CABINET CONFERS
By SYDNEY GRUSON Special to The New York Times
New York Times (1857-Current file); Jun 12, 1967; ProQuest Historical Newspapers The New York Times (1851 - 2002)
pg. 1

CABINET CONFERS

Sets Up Committee to Administer Territory Won From Arabs

By SYDNEY GRUSON
Special to The New York Times

TEL AVIV, June 11—Israel reported tonight that 679 of her soldiers had been killed and 2,563 wounded, 255 of them seriously, in the three-front war they fought against the Arab countries. The war began Monday morning, and fighting did not end until the guns went silent in Syria at 6:30 P.M. (12:30 P.M., New York time) yesterday.

No breakdown of the casualties by fronts was made. But it is known that Israeli soldiers met particularly stiff resistance from the Egyptians in the Gaza Strip in the opening hours of the war, and in the capture of the hills on the Syrian frontier.

The dead in the 1956 campaign against Egypt in the Sinai Peninsula was put at 172.

Loss Is a Heavy Blow

Figures for Egyptian and Syrian casualties are not available, but Jordan has announced that she lost 15,000 dead in the war.

The Israeli casualty figures in the latest round of Arab-Israeli fighting may seem small, but in this tiny land of less than 2.5 million people, the loss of so many of its youngest and finest men is a heavy blow. The blood spilled will strengthen Israel's determination not to give up lightly the fruits of military victory in the diplomatic aftermath of the war.

The Cabinet met in Jerusalem today to consider for the first time the problem incurred in having conquered territory four times the size of Israel.

It established a committee under Finance Minister Pinhas Sapir for the administration of occupied enemy territories, and named David Horowitz, governor of the Bank of Israel, to fix exchange rates for the Jordanian dinar and Egyptian pound in the occupied areas.

On the bigger issues that will be fought in the United Nations and other diplomatic fronts, the Cabinet is reported to have confirmed the following rough outline of Israeli policy:

¶A peace settlement will be sought to replace the 1949 armistice agreements that Israel signed with Egypt, Jordan, Syria and Lebanon after the 1948 war of independence.

¶Negotiations will be sought directly with the Arab states rather than relying on any new

Continued on Page 18, Column 1

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.

DIPLOMATIC FIGHTS LOOM AS WAR ENDS

Cabinet Sets Up Committee to Administer Territory Seized From Enemies

Continued From Page 1, Col. 8

United Nations machinery, or the good office of powers outside the region.

No territory captured by the Israeli forces will be returned unless the Arabs recognize Israel's rights of access from the Red Sea to Elath, her southern port, and Israel's right to complete military security.

Government Is United

The Government is united in what it expects many countries will see as a "hard" policy, but which is described here as the only realistic policy available to Israel after the spilling of blood in three wars against the Arabs within 20 years.

All was quiet on the military front. Israeli reporters touring the north said they had seen or heard nothing to support Soviet charges in the United Nations Security Council that Israel was violating the cease-fire.

The entire southwestern corner of Syria, up to lines running from Masadah, El Quneitra and Butmiyah, fell to Israeli armor and infantry in about 30 hours of bitter fighting.

With the conquest, the string of border settlements were safe from Syrian shelling for the first time in Israel's history. Some of the kibbutzim showed the scars from the pounding they had taken during the fighting, in which Israel defeated the armies of the United Arab Republic and Jordan.

Waiter Fought in Sinai

Some of the men who fought and won the battle are already back in civilian life. A smiling waiter in the Tel Aviv Hilton, for example, apologized this morning because he had not been available to deliver breakfast all week.

"I was in the Sinai," he explained, as though it were the most natural thing in the world to bring around breakfast a day after he was part of an army that crushed about 150,000 Egyptians, supported by perhaps 1,000 tanks.

Thousands of prisoners have been taken by the Israelis, but thousands of Arab soldiers are being allowed to try to get to their homes on foot.

The prisoners are getting Israeli Army rations. "It's not bad eating for them, but it's kosher," an officer observed.

In Sinai, the Israelis began hauling away abandoned Egyptian tanks and weapons, most of them modern and Soviet-made. Col. Moshe Pearlman, an army spokesman, said that 500 abandoned or damaged tanks had been counted and that there might be as many as 600 to 700 still in the desert.

The Israelis may never have had any serious doubts about their ability to defeat the Arabs militarily, but they seem fearful that their diplomats will not do as well as their generals.

The Arabs, badly beaten on the field, have already begun their diplomatic offensive, with the United Nations as the main battleground, but also in their foreign offices around the world.

Support of U.S. Sought

The Israelis make no effort to hide their desire and even need for help in the diplomatic struggles now under way, particularly help from Washington.

They know that the Soviet Union, which has already broken relations, is against them. They are fearful that what they describe as traditional pro-Arab sympathies in the British Foreign Office will begin to be felt, and they are uncertain of President de Gaulle's policies.

In this situation, they feel that Washington's support is vital to bring about a fundamental settlement in the region. According to reliable reports received here, King Hussein of Jordan has already told the United States that, somehow or other, Jordan must be given back the territory she lost if the country is to have a chance to survive.

American diplomats in the Arab world, according to these reports, are being reminded of American pledges to uphold the territorial integrity of all countries in the Middle East. There is hope here that Washington and other capitals will remember that the Arabs were trying to liquidate Israel, not merely bring about border changes.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.