

CEASE-FIRE SPURS HOPES OF AN EASING OF U.S.-ISRAEL TENSIONS

By David Landau

JERUSALEM, July 26 (JTA) -- The cease-fire on the Israel-Lebanon border has spurred hopes here of an easing of tensions between Jerusalem and Washington, tensions which were exacerbated by the Israel Air Force bombing of Beirut during the "mini-war" with the Palestine Liberation Organization.

At the same time, the government is bracing itself to rebut criticism at home over its handling of the fighting and of the diplomatic efforts that led up to the cease-fire. Labor Party chairman Shimon Peres has charged that the cease-fire, announced by U.S. special envoy Philip Habib last Friday, could have been attained a week earlier.

On American-Israeli relations, Israeli optimism was encouraged by the tone and content of a message received by Premier Menachem Begin last night from Secretary of State Alexander Haig congratulating him on the cease-fire.

Reagan's Message To Begin

"The President," Haig wrote, "has asked me to convey his deep personal gratification and congratulations on your efforts to help bring stability to the region and a de-facto ceasefire."

"We fully realize the difficulty of the decisions your government has made to take risks in the interest of promoting peace and stability in the region. The de-facto cease-fire is fragile and must be strengthened. We are confident that with your essential help we can move together to stabilize conditions further and bring a greater measure of security to the citizens of Israel and Lebanon than they have known for years." Haig sent similar messages to President Elias Sarkis of Lebanon and to Crown Prince Fahd of Saudi Arabia.

The last passage in Haig's letter to Begin appeared to foreshadow American efforts to obtain a broader and deeper resolution of the on-going political turbulence and violence in Lebanon. Israeli sources say they expect Habib, who left for Washington to report to Reagan on the cease-fire, to return to the Mideast soon to continue his efforts to defuse the Israel-Syria crisis which resulted from the deployment of Syrian anti-aircraft missiles in eastern Lebanon.

Criticism On The Home Front

On the home front, the government is facing criticism on three separate counts in connection with the fighting and the cease-fire. One is that the policy of massive bombing -- especially the raid on PLO offices in residential Beirut -- was militarily ineffective and politically highly damaging to Israel. "The PLO scored points ... Israel lost in the court of Western opinion," Peres said in a weekend statement.

Other elements of criticism are that the cease-fire could have come earlier and thus avoided the casualties and damage of the last few days of fighting; and that Israel in effect struck a deal -- albeit indirectly -- with the PLO and thereby gave the PLO a significant political victory.

In a television interview, Foreign Minister Yitzhak Shamir sought to head off each of these charges. The agreement, he stressed, was made with Habib whom Israel had empowered to negotiate with Lebanon's President. "The government obligated Philip Habib not to enter into any contact with the PLO," Shamir stressed. The Foreign Minister added that the PLO itself declared that it had refrained from any contact with the U.S. envoy and had dealt solely with the United Nations.

Involvement of the PLO

Nevertheless, diplomatic sources in Israel said this was special pleading since it was clear to all concerned that the PLO, as the other combatant, was involved throughout in the diplomatic efforts to reach a cease-fire. Habib, they noted, spent much of his time in Saudi Arabia and both Israeli and PLO sources agreed that the Saudis played a key role as middle-men.

Moreover, Habib's effort was conducted in close coordination with parallel efforts by the UN, both in New York and in the region. UN officers here met with PLO chief Yasir Arafat in Beirut and with Israel's Deputy Defense Minister Mordechai Zipori in Tel Aviv. Now that the cease-fire has been obtained, it is the UN observers who are monitoring adherence to it.

Shamir Refutes Charges

On the time element, Shamir denied in his TV interview that there had been any procrastination by the government. He said, "We received this (Habib's) proposal several days ago. We had to deliberate, to consult ... We made our suggestions to Habib. He went to Beirut and to Riyadh. He returned, and the moment he had a proposal we gave our answer."

On the Beirut bombing and its political aftermath, Shamir stressed that "We did not bomb Beirut. We bombed PLO headquarters in a certain neighborhood in Beirut. Of course, there are occasionally adverse reactions to actions that we take ... by people who are not in the same situation that we are in. For the U.S. and other nations this is but one detail of the general international landscape. For us it is a war for survival."

Shamir said Israel regretted all civilian casualties. But every war caused casualties, and "We warned this time that we would not refrain from attacking terrorist bases and headquarters, even if they seek sanctuary amidst civilian populations. And you must also realize that the same people who live in the buildings that house their headquarters are people connected in one way or another with the Palestinian organization's activities."

