

**ARENS SAYS RECENT POLICY OF IDF NORTH OF AWALI RIVER IS TO PREVENT TERRORIST RE-INFILTRATION**  
By David Landau and Gil Sedan

JERUSALEM, Feb. 22 (JTA) — Defense Minister Moshe Arens sharply criticized the performance of the Lebanese army in its recent battles with Druze and Shiite Moslem militias. In most cases, the army did not put up a fight. Unlike the Druze and Shiites, the soldiers had no motivation, he told the Knesset's Foreign Affairs and Security Committee today.

Arens defended the recent policy of the Israel Defense Force to send armored patrols north of the Awali River line. He said the purpose was to prevent the return of Palestinian terrorists to territory evacuated by the IDF and the fact that there are no terrorists facing Israeli soldiers is proof of its success.

At a press conference yesterday, Arens insisted that Israeli military action north of the Awali and air raids on terrorist targets were not intended to bolster the regime of President Amin Gemayel in Beirut. "We are not his ally. We do not even have diplomatic relations," Arens said.

Observers interpreted his remarks as a reiteration of the government's claim that its policies and actions in Lebanon are intended solely to ensure the security of Israel's northern borders and have nothing to do with internal Lebanese politics and internecine strife.

**Possible Redeployment South Of Awali River**

Arens said an IDF redeployment south of the Awali River was not contemplated "at this stage" but he did not rule out the prospect. "The situation requires that we consider (our position) each month," he said. He rejected the idea that Israel would remain in south Lebanon permanently or even indefinitely.

But for the present, the IDF must be there because there is no prospect of a Lebanese government which could honor commitments to maintain security in the south, Arens said.

In his appearance before the Knesset panel today, Arens said that in a few instances, such as the battle for the Lebanese Christian stronghold of Souk Al-Gharb, terrorists fought alongside the Druze. But the Druze did not allow them to remain in the territory they took from the Lebanese army. He noted that the Druze and Shiites enjoy the support of the local population.

Arens said the government did not oppose the United Nations Interim Force in Lebanon (UNIFIL) as an element in the security of south Lebanon. But he pointed out that UNIFIL could operate only with the consent of all parties concerned.

Labor MK Mordecai Gur supported military operations against terrorists in Lebanon but maintained that military measures alone were insufficient and should be complemented by political moves. He suggested that Israel reach an understanding with the Syrians, even if Syrian forces stay in Lebanon.

Haim Druckman, a hardliner of the one-man Matzad faction in the Knesset, also supported talks with the Syrians. He proposed that Lebanon be divided into spheres of influence between Syria and Israel.

**JACKSON DOES IT AGAIN**  
By Yitzhak Rabi

NEW YORK, Feb. 22 (JTA) — The tense relations between the American Jewish community and the Rev. Jesse Jackson have been further strained in the last few days by an alleged slur by the Democratic Presidential hopeful to Jews as "Hymie" and to New York as "Hymietown," as well as to his call on Jewish leaders to repudiate the tactics of some Jewish groups that he said had tried to disrupt his election campaign.

Jackson's remarks about "Hymie" or "Hymietown" were reported by The Washington Post last week. But in a meeting yesterday with editors and reporters at the Post, Jackson said he had "no recollection" of making these statements.

But the Washington Post said it stood by its story that Jackson made his remarks in a conversation with its reporter Milton Coleman in a cafeteria at the Washington National Airport on January 25 during a discussion of foreign affairs. "At least one senior member of Jackson's staff has since acknowledged to a reporter hearing Jackson occasionally use the term 'Hymie,'" the Post reported today.

Nathan Perlmutter, the national director of the Anti-Defamation League of B'nai B'rith, said today that the term "Hymie" is "a derogatory term" and it is hoped that Jackson did not say it, as he now claims. "Words are the clothing in which thoughts come and that (Hymie) is an ugly thought," Perlmutter said.

**'Swinging Against Imaginary Jewish Enemies'**

As for Jackson's call on Jewish leaders to repudiate disruptive tactics by some Jewish groups, Perlmutter said: "Jackson is once again swinging at imaginary Jewish enemies." He noted that an advertisement by "Jews Against Jackson" in various newspapers, sponsored by the Jewish Defense League, "was deplored by a broad spectrum of Jewish organizations." Jackson "is either distorting the truth or doesn't know what he is talking about," Perlmutter said.

