter and would have "concepts and suggestions" to consider with his advisors in Cairo.

U.S. officials conceded that Sadat's visit did not move closer either the procedure for a conference or the substance for a settlement. In his approaches, Carter was negative to the continuing Arab conditions of Israeli withdrawals from post-1967 territories, a Palestinian state and recognition of the Palestine Liberation Organization before the Arab countries would go into a conference and allow Israel to exist, not as an equal neighbor but as a ghetto.

Carter's friendliness toward Sadat implied assurance of continuing economic support but little encouragement on the arms he sought. The impression is that Carter is deferring these decisions until after he hears the views of the leaders of Syria, Jordan, Lebanon and, especially and above all, Saudi Arabia over the next eight weeks.

A Ragged Finish

Analysts who saw Sadat's first brush with the Israeli press here during his press conference at Blair House Wednesday thought he finished looking ragged. He failed to satisfy those who looked for meaty responses to reporters' questions of why he "accepts" Israel "now" and what caused his change in "attitude" to speak of "normalization" with Israel.

His response was that when he accepted United Nations Security Council Resolution 242 and made his "peace speech" Feb. 4, 1971, it denoted his acceptance of Israel. This, however, was greeted with doubt in view of the fact that since then Egypt staged the Yom Kippur War, pushed anti-Zionism and the Arab boycott wherever possible and assailed Israel in the UN, UNESCO and other public forums.

The thinking here is that Sadat's statements accepting Israel and normalizing relations was designed to please the White House and Congress to obtain the economic and military assistance he needs to keep the lid on the unrest in Egypt. The Soviet threat from Africa against Egypt, which Sadat referred to, was described by one Israeli journalist as "a transparent red herring made of clear plastic."

Another Israeli journalist found a different loophole in Sadat's campaign to seduce Washington. Since Sadat "accepts" Israel, he asked, why not exchange Israeli and Egyptian journalists. The Egyptian leader's response was negative and

blamed his people who, he said, are not ready for that. This led some reporters to note that his government is too weak for even such a minor shift in Egypt's attitude. If that is the case, it was ventured, how can Sadat make the necessary concessions for an agreement in Geneva?

Moderation Not Apparent

For years, Sadat has been progressively cultivated and publicized by the Western media and political leaders since he is regarded as the key to "moderation" towards a resolution of the Arab-Israeli conflict. But Sadat was disappointing in his "moderation." He talked of the "end of the state of belligerence" and not of the peace Carter had outlined. He asked for U.S. "pressure" on Israel to let the PLO into the political process and urged the U.S. to open a "dialogue" with the PLO. But he made no gesture of cordiality like assurances of an end to political terrorism, the harboring of terrorists and the propaganda and economic warfare.

Sadat spoke of solidarity and advancement among the African Arab nations last month while everybody who heard him knew they also had attacked Israel, upheld the PLO even while that terrorist group continues to demand the dismantling of Israel.

Nevertheless, faith continues that Sadat may still prove to be the principal Arab political figure capable of constructing a Mideast peace. He is still President of 40 million people in the key area of the world's crossroads. All can be forgiven, analysts said, if Sadat on his return to Cairo can reflect on his lost opportunity and take steps, tiny as they must be at first, that can lead to an improved climate at least between Egypt and Israel. Perhaps, some noted, he is waiting to see what other Arabs tell Carter before he edges closer towards "moderation."

CHARGES DROPPED AGAINST SALANSKY

NEW YORK, April 7 (JTA)--Four months of interrogations against leading refusenik Dr. Naum Salansky ended dramatically today as the Vilna Prosecutor signed a document dropping charges of "anti-Soviet slander" against the 40-year-old physicist, according to the Student Struggle for Soviet Jewry and Union of Councils for Soviet Jews. The information was received in a phone call by the Detroit Committee for Soviet Jewry. The prosecutor told Salansky that he would "soon" be able to rejoin his mother in Israel, who is dying of face cancer.

According to the three groups, "Salansky was a cause celebre among Soviet Jewish refuseniks. He was caught in a nightmarish web of accusations that he 'slandered the USSR for its treatment of Jews,' based on letters, many of which he never wrote, and others which were only personal or part of his application for an exit visa. The dropping of the charges again vindicates the power of public opinion and represents a victory for the many legislators, scientists and people of goodwill who fought for his release."

NEW YORK (JTA)--Eugene Gold, National Conference on Soviet Jewry chairman, announced that Solidarity Month for Soviet Jewry will take place nationwide from May 1 to June 12 under the auspices of the Conference.