Summing up the entire episode, Shamir asserted that it represented "a noteworthy achievement for Israel." He said the PLO had been prevented for more than a year from infiltrating its men into Israel and had been forced to shell and launch rockets from deep inside Lebanon as the sole means of attacking Israel. "If the (cease-fire) agreement ends this too, then it is a very noteworthy achievement for the State of Israel," he said.

EVRON, ARAFAT DENY THE CEASE-FIRE MEANT ISRAEL AND THE PLO NEGOTIATED WITH OR RECOGNIZED EACH OTHER

By David Friedman

WASHINGTON, July 26 (JTA) -- Both the Israeli Ambassador to the United States and the head of the Palestine Liberation Organization denied strongly in nationally televised interviews today that the cease-fire agreed to last Friday meant that Israel and the PLO had negotiated with or recognized each other.

Ephraim Evron, the Israeli envoy, said on CBS-TV's "Face the Nation" that Israel agreed to the "cessation of hostilities" after U.S. special Ambassador Philip Habib assured Israel Friday there would be "no acts of violence against Israel across the border" from Lebanon.

Evron noted that Israel has always held the government of Lebanon responsible for actions that originate from its territory, including the present cease-fire. "We hold them responsible for events in Lebanon," the envoy said. "We do not negotiate with the PLO."

He noted that it was the Arab countries that permitted the PLO to operate from Lebanon. "We certainly cannot accept a situation when an independent group can operate without any restrictions against us with the object of killing us, murdering Israelis." Evron said the cease-fire will hold as long as the PLO does not resume shelling of northern Israel.

Arafat Outlines Conditions

In an appearance from Beirut on ABC-TV's "Issues and Answers," PLO chief Yasir Arafat said the PLO accepted the cease-fire in response to requests from the United Nations Secretary General Kurt Waldheim and the Security Council. He said there were no negotiations with the U.S.

But Arafat said the PLO has "the right to organize ourselves," although he denied that additional weapons and ammunition are being sent to the terrorist forces in south Lebanon. He said the PLO would not recognize Israel until the Jewish State recognizes Palestinian rights which he defined as the right to return to their "homeland," the right of self-determination, and the right to establish a Palestinian state.

But Arafat denied that the PLO was seeking the destruction of the Jewish State. Instead he said he offered Israel "two solutions," a Palestinian state in any part of the area from which Israel withdraws or a "democratic state" in which Jews, Christians and Arabs will live. However, he declared that the Palestinians as an "occupied people" has a right to continue terrorist actions against Israel.

Both Evron and Arafat maintained that the cease-fire included the Christian enclave in south Lebanon.

Arafat said he did not know what direct role Saudi Arabia played in achieving the cease-fire, although he said the Saudis and other "Arab brothers" had helped the Palestinians.

Evron said that Israel did not consider the Saudis as "moderates" as did the U.S. since Saudi Arabia was in the "vanguard of hostilities to Israel." But he said if recent actions by the Saudis demonstrated a change in their policy, Israel "will be happy."

Arafat praised the Soviet Union for its "support of our rights." He warned President Reagan that there cannot be a solution for the Middle East without considering Palestinian rights. The Pales-

tinians are the "irreversible figure in the Middle East equation," Arafat maintained.

ELEMENTS OF THE CEASE-FIRE ACCORD

By David Landau

JERUSALEM, July 26 (JTA) -- The cease-fire on the Israel-Lebanon border technically covers Israeli aerial surveillance flights over Lebanon but in practice the United Nations will not regard these flights as a serious violation. This was made clear over the weekend by top UN sources here. The UN coordinator in the region, Gen. Emmanuel Erskine of Ghana, met here Friday with U.S. special envoy Philip Habib to discuss the cease-fire and terms for its implementation.

Habib informed Erskine that the cease-fire would cover the Christian militia of Maj. Saad Haddad. Israel had undertaken to ensure that they, too, would observe the cease-fire. But by the same token, if the Christians were shot at, Israel would see this as a material violation of the cease-fire.

As far as is known here, the cease-fire provides for a "cessation of military actions" across the border in either direction "by sea, air and land." It does not refer to reinforcement or buildup of PLO forces in south Lebanon and UN sources conceded over the weekend that this "could be a problem" later.

