

# **CHAIRMAN OF POWERFUL KNESSET UNIT SAYS PARTITION OF LEBANON IS UNAVOIDABLE AND NECESSARY** By Gil Sedan

JERUSALEM, Oct. 31 (JTA) -- Eliahu Ben-Elissar, chairman of the Knesset's Foreign Affairs and Security Committee, contended today that the partition of Lebanon was both unavoidable and necessary.

Ben-Elissar made his remarks at a session of the committee where Premier Yitzhak Shamir voiced strong objections to the U.S. plan to arm a Jordanian task force which would be part of the American rapid deployment force poised to protect the Persian Gulf.

Shamir, stressing that Israel's opposition to the American plan was in accordance with its long-standing policy against arming any Arab state that maintains a status of belligerency with Israel, denied reports that Israel had negotiated with the U.S. for possible compensation if it withdrew its objections.

## **Denies Threat Of Indefinite Occupation**

Shamir also denied reports that he had threatened Lebanon with indefinite Israeli occupation if it abrogated the withdrawal and security agreement the two countries signed last May 17.

Ben-Elissar said that both Syria and Israel have interests in Lebanon and therefore that country should be divided, cruel as it would be. He maintained that any other solution would be detrimental to Israel. Ben-Elissar, who was Israel's first Ambassador to Egypt and a protégé of former Premier Menachem Begin, is one of the most influential of the younger members of Herut. He expressed his views on Lebanon as that country's warring factions were about to open a meeting in Geneva aimed at national reconciliation. (See separate story.)

Geula Cohen, of the Tehiya party, claimed the U.S. arming of Jordan would lead to war against Israel. "If such a war breaks out, we shall fight back the Jordanian army in a war of defense to the Gilead mountains and Amman," she said. Yossi Sarid, a Labor Alignment dove, promptly accused Cohen of calling for Israel's occupation of Jordan.

## **LEBANESE NATIONAL RECONCILIATION TALKS FORMALLY BEGIN IN GENEVA** By Tamar Levy

GENEVA, Oct. 31 (JTA) -- Leaders and supporters of the Lebanese government and of the warring factions opposing it formally opened their conference here today, under the chairmanship of President Amin Gemayel, aimed at national reconciliation. They are scheduled to hold their first working session tomorrow.

The conference will attempt to resolve differences that led to 10 years of bloody civil war in Lebanon with a death toll in the hundreds of thousands. The differences themselves in some cases relate to centuries of strife between the various Christian and Moslem sects incorporated into the Lebanese state which the French carved out of their Syrian mandate in 1943.

Syria and Israel, whose forces occupy different parts of Lebanon -- and the United States which has been trying to mediate the conflict -- are directly interested parties.

No conference agenda has been announced. But one of the major issues is the fate of the U.S.-orchestrated withdrawal and security agreement signed by Israel and Lebanon last May 17 but still not ratified by the Lebanese government. The leaders of the four Moslem and Christian opposition groups want the conference to scrap the agreement. Backers of the Gemayel government oppose this demand to a greater or lesser degree.

Pierre Gemayel, the 78-year-old founder of the Christian Phalangist party and father of President Gemayel, backs the accord to the hilt. Other government supporters appear lukewarm.

One of the most vehement opponents of the pact is Druze leader Walid Jumblatt. Another, Nabith Berri, a representative of the Shiite Moslem Amal group, told the Jewish Telegraphic Agency today that "Before we can start discussing Lebanon's future, we must rid ourselves of the past and especially of the humiliating agreement signed with Israel last spring."

Former Lebanese President Suleiman Franjeh, leader of a Christian faction opposed to the Gemayel regime, suggested that the United Nations adopt resolutions to replace the May 17 agreement.

Syria has long been exerting pressure on the Gemayel government to repudiate the accord with Israel and is expected to continue to do so at the conference where the Syrian Foreign Minister, Abdel Halim Khaddam, has observer status. Another observer is the Saudi Arabian Minister of State for Foreign Affairs.

The U.S. is represented by special Mideast envoy Richard Fairbanks who reportedly will be available for consultation but will not be present in the meeting hall.

## **Israeli Diplomat Meets With Faction Leaders**

There is no official observer for Israel. But Lebanese sources said today that an Israeli diplomat, not identified, is now posted "somewhere in the Geneva region" and has met with the leaders of several factions.