Rabbi Alexander Schindler, president of the Union of American Hebrew Congregations, said in a statement issued here today: "Jackson's charge that Jewish leadership has been reluctant to condemn extremism by the JDL is manifestly unfair. The UAHC, along with responsible Jewish leadership, has rebuked the JDL, now as in the past, for tactics which do violence to the democratic process and thus harm all Americans, including Blacks and Jews."

Continuing, Schindler said: "If we have been timid, it is rather in our failure forcefully to repudiate Jesse Jackson's inimical views, lest we fan the flames of a Black-Jewish confrontation on the American scene. We desire no such group conflict. We react rather to an individual candidate who happens to be Black but whose expressed words and deeds are injurious and offensive to us."

Howard Friedman, president of the American Jewish Committee, said: "We have repeatedly over the past several years condemned in unequivocal and unconditional terms those undemocratic tactics that have been used by some to interfere with the political campaigns of various people including Jesse Jackson."

**COHEN-ORGAD SUBMITS AUSTERITY BUDGET TO THE KNESSET FOR FISCAL 1984-85**

By David Landau and Gil Sedan

JERUSALEM, Feb. 22 (JTA) -- Finance Minister Yigal Cohen-Orgad submitted a 4.36 trillion Shekel (about \$22 billion) austerity budget for fiscal year 1984-85 to the Knesset today, predicated on a general lowering of living standards and increased unemployment until economic conditions improve. It was promptly attacked by the Labor opposition and some coalition factions are not altogether pleased.

Cohen-Orgad argued that his budget is based on confidence that Israel can overcome its economic crisis. But strong measures are necessary. Real wages will decline to the level of two years ago. The government however will offer a "flexible cost-of-living increment to avoid sharp fluctuations in real wages," the Finance Minister said.

Unemployment will rise to 6.5 percent of the work force. Some 8,000 jobs will be eliminated from the public service sector. Private consumption is expected to be reduced by 1.5 percent and exports to rise by 8.5 percent.

**20 Percent Cut In Defense Expenditures**

There will be a 20 percent cut in defense expenditures although the budget assumes that the Israel Defense Force will remain in Lebanon throughout the next fiscal year. The government will purchase less, pay smaller subsidies for basic commodities and services and will reduce social spending.

The budget assumes that prices will rise by 130 percent next year, although the Treasury says this is merely "a technical assumption" and prices may go higher. Another assumption is that the Shekel will be worth 192 to the U.S. Dollar. The present rate of exchange is about 100 Shekels to \$1 but the rate varies day-by-day.

There is no estimate in the budget of the inflation rate for the 12 month period during which it will be operative. It will, however, be subject to quarterly adjustments based on revenue and inflation. This is a break with past practice when the budget was amended every time inflation surpassed the forecast rate.

That change was opposed by some of Cohen-Orgad's colleagues on the Ministerial Economic Committee who warned that the Treasury would be occupied all year bargaining with the rest of the Cabinet over the budget. Labor and Welfare Minister Aharon Uzan is still not reconciled to proposed cuts in social expenditures. His Tami party has threatened several times to quit the Likud-led coalition if welfare payments are reduced.

On the touchy issue of settlement activity in the occupied territories, Cohen-Orgad said settlements in the West Bank, the Golan Heights and in Galilee as well would receive government assistance commensurate with their distance from the main population centers. He did not mention the establishment of new settlements but he did not suggest a settlement freeze.

**Labor MK Denounces The Budget**

Labor MK Gad Yaacobi, chairman of the Knesset Economic Committee, denounced the budget and expressed hope that it is the last budget that will ever be submitted by a Likud government. "What we are seeing in this budget is an acknowledgement that the economic bubble has burst. The illusions of the past three years have gone up in smoke and now there is a more sober mood," he said.

Yaacobi maintained that as a result of the economic crisis brought on by Likud, Israel's economic dependence on the United States is greater than ever. "It is not even a question of how much aid we will be able to receive," he said. "We are waiting to hear from Washington what our economic policy ought to be. This is a result of the trade gap and foreign debts which have swollen to unheard of proportions."

There was some good news on the foreign debt situation, however. The Bank of Israel released figures yesterday showing that the debt rose by 7.5 percent in 1983, half the increase of 1982. It still stands at some \$23 billion. The more moderate rise last year was credited to smaller overseas loans taken by the private sector in Israel. But most of the overall rise was blamed on the government.