Israel has made it clear that it would strike again if its intelligence-gathering operations showed that the PLO was reorganizing and reinforcing its positions in south Lebanon under cover of the cease-fire. UN sources said that if they found this to be going on they would "immediately take up the matter" with PLO chief Yasir Arafat, as a buildup would plainly be in contravention of the interests of stability and quiet in the region. However, it was unclear to what extent, if at all, the UN would regard such a buildup as a violation of the cease-fire.

LIFE IN NORTHERN ISRAEL IS RETURNING TO NORMAL

By Hugh Orgel and David Landau

TEL AVIV, July 26 (JTA) -- Life is returning to normal in the towns, villages and agricultural settlements in northern Galilee -- but slowly and with widespread skepticism that the cease-fire which went into effect Friday would last very long. The skepticism was shared by Gen. Avigdor Ben-Gal, commander of the northern region, who said yesterday that he considered the situation "more of a temporary truce than a cease-fire."

Indeed, the cease-fire was violated three times within its first 24 hours. The Popular Front for the Liberation of Palestine-General Command, headed by Ahmed Jabril and supported by Libya, fired Katyusha rockets and artillery into northern Israel and at the Christian enclave in south Lebanon. There were no reported casualties and neither Israeli nor Christian forces replied.

The return to normalcy in northern Israel means repairing the damage done by 11 days of almost incessant rocket and artillery fire. As residents emerged from bomb shelters in Nahariya, Kiryat Shemona, Metullah and a score of kibbutzim and moshavim in Upper Galilee, they set about calculating the material costs. The cost in lives is well known and cause for bitterness. Six persons, including a 16-year-old boy, Shimon Dayan, were killed by terrorist rocket and shell fire.

The sixth victim -- 65-year-old Ashraf Malouf -- was killed by a rocket burst in Kiryat Shemona only an hour before the cease-fire went into effect. Fourteen other residents were wounded. Malouf was buried today. Housing Minister David Levy eulogized him on behalf of the government. But his grieving family at the gravesite shouted, "We don't want a cease-fire. We want revenge."

Upper Galilee is an agricultural region. For the local populace, the damage to crops and the destruction of thousands of trees planted by the Jewish National Fund is the saddest of all material losses. In Nahariya, a popular seaside resort hit by rockets at the peak of its summer tourist season, the economic losses are most keenly felt. Hotel keepers are offering generous discounts to guests who interrupted their vacations, if they return, and to others who cancelled reservations.

Israelis and foreign tourists are being urged to visit Nahariya as a sign of confidence. Similarly, residents of the border towns and villages who packed up and left at the height of the bombardment have been urged to return to their homes as quickly as possible if only to deny the terrorists a moral victory. Most have come home, but there are waverers.

Announcement Of The Cease-Fire

The cease-fire went into effect at 1:30 p.m. local time on Friday. At that hour "all hostile military actions between Lebanese and Israeli territory in either direction will cease," U.S. special envoy Philip Habib announced in Jerusalem, with Premier Menachem Begin standing at his side. Begin confirmed Habib's announcement. "The government of Israel has endorsed the statement just made by Philip Habib, the emissary of the President of the United States," he said.

The announcement followed a drama-filled morning at the Prime Ministers Office. First, Begin met with Habib who had just flown in from Saudi Arabia. Then he convened a surprise Cabinet meeting which lasted two hours. Habib returned to the Prime Ministers Office to learn from Begin that the Cabinet had approved the cease-fire.

Israeli officials were anxious to avoid any impression of a deal with the Palestine Liberation Organization. They stressed repeatedly that the announcement did not contain the words "cease-fire." They were not used either by Habib or Begin because "cease-fire" implied an agreement between the two parties to a conflict, the officials explained. They insisted that Israel had made no agreement with the PLO which it continues to regard as a terrorist organization not to be negotiated with directly or indirectly.

What Israel has done, the officials said, was to respond to a call from the U.S. Habib negotiated with the government of Lebanon which, in turn, had been "in contact with other parties," apparently a euphemism for the PLO. Israel policy makers plainly fear that the PLO will make political capital out of the entire episode -- the two weeks of bloody fighting followed by a negotiated truce.

Differing Views Of Cease-Fire

The first senior government official to try to explain the truce to the public was Education Minister Zevulun Hammer. He said, on an Israel Radio interview Friday, that "The Cabinet was not prepared for any direct arrangement with the terrorists but we were ready for some pacification and peaceful relations on the northern border. In fact, the formulation agreed to refers to a pacification between Lebanon and Israel."