The sources said these included Jumblatt who was clearly warned not to press demands for a clear break with Israel but to take a moderate approach for the sake of both countries. The Israeli reportedly held his private meetings at Montreux where Jumblatt was staying prior to his arrival in Geneva today.

## **Prisoner Exchange Discussed**

It was reported here, meanwhile, that Israeli and Palestinian representatives have renewed their talks aimed at an exchange of prisoners. The Palestinians hold eight Israeli soldiers captured in the war in Lebanon last year. Six are prisoners of the Palestine Liberation Organization and two are held captive by the Popular Front for the Liberation of Palestine -- General Command, headed by Ahmed Jibril. The Palestinians reportedly turned down an Israeli offer to exchange some 1,000 Palestinian prisoners for their eight soldiers.

According to the Swiss Telegraphic Agency, these meetings are being held in Geneva. The PLO is represented by Samal Sorani, a member of its executive

committee and Jibril's group by Omar Shehabi. The Swiss news agency did not identify the Israeli representatives.

The talks have been hampered by the PLO's internal strife. There is a lack of communications between PLO chief Yasir Arafat's supporters, now surrounded by dissidents in northern Lebanon and their representatives in Western Europe. The Palestinians nevertheless claim they can deliver the Israeli prisoners safely if an agreement is reached. The International Red Cross has not been involved in the negotiations.

#### EITAN FORMS NEW POLITICAL MOVEMENT By Hugh Orgel

TEL AVIV, Oct. 31 (JTA) -- Former Chief of Staff Rafael Eitan has formed a new political movement known as Tzomet (Advanced Zionism) which advocates a firmer and wider Israeli hold over the West Bank and the Golan Heights.

His supporters in the new movement are members of the so-called "Ein Vered" and "Ben Gurion" ideological groups made up of present and former extreme hawkish members of the Labor Party.

Eitan said there were no present plans to transform what he stressed was at the moment a "movement" into a political party which might contest Knesset elections. But he did not rule out such a development. The new movement appears to be closely akin to the Tehiya Party but the former Chief of Staff hinted he would not necessarily join up with that party.

Observers suggested Eitan had formed the movement to serve as a springboard for him to enter politics, preferring to do so on the basis of his own party, which he would lead, rather, than as a lower-ranking member of an existing party.

#### RUSH RESUMES TO BUY FOREIGN CURRENCY By Gil Sedan

JERUSALEM, Oct. 31 (JTA) -- Israeli investors, demonstrating a marked lack of confidence in government-backed bank shares, resumed their rush to buy foreign currency today even though the price was much higher than before the 23 percent devaluation of the Shekel earlier this month.

There were long queues at the banks where Dollars and other foreign currencies were being sold. But money exchangers in East Jerusalem said the demand was nothing like the panic buying before devaluation. Nevertheless, the renewed liquidation of bank shares forced the government to allocate another \$80 million to maintain their value.

So far this month, the Treasury has poured \$280 million into the share market, thereby increasing the overall money supply. This is the exact opposite of the government's declared policy to cool off the economy and ease record inflation.

#### Angry Public Reaction

Investors apparently do not believe the Treasury can continue propping up bank stocks and are switching to Dollars. There was also an angry public reaction today to the decision by commercial banks to increase interest on credit by 25 percent. Dan Propper, a member of the presidium of the Manufacturers Association, warned that reduced credit and higher interest would cut off investment in industry and slow down economic growth.

According to figures released today by the Association of Chambers of Commerce, the effective interest on overdrafts will go as high as 250-320 percent annually. It presently stands at 126 percent.

Overdrafts allow bank customers to write checks in excess of amounts in their checking accounts, for which privilege they are charged a high rate of interest. The chambers of commerce said the business community could not cope with such rates and noted that many retailers are experiencing a slump in sales.

Bank sources said the interest rates were hiked because the predicted rate of inflation is much higher than previously anticipated. Inflation is expected to rise by 40 percent in the last quarter of the year, largely because of the devaluation of the Shekel.

#### GOVERNMENT, HISTADRUT AGREE ON A BROAD ECONOMIC PROGRAM By Hugh Orgel

TEL AVIV, Oct. 31 (JTA) -- The government and Histadrut have agreed on a broad economic program which Finance Minister Yigal Cohen-Orgad hopes will lead to a "social contract" between labor, management and the government. The accord was announced after a meeting of more than three hours between the Finance Minister and Histadrut Secretary General Yeruham Meshel and their aides here today.

The trade union federation appears to have emerged with a substantial victory in the form of a promise by the Treasury that all previous agreements will be honored. This means there will be no change in the present system of pegging cost-of-living increments at 80-85 percent of the quarterly rise in the price index. Former Finance Minister Yoram Aridor had attempted to reduce the c.o.l. allowance but ran into stiff opposition from Histadrut.

Other elements of the package include a pledge that every effort will be made to spread the tax burden equitably so as to reduce its impact on the poorer segments of society. Labor and government also agreed to cooperate to narrow the country's balance of payments gap by promoting exports and reducing imports. They are pledged to avoid unemployment as far as possible.

Today's meeting was conducted in a better atmosphere than had been expected. The clash forecast between the trade union movement and economically conservative Likud administration failed to materialize. The participants said the agreements in principle will be translated into detailed policy after Cohen-Orgad meets with representatives of business and manufacturing in the next few days.

#### LIKUD, LABOR FORM ALLIANCE AFTER MUNICIPAL ELECTIONS IN TEL AVIV By Hugh Orgel

TEL AVIV, Oct. 31 (JTA) -- The new Likud-Labor alliance formed after last Tuesday's municipal elections in Tel Aviv agreed early today to admit three religious bloc members to the coalition which will govern Israel's largest and overwhelmingly secular city.

The announcement came after a prolonged debate which reflected in tense pressure applied by the Likud-led government in Jerusalem. Premier Yitzhak Shamir reportedly insisted that the religious elements be included and Finance Minister Yigal Cohen-Orgad was said to have threatened to freeze funds earmarked for the municipality unless this was done.

The elections were an easy victory for popular Likud Mayor Shlomo Lehat over his Labor Alignment challenger Dov Ben-Meir. But Lehat's party won only 14 seats in the 31-member City Council to 10 for Labor.

The two parties agreed to join forces and could have governed without the smaller factions. The Religious Front, a joint list of the National Religious Party and Aguda Israel, dominated by the latter, won only three seats.

The leftist Shinui faction garnered two seats and one each went to the Independent Liberal Party and peace advocate Abie Nathan's Apan(Seamens) faction, all secular in outlook. The religious parties were clearly the minority but national coalition politics prevailed.

The Religious Front immediately issued demands to preserve the sanctity of the Sabbath, prevent the distribution of pork in the city and ban "obscene advertising posters." They offered no definition of obscene.

Menachem Porush, of the Aguda Israel, hailed the agreement as a victory for his party and accused the non-religious of trying to impose their way of life on the observant minority. Mordechai Virshovsky of Shinui said that it will now be up to the small minority parties to maintain the rights of the overwhelmingly non-Orthodox populace as it appears that the religious will have their way. The Mapam wing of the Labor Alignment threatened to pull out of the coalition in protest against what it called "religious blackmail."

But Labor runner-up Ben-Meir, now first deputy mayor, said the agreement did nothing more than preserve the status quo between religious and non-religious elements. If so, the score or so movie houses and other places of entertainment which have slowly, almost clandestinely opened on Friday nights, will remain open and a limited charter bus service, a subsidiary of the Dan bus cooperative, will provide transportation to the beaches on the Sabbath.

This may not be the case, however. Lehat has already agreed to close down two movie houses on Friday night as a gesture to the Orthodox.

#### RESCUE OF FALASHAS LINKED TO SUCCESS OR FAILURE OF U.S. FOREIGN POLICY

By David Friedman

ARLINGTON, Va., Oct. 31 (JTA) -- Rep. Tom Lantos (D. Calif.) linked the rescue of Ethiopian Jews to the success or failure of U.S. foreign policy worldwide. It would be "naive" to believe that Ethiopian Jewry can be helped if U.S. foreign policy fails in other areas, Lantos told more than 200 persons attending a luncheon during the First National Conference on Ethiopian Jewry of the American Association of Ethiopian Jewry (AAEJ) here yesterday.

"The fate of our Ethiopian brothers and sisters, in the final analysis, is tied to the success or failure of the U.S. in the global arena," Lantos maintained. He mentioned Lebanon as a case in point, warning that failure of U.S. policy in Lebanon would lead to the failure of U.S. policy elsewhere, including Ethiopia. In that connection he stressed the need for the U.S. to remain in Lebanon despite pressures to pull its troops out.

Referring to the plight of the Falashas -- Ethiopian Jews -- Lantos declared that his experience as a Jew in Hungary during World War II heightened his concern to see that the fate of Ethiopian Jewry is not ignored.