**KLARSFELD APPEALS TO U.S. AMERICAN PUBLIC OPINION TO PRESSURE CHILE TO EXPEL NAZI WAR CRIMINAL RAUFF**

By Kevin Freeman

NEW YORK, Feb. 22 (JTA) -- Nazi-hunter Beate Klarsfeld today appealed to the United States and American public opinion to help pressure the government of Chile to expel Nazi war criminal Walter Rauff, responsible for the murder of thousands of Jews during World War II.

"What we can do in the case of Rauff is to mobilize public opinion," Klarsfeld told a news conference at the headquarters of the American Jewish Committee. In suggesting that the U.S. apply pressure on the government of President Augusto Pinochet, Klarsfeld said "dictatorships are always sensitive to pressure coming from abroad."

Klarsfeld's appearance follows her recent visits in South America to Chile, seeking support for extradition requests for Rauff to stand trial for war crimes, and to Paraguay, to ask the government to locate and expel the most notorious of Nazi war criminals, Josef Mengele, the doctor who carried out inhumane experiments on prisoners at the Auschwitz death camp.

**'Time Is Running Out'**

"Time is running out," Klarsfeld said. "These criminals are getting older and older and I think it is a question of justice that they just don't die in their beds in Santiago or in Paraguay."

Klarsfeld, a citizen of West Germany whose activities along with her husband, Serge, over many years helped bring other Nazi war criminals to justice, was arrested twice in Santiago for "disturbing public order." Her second arrest came when she led a small group of demonstrators outside the home of Rauff carrying placards calling him to be brought to justice.

Her trip to Chile coincided with an extradition request from Israel for Rauff. The request was denied on grounds that it would be inappropriate to expel the Nazi war criminal inasmuch as Chile's Supreme Court rejected a West German request in 1963 and because Rauff "has lived 20 years in peace since the Supreme Court ruling."

The 77-year-old Rauff, a former SS colonel, designed the mobile gas chamber trucks in which an estimated 200,000 Jews were killed before the death camps at Auschwitz, Treblinka and other sites were constructed to carry out the "final solution" on a vaster scale.

Klarsfeld maintained today that Rauff can be expelled to West Germany despite the Supreme Court's ruling because he is not a Chilean citizen and be-

cause he failed to disclose his past activities when he entered the country in 1958. In Santiago, where she met with members of opposition parties, Klarsfeld said she was told of an article contained in the Constitution which allows for Pinochet to expel political opponents. She said that just as Pinochet has expelled thousands of political opponents during his 10 years of military rule, he could also agree to extradite Rauff.

#### Told Mengele's Whereabouts Are Unknown

In Paraguay, Klarsfeld said the situation involving Mengele is more complicated. She said she was told by government officials that Mengele's whereabouts are unknown. Mengele did have citizenship in Paraguay until 1979 when the Supreme Court revoked it, declaring that he had been "unjustifiably absent" from the country for more than two years.

According to Klarsfeld, two officials in Paraguay—the Interior Minister and the Chief of the Supreme Court—assured her that if "Mengele was found tomorrow... he would be sent directly to Germany." West Germany made an extradition request for Mengele in 1962. The government issued a warrant for his arrest but said it could not find him.

Klarsfeld said the Mengele issue is considered a "hot problem" for Gen. Alfredo Stroessner's government for international reasons, one being that Stroessner would like to make an official visit to several European countries.

#### BI-PARTISAN SUPPORT IN CONGRESS FOR BILLS URGING U.S. TO MOVE ITS ISRAEL EMBASSY TO JERUSALEM

By David Friedman

WASHINGTON, Feb. 22 (JTA) -- Rep. Tom Lantos (D. Calif.) emphasized today that the legislation introduced in Congress to move the U.S. Embassy in Israel and the Ambassador's residence from Tel Aviv to Jerusalem is not a "symbolic gesture."

"We will make a full court press to expedite procedures on this legislation through both Houses so as to present the President with this legislation for his signature well before the November elections," Lantos said at a press conference at which he announced that Rep. Benjamin Gilman (R. N.Y.) and he had introduced the necessary legislation in the House yesterday.

Their bill is similar to the one introduced earlier in the Senate by Sen. Daniel Moynihan (D.N.Y.). A hearing on Moynihan's bill will be held by the Senate Foreign Relations Committee tomorrow.

Lantos said that if President Reagan maintains his principles in which he expressed his commitment to a united Jerusalem, he will sign the bill.

While the five Congressmen present at today's press conference stressed the bi-partisan support for the legislation in Congress, Rep. Robert Mrazek (D. N.Y.) noted that this was the "one year" when the President could be expected to sign it.

#### Urges End To The 'Hypocrisy'

Lantos called for an end to the "hypocrisy" that has existed in which the U.S. maintains "close relations with our friend and ally, Israel, but denies it uniquely the right to determine its own capital by refusing to have our Embassy located where it decided its capital should be."

Gilman said that "eight successive administrations -- each President since Truman, regardless of party--has been heedless of the need to move our Embassy to the actual capital" of Israel which has been

its capital since the establishment of the Jewish State." In no other country in the world is the U.S. Embassy situated outside the administrative capital," he said.

Rep. Bill Green (R. N.Y.) noted that although the U.S. does not recognize East Berlin as the capital of East Germany, its Embassy is located there. Lantos added that when Brazil moved its capital from Rio de Janeiro to Brasilia, the U.S. Embassy moved there, too.

#### Problem Of The U.S. Consulate In East Jerusalem

Mrazek also noted the particular problem of the U.S. Consulate in Jerusalem which, he said, has very little coordination with the Embassy and takes a different approach from the Ambassador. The Consulate, which reports directly to the State Department rather than to the Ambassador, has been accused of anti-Israel bias.

Gilman also brought up the U.S. government's refusal to have any official dealings with Israel in East Jerusalem. He noted that last June, a meeting between U.S. Deputy Attorney General Mark Richards and Israeli Attorney General Yitzhak Zamir -- on the possibility of deporting Nazi war criminals living in the U.S. to Israel -- was postponed indefinitely because the U.S. refused to meet in Zamir's East Jerusalem office.

Lantos rejected any claim that Congressional action would interfere with the President's Constitutional authority to conduct foreign policy. He said this was not conduct of foreign policy, adding that Congress always had the right to be included in the "formulation of policy." In addition, Congress has frequently acted on Consulates and in the past, for example, prevented a previous administration from closing some consulates.

Rep. Philip Crane (R. Ill.) said that in 1980 he sponsored similar legislation as part of an appropriations measure but this was rejected by his colleagues as an "irresponsible" method. Lantos and the others warned that if the current legislation is vetoed by the President, they would tie the Embassy move to an appropriations bill.

Lantos and Gilman noted that both the Democratic and Republican parties have supported the Embassy move to Jerusalem in their past convention platforms and expressed confidence that they would do the same this year. Lantos noted that several of the Democratic candidates are co-sponsors of the Moynihan bill and that former Vice President Walter Mondale has made a commitment that the Embassy move would be one of his first acts if he is elected President.

#### SHULTZ FAVORS MAY 17 ACCORD

WASHINGTON, Feb. 22 (JTA) -- Secretary of State George Shultz said yesterday that Syria's actions in Lebanon proved that it did not oppose the May 17 Israeli-Lebanese agreement because it felt it encroached on Lebanese sovereignty but because Syria objects to any Arab agreement with Israel.

"Some of the things that Syria is now demanding in Lebanon make an absolute mockery of Syria's concern that anything in the Lebanese-Israeli agreement infringes on Lebanese sovereignty," Shultz said in an appearance before the Senate Budget Committee.

"They care very little for Lebanese sovereignty, but they care a great deal about to prevent, if they can, a reasonable relationship between an Arab government and Israel." Shultz said "I'm proud" of the May 17 agreement and added "I haven't got any problems saying I favor that agreement."

## FASCISM IN FRANCE IS BECOMING A REAL AND PRESENT DANGER

PARIS, Feb. 22 (JTA) — The resurgence of fascism in France has become a real and present danger, for many of the same reasons that fascism enjoyed a considerable following here in the 1930's depression era before World War II — social discontent, large-scale unemployment and racial prejudice.

The fascist National Front Party won hundreds of new members following the appearance of its leader, Jean-Marie Le Pen on a television panel show February 13, watched by at least 10 million people. Long queues were seen outside the party headquarters.

Asked by reporters why they were joining the extreme rightwing group, most of those in line said they were impressed by Le Pen's frankness, especially his remark that Jews in France were over-protected compared to other citizens.

### Defends Traditional Values

They also claimed that Le Pen was the only one on the panel to defend traditional values and they agreed with him that immigration must be severely curtailed in order to protect France's cultural heritage.

Le Pen professed to have nothing against Jews personally. But he told the millions of television viewers that he could not understand why they needed more protection than others, disregarding the terrorist attacks on synagogues and other Jewish premises in recent years in which lives were lost and scores of people were injured.

He insisted that no one could accuse him of being an anti-Semite simply because he had no taste for the art of Marc Chagall or for the policies and activities of former Prime Minister Pierre Mendes-France or Health Minister Simone Veil, both Jewish.

Asked why he has not condemned those of his followers who have repeatedly made vulgar anti-Semitic remarks, Le Pen replied he could not restrict their freedom of expression. "I take my friends with their qualities and their faults," he said.

### Basic Themes Of The National Front

"Present," the organ of the National Front, has constantly attacked Socialist Justice Minister Robert Badinter, who is Jewish, and Veil, the former for his reforms and the latter for promoting the abortion law. The newspaper has also expressed concern that too many Jews hold key posts in the government and administration, not only in France but elsewhere in the world.

In February, 1979, "Present" claimed that Jews are back in command at all levels. The National Front is also using the themes of violence and unemployment to recruit followers from among people dissatisfied with present conditions. It is campaigning vigorously in suburban areas where there has been a recent influx of immigrant workers. It calls for the expulsion of Arab migrant workers, hammering home that two million Frenchmen are unemployed.

Although the National Front offers no program for the future and plays openly on personal hatreds and fears, observers here believe the phenomenon it represents must be taken seriously, particularly since leaders of opposition conservative groups have agreed to seek Le Pen's cooperation on certain issues. If the party continues to gather adherents at its current pace, the danger of fascism as an important force in French politics cannot be discounted, the observers say.

## PERUVIAN JEWISH COMMUNITY PROTESTS HITLERITE PUBLICATION

LIMA, Peru, Feb. 22 (JTA) — The Peruvian Jewish community has publicly denounced the promotional campaign being conducted for a serialization in the country of a flattering biography of Adolf Hitler, the World Jewish Congress reported.

In a forceful editorial, "La Union," the news organ of the Asociacion Judia del Peru, protested the appearance and sale nationally of the Spanish-language work entitled "I, Hitler" and subtitled "The First Photographic Biography of the Leader of Nazism." The Asociacion is the central representative body of Peruvian Jewry and the WJC affiliate here.

Dr. David Behar, president of the Asociacion, sent a letter of congratulations to the editor of the magazine "Caretas," one of whose columnists "had minced no words, and in harsh and cutting terms, had alerted public opinion with regard to this grotesque publicity campaign."

The editorial in La Union pointed out that the Hitlerite biography is a compilation of material whose contents are utterly anti-Semitic and anti-Democratic. The editorial, signed by Saba Shel Yoab, also noted the ominous fact that, except for Caretas, this dissemination of Nazi propaganda had not brought forth the slightest reaction from "the democratic and juridical sectors of the country."

## PROFESSOR SAYS MERCHANT OF VENICE IS NOT FOR JUNIOR GRADE STUDENTS

By Ben Kayfetz

TORONTO, Feb. 22 (JTA) — Students below Grade 12 should not be studying Shakespeare's Merchant of Venice because of its anti-Jewish stereotypes, according to a Carleton University linguistics professor. Dr. Aviva Freedman said the play helps "create and perpetuate" the image of the Jews as evil money grubbers.

Younger students, she pointed out, are not mature enough to read the work without perhaps being influenced by it. "They don't have the intellectual sophistication to be able to see Shakespeare was using a stereotype of his time," Freedman said. She plans to present a brief later this month to the Board of Education of Lakehead, northern Ontario, urging it to stop having this play taught in a Grade 10 class.

This year only one school in the northern Ontario city of Thunder Bay is teaching The Merchant of Venice, but that's one too many, said Penny Grief, who is Jewish. She intends to ask the Board to drop the play entirely. Before the play was read in school, her daughter had never heard disparaging remarks about Jews, Grief said. But afterwards, two students who were given an assignment to describe what would constitute an ideal world spoke in derogatory terms about Jews within earshot of her daughter, Grief said.

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JERUSALEM (JTA) — An international Jewish gathering to mark the 40th anniversary of the defeat of Nazi Germany will be held in Jerusalem in May. The decision to hold the event in Jerusalem was taken by the Cabinet Sunday, on the recommendation of the Ministerial Committee for Ceremonies chaired by Energy Minister Yitzhak Mordechai. Some 100,000 people are expected to attend, 20,000 of them guests from abroad.