However, Shimon Peres, chairman of the opposition Labor Party, said today that the government gave way to American pressure to agree to a cease-fire. "The government knows that a cease-fire is not peace and they know that the negotiations were actually with the PLO," Peres said.

PLO chief Yasir Arafat reportedly agreed that the cease-fire would include the conflict between the Palestinians and Maj. Saad Haddad's Christian militiamen in south Lebanon. Israel Radio reported that Israel agreed to see to it that Haddad's forces observe the truce.

Chief of Staff Gen. Rafael Eitan said yesterday that the PLO accepted the cease-fire "because they had been broken or were on the point of breaking following Israel's massive blows." But according to Eitan, the PLO will take advantage of the halt in hostilities to regroup and replenish their arms from Syria, the Soviet Union and Libya.

Gen. Ben-Gal summed up the situation as he saw it. "I hope the calm will continue, but my experience of this front makes me skeptical about it lasting. I regard it more of a temporary truce than a cease-fire. I presume that if the terrorists shoot at us, we will shoot back ... But such a cease-fire is not the way we can solve the problem of the clash between Zionism and the Palestine movement," he said.

Deny PLO Captured Israeli Soldier

A footnote to the weekend's events was a claim by the PLO that an Israeli soldier had been taken prisoner during a commando raid on Lebanon. The El Fatah news agency in Beirut published a picture yesterday of a man identified as the soldier, David Menashe.

The Israeli army denied that any of its men had been lost in recent raids and a check of their records showed no such soldier. The army suggested that the PLO may have picked up a photograph dropped by a soldier and decided to use it for propagandist purposes.

U.S. TO SEE IF CEASE-FIRE HOLDS BEFORE RESUMING DELIVERY OF F-16s By David Friedman

WASHINGTON, July 26 (JTA) -- The Reagan Administration has indicated that it will not decide whether it will resume deliveries of F-16s to Israel until it can determine if the "cessation of hostilities" across the Israeli-Lebanon border announced Friday holds.

"We are going to be watching the situation very carefully in the hours, days, and perhaps weeks ahead," Secretary of State Alexander Haig said in an interview on CBS-TV "Morning News" program Friday.

Haig said the review of whether Israel violated its arms agreement with the United States in the Israeli raid on Iraq's nuclear reactor has been largely completed. He said that President Reagan decided to withhold deliveries of F-16s last week because he concluded that in the "environment" existing in Lebanon it would have been "inappropriate for the President to go ahead and send that kind of lethal equipment into Israel."

Reagan had been expected to give the go ahead on July 17 to the shipment of four F-16s suspended after the Israeli raid on Iraq June 7 as well as six more F-16s scheduled to go to Israel this month. But that day was also when Israel struck against terrorist headquarters in Beirut, causing many civilian casualties, and the Administration decided to suspend shipment indefinitely.

Meanwhile, the White House said that Reagan sent a telegram to his special envoy, Philip Habib, expressing the President's "deep appreciation," for Habib's achievement in reaching an end to the violence across the Israel-Lebanon border. Reagan sent Habib to Jerusalem just hours after Israel's bombing of Beirut.

At the State Department, it was stressed that the "cessation of hostilities" agreement did not mean that Israel or the U.S. had abandoned their refusal to deal directly with the Palestinian Liberation Organization.

tion. State Department spokesman Dean Fischer said that Israel agreed to terms proposed to it by Habib. He refused to give any details of the agreement.

Fischer stressed that the PLO responded to terms from various other parties. He refused to name all of them but said as Haig did that they included Saudi Arabia. Habib was in Saudi Arabia for the last two days prior to the cease-fire agreement. The PLO, in announcing that it had agreed to stop firing into Israel, said it accepted the request of the United Nations, particularly its commander in Lebanon, William Callaghan.

Haig indicated that Habib will now turn his attention to the crisis which he had been dealing with earlier -- that of easing tension caused by Syria's placing of SAM-6 anti-aircraft in Lebanon and Israel's threat to remove them by force. Haig also said that Habib's efforts would be expanded to cover all the problems in Lebanon. "I think all these problems internally in Lebanon are aspects of the peace efforts that Ambassador Habib is going to deal with and has indeed been dealing with," Haig said.

Fischer explained later that Habib will be working toward the long-term U.S. goal of seeing Lebanese authority return to all of Lebanon. He said the Administration will also be moving now to work on the Camp David process, including talks on autonomy for the Palestinian people.

But he said it has not been decided whether Habib will be the negotiator on the Mideast peace process since the Administration may not necessarily want "a Linowitz-type" one-man negotiator for the Mideast peace process. Sol Linowitz was President Carter's special envoy on Mideast negotiations.

U.S. Not Reviewing Arms Violation In Beirut Raid

Haig, in his television interview, turned away suggestions that the Administration review whether Israel violated its arms agreement with the U.S. by using American-made weapons in its strikes against terrorist bases in Lebanon.

"There are two sides to this situation," he said. "There are rockets, Katyusha and 130-millimeter artillery rounds that have been falling in Israel with equally grave consequences to innocent non-combatants and these are the mutually, escalating conditions that leads to conflict in the first instance. Now, our concerns are strictly involved in trying to return to a state of moderation, status quo ante, and to get on with the process which is vitally important to all the parties -- and that is the return to peace."

SQUADRON MEETS WITH BEGIN TO DISCUSS U.S.-ISRAEL RELATIONS AND RELATIONS BETWEEN ISRAEL AND AMERICAN JEWS

By Gil Sedan

JERUSALEM, July 26 (JTA) -- Howard Squadron, chairman of the Conference of Presidents of Major American Jewish Organizations, said here today that the Conference is scheduled to meet Wednesday in New York to hear his report of his current visit to Israel. Squadron, who is due to return to New York tomorrow, met twice with Premier Menachem Begin over the weekend to discuss relations between Israel and the United States and between Israel and American Jewry. He also met with Foreign Minister Yitzhak Shamir.

Squadron, who was accompanied at his meetings by Yehuda Hellman, executive director of the Presidents Conference, flew to Israel Thursday night at Begin's invitation after the Conference met in New York where it adopted a unanimous state-

ment which urged President Reagan to immediately resume delivery of F-16 fighter planes to Israel. (See Bulletin of July 24).

Following his meeting with Begin today, Squadron said he was under the impression that Israel would not make it a regular policy of bombing targets located within dense civilian population centers. However, Begin made no promises regarding Israel's future policy in fighting the terrorist organizations.

Speaking to reporters, Squadron said Israel's bombing of Beirut July 17 would not permanently damage relations between Israel and the Reagan Administration, nor would it affect Israel's relations with the American Jewish community. However, he added, this might have long-term repercussions on Israel's relations with Congress.

He suggested that pro-Israel forces in Washington would have to work hard with Congressmen and Senators for many months to come to explain the plight of Israel's border settlements in the north during the past two weeks to give the proper background for the Israeli military actions in Lebanon. At the same time, he suggested, Israel should stress its regret over civilian losses in Beirut.

"Drastic military actions cannot be made without taking into account the political implications, especially in the U.S.," Squadron said. However, he added, if one has to take such measures, one should prepare the proper political background overseas so that Israel's friends can cope with the situation.

Squadron noted that world public opinion maintains double standards in regards to Israel. Whereas American television showed very poignantly the suffering of the civilians in Beirut -- such as the picture of the father holding his dead daughter -- the suffering of the Israelis was not shown in the same way. He said that the world expects Israel not to do things it has grown accustomed to see others do.

AMERICAN FIRED FROM JOB, SENT HOME FOR ALLEGED ANTI-SEMITIC REMARKS

By Hugh Orgel

TEL AVIV, July 26 (JTA) -- The administrative director of an American firm building a new Israeli air base in the Negev which is to replace one in Sinai under the peace agreement with Egypt has been dismissed and sent home after he made anti-Semitic remarks, it was reported today by Israel Radio.

According to the report, Don Bast, administrative director of the U.S. firm, Air Base Contractors (ABC), allegedly said during a quarrel with the wife of an American Jewish engineer that "Hitler should have finished the job he started" as well as other anti-Semitic and derogatory remarks against Israel. Both the wife and her husband, whose names were not disclosed, complained to a senior official of the Defense Ministry. Upon hearing the complaint, the Defense Ministry official dismissed Bast and ordered him to return to the U.S.

Officials of the ABC have protested the dismissal, claiming that the facts of the case were not as described by the Jewish engineer and that the charge of anti-Semitism is groundless. Bast left Israel last Thursday.

* * *

PARIS, (JTA) -- Ernesto Mila Rodriguez, a suspect in the bombing of the Rue Copernic synagogue last October which killed four people, was released by French police Sunday after three days of questioning. Police said they were convinced the Spanish national, known to have close connections with neo-Nazi groups, did not take part in the bombing. Rodriguez, 24, was named in the French and Spanish press as the motorcycle driver who left the bomb in front of the crowded Paris synagogue.