"I know what it means to have the silence and the non-action of those who would be able to speak out and act forcefully and courageously and effectively, only to see them avert their eyes," the California Congressman said. He pledged to see to it that Congress keeps the issue before the American people and the world.

The two-day conference here included a discussion of the condition of Jews in Ethiopia and how they are being absorbed in Israel. Several Falashas appeared at the conference to relate their personal experi-

ences. At the luncheon, one Ethiopian Jew, introduced as "Menachem", a pseudonym used to protect members of his family in Ethiopia, said he fled that country only three months ago.

He said life there for Jews was "miserable". Jews could not practice their religion and were unable to make a living, he said. He reported that because of conditions in Ethiopia, the Falashas were being split and scattered all over the country.

Dr. Graenun Berger, founder and a former president of the AAEJ, presented the group's first award for "heroism in the rescue of Ethiopian Jewry" to Henry and Mildred Rosenberg of New York. He said they were the first couple to involve themselves seriously in trying to get Jews out of Ethiopia. The group, whose current president is Nathan Shapiro, will conclude the conference today with visits to Senators and members of the House.

#### ANTI-SEMITIC MAYOR IS DEFEATED FOR RE-ELECTION

TORONTO, Oct. 31 (JTA) -- Jim Keegstra is no longer Mayor of Eckville. The former high school teacher who taught his classes that the Holocaust never occurred and that Jews were behind all evil in the world, was decisively defeated for re-election in the Alberta farming community 65 miles southwest of the provincial capital, Edmonton.

The vote was 278-123 in favor of Keegstra's challenger, Harold Leach, with 92 percent of the town's eligible voters casting ballots. While Keegstra's blatant anti-Semitism was not an issue in the campaign -- there are no Jews in Eckville -- it definitely hovered in the background. Townspeople resented the adverse publicity generated when Keegstra's views were exposed to the world media a year ago and felt he had tarnished the reputation of Eckville.

Keegstra, 53, was fired from his teaching job last December after parents complained that he was indoctrinating their children with race hatred. One parent instrumental in his ouster, Margaret Andrews, was one of the five new members elected to the Town Council. She is the first Eckville woman ever to serve on that body.

Keegstra is a member of the Social Credit Party, a populist party once considered anti-Semitic but now said to reject such views. Nevertheless, he has been reinstated as an executive vice president of the party from which he was temporarily dropped last year.

The Royal Canadian Mounted Police recently completed a report following an investigation of Keegstra and he could face criminal proceedings for publicly promoting hatred of Jews if charges against him are pressed. The disciplinary committee of the Alberta Teacher's Association is considering a recommendation to Alberta's Minister of Education, David King, to revoke Keegstra's teachers license.

\*\*\*

PARIS (JTA) -- Ambassador Ovadia Sofer of Israel said in an interview published Sunday that the West should no longer back PLO chief Yasir Arafat. Sofer told Journal du Dimanche that with the dismantling of the PLO there was a good chance for negotiation on Palestinian autonomy. He said the real representatives of the Palestinians were those who lived in the West Bank and they should join in the Camp David peace process.

## THE JEWS OF GERMANY: A TALE OF TWO CITIES

By Milton Jacoby

WEST BERLIN, Oct. 31 (JTA) -- More than a wall separates the Jewish communities of West and East Berlin; they seem poles apart in terms of beliefs and objectives, attitudes and communication. Perhaps nowhere else in the diaspora are the differences so striking in contiguous Jewish groups, a conclusion reached by this reporter after a 12-day visit to this pivotal region.

Of the 28,000 Jews in West Germany, 6,500 live in West Berlin. However, almost half of the Jewish West Berliners have emigrated from the Soviet Union within the past five or 10 years and "they play no great role in the community because they were alienated for so many years," according to Heinz Galinski, director of the Gemeinde (Jewish community).

Galinski also revealed that his relations with his East Berlin counterpart, Dr. Peter Kirchner, are quite formal and remote. Indeed, Kirchner regretfully informed this reporter that he doesn't speak to Galinski, who later confirmed this statement and added that indeed he doesn't speak to Kirchner.

It seems quite evident that West Berlin Jewry may be in a sound financial and political condition, but its moral and psychological well-being is open to question. At the same time, East Berlin Jewry, now a pitiful remnant of some 200 "declared" Jews, is managing bravely, but will inevitably decline to 100 within the next five to eight years, and probably be extinct before the turn of the century.

### Pessimistic About East Berlin Jewry

Kirchner, 48, who works as a doctor in a large hospital, has been head of the East Berlin Gemeinde for the past 12 years. He is pessimistic about the future of his 204-member group, but he works steadily with the 84 younger people (those under the age of 60). They meet for services in a chapel of the Peace Temple (Reform) in the Rykerstrasse, built in 1904 for 2,000 Jews, destroyed during the Kristallnacht.

Kirchner calculates that for every "registered Jew" in East Germany, there are 10 others who are "closet Jews," because of Communist Party membership or careers in government service. He estimates the presence of another 200 "declared Jews" in seven other East German cities, including Leipzig, Dresden and Halle, all of whom are permitted to observe their faith.

The German Democratic Republic (GDR) grants the Jews of East Berlin 170,000 Marks to maintain the synagogue, community center, library and old-age home. As for the Weissensee Cemetery, with 115,000 graves, the state authorities spend 100,000 Marks for maintenance and disperse millions of Marks to repair the dilapidated walls encircling the celebrated cemetery. Classical Hebrew is taught at Humboldt University as part of its Middle Eastern studies, by Prof. Heinrich Simon.

Kirchner has friendly relations with the Secretary of State for Religious Affairs, a half-Jew who ceased practicing Judaism after 1939, and he is also on most cordial terms with the Magistrate of East Berlin, who dispenses civic funds for its handful of Jewish citizens.

Some of the elderly Jews are permitted by the GDR to visit Israel, but the remainder are discouraged from doing so. It seems apparent that East Berlin Jews

consider themselves to be German first. They are reconciled to live out their lives in the GDR, and thoughts of Israel can rarely be put into practice, except through the medium of prayer and observance. Kirchner told this reporter that there is little overt anti-Semitism, no desecration of temple or cemetery, and that no security is employed or needed.

One cannot but help admire the tenacity of Kirchner and his tiny band of members in struggling to keep the torch of Judaism alive and glowing in an alien region that was but a generation ago a strong bastion of world Jewry.

### West Berlin Jews Called 'Stagnant'

On the other side of the wall, Rabbi Ernest Stein, who ministers to the religious needs of West Berlin's Reform Jews -- by far the largest denomination, numbering at least 4,000 -- insisted that "we are not a community, but an organization. We have no inner vitality as a group, we have no real peace of mind. We are stagnant, hovering as we do between conviction that it was right to return to Berlin, and our feeling of impermanence and insecurity.

"Our future as a viable force is still very much in doubt. Most of our people are elderly, with no possible natural increase. Assimilation and intermarriage are reducing our numbers as well. Unemployment and economic problems aggravate the situation, and the thin veneer of good will on the part of non-Jews cracks when, as during the war in Lebanon, a wave of anti-Jewish sentiment came to the fore, including obscene telephone calls and distorted reporting on TV and in the press."

Stein, who spent his first years in Mannheim, Germany, and left in 1940, has lived in Israel, New York and London. He is an intense, charismatic figure, and speaks out bluntly and vigorously on all pertinent issues, including Israel. A severe critic of Israel's current administration, he insists that it is "my right and duty to criticize Israel when it does something wrong, just as I would criticize a member of my family for some objectionable activity." Unlike some of his colleagues, he has excellent relations with the East Berlin Jewish community, and gives it every support.

### A Great Success On The Material Level

At least on the material level, the West Berlin community is a great success. Its 6,500 members enjoy access to four synagogues. There is a fine kindergarten and a day center for older children, an old-age home, a senior citizen center, an institute for adult education, all types of cultural activities, a youth center, an imposing community center in the Fasanenstrasse housing a fine library.

Relations with the Berlin and West German government are very good, but the authorities are not obliged under law to be supportive; there is a delicate balance of good will linking the small number of Jews (there were 170,000 in Berlin in 1933) with Protestants, Catholics and the government.

Jews as well as other citizens pay a nine percent surtax as their religious contribution, and the government aids the Gemeinde to the extent of approximately one million Marks a year. The Gemeinde, in turn, supports Israel through the purchase of bonds, youth aliya, and substantial contributions to the "Machbit" and the Jewish National Fund.

The youth center has a summer program where 60 to 100 boys and girls over the age of 15 visit Israel during the long school holiday. However, there are more Israelis of German descent coming to Berlin than Berliners touring the Holy